



HENRY McMASTER
GOVERNOR

January 8, 2018

To the People of South Carolina and Members of the General Assembly:

I submit to you my Executive Budget for 2018-19.

South Carolina is on the cusp of unprecedented prosperity. In 2017 alone, we announced more than 17,200 new jobs from over 120 economic development projects, representing \$4.78 billion in new capital investment - beating 2016 by more than \$1 billion and over 5,000 jobs. Our unemployment rate is 3.9% - the lowest since 2001. More people are working than ever before. Yet, there remains much to be done.

The recent tax reform bill passed by Congress and signed into law by President Trump was a great victory for American taxpayers and our economy. As a result, many companies in South Carolina have already announced reinvestment and provided raises for employees. The elimination of the federal deduction on state income taxes makes it more important than ever for states like ours to cut taxes and enact serious reform.

South Carolina has the highest income tax rate (7%) of all states in the southeast and the 12th highest in the nation. With new changes in the federal tax structure, we must move quickly to maintain our state's superior ability to attract new jobs, capital investment, and economic opportunity. The time has come to remove the burden of our high income tax rate.

My executive budget proposes an income tax cut for every South Carolinian that will eventually total \$2.2 billion after five years. It will be phased in over the next five years and will gradually reduce the tax rate a full 1% for every state income tax bracket. The first year's cut is \$139 million. That means \$139 million which would have been taxed out of your paycheck will instead stay with you. We can do this without cutting government services.

Additionally, this executive budget permanently and fully exempts military veterans and retired first responders, including state and federal law enforcement, firefighters, and peace officers, from paying state taxes on retirement income. There's no way we can pay the men and women in uniform for the true value of the duties they perform for our state and our community. But this is one way we can show our gratitude and appreciation for their service: by easing the financial burdens of retirement.

Prosperity also requires that we continue increasing our commitment and investment to a skilled and trained workforce. We want bigger paychecks - and more of them - for South Carolinians, and we

understand that career and financial success can be achieved through internships and apprenticeships beginning in high school and continuing into higher education with associate's degrees and certificates from technical colleges, as well as four-year bachelor's degrees and beyond.

This budget provides tens of millions of dollars in new investment for enhanced workforce development initiatives aimed at increasing exposure to the high-paying skilled trade jobs that are in demand by employers all across our state. It also increases access to the training and educational opportunities available to start a career.

The Workforce Partnership initiative will incentivize local businesses, technical colleges, and high schools in rural areas of our state to collaborate on internship, dual credit, and certificate programs designed to develop a skilled labor workforce to meet the needs of businesses and manufacturers. New investments for Workforce Scholarships and Grants will provide financial assistance for certificate programs at our state's nationally acclaimed technical colleges.

Our state's workforce development strategy must also include investment into our criminal justice system. A key component to breaking the cycle of recidivism is the power of a job. Workforce training and re-entry programs at the Department of Corrections, Department of Juvenile Justice, and the Department of Probation, Parole and Pardon Services are designed to provide the skills and training to those who have paid their debt to society and earned release so they can get and keep a job in the community.

The challenges and changes of the 21st century economy require that we re-evaluate our education delivery system and the definition of success or failure. This budget makes a significant investment in education by raising the base student cost for our traditional K-12 system, while recognizing the value of investment in charter schools, which provide parents the choice and opportunity to select an education that best suits their children.

Too often we have seen crime and violence find their way into our schools and classrooms. Fear inhibits learning. A safe learning environment can be enhanced by the presence of a certified, trained police officer as a shield against disruption and tragedy. This budget provides \$5 million for a need-based grant program for school resource officers. Every school in every county should have a trained police officer on campus all day, every day.

School safety also requires safe transportation to and from school. My executive budget doubles the Department of Education's current recurring appropriation for its school bus leasing program and requires those funds to be used for the sole purpose of replacing the inadequate school buses that remain in the state's fleet, starting with the fire-prone and most dangerous.

Recently, I declared a public health state of emergency to bring the full power of the state's emergency management infrastructure, health care apparatus, and law enforcement resources to bear in responding to the growing opioid epidemic. This budget dedicates more than \$10 million for treatment, prevention, and education efforts by numerous agencies participating in the Opioid Emergency Response Team.

This budget also recognizes the tremendous difficulties our state health care agencies face in providing increased access to treatment while maintaining cost containment and efficiency. The increased demand for autism spectrum therapy requires an investment of state and federal funds to provide greater

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access for families. The budget also provides additional resources for our state's children's hospital network for medical treatment of child abuse victims.

Public safety priorities include "sanctuary city" enforcement and paying our State Troopers overtime pay for protecting us during hurricanes, floods, and other disasters. The demand for modern forensics analysis requires investment in a new laboratory at the State Law Enforcement Division and our correctional facilities require resources to hire and retain additional prison guards.

Maintaining the public's trust in government requires transparency and accountability. The Ethics Commission requires a significant investment in resources for their expanded enforcement and investigative mission, paid for by an increased registration fee for lobbyists.

State government can no longer afford to continue buying and owning buildings and vehicles that depreciate and are very costly to maintain. This budget requires state agencies to begin leasing, renting, and consolidating administrative services. This will save money, create efficiencies and improve effectiveness.

One year ago, it was the greatest of honors for me to begin service as Governor of South Carolina. With that office comes a broad set of responsibilities, foremost among them a duty to serve as a steward of the public trust – a duty I share with the members of the General Assembly. We have many opportunities and challenges ahead of us, but if we work together I am confident that we will accomplish great things.

The success and prosperity we see today is a reflection of an enduring philosophy we all share – one based on strength and self-determination, celebrated and championed by the people of the Palmetto State. I am proud to serve as your Governor, and privileged to work with the General Assembly as we endeavor to build an even brighter tomorrow.

Yours very truly,



Henry McMaster

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Executive Budget FY 2018-19

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Budget Process

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Preparing the FY 2018-19 Budget

July 2017	<ul style="list-style-type: none">• Governor's Office began to develop instructions and templates for the upcoming fiscal year.
August	<ul style="list-style-type: none">• Executive Budget Office (EBO) transmitted instructions and templates to state agencies and universities.
September	<ul style="list-style-type: none">• Agencies submitted their requests to EBO, which distributed copies to Governor's Office, plus House and Senate staffers.
October	<ul style="list-style-type: none">• Governor's Office met with agencies and universities to discuss their requests.
November	<ul style="list-style-type: none">• Board of Economic Advisors (BEA) released the revenue estimate upon which the Governor's Executive Budget is based.
December	<ul style="list-style-type: none">• Governor's Office analyzed budget requests and prepared budget drafts.
January 2018	<ul style="list-style-type: none">• Governor releases FY 2018-19 Executive Budget.• House Ways and Means Subcommittees begin formal deliberations.
February	<ul style="list-style-type: none">• Full House Ways and Means Committee takes up the budget.
March	<ul style="list-style-type: none">• BEA revises its revenue forecast.• House of Representatives debates and passes the budget.
April	<ul style="list-style-type: none">• Senate Finance Committee begins its deliberations.• Senate debates and passes the budget.
May	<ul style="list-style-type: none">• Conference Committee convenes.• House and Senate adopt Conference Committee report.
June	<ul style="list-style-type: none">• Governor acts on budget; General Assembly takes up any vetoes.

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Budget Themes FY 2018-19

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TAX RELIEF

Summary. The 2018-19 Executive Budget proposes tax relief for South Carolinians in the form of:

- A 1% rate reduction over five years for all personal income tax brackets, which will result in \$2.2 billion in taxpayer savings through the course of implementation, starting with an immediate \$139 million cut that is paid for and certified in this budget;
 - An immediate and full retirement income exemption for military veterans and first responders, including retired state and federal law enforcement, firefighters and peace officers, representing \$22 million in relief the first year.
-

Nothing kills prosperity quicker than overtaxing and overregulating. While in office, Governor McMaster has consistently reaffirmed his commitment to lowering the tax burden on South Carolina's businesses and its citizens, vetoing the largest tax increase in state history (the "Gas Tax"), enacting a double-digit tax cut for small business owners (reducing the unemployment insurance tax by 10.2%) and vigorously supporting President's Trump's tax reform package, which puts more money in the pockets of South Carolina taxpayers and allows more companies to invest, expand, hire and profit.

At the same time, Governor McMaster has taken aim at overburdensome regulations to better facilitate innovation, investment, vision, creativity and prosperity. In April, he issued an executive order requiring a reduction of regulatory scope and impact. In June, the Governor embarked on a statewide listening tour to solicit suggestions from Main Street business owners about ways government can make it easier for them to do business.

South Carolina's reputation as an attractive destination for business has benefited from this reform-based approach, as demonstrated by our strong economic performance. However, other states are always working to catch us; we must keep and enhance our competitive edge if we are to build for an even better tomorrow.

This budget reflects proposals to ease the tax burden on our citizens, aspiring to a state government characterized by accountability and fiscal restraint. The best way to spend less money is simple: collect fewer taxes.

Tax Relief. Taxes hurt individual prosperity, and government should always endeavor to take as little as possible from the pockets of hardworking Americans. We want bigger paychecks – and more of them.

South Carolina has the highest marginal tax rate (7%) in the southeast, and the 12th highest in the nation. President Trump's tax reform package was a great victory for this state and others. To

further reduce the burden on our citizens, the FY 2018-19 Executive Budget proposes and pays for a 1% rate reduction over five years for all personal income tax brackets, which will result in \$2.2 billion in taxpayer savings. Additionally, it includes a full retirement income exemption for military veterans and first responders, including retired state and federal law enforcement, firefighters and peace officers. This exemption would be effective immediately upon ratification and extend in perpetuity.

If implemented, these cuts would constitute one of the largest – if not *the* largest – tax cut in South Carolina history.

Moreover, they would reaffirm our unwavering commitment to the men and women of the Palmetto State who over a lifetime of service put themselves in harm's way to keep us safe. According to the South Carolina Revenue and Fiscal Affairs Office (RFA), there are currently 37,863 active duty military veterans and 20,370 retired first responders in South Carolina. We can never repay them for their sacrifice, but we can thank them when they retire. Under Governor McMaster's plan, retired veterans and first responders will never pay state taxes on their retirement income again – ever.

RFA has scored these proposals, determining that the majority of retired first responders under 65 will save an average of \$713 per year. Average yearly savings for retired first responders over 65 will average about \$102 due to preexisting income deduction eligibility. For military retirees, yearly savings will average \$524 for those under 65 and \$210 for those over 65.

ECONOMIC DEVELOPMENT & WORKFORCE

Summary. The 2018-19 Executive Budget provides for the following funding increases:

- An additional \$11,950,000 to the Department of Commerce to maintain and expand upon South Carolina’s strong economic development trajectory;
- \$9,432,046 for readySC to continue its workforce development efforts;
- \$5,000,000 for the creation of the South Carolina Workforce Partnership, establishing relationships between technical schools, high schools and business for workforce development programs;
- \$3,000,000 for workforce scholarships and grants to provide need-based financial assistance at our state technical schools;
- \$950,000 for the “Be Pro Be Proud” workforce initiative;
- \$900,000 for expansion of workforce training and reentry programs at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (PPP).

By any objective economic measure, South Carolina is succeeding. In 2017 alone, we announced more than 17,200 new jobs from over 120 economic development projects, with \$4.78 billion in new capital investment – beating 2016 by more than \$1 billion and over 5,000 jobs.

Increasingly, we are recognized as one of the best places in the nation to do business. *Area Development* magazine ranked South Carolina as the #2 state for doing business and #2 for overall lowest cost of doing business. In July, a study by site-selection firm the Boyd Company called the Palmetto State the best place in the nation for manufacturing. Such accolades reflect a new reality to which we all should become accustomed: South Carolina is on the cusp of unprecedented prosperity.

We are the national leader in the export of ball and roller bearings (11% of the U.S. market) completed passenger vehicles (18% of the U.S. market) and tires (30% of the U.S. Market). Our agribusiness (\$41.7 billion annually), advanced materials (\$21.9 billion annually) and tourism (\$20.2 billion annually) industries are creating new jobs every day, while a burgeoning aerospace sector (\$19 billion annually) is forging a bold new path into the future, with more than 400 private sector firms in operation here in the Palmetto State. So many global brands call our state home; international firms employ a nation-leading 7% of our workforce. And new manufacturing plants from Volvo and Mercedes-Benz Vans will begin production in 2018, with Samsung set to construct a new \$380 million home appliance manufacturing facility in Newberry County.

Yet, there remain challenges that must be addressed if we are to remain competitive in an ever-evolving economy. The FY 2018-19 Executive Budget commits an additional \$11,950,000 to the Department of Commerce to maintain and expand upon our trajectory, while growing our workforce capacity through a series of innovative new programs.

Workforce. Right now, South Carolina’s unemployment rate is 3.9% - the lowest since 2001. More people are working than ever before. At the same time, according to the Department of Employment and Workforce, there are more than 60,000 available positions throughout the state – mostly in skilled technical fields: welders, masons, electricians, commercial truck drivers, plumbers, HVAC professionals and computer technicians.

That number is expected to grow. According to the South Carolina Chamber of Commerce, 42% of our workforce is over 50, and nearly a quarter will retire in the next ten years.

One of the top factors for businesses choosing where to locate or expand is the availability of a sustainable, educated workforce of technicians, managers, engineers and entrepreneurs. South Carolina has one of the best skilled workforces in the nation, but we must continue investing in our people so that they are prepared to fill the influx of jobs coming into our state. This budget calls for a multi-pronged approach to meet these needs.

- The FY 2018-19 Executive Budget contemplates the creation – through \$5,000,000 in initial funding – of the South Carolina Workforce Partnership (“Workforce Partnership”). This new program would incentivize businesses to participate with local high schools in apprenticeship programs for students interested in skilled technical trades. Utilizing a grant-based funding model administered by the South Carolina Technical College System, Workforce Partnership dollars would be disbursed to qualifying high schools that have established relationships with at least one business and one technical school. Businesses that join the Workforce Partnership would be required to make a 25% funding match and offer work-based learning opportunities to all members of the participating school. Through partnership and collaboration, these businesses can effectively create a skilled labor pipeline to meet their future needs, while providing valuable education and employment opportunities to students interested in good-paying careers right out of high school. The Governor will encourage the State Workforce Development Board to set aside an additional \$300,000 in Workforce Innovation and Opportunity Act funds for this effort.
- The South Carolina Technical College System administers a workforce scholarship and grant program for qualifying students. This executive budget provides \$3,000,000 in new dollars to bolster this important initiative.
- Currently, the Department of Corrections (DoC) and the Department of Employment and Workforce (DEW) conduct a joint workforce-training program for inmates who have completed their sentences and are re-entering the community. Before their departure, inmates go through a program focused on teaching “soft” skills – such as how to fill out a job application, how to dress and conduct themselves during an interview and how to locate available housing and transportation.

The FY 2018-19 Executive Budget calls for an expansion of this program with an additional \$1,730,507 in funding, as well as an expansion of similar initiatives at the Department of Juvenile Justice (DJJ) and the Department of Probation, Parole and Pardon Services (PPP) – so that juveniles leaving DJJ learn these skills instead of graduating to adult prison; so that recent parolees have more access to workforce opportunities; and so judges can make the completion of workforce training a requirement of probation sentencing. This budget allocates \$900,000 in furtherance of these critical efforts.

- This budget also includes \$950,000 for the “Be Pro Be Proud” workforce initiative. This program targets key audiences such as high school and nontraditional students, current skilled professionals, legislators, parents, teachers, career coaches and employers to dispel myths about the skilled trade professions, showcase current skilled professionals’ vocational pride, highlight the many career opportunities available within these trades and provide necessary resources and training to those interested. It will promote degree and certificate programs available at our technical schools. And it will illustrate the irrefutable guarantee that if you work hard, the American Dream can be still be yours. It is alive and well – right here in the Palmetto State.
- readySC is one of the oldest and most experienced workforce development programs in the United States, focusing on the recruitment and initial training needs of new and expanding businesses in South Carolina, at no expense to the companies. In FY 2015-2016, nearly 4,000 individuals were trained for 134 companies, with a cumulative total of more than 289,000 individuals trained since 1961. This budget recognizes readySC’s demonstrated record of success, dedicating \$9,432,046 to continue its extraordinary efforts.

Infrastructure. South Carolina’s infrastructure – including our port, roads and rail – is the central engine for our continued economic growth. The deepening of Charleston Harbor is the single most important action we are taking now to create prosperity down the line. In February, the first dredge will begin digging the Charleston Harbor. Once completed, Charleston will have the deepest harbor on the eastern seaboard, allowing post-Panamax ships to haul bigger loads through our waterways and spurring economic growth throughout the state.

This year, the Port of Charleston has repeatedly and consistently set new volume records. The South Carolina Inland Port opened in October of 2013, extending Charleston’s reach 212 miles to Greer. And, last March, construction of a second inland port got underway in Dillon. Such tremendous and growing distribution capacity has played a pivotal role in convincing new companies to do business in South Carolina. In addition to the ports, there are 2,300 miles of rail lines in South Carolina and more than 41,000 miles of state-maintained highways, with more than 208 million people within two days drive.

As the Trump Administration undertakes efforts to pass a comprehensive infrastructure package in the coming months, Governor McMaster will continue to prioritize infrastructure growth and development in South Carolina, including completion of ongoing port and highway projects.

EDUCATION

Summary. The 2018-19 Executive Budget provides for the following funding increases:

- \$25,182,795 for base student cost (\$10 increase/student) at K-12 public schools;
 - \$18,808,341 in per pupil funding increases at S.C. charter schools (5% per pupil funding increase at \$5,684,042 plus \$13,124,299 to accommodate enrollment growth);
 - \$16,432,471 for need-based higher education scholarships;
 - \$5,000,000 for the South Carolina School Safety Program;
 - \$5,000,000 for school bus leasing;
 - \$3,300,000 for computer science and coding classroom instruction;
 - \$2,500,000 for charter school transportation;
 - \$500,000 for Clemson University's Call Me MISTER teacher retention and recruitment program.
-

If South Carolina is to remain competitive for future economic development and investment, then students from all 46 counties must be ready to compete. Improving education outcomes requires a number of structural and operational reforms.

The Superintendent of Education should be made a cabinet-level position appointed by the Governor to bring accountability to the education delivery system. South Carolina is fortunate to have an outstanding Superintendent in Molly Spearman who supports school choice and reform, but the state has not always been so lucky, and when the governor's vision for education does not align with that of the Superintendent it creates dysfunction in the state education system. Last year, legislation advanced in the General Assembly that would have made this change; seeing it across the finish line will be one of Governor McMaster's top priorities in 2018.

Recruiting new jobs and economic investment will do more to improve educational opportunity than simply sending money from Columbia. When a school district prospers, the school *in* that district prospers. South Carolina's strong economic performance, if maintained, will do much to close education gaps and bolster performance well into the future. At the same time, we must provide students with the necessary resources to help them reach their full potential.

Expanding Student Resources. In his first year in office, Governor McMaster has prioritized education, embarking on a tour of the eight districts affected by the *Abbeville* ruling. At each visit, it has become clear that South Carolina must do more to attract and retain teachers, while enhancing accountability to better empower principals to make employment decisions that advance underlying educational objectives.

Clemson University’s Call Me MISTER (Mentors Instructing Students Toward Effective Role Models) initiative is a teacher recruitment program which seeks to increase the pool of available teachers from diverse backgrounds, with a focus on underserved, socio-economically disadvantaged and educationally at-risk communities. Since the Recession, this program has not received state funding – that changes now. This Executive Budget provides \$500,000 in recurring dollars to supplement this important program.

Achieving better educational outcomes requires reaffirming our commitment to students, ensuring that they have the resources in place to meet the needs of a 21st century economy. This budget does so, with a \$10 base student cost increase, a figure that strikes an appropriate balance between available revenue and student need.

Also included is \$3.1 million in non-recurring dollars and \$200,000 in recurring funds under the Education Improvement Act for an initiative to train new computer science and coding teachers for every school in the state. Currently, there are 3,633 open computing jobs in South Carolina. This amounts to more than three times the average state demand rate, and approximately \$273,415,957 in unclaimed annual salaries (SC computing jobs boast an average annual salary of \$75,259). It is imperative that we align our educational objectives with our ever-evolving economy, and computer science is a critical component of South Carolina’s burgeoning industrial revolution.

We must continue to facilitate school choice. A robust charter school program allows parents to choose the best education opportunities for their children. Numerous studies by Stanford’s Center for Research on Education Outcomes (CREDO) illustrate the benefits of charter schools – particularly for children with special needs or in low-performing districts. A 2015 study entitled “Urban Charter School Study Report on 41 Regions,” found that schools serving “a disproportionately low income and minority student body” tend to provide “significantly higher levels of annual growth in both math and reading compared to their [traditional public school] peers.

This budget increases per-pupil funding for charter students by 5%, increasing funding by \$180 per-pupil for brick and mortar schools and \$95 per-pupil for virtual schools. Because charters do not receive local tax revenue like their public school peers, this increase constitutes a necessary commitment to enhance equity and underscore this state’s commitment to schools that provide parents with choice and opportunity that best suits their child.

An effective learning environment requires ensuring the safety of students and their teachers. By the end of his first term, Governor McMaster’s goal is to see to a certified law enforcement resource officer in every single school, in all 46 counties. Law enforcement remains the most effective deterrent against violence and crime, and this budget proposes the South Carolina

School Safety Program (SSP) to bring officers to schools in districts that cannot afford them. Funded with an initial \$5,000,000 budget allocation, SSP will allow the South Carolina Department of Education to contract directly with local law enforcement agencies to meet the requirements of schools with qualifying financial needs.

Enhancing Student Access. The South Carolina Education Lottery was sold to the public as a mechanism to provide scholarships for students. Consistent with that intent, this budget effectively doubles need-based scholarship grants derived from lottery proceeds to \$16,432,471, allowing more students access to a high-quality education.

At the K-12 level, ensuring safe and reliable transportation is critical. Last year, the governor vetoed a budget proviso that would have allocated unavailable lottery dollars to replace failing school buses via a poorly prioritized “wish list.” This was not just an irresponsible budgeting practice – it was an irresponsible way to care for our children. Governor McMaster’s budget doubles the Department of Education’s bus allocation by \$5,000,000 in real, recurring dollars to replace South Carolina’s aging school bus fleet and requires leasing, rather than purchasing depreciating assets. Fire-prone buses will be replaced first and within a reasonable time frame. This will not only get dangerous school buses off the roads – it will save money.

To supplement the replacement program, Governor McMaster has encouraged the Department of Education to apply for the \$33,895,491 in class-action settlement funds that South Carolina is set to receive from Volkswagen’s intentional misrepresentation of emissions levels in its diesel cars over the course of a decades – funds which can be used to purchase approximately 415 clean diesel buses. The Department of Insurance is expected to make a decision on the settlement’s disbursement soon.

This budget also establishes a transportation program for South Carolina charter schools with \$2,500,000 in new recurring funds. To provide true school choice for all South Carolinians, we must reduce barriers to access and afford students the ability to attend better schools. These dollars will be distributed directly to the Department of Education, which will administer funding and incorporate existing charter authorizers – the South Carolina Public Charter School District and Erskine College – into its transportation program.

So many families lack the ability to get their children to and from school if transportation is not provided. A recent analysis conducted by Public Impact found that black and Latino students, specifically, may face access barriers. This program endeavors to close these gaps.

Consolidating School Districts. Though the South Carolina Supreme Court recently found the *Abbeville* ruling to have been decided in error, the Court’s initial observation regarding “the creation of school districts burdened with administrative costs disproportionate to their size” remains both accurate and astute. Spiraling administrative costs have a direct, causal relationship to adverse educational outcomes in these districts

Consolidating school districts in small counties will reduce costs, slash paperwork, limit duplication and put more money and resources into the classrooms for children. A recent Department of Education study identified between \$126-338 million in savings over five years if

consolidation efforts are undertaken. This shared services model will not only optimize effectiveness and put more money into the classrooms, it will allow districts greater purchasing power during the procurement process, saving tax dollars well into the future.

PUBLIC SAFETY

Summary. The 2018-19 Executive Budget:

- Establishes the position of “immigration compliance recorder” within the South Carolina Law Enforcement Division (SLED);
- Moves South Carolina’s Immigration Enforcement Unit from the Department of Public Safety (DPS) to SLED;
- Provides for two additional immigration officers at SLED;
- Funds plans developed by SLED under the SC Critical Infrastructure Cybersecurity Program designating \$667,150 for new personnel, as well as \$242,000 to incorporate the South Carolina National Guard;
- Commits \$600,000 in recurring dollars to fund the South Carolina Military Base Task Force;
- Provides additional funding increases in the following areas:
 - \$30,552,513 for SLED, to include \$2,133,114 in funding for personnel and supplies to reduce backlogs at the SLED forensics laboratory, \$484,416 for new vice personnel to respond to the ongoing opioid crisis and \$20,000,000 towards a new, \$52,000,000 forensics laboratory;
 - \$13,977,361 for the Department of Corrections, to include \$4,999,374 for officer hiring and retention;
 - \$2,882,751 for the Department of Probation, Parole & Pardon Services, including \$1,146,080 to lease new vehicles from State Fleet Management and \$863,408 for expansion of the Offender Supervision Specialist (OSS) Program;
 - \$2,524,797 for the Department of Public Safety, to include \$2,025,000 in unpaid overtime for the South Carolina Highway Patrol and \$499,797 for modern rifles;
 - \$1,514,958 for the Department of Juvenile Justice, to include \$1,014,958 for officer hiring and retention.

During his first year in office, Governor McMaster made public safety a priority. In June, the Governor made clear he will not tolerate lawlessness, committing all available law enforcement and prosecutorial resources to the City of Myrtle Beach following a short – and quickly squelched – spike in crime in that area. In September, the Governor was at the helm for

Hurricane Irma, declaring a state of emergency and mobilizing one of the best and most effective emergency response teams in the world to provide support to those in coastal areas. And, in December, Governor McMaster declared a public health emergency to combat the ongoing opioid crisis, bringing the full power of the state’s emergency management infrastructure, health care apparatus and law enforcement resources to bear in responding to the growing epidemic of opioid deaths, addiction and abuse.

Sanctuary Cities. Legal immigration is a foundational cornerstone of this country; it should be encouraged, maintained and supported. At the same time, law and order is both a reasonable expectation and a necessity for any nation that wishes to retain its security and status as a sovereign state. We must support the vigorous enforcement of our immigration laws, and oppose lawlessness by prohibiting the disbursal of state dollars to so-called “sanctuary” cities.

Currently, there is no way for the people of South Carolina to know whether their local government enforces state and federal immigration laws. Accordingly, in October, Governor McMaster was joined by Members of the General Assembly to announce a new mechanism to ensure compliance, while demonstrating to the public at large that government is adhering to the law.

Legislation pre-filed by Rep. Bruce Bannister will prohibit distribution of funds to so-called “sanctuary cities,” requiring that reasonable efforts be made by law enforcement officers to determine whether a person in custody and charged with a criminal offense is an unlawful alien. Further, it will require political subdivisions – defined as any local government entity eligible for funding from the Local Government Fund – to verify compliance with state immigration laws to the South Carolina Law Enforcement Division (SLED) before July 1 of each fiscal year. If a political subdivision is found to be non-compliant, that subdivision will be deemed ineligible for Local Government Fund appropriations for a minimum of three consecutive fiscal budget years, and subject to subsequent SLED oversight.

The FY 2018-19 Executive Budget calls for the establishment of an “immigration compliance recorder” position within SLED to ascertain whether political subdivisions are acting in accordance with their obligations under the law. Further, it moves South Carolina’s Immigration Enforcement Unit from the Department of Public Safety (DPS) to SLED in order to centralize oversight and streamline processes – while also providing for two additional immigration officers.

The operative principle is “trust, but verify” – in order to better keep our neighborhoods and communities safe.

Cybersecurity. Cyberattacks are among the most common and potentially crippling offenses facing our state. This threat lacks distinct borders, involves adversaries with evolving tactics and endangers both the public and private sectors. In order to defend vital networks, critical infrastructure owners and operators, as well as federal, state and local governments, must work together. In 2015, Governor Haley wisely formed the South Carolina Critical Infrastructure Working Group (the “Working Group”) – consisting of representatives from the South Carolina

Attorney General's Office, the South Carolina Department of Administration, SLED and the South Carolina Military Department – to develop recommendations to better protect our state.

Governor McMaster recognizes the critical importance of meeting the cyber threat head-on, and his administration has made implementing the recommendations of the Working Group a top priority. In April, the Governor established a Cybersecurity Task Force (the “Task Force”) to bridge capability gaps in our state cybersecurity infrastructure and oversee enactment of the Working Group’s proposals. This is an intricate and ongoing process, which involves the creation of individualized security plans and response protocols for companies with assets and networks vital to the interests of South Carolina.

This budget funds plans developed by SLED under the SC Critical Infrastructure Cybersecurity Program designating \$667,150 for new personnel, as well as \$242,000 to incorporate the South Carolina National Guard. It reflects the first of many steps designed to better protect the Palmetto State now and into the future.

Supporting the Military. Governor McMaster is committed to supporting the men and women of the armed forces, and to bolstering the close bond between military communities and the State of South Carolina. The military has a \$24.1 billion economic impact on the Palmetto State. We are home to eight major military installations and many other critical defense facilities, supporting a total of 62,250 Department of Defense personnel. It is vital that we maintain a strong relationship, characterized by frequent communication and ongoing collaboration. In addition to the proposed tax cut for veterans, this budget commits \$600,000 in recurring dollars to fund the South Carolina Military Base Task Force, which assists government and military communities on issues affecting military personnel in the Palmetto State.

HEALTH CARE

Summary. The 2018-19 Executive Budget provides for the following funding increases:

- Over \$10 million in new state funding for treatment, prevention and education efforts to combat the ongoing opioid crisis, including:
 - \$4,350,000 to the Department of Health and Human Services (DHHS) for new opioid treatment clinics throughout the state;
 - \$1,250,000 to the Department of Alcohol and Other Drug Abuse Services (DAODAS) for enhanced response to opioid use disorder;
 - \$3,000,000 for infrastructure improvements to the DAODAS 301 System;
 - \$1,000,000 to the Department of Health and Environmental Control for prescription drug monitoring;
 - \$484,416 for new vice personnel at SLED for augmented opioid response;
 - \$3,848,880 for targeted rate and service increases for autism therapy, constituting a minimum 40% increase in the provider reimbursement rate;
 - \$7,030,749 for Department of Mental Health, including:
 - \$250,000 for school-based services;
 - \$512,728 for the Sexually Violent Predators Program,
 - \$2,000,000 for the Campbell Veterans Nursing Home;
 - \$1,852,294 for other support, including the DMH Deaf Services Program, the Alzheimer’s Association and the Individual Placement and Support (IPS) Supported Employment Programs;
 - \$2,250,000 for South Carolina Children’s Advocacy Medical Response System to provide forensic medical evaluations for incidents of child abuse and neglect.
-

Improving the health and well-being of all South Carolinians is a top priority for this administration. Obamacare was an unprecedented encroachment on state sovereignty; ill-conceived federal mandates undercut the states’ ability to innovate and adopt approaches tailored to their needs. The cost increases resulting from this top-down, one-size-fits-all approach have resulted in higher insurance premiums and rising health care costs.

As the health care debate in Washington continues, Governor McMaster will work with state agencies to ensure we have a stable regulatory framework that is ready and able to meet our health care challenges head-on, while addressing some of the pervasive problems that place strain on the system. This includes the ongoing opioid crisis, finding new means of effectively treating those with autism, and providing reliable health care to children and the most vulnerable.

Opioids. The opioid epidemic is now affecting every state, region, town, community and demographic in this nation. For three years running, opioid-related overdose deaths in South Carolina outpaced homicides by nearly double. In 2016, this silent hurricane killed 616 people, compared to 366 murders. Opioid related deaths increased 21% from 2014 to 2016. Fatal overdoses related to heroin increased 67% from 2014 to 2016. Since 2015, the SLED forensic laboratory has seen a more than 700% increase in the number of drug cases involving fentanyl-related compounds.

In December, Governor McMaster took a bold new approach to this unprecedented problem, issuing an Executive Order declaring a statewide public health emergency for the State of South Carolina. This designation allows the Governor to bring the full power of the state's emergency management infrastructure, health care apparatus and law enforcement resources to bear in responding to the growing epidemic of opioid deaths, addiction and abuse. He has directed the Adjutant General to utilize the emergency management infrastructure of this State to have all hands combat this crisis.

To facilitate effective coordination of federal, state and local resources, Governor McMaster established the Opioid Emergency Response Team to assess outcomes, evaluate new information and develop further strategic plans. The Governor also issued an Executive Order directing DHHS and the South Carolina Public Employee Benefit Authority to limit initial opioid prescriptions for acute and post-operative pain to a maximum of five days for Medicaid recipients and members of the State Health Plan. The state must be a leader in the utilization management of pain medications and should encourage all health care providers to adopt a common policy on opioid prescribing limitations.

In addition to the substantial federal funds these agencies are also receiving, this Executive Budget calls for \$4,350,000 in new dollars to DHHS for opioid treatment clinics throughout the state, \$1,250,000 to the Department of Alcohol and Other Drugs Abuse Services (DAODAS) for enhanced response to opioid use disorder, \$3,000,000 for infrastructure improvements to the DAODAS 301 system and \$484,416 for new narcotics agents at SLED.

DAODAS has already begun comprehensive efforts to address patient-centered treatment priorities. State and other federal funds will go toward: increasing the availability of opioid abuse disorder treatment medications like methadone, buprenorphine, vivitrol and naloxone; distribution of naloxone opioid overdose kits to law enforcement and patients; expanding behavioral treatment options for patients, including individual and group counseling and intensive outpatient therapy to compliment methadone assisted treatment; building capacity by meeting core staffing needs, including pharmacists, physicians, case managers, nurses and counselors; and workforce development and training, to increase professional proficiency and enable enhanced clinical supervision.

Autism. We must find better means of treating those with afflictive illnesses and conditions, including autism. Governor McMaster understands the emotional, physical and financial burden that families confronting autism face every day. At the same time, he recognizes the financial difficulties that many providers encounter in offering affordable access to treatment due to problems with Medicaid reimbursement rates. The FY 2018-19 Executive Budget proposes a \$3,848,880 increase for targeted rate and service adjustments for autism therapy, constituting a minimum 40% increase in the provider reimbursement rate. This brings the total increase for autism services – including federal dollars – to \$13,272,000. In the future, we should take a data-driven approach as we consider further adjustments.

Other. Protecting vulnerable populations is an important function of the government health care apparatus. The FY 2018-19 Executive Budget funds a number of important programs at the South Carolina Department of Mental Health (DMH), including: \$250,000 for school-based services; \$1,362,527 for contractual adjustments to inpatient services, \$512,728 for the Sexually Violent Predators Program, \$2,000,000 for the Campbell Veterans Nursing Home and \$1,852,294 for other support, including the DMH Deaf Services Program, the Alzheimer’s Association and the Individual Placement and Support (IPS) Supported Employment Programs.

This budget further provides \$2,250,000 to the South Carolina Children’s Advocacy Medical Response System at the University of South Carolina School of Medicine. This critical program assists children’s hospitals throughout the state with treatment guidelines and standards of care in the delivery of services stemming from allegations of child abuse and neglect.

GOOD GOVERNMENT & ETHICS

Summary. The 2018-19 Executive Budget:

- Provides \$3,000,000 to establish an IT Shared Services Program Management Office at the Department of Administration (DOA);
- Requires agencies to utilize consolidated administrative services through DOA;
- Establishes a centralized real property and facilities management process for all state government agencies;
- Directs DOA to establish develop and issue uniform written standards and guidelines for data entry into the Statewide South Carolina Enterprise Information System (SCEIS);
- Allocates \$364,369 for investigation and enforcement enhancement at the State Ethics Commission by doubling the registration fee for lobbyists and lobbyist principals from \$100 to \$200, and requires anyone paid to influence decisions made by county, city or town councils to register as lobbyists.

Shared Services. A recent analysis issued by the Department of Administration entitled “IT Shared Services: 2017 Report on Agency Compliance” found that “[i]nitial implementation of the Statewide Strategic Information Technology plan has produced greater IT-related cost savings and enhanced the security of the state’s systems and data.” Specifically, the report identifies \$14.25 million in annual savings achieved through brokerage of inter-agency shared services contracts, such as K-12 internet. Beyond savings, the IT shared services model is expected to enhance reliability, data protection and accessibility of government services. As the report found, a “common IT infrastructure will provide an important foundation...to provide cross-agency, collaborative services for citizens.”

However, the shared services paradigm is not limited to IT. This concept is scalable; cost savings and efficiencies can be generated through consolidation of services across agencies and within similar functions – e.g. human resources, accounts payable, procurement, budgeting, reporting and maintenance. This budget includes three provisos intended to shift state government toward the shared services model, conserving taxpayer dollars and moving us to a more sustainable model of governance.

The first proviso – based on the results of a 2014 study performed by the former Budget and Control Board entitled “Proviso 101.33 Consolidation of Administrative Functions” – authorizes the Department of Administration to provide to all agencies consolidated administrative services that promote cost savings for the state. All state agencies shall be required to utilize such consolidated administrative services as they become available.

The second proviso establishes a comprehensive, centralized real property and facilities management process to provide for the needs of state government agencies while achieving maximum efficiency and economy in the use of state-owned, state-leased and commercially leased facilities. All state agencies are directed to work with the Department of Administration to meet prescribed uniform space standards, site selection criteria and reporting requirements.

The third proviso directs the Department of Administration to develop and issue uniform written standards and guidelines for data entry into the Statewide South Carolina Enterprise Information System (SCEIS). All agencies are directed to adopt these standards when issued. Doing so will increase transparency of state finances, help identify savings and ensure that funds are being spent appropriately.

In each case, the Department of Administration shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee detailing agency compliance.

Already, we have proved that the shared services model is workable in South Carolina. Now, we take the next steps – to provide better service to our citizens and show them their tax dollars are being used smartly and efficiently.

Ethics. Elected leaders are stewards of the public trust, and as such must be tireless advocates for good government. Along with Attorney General Medlock, Governor McMaster co-chaired the South Carolina Ethics Commission, and made a series of ethics reform recommendations – some of which have been implemented, and some of which have not. The goal of this administration is to see them all enacted.

That means stronger and expanded investigative authority for the State Ethics Commission to obtain, verify and confirm information related to campaign finance disclosures and statements of economic interest. It means requiring anyone paid to influence decisions made by county, city or town councils to register as lobbyists. And it means requiring that Members of the General Assembly comply with the Freedom of Information Act. Right now, the legislature shields itself from FOIA requests. If we are to hold all public servants accountable, then this self-imposed exemption must end immediately.

South Carolinians must trust their representatives, and representatives must demonstrate they are deserving of that trust. This Executive Budget fully funds budgetary requests for the State Ethics Commission, allocating \$174,995 for staffing and other purposes. Further, it includes a proviso doubling the registration fee for government affairs professionals. Currently, lobbyists only have to pay \$100 to register; doubling the fee to \$200 will increase agency revenue by more than \$185,000 and enable the Ethics Commission to increase investigator and attorney staff to bring better accountability and transparency to state government.

ENERGY & ENVIRONMENT

Summary. The 2018-19 Executive Budget:

- Provides \$11,000,000 for beach re-nourishment and \$10,000,000 to rebuild cabins at Hunting Island State Park;
 - Funds the State Conservation Bank with \$6,000,000 in non-recurring dollars;
 - Provides an additional \$1,500,000 to the Department of Natural Resources for statewide public wildlife and fisheries management projects, and \$2,200,000 to reopen hatcheries closed since the recession.
-

Energy. South Carolina is blessed with clean, plentiful and inexpensive power. This has been a key factor in our economic resurgence, creating a competitive advantage that has brought tens of thousands of new jobs and billions of dollars in investment into our state.

As the demand for power grows, so too will the need for increased production from sources like solar, wind and hydropower. In 2016, South Carolina installed 106 megawatts of solar power in the state — enough to power roughly 14,000 homes for a year. This was a 300% increase from 2015. We stayed on track in 2017, announcing five new solar farms, totaling 186 megawatts, including a \$100 million project in Aiken County and a \$115 million project in Orangeburg County. South Carolina is projected to be among the top states in the country for solar growth. This is a sensible move for a state like ours with so many sunny days.

We are not without our share of energy challenges. The decision by SCANA and Santee Cooper to abandon construction of two new nuclear reactors at the V.C. Summer Nuclear Station was a jarring break of faith with the people of South Carolina, who had already sunk billions into the project through inflated rate payments. State-owned Santee Cooper, which owes \$4.3 billion on the V.C. Summer project, remains poised to pass on its debt to its customers. This both is unconscionable and, from a budgetary perspective, highly undesirable.

Allowing Santee Cooper to continue its debt spiral will not just end up hurting ratepayers, but taxpayers, who could be forced to pick up the slack for a failing state-owned asset. Governor McMaster's primary goal is to make ratepayers whole and keep the burden of Santee Cooper's debt off the citizens of South Carolina. To that end, the only feasible solution is its sale. The Governor looks forward to working with the General Assembly in the coming months as we consider purchase proposals.

Environment. South Carolina's natural resources are a central driver of our economic prosperity, supporting a \$20 billion tourism industry. For this reason, Governor McMaster

vetoed in May a short-sighted attempt to shutter the South Carolina Conservation Bank (the “Bank”), emphasizing its value as an important tool for economic development.

Yet, it is clear that some reforms at the Bank may be necessary; a recent Legislative Audit Council report included a series of troubling observations about its operations. In November, the Governor urged Inspector General Brian Lamkin to conduct a thorough inspection and review of these practices. If the Bank wishes to continue as a force for protecting undeveloped land, it should implement each and every recommendation that the Inspector General suggests and conduct itself in accordance with the expectations of taxpayers. This budget funds the Bank with \$6,000,000 in non-recurring dollars.

The FY 2018-19 Executive Budget also calls for expanded access to state land, providing \$1,500,000 to the Department of Natural Resources for statewide public wildlife and fisheries management projects and \$2,200,000 to reopen hatcheries closed since the Recession. South Carolina’s taxpayers hold title to our public lands – they should be able to enjoy them. This line is intended to provide citizens greater purchase on all that the Palmetto State has to offer.

PENSION REFORM

South Carolina's \$20 billion unfunded pension liability is a "sword of Damocles" which threatens to place unprecedented strain on state government if immediate steps are not taken to address this crisis.

Last year, the General Assembly wisely passed – and Governor McMaster signed into law – legislation increasing employee and employer contributions to the South Carolina Retirement System (SCRS) and Police Officers Retirement System (PORS), an unfortunate but necessary first step to begin reducing the state's unfunded liability. Pursuant to this legislation, Governor McMaster's executive budget funds the 1% employer contribution increase. While recognizing the necessity of this new funding, the Governor requests that the General Assembly this year take on the task of making the hard decisions, and implement systemic reforms that will correct the problem rather than merely keep us afloat.

We must maintain our commitment to the 11.5% of South Carolina's population that relies on state retirement systems, while protecting taxpayers from bearing any additional financial burden caused by inaction or indecision. That means:

- Enacting a date-certain transition away from defined benefit pension plans to defined contribution retirement plans for new state employees;
- Prohibiting unfunded cost-of-living adjustments;
- Exploring changes to age of retirement eligibility;
- Considering contribution enhancements to new, 401-k style plans as recognition for employees' years of service, promotions or other criteria.

Adopting these reforms will require a concerted expenditure of political willpower on behalf of the General Assembly. Yet, it pales in comparison to the cost of inaction, which threatens a much more permanent paralysis.



Statewide Enterprise Strategic Objectives

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Statewide Strategic Objectives

South Carolina Government has a number of goals, priorities and key initiatives that transcend agency and other organizational boundaries. These enterprise-level strategic objectives seek to capture the core functions and responsibilities of state government into five strategic areas. They provide important input into agencies' planning processes, serve as a baseline for assessing progress on key issues and require cooperative efforts in order to affect performance in a meaningful way.

Education, Training and Human Development

- **Improve educational infrastructure to elevate the levels of educational preparedness of every South Carolinian to lead a healthy and productive life, including success in a job or career and in the community.**

Healthy and Safe Families

- **Enhance public well-being by delivering efficient and cost-effective public health and support services.**

Maintaining Safety, Integrity and Security

- **Protect the safety, integrity and security of statewide public resources, infrastructure and citizens including timely response to emergencies and disasters.**

Public Infrastructure and Economic Development

- **Build a world-class and safe public infrastructure to enhance the quality of life of our citizens and to promote the state in global competitiveness as a location for business, investment, talent, innovation and visitors.**

Government and Citizens

- **Deliver a government that serves the needs of South Carolinians and achieves inter-agency collaboration to deliver highly effective, efficient and innovative programs.**

Note:

Copies of each agency's Accountability Report and Strategic Plan may be found at: <http://www.scstatehouse.gov/reports/aar2017/aar2017.php>

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Financial Overview

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Annual Change in Appropriations

The FY 2018-19 Executive Budget prioritizes fiscal restraint by reallocating existing revenue to state priorities and returning money to taxpayers. This year’s budget fully funds over \$160 million in tax cuts and makes significant contributions to public safety, education, and health care. The budget also maintains the Governor’s commitment to addressing the state pension’s unfunded liability by paying for a 1% increase to employer retirement contributions. Due to careful allocation of resources and the state’s prudent decision to reduce its outstanding debt the Executive Budget limits General Fund growth to 1.43% and programmatic General Fund growth to only 0.28%.

FY 2017-18 Spending Calculations	
Total FY 2017-18 General Fund Appropriations	\$ 7,946,738,831
FY 2018-19 Executive Budget General Fund Appropriations.....	\$ 8,060,567,519
FY 2018-19 Executive Budget Gross General Fund Growth	\$ 113,828,688
Annualized General Fund Growth:	1.43%
Less state employee benefits maintenance of effort:	
1% Employer Contribution Increase to Retirement Benefits.....	\$ 32,411,836
State Health Plan.....	\$ 59,174,238
FY 2018-19 General Fund Net Program Growth	\$ 22,242,614
Programmatic General Fund Growth:	0.28%

Note: CPI Growth 2.1%*

* CPI Growth is CPI-U for the South region, not seasonally adjusted, from November 2016 to 2017 as determined by the Bureau of Labor and Statistics.

Financial Overview

GENERAL FUND – RECURRING	
SOURCES:	
Sales and Use Tax.....	\$ 3,147,685,000
Individual Income Tax.....	4,263,093,824
Corporate Income Tax.....	358,914,000
Other Recurring Sources.....	906,442,000
	8,676,134,824
Less: Transfer to General Reserve Fund (§11-11-310).....	15,571,394
Less: Income Tax Revenues Credited to the Tax Relief Trust Fund (§11-11-150).....	599,438,000
	8,061,125,430
USES:	
General Fund Appropriations.....	\$ 8,060,567,519
GENERAL FUND – NONRECURRING	
SOURCES:	
Litigation Recovery Account.....	\$ 4,063,276
FY2017-18 Excess Debt Service Lapse.....	16,567,887
	\$ 20,631,163
USES:	
Nonrecurring Appropriations.....	\$ 19,973,539
CAPITAL RESERVE FUND	
SOURCES:	
Funds Appropriated to the FY2017-18 Capital Reserve Fund, Part IA, Section 107, FY2017-18 General Appropriations Act.....	\$ 145,420,836
USES:	
Capital Reserve Fund Appropriations.....	\$ 145,420,836
EDUCATION IMPROVEMENT ACT	
SOURCES:	
Recurring:	
Education Improvement Act Sales Tax.....	\$ 837,341,000
Nonrecurring:	
FY2017-18 Estimated EIA Revenue Surplus.....	7,559,000
	Total: \$ 844,900,000
USES:	
EIA Appropriations.....	\$ 844,900,000
EDUCATION LOTTERY EXPENDITURE ACCOUNT	
SOURCES:	
Recurring:	
Lottery Proceeds.....	\$ 386,000,000
Investment Earnings.....	2,000,000
Unclaimed Prizes.....	19,000,000
Nonrecurring:	
FY2017-18 Estimated EIA Revenue Surplus.....	28,000,000
	Total: \$ 435,000,000
USES:	
Lottery Appropriations.....	\$ 415,400,000

STATEMENT OF REVENUES
ESTIMATE OF GENERAL, SCHOOL, TRANSPORTATION,
EDUCATION IMPROVEMENT ACT AND EDUCATION LOTTERY REVENUES
FISCAL YEAR 2018-19

	Appropriation Act Estimate FY 2017-18	Board of Economic Advisors Estimate FY 2018-19 November 9, 2017	Governor's Estimate FY 2018-19 January 9, 2018
General Fund Revenues:			
Sales and Use Tax.....	\$ 3,041,207,000	\$ 3,147,685,000	\$ 3,147,685,000
Individual Income Tax.....	4,295,400,000	4,425,417,000	4,263,093,824
Corporate Income Tax.....	329,486,000	358,914,000	358,914,000
Insurance Taxes.....	242,046,000	267,404,000	267,404,000
Admissions Tax.....	29,145,000	31,364,000	31,364,000
Aircraft Tax.....	2,500,000	2,500,000	2,500,000
Alcoholic Liquor Tax.....	80,318,000	83,317,000	83,317,000
Bank Tax.....	31,520,000	41,520,000	41,520,000
Beer and Wine Tax.....	114,891,000	113,334,000	113,334,000
Bingo Tax.....	1,055,000	692,000	692,000
Business Filing Fees.....	5,675,000	5,675,000	5,675,000
Circuit & Family Court Fines.....	7,856,000	7,421,000	7,421,000
Corporation License Tax.....	108,000,000	89,760,000	89,760,000
Documentary Tax.....	67,899,000	82,527,000	82,527,000
Earned on Investments.....	24,000,000	30,000,000	30,000,000
Indirect Cost Recoveries.....	12,173,000	12,500,000	12,500,000
Motor Vehicle Licenses.....	11,117,000	11,615,000	11,615,000
Nursing Home Licenses/Fees.....	3,500,000	3,500,000	3,500,000
Parole & Probation Supervision Fees.....	3,393,000	3,393,000	3,393,000
Private Car Lines Tax.....	4,555,000	4,898,000	4,898,000
Public Service Authority.....	19,285,000	17,751,000	17,751,000
Purchase Card Rebates.....	2,800,000	3,000,000	3,000,000
Record Search Fees.....	4,461,000	4,461,000	4,461,000
Savings & Loan Association Tax.....	1,817,000	1,844,000	1,844,000
Security Dealer Fees.....	26,000,000	26,000,000	26,000,000
Surcharge on Vehicle Rentals.....	706,000	777,000	777,000
Tobacco Tax.....	27,411,000	27,411,000	27,411,000
Uncashed Checks.....	2,000,000	2,000,000	2,000,000
Unclaimed Property Fund Transfer.....	15,000,000	15,000,000	15,000,000
Workers' Compensation Insurance Tax.....	9,869,000	9,572,000	9,572,000
Other Source Revenues.....	9,278,000	7,206,000	7,206,000
Subtotal.....	8,534,363,000	8,838,458,000	8,676,134,824
Less: Income Tax Revenues Credited to Tax Relief Trust Fund (§11-11-150).....	(583,649,169)	(599,438,000)	(599,438,000)
Total General Fund Revenues.....	7,950,713,831	8,239,020,000	8,076,696,824
Less: General Reserve Fund Contribution (§11-11-310).....	-	(15,571,394)	(15,571,394)
General Fund Revenues (net of Transfer to General Reserve).....	7,950,713,831	8,223,448,606	8,061,125,430
Education Improvement Act Fund Revenues.....	797,502,000	837,341,000	837,341,000
<i>Nonrecurring:</i>			
Estimated FY2017-18 EIA Surplus.....	-	7,559,000	7,559,000
Total Education Improvement Act Fund Revenues.....	797,502,000	844,900,000	844,900,000
Transportation Fund Revenues.....	2,077,881,071	N/A	2,407,783,188
Education Lottery Account Revenues.....	376,300,000	407,000,000	407,000,000
<i>Nonrecurring:</i>			
FY2016-17 Certified Surplus Lottery Proceeds.....	24,565,355	-	-
FY2016-17 Residual Surplus Lottery Proceeds.....	-	28,000,000	28,000,000

STATEMENT OF REVENUES
 ESTIMATE OF GENERAL, SCHOOL, TRANSPORTATION,
 EDUCATION IMPROVEMENT ACT AND EDUCATION LOTTERY REVENUES
 FISCAL YEAR 2018-19

	Appropriation Act Estimate FY 2017-18	Board of Economic Advisors Estimate FY 2018-19 November 9, 2017	Governor's Estimate FY 2018-19 January 9, 2018
Total Education Lottery Account Revenues.....	400,865,355	435,000,000	435,000,000
Total Estimated Revenues (§11-11-410)	\$ 11,810,611,426	\$ 10,118,358,000	\$ 12,363,818,012



EIA, Lottery, CRF, and Nonrecurring Recommendations

EDUCATION IMPROVEMENT ACT	FY 2017-18	FY 2018-19	Notes
	Enacted Budget	Executive Budget	

A. STANDARDS, TEACHING, LEARNING, ACCOUNTABILITY

1. Student Learning

Classified Positions	\$ 58,629	\$ 247,104	
Other Operating Expenses	\$ 136,739	\$ 136,739	
Aid to Districts	\$ 14,386,600	\$ 24,401,779	1
Aid to Districts - Technology	\$ 12,000,000	\$ 12,000,000	
Summer Reading Camps	\$ 7,500,000	\$ 7,500,000	
Reading Coaches	\$ 9,922,556	\$ 32,577,365	2
Arts Curricula	\$ 1,487,571	\$ 1,487,571	
Adult Education	\$ 15,073,736	\$ 15,073,736	
Students at Risk of School Failure	\$ 79,551,723	\$ 79,551,723	
Career & Technology Education	\$ 18,966,830	\$ 19,012,996	
EEDA	\$ 8,413,832	\$ 8,413,832	
Industry Certifications/Credentials		\$ 3,000,000	
Subtotal:	\$ 167,498,216	\$ 203,402,845	

2. Student Testing

Personal Service Classified Positions	\$ 548,518	\$ 548,518	
Other Operating Expenses	\$ 678,748	\$ 1,428,748	
Assessment / Testing	\$ 27,261,400	\$ 27,261,400	
Subtotal:	\$ 28,488,666	\$ 29,238,666	

3. Curriculum & Standards

Personal Service Classified Positions	\$ 126,232	\$ 126,232	
Other Personal Service	\$ 4,736	\$ 4,736	
Other Operating Expenses	\$ 41,987	\$ 41,987	
Reading	\$ 6,542,052	\$ 3,271,026	1
Instructional Materials	\$ 20,922,839	\$ 20,922,839	
Subtotal:	\$ 27,637,846	\$ 24,366,820	

4. Assistance, Intervention, & Reward

Personal Service Classified Positions	\$ 1,236,436	\$ 1,336,436	
Other Operating Expenses	\$ 1,374,752	\$ 1,374,752	
EAA Technical Assistance	\$ 12,801,301	\$ 23,801,301	
PowerSchool/Data Collection	\$ 7,500,000	\$ 7,500,000	
School Value Added Instrument	\$ 1,400,000	\$ 1,400,000	
Subtotal:	\$ 24,312,489	\$ 35,412,489	

B. EARLY CHILDHOOD

Personal Service Classified Positions	\$ 831,246	\$ 831,246	
Other Operating Expenses	\$ 556,592	\$ 556,592	
Alloc EIA - 4 YR Early Child	\$ 15,513,846	\$ 15,513,846	
SCDE-CDEPP	\$ 34,324,437	\$ 34,324,437	
Subtotal:	\$ 51,226,121	\$ 51,226,121	

EDUCATION IMPROVEMENT ACT	FY 2017-18	FY 2018-19	Notes
	Enacted Budget	Executive Budget	

C. TEACHER QUALITY

1. Certification

Personal Service Classified Positions	\$ 1,068,102	\$ 1,068,102	
Other Personal Service	\$ 1,579	\$ 1,579	
Other Operating Expenses	\$ 638,999	\$ 638,999	
Subtotal:	\$ 1,708,680	\$ 1,708,680	

2. Retention & Reward

Teacher of the Year Award	\$ 155,000	\$ 155,000	
Teacher Quality Commission	\$ 372,724	\$ 372,724	
Teacher Salary Supplement	\$ 150,823,453	\$ 150,823,453	
Teacher Salary Supplement – Fringe/Employer Cont.	\$ 22,521,917	\$ 26,777,082	
Teacher Supplies	\$ 14,721,500	\$ 14,721,500	
Rural Teacher Recruitment	\$ 9,748,392	\$ 9,748,392	
National Board Certification	\$ 51,000,000	\$ 44,000,000	3
Computer Science & Coding Education Initiative Coordinator	\$ 100,000	\$ 100,000	
Subtotal:	\$ 249,442,986	\$ 246,698,151	

3. Professional Development

Professional Development	\$ 9,515,911	\$ 2,771,758	1
ADEPT	\$ 873,909	\$ 873,909	
Computer Science and Coding Education		\$ 200,000	
Subtotal:	\$ 10,389,820	\$ 3,845,667	

4. ADEPT

Personal Service Classified Positions	\$ 65,000	\$ 65,000	
Subtotal:	\$ 65,000	\$ 65,000	

D. LEADERSHIP

Personal Service Classified Positions	\$ 82,049	\$ 82,049	
Other Personal Service	\$ 83,121	\$ 83,121	
Other Operating Expenses	\$ 279,032	\$ 279,032	
Technology	\$ 12,271,826	\$ 12,271,826	
Subtotal:	\$ 12,716,028	\$ 12,716,028	

E. EIA EMPLOYER CONTRIBUTIONS

Employer Contributions	\$ 1,249,821	\$ 1,249,821	
Subtotal:	\$ 1,249,821	\$ 1,249,821	

EDUCATION IMPROVEMENT ACT	FY 2017-18	FY 2018-19	Notes
	Enacted Budget	Executive Budget	

F. PARTNERSHIPS

2. Other Agencies & Entities

ETV - K-12 Public Education (H670)	\$ 3,576,409	\$ 3,576,409	
ETV - Infrastructure	\$ 2,000,000	\$ 2,000,000	
Literacy and Distance Learning (P360)	\$ 415,000	\$ 415,000	
Reach Out and Read (A850)	\$ 1,000,000	\$ 1,000,000	
S.C. Youth Challenge Academy (E240)	\$ 1,000,000	\$ 1,000,000	
Arts Education Programs (H910)	\$ 1,070,000	\$ 1,070,000	
Education Oversight Committee (A850)	\$ 1,793,242	\$ 1,793,242	
Science PLUS (A850)	\$ 563,406	\$ 563,406	
STEM Centers SC (H120)	\$ 1,750,000	\$ 1,750,000	
Teach for America South Carolina (A850)	\$ 3,000,000	\$ 3,000,000	
Gov. School for Arts & Humanities (H630)	\$ 1,355,672	\$ 1,415,474	
Wil Lou Gray Opp. School (H710)	\$ 651,383	\$ 668,662	
School for Deaf & Blind (H750)	\$ 7,557,223	\$ 7,557,223	
Dept. of Disabilities & Special Needs (J160)	\$ 548,653	\$ 468,653	4
S.C. Council on Economic Education (H270)	\$ 300,000	\$ 300,000	
John de la Howe School (L120)	\$ 417,734	\$ 417,734	
Clemson Agriculture Education Teachers (P200)	\$ 989,758	\$ 1,020,328	
Center for Educational Partnerships (H270)	\$ 715,933	\$ 715,933	
Quaver Music (SDE-H630)	\$ 100,000	\$ 100,000	
Centers of Excellence (H030)	\$ 1,137,526	\$ 1,137,526	
Teacher Recruit Program (H030)	\$ 4,243,527	\$ 4,243,527	
Teacher Loan Program (E160)	\$ 5,089,881	\$ 5,089,881	
BabyNet Autism Therapy (J020)	\$ 3,926,408	\$ 3,926,408	
Regional Education Centers (P320)	\$ 1,952,000	\$ 1,952,000	
Family Connection S.C. (H630)	\$ 300,000	\$ 300,000	
Gov. School for Science and Math (H630)	\$ 860,442	\$ 997,694	
Center for Educ. Recruit, Reten., & Adv. (CERRA) (H470)	\$ 531,680	\$ 531,680	
Workforce Partnerships (H590)		\$ 5,000,000	
School Safety Program (H630)		\$ 5,000,000	
Call Me Mister (H120)		\$ 500,000	
Subtotal:	\$ 46,845,877	\$ 57,510,780	

G. TRANSPORTATION

Other Operating	\$ 41,198,813	\$ 21,198,813	2
Subtotal:	\$ 41,198,813	\$ 21,198,813	

H. PUBLIC CHARTER SCHOOLS

South Carolina Public Charter Schools	\$ 100,556,551	\$ 119,364,892	
Subtotal:	\$ 100,556,551	\$ 119,364,892	

I. FIRST STEPS TO SCHOOL READINESS

Classified Positions	\$ 2,179,885	\$ 2,179,885	
Unclassified Positions	\$ 121,540	\$ 121,540	
Other Personal Services	\$ 150,000	\$ 150,000	
Other Operating	\$ 1,906,225	\$ 1,906,225	
County Partnerships	\$ 14,435,228	\$ 14,435,228	
CDEPP	\$ 9,767,864	\$ 9,767,864	
Employer Contributions	\$ 775,485	\$ 775,485	
Subtotal:	\$ 29,336,227	\$ 29,336,227	

J. ABBEVILLE EQUITY SCHOOL DISTRICTS CAPITAL IMPROVEMENTS

EDUCATION IMPROVEMENT ACT	FY 2017-18	FY 2018-19	Notes
	Enacted Budget	Executive Budget	
Abbeville Equity Sch. Dist. Capital Improvements (NR)	\$ 4,828,859	\$ -	
Subtotal:	\$ 4,828,859	\$ -	

K. EIA NON-RECURRING

Computer Science and Coding Education		\$ 3,100,000
Aid to Districts - Technology		\$ 1,459,000
Career & Technology Education		\$ 3,000,000
Subtotal:	\$ -	\$ 7,559,000

TOTAL :	\$ 797,502,000	\$ 844,900,000
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Available FY 2018-19 EIA Revenue (Recurring):	\$ 837,341,000
Available FY 2017-18 EIA Revenue (Non-Recurring):	\$ 7,559,000
Available FY 2018-19 EIA:	\$ 844,900,000
Surplus / (Deficit):	\$ -

Notes:

1. The Executive Budget proposes to consolidate funding from the Reading and Professional Development lines into the Aid to Districts line pursuant to a recommendation from the Department and the EOC.
2. The Executive Budget proposes to move \$20,000,000 in Reading Coaches funding from the General Fund to the EIA and move \$20,000,000 in Transportation Other Operating funds from the EIA to General Funds in order to resolve a cash flow issue recognized by the Department.
3. The Executive Budget proposes to reduce the National Board Certification line to reflect the actual expenditures of the program.
4. The Executive Budget proposes to reduce the Department of Disabilities and Special Needs (DDSN) line pursuant to a recommendation from DDSN and the EOC.

EDUCATION LOTTERY ACCOUNT

Certified Net Lottery Proceeds and Investment Earnings
(\$388M)

(1) Commission on Higher Education and State Board for Technical and Comprehensive Education--Tuition Assistance	\$ 52,122,452
(2) Commission on Higher Education--LIFE Scholarships (Chapter 149, Title 59)	\$ 230,056,162
(3) Commission on Higher Education--HOPE Scholarships (Section 59-150-370)	\$ 15,563,241
(4) Commission on Higher Education--Palmetto Fellows Scholarships (Section 59-104-20)	\$ 55,362,716
(5) Commission on Higher Education--Need-Based Grants	\$ 18,065,421
(6) Higher Education Tuition Grant Commission--Tuition Grants	\$ 8,830,008
(7) State Board for Technical and Comprehensive Education - Workforce Scholarships and Grants	\$ 8,000,000
Subtotal:	\$ 388,000,000

Unclaimed Prizes
(\$19M)

(1) Commission on Higher Education - Higher Education Excellence Enhancement Program	\$ 6,072,473
(2) State Board for Technical and Comprehensive Education - Workforce Scholarships and Grants	\$ 3,000,000
(3) Commission on Higher Education--Need-Based Grants	\$ 7,504,128
(4) Commission on Higher Education--National Guard Tuition Repayment Program (Section 59-111-75)	\$ 2,373,399
(5) Department of Alcohol and Other Drug Abuse Services - Gambling Addiction Services	\$ 50,000
Subtotal:	\$ 19,000,000

Total Certified by BEA: \$ 407,000,000

FY 2017-18 Residual Surplus Lottery Proceeds (\$28M - \$19.6M Set Aside)

(1) Commission on Higher Education--Need-Based Grants	\$ 8,400,000
Subtotal:	\$ 8,400,000
Total:	\$ 415,400,000

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CAPITAL RESERVE FUND

Sect.	Agency/Item	Amount
25	State Board For Technical & Comprehensive Education	
	STEM Equipment for High-Demand Jobs Skills Training	\$ 9,110,101
	ReadySC Direct Training	\$ 9,432,046
33	Department of Health and Human Services	
	Medicaid Management Information Systems	\$ 7,741,075
35	Department of Mental Health	
	Campbell Veterans Nursing Home Renovations	\$ 2,000,000
37	Department of Alcohol and Other Drug Abuse Services	
	Infrastructure Improvements/Substance Abuse Provider System	\$ 3,000,000
38	Department of Social Services	
	Child Support Enforcement System	\$ 25,000,000
43	Forestry Commission	
	Firefighting Equipment	\$ 3,500,000
47	Department of Natural Resources	
	Coastal Vulnerability Studies and Offshore Mapping Phase II	\$ 400,000
49	Department of Parks, Recreation and Tourism	
	Beach Renourishment	\$ 11,000,000
	Hunting Island Cabins Parks	\$ 10,000,000
50	Department of Commerce	
	Closing Fund	\$ 2,700,000
	LocateSC	\$ 4,000,000
53	Conservation Bank	
	Conservation Bank Trust	\$ 6,000,000
62	State Law Enforcement Division	
	Forensics Equipment	\$ 1,430,000
	CJIS HVAC Upgrade	\$ 490,000
	CJIS Roof Replacement	\$ 355,000
	SC CIC Program New Personnel Equipment	\$ 126,475
	SC CIC Training, Exercises & Professional Services	\$ 704,600
	Forensics Laboratory Building	\$ 20,000,000
50	Department of Public Safety	
	Highway Patrol Equipment (Rifles)	\$ 499,797
82	Department of Motor Vehicles	
	REAL ID Implementation	\$ 5,637,990
	Roads Bill Implementation	\$ 330,800
	TERI Payouts	\$ 412,450
83	Department of Employment and Workforce	
	Be Pro Be Proud	\$ 950,000

93	Department of Administration		
	Wade Hampton Building Chilled & Hot Water Distribution System	\$	4,800,000
	Adjutant General Building Air Handling Units, VAV, Controls, Duct Repair	\$	1,150,502
101	Election Commission		
	Special Election Fund Recoupment	\$	650,000
	New Statewide Voting System	\$	10,000,000
	Refresh/Refurbish of Statewide Voting System	\$	4,000,000
		Capital Reserve Fund Total:	\$ 145,420,836

Non-Recurring Funds

Sect.	Agency/Item	Amount
1	Department Of Education	
	First Steps Local Partnership Data System Purchase	\$ 595,000
	First Steps Local Partnership Financial Management System	\$ 250,000
	SCGSAH Fire Protection Component Upgrade	\$ 480,000
	SCGSAH Core Switch Replacement	\$ 65,000
11	Commission On Higher Education	
	Technology Upgrades	\$ 150,000
26	Department Of Archives & History	
	Conservation of South Carolina's Constitutions	\$ 200,000
32	Department Of Vocational Rehabilitation	
	Information Technology/Security - Computer Purchases	\$ 900,000
34	Department Of Health & Environmental Control	
	Groundwater Quantity Permitting and Planning	\$ 106,354
	Prescription Drug Monitoring Improvements	\$ 1,000,000
35	Department of Mental Health	
	Community Buildings Deferred Maintenance	\$ 1,000,000
38	Department of Social Services	
	Economic Services	\$ 1,992,185
44	Department of Agriculture	
	Statewide Agribusiness Infrastructure	\$ 2,000,000
47	Department of Natural Resources	
	Freshwater Fisheries Hatchery Renovations	\$ 2,000,000
49	Department of Parks, Recreation and Tourism	
	Lace House Deferred Maintenance	\$ 319,000
50	Department of Commerce	
	Research/Applied Research Centers	\$ 1,000,000
58	Administrative Law Court	
	Court Room Technology Upgrades	\$ 80,000
62	State Law Enforcement Division	
	Technology Equipment/Software	\$ 1,000,000
	New Forensics Personnel Equipment	\$ 400,125
	New Narcotics Personnel Equipment	\$ 276,375
64	Law Enforcement Training Council	
	Clothing & Equipment for Expansion of Training	\$ 22,500
	IT Equipment Required for DIT & CJIS Security	\$ 192,000
65	Department Of Corrections	
	General Maintenance Security and Detention Systems and Equipment	\$ 3,120,000
	Agency Wide Roofing	\$ 2,500,000

87	Division Of Aeronautics		
	Airport Facilities Security System Replacement	\$	100,000
100	Adjutant General's Office		
	Statewide Readiness Centers - Female Latrines (12)	\$	225,000
		Non-Recurring Funds Total:	\$ 19,973,539

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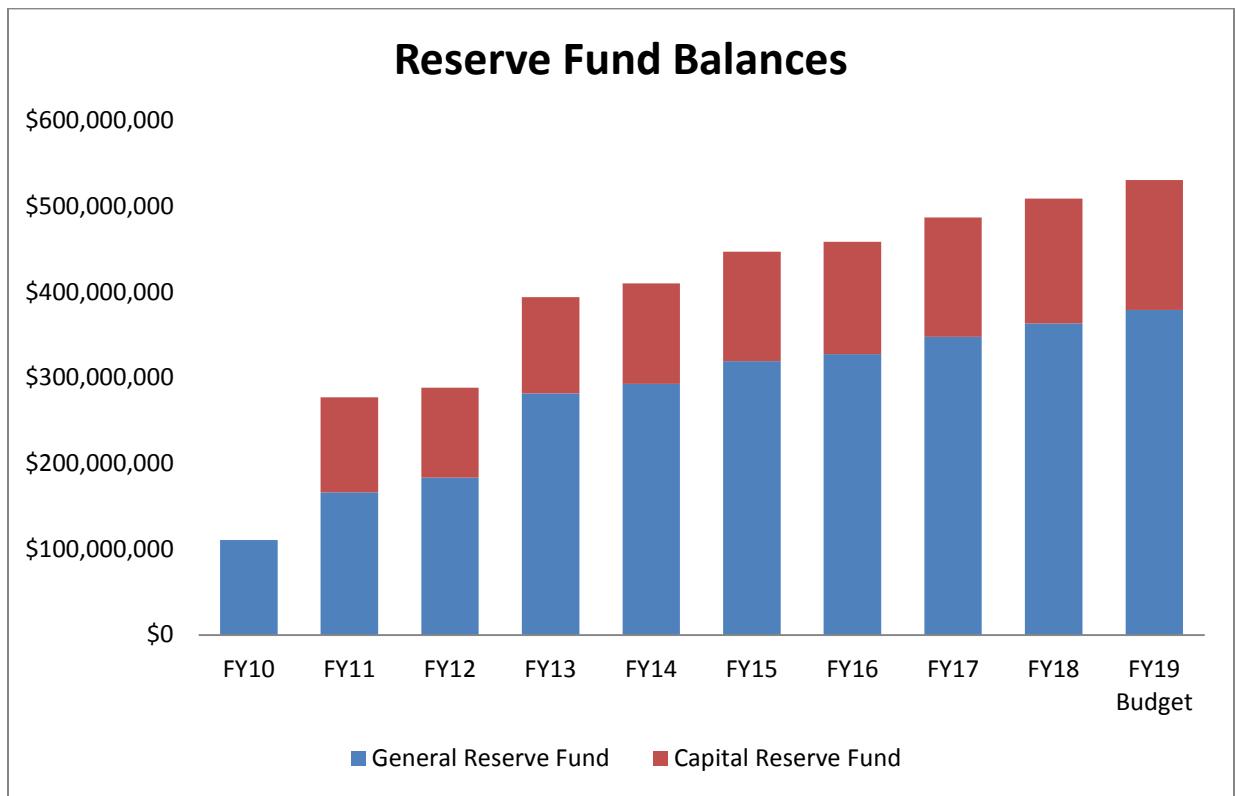


Reserve Funds & Debt

Reserve Funds

The General Reserve Fund is required to be 5 percent of the revenues of the most recently completed fiscal year. For FY 2016-17, 5 percent of revenues is \$379,123,483. The Executive Budget fully funds this amount for FY 2018-19.

The Capital Reserve Fund (CRF) is a recurring appropriation that must equal 2 percent of General Fund revenue. If a year-end deficit is forecast, the CRF is reduced to the extent necessary before mandating operating reductions. If no year-end deficit is projected, the CRF may be appropriated in separate legislation for capital improvements or nonrecurring projects. For FY 2018-19, \$151,649,393 is set aside for the Capital Reserve Fund in the Executive Budget.

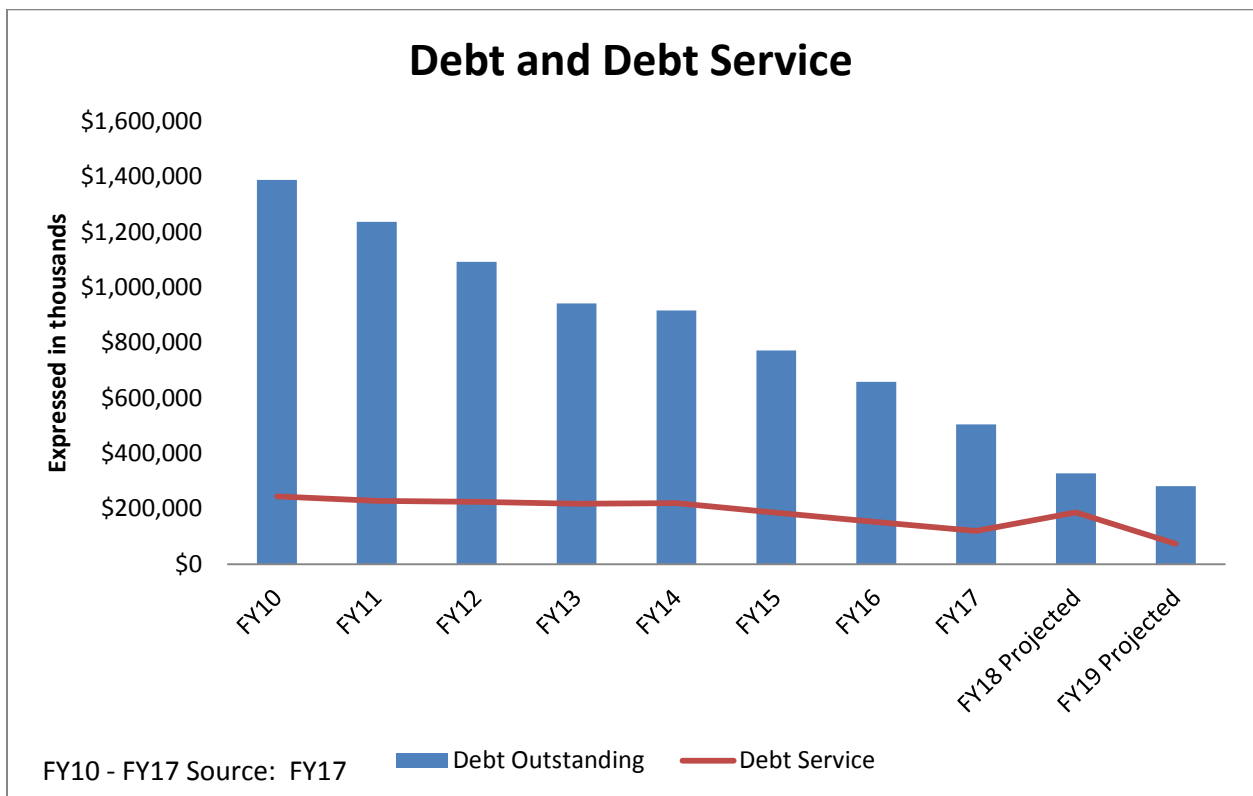


Debt and Debt Service

The State of South Carolina issues debt in the following categories:

- Capital Improvement Bonds
- State Highway Bonds (excluded from the chart below)
- State School Facilities Bonds
- Infrastructure Bank Bonds (excluded from the chart below)
- State Economic Development Bonds
- Research University Infrastructure Bonds
- Air Carrier Hub Terminal Facilities Bonds

More information about debt can be found at: <https://treasurer.sc.gov/government/bond-debt-information/>



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Executive Budget Summary

Executive Budget Summary

APPROPRIATIONS OVERVIEW

The Executive Budget recommendations for Fiscal Year 2018-19 total \$28.3 billion, of which \$8.1 billion is from General Funds:

	FY18 Budget	FY19 Exec. Budget	\$ Change	% Change
General Funds	\$7,946,738,831	\$8,060,567,519	\$113,828,688	1.43%
Federal Funds	\$8,592,136,727	\$8,691,413,783	\$99,277,056	1.16%
Other Funds	\$10,834,446,943	\$11,504,534,136	\$670,087,193	6.18%
Total	\$27,373,322,501	\$28,256,515,438	\$883,192,937	3.23%

REVENUE

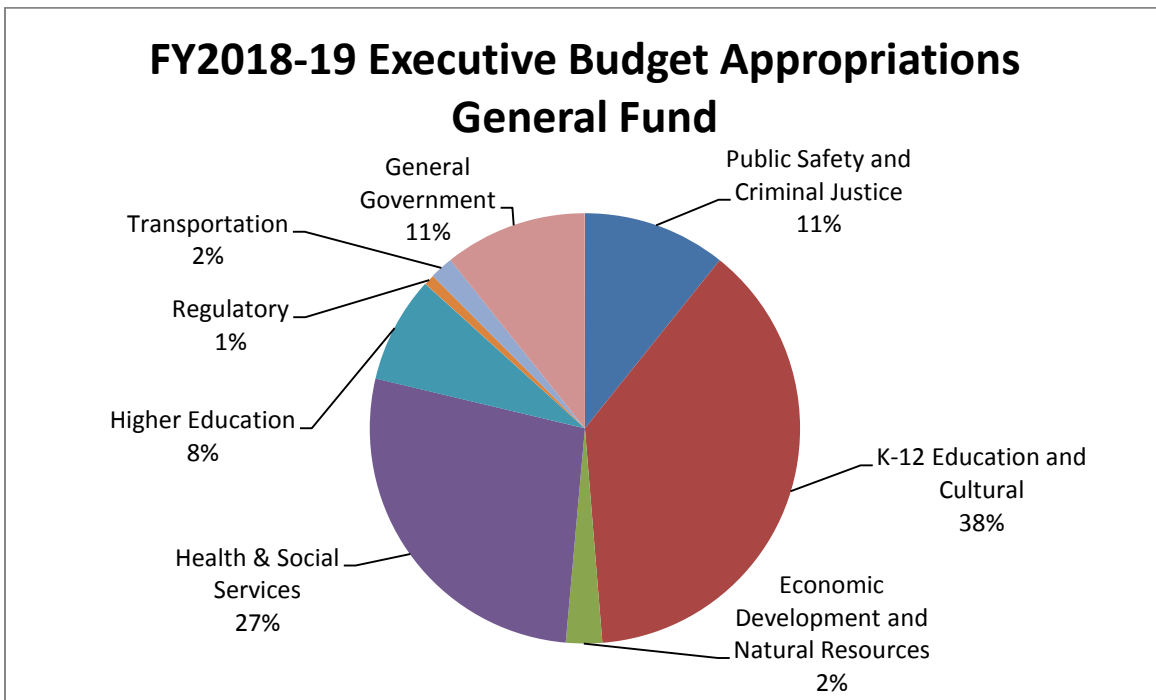
Over 85% of South Carolina's General Fund revenue comes from income and retail sales taxes.

General Fund Revenue Sources	FY2018-19	%
Retail Sales Tax	\$3,147,685,000	36.28%
Individual Income Tax	\$4,263,093,824	49.14%
Corporate Income Tax	\$358,914,000	4.14%
All Other	\$906,442,000	10.45%
Total Regular & Misc Revenue	\$8,676,134,824	100.00%

AGENCY RECOMMENDATIONS

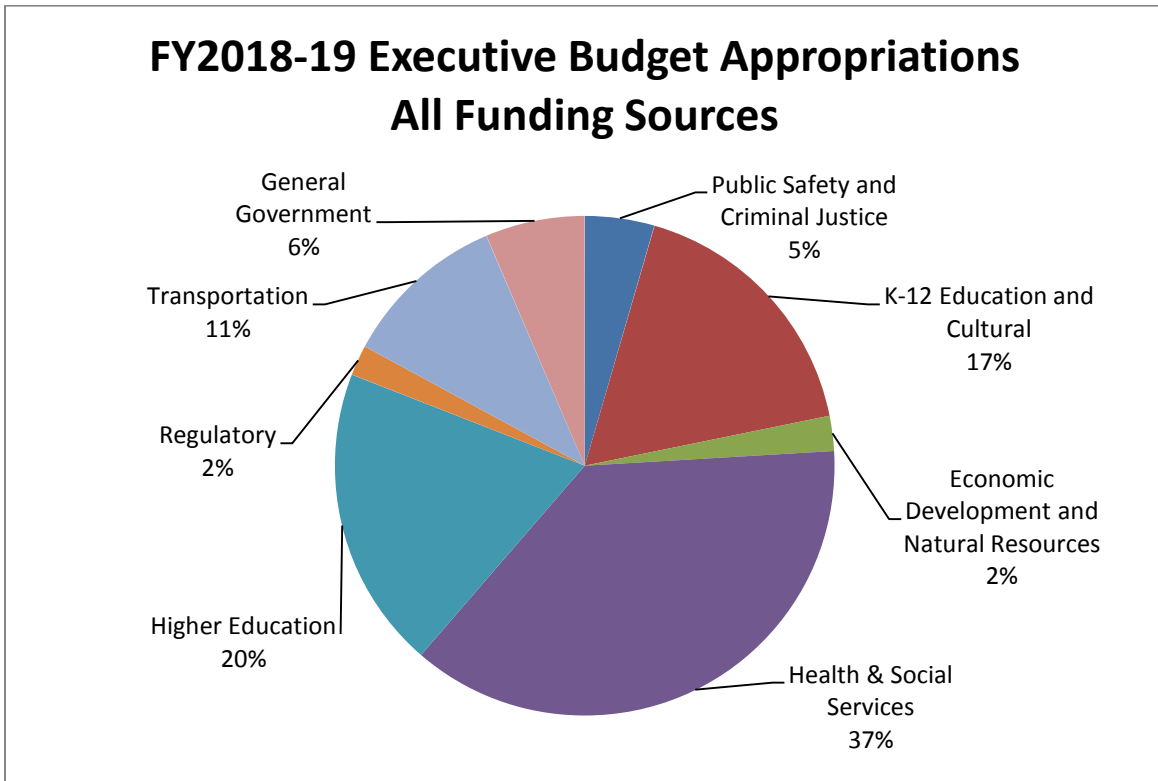
The Executive Budget recommends 46% of General Funds for K-12 and higher education, 27% for health and social rehabilitation agencies, 11% for public safety agencies, and 16% for all other agencies.

General Fund Appropriations	<u>FY18-19</u>	<u>%</u>
Public Safety and Criminal Justice	\$866,477,995	10.7%
K-12 Education and Cultural	\$3,060,034,963	38.0%
Economic Development and Natural Resources	\$219,111,812	2.7%
Health & Social Services	\$2,199,238,732	27.3%
Higher Education	\$644,488,609	8.0%
Regulatory	\$64,639,917	0.8%
Transportation	\$141,389,276	1.8%
General Government	\$865,186,215	10.7%
Total General Fund	\$8,060,567,519	100.0%



The Executive Budget recommends 37% of Total Funds for K-12 and higher education, 37% for health and social rehabilitation agencies, 5% for public safety agencies, 10% for transportation agencies, and 11% for all other agencies.

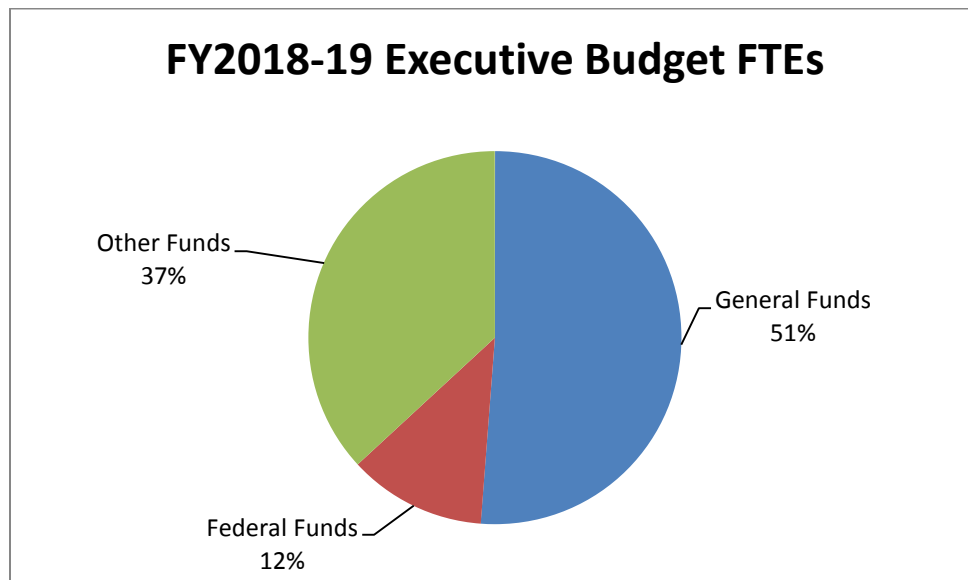
All Funding Sources	FY18-19	%
Public Safety and Criminal Justice	\$1,271,462,415	4.5%
K-12 Education and Cultural	\$4,888,244,537	17.3%
Economic Development and Natural Resources	\$637,939,066	2.3%
Health & Social Services	\$10,539,441,722	37.3%
Higher Education	\$5,533,069,026	19.6%
Regulatory	\$559,576,418	2.0%
Transportation	\$3,010,209,797	10.7%
General Government	\$1,816,572,457	6.4%
Total General Fund	\$28,256,515,438	100.0%



AUTHORIZED FTES

The Executive Budget recommends a total of 69,106.02 authorized FTEs for Fiscal Year 2018-19 from all funding sources.

Source	FY18 Authorized	FY19 Executive Budget	# Chg	% Chg
General Funds	34,907.87	35,395.87	488.00	1.40%
Federal Funds	8,222.44	8,085.44	-137.00	-1.67%
Other Funds	25,151.71	25,617.71	466.00	1.85%
Total	68,282.02	69,099.02	817.00	1.20%



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Recapitulation

Recapitulation

Appropriations by Agency	FY 2018-19 Executive Budget					GF Change in Appropriations		
	General	Federal	Earmarked	Restricted	Total	Dollars	Percentage	
Public Safety & Criminal Justice								
57	Judicial Department	56,248,163	835,393	22,498,000		79,581,556	0	0.00%
58	Administrative Law Court	2,608,983		1,539,938		4,148,921	0	0.00%
59	Attorney General's Office	12,266,299	40,003,654	26,764,911		79,034,864	276,500	2.31%
60	Prosecution Coordination Commission	27,268,639	355,583	8,325,000		35,949,222	0	0.00%
61	Commission On Indigent Defense	30,051,673		1,472,600	12,449,272	43,973,545	127,192	0.43%
62	Governor's Off-State Law Enforcement Division	55,367,346	25,000,000	25,548,045		105,915,391	5,769,938	11.63%
63	Department Of Public Safety	90,160,183	24,063,421	40,260,544	5,696,886	160,181,034	1,272,931	1.43%
64	Law Enforcement Training Council	5,765,585	601,000	8,650,000		15,016,585	712,980	14.11%
65	Department Of Corrections	428,237,467	3,627,000	61,486,733	722,477	494,073,677	8,357,361	1.99%
66	Department Of Probation, Parole & Pardon Services	40,431,525	206,000	21,044,391		61,681,916	2,882,751	7.68%
67	Department Of Juvenile Justice	110,492,631	3,000,000	18,285,284	707,415	132,485,330	1,514,958	1.39%
100	Adjutant General's Office	7,579,501	45,193,912	6,646,961		59,420,374	383,000	5.32%
Public Safety & Criminal Justice Total		866,477,995	142,885,963	242,522,407	19,576,050	1,271,462,415	21,297,611	2.52%
K-12 Education & Cultural								
1	Department Of Education	3,009,925,438	879,200,886	40,747,909	846,300,000	4,776,174,233	35,144,085	1.18%
4	Education Oversight Committee				1,793,242	1,793,242	0	0.00%
5	Wil Lou Gray Opportunity School	6,227,305	240,000	950,321	35,000	7,452,626	0	0.00%
6	School For The Deaf And The Blind	15,054,880	1,139,000	10,070,455	200,000	26,464,335	0	0.00%
7	John De La Howe School	4,795,673	353,227	481,512	719,535	6,349,947	0	0.00%
8	Educational Television Commission	331,056	200,000	13,200,719	22,514,281	36,246,056	46,799	16.46%
26	Department Of Archives & History	2,637,077	897,583	1,294,158		4,828,818	0	0.00%
27	State Library	13,353,139	2,701,146	187,000	80,000	16,321,285	166,500	1.26%
28	Arts Commission	3,015,938	1,335,641	148,707		4,500,286	0	0.00%
29	State Museum Commission	3,780,037		3,000,000		6,780,037	0	0.00%
30	Confederate Relic Room and Military Museum Commission	914,420		419,252		1,333,672	0	0.00%
K-12 Education & Cultural Total		3,060,034,963	886,067,483	70,500,033	871,642,058	4,888,244,537	35,357,384	1.17%
Economic Development & Natural Resources								
43	Forestry Commission	17,653,176	4,763,560	9,678,713		32,095,449	840,000	5.00%
44	Department Of Agriculture	11,373,461	2,219,304	7,410,136		21,002,901	0	0.00%
45	Clemson University - Public Service Activities	40,457,592	17,275,000	23,395,568		81,128,160	0	0.00%
46	South Carolina State University - Public Service Activities	4,295,605	4,173,741			8,469,346	0	0.00%
47	Department Of Natural Resources	31,411,754	31,248,135	18,192,340	29,492,865	110,345,094	2,568,352	8.90%
48	Sea Grant Consortium	677,461	4,550,000	450,000		5,677,461	0	0.00%
49	Department Of Parks, Recreation & Tourism	43,156,699	2,505,110	50,561,105	2,552,000	98,774,914	0	0.00%
50	Department Of Commerce	49,287,178	119,465,015	32,173,500	22,368,000	223,293,693	4,250,000	9.44%
51	Jobs-Economic Development Authority		18,000	405,150		423,150	0	0.00%
52	Patriots Point Development Authority				13,836,012	13,836,012	0	0.00%
53	S.C. Conservation Bank	287,030				287,030	0	0.00%
54	Rural Infrastructure Bank	20,511,856	700,000		21,394,000	42,605,856	0	0.00%
Economic Development & Natural Resources Total		219,111,812	186,917,865	142,266,512	89,642,877	637,939,066	7,658,352	3.62%
Health & Social Services								
32	Department Of Vocational Rehabilitation	16,429,396	121,560,616	35,340,201		173,330,213	426,000	2.66%
33	Department Of Health & Human Services	1,362,361,649	5,321,468,349	521,783,398	463,298,408	7,668,911,804	44,649,267	3.39%
34	Department Of Health & Environmental Control	132,862,993	286,140,200	195,589,511	25,310,221	639,902,925	792,461	0.60%
35	Department Of Mental Health	239,278,521	19,170,928	230,356,451		488,805,900	4,030,749	1.71%
36	Department Of Disabilities & Special Needs	240,196,284	340,000	498,438,332	0	738,974,616	(11,202,071)	-4.46%
37	Department Of Alcohol & Other Drug Abuse Services	9,950,737	40,617,730	6,996,362	100,000	57,664,829	1,250,000	14.37%
38	Department Of Social Services	194,612,049	508,278,168	55,496,311	849,986	759,236,514	23,946,776	14.03%
39	Commission For The Blind	3,547,103	8,664,818	403,000		12,614,921	25,000	0.71%
Health & Social Services Total		2,199,238,732	6,306,240,809	1,544,403,566	489,558,615	10,539,441,722	63,918,182	2.99%
Higher Education								
3	Lottery Expenditure Account				400,865,355	400,865,355	0	0.00%
11	Commission On Higher Education	36,691,997	4,729,832	4,583,904	885,284	46,891,017	342,740	0.94%
12	Higher Education Tuition Grants Commission	26,282,134		25,000	5,500,000	31,807,134	2,302	0.00%
13	The Citadel	10,750,444	32,868,063	106,000,000		149,618,507	0	0.00%
14	Clemson University - Education & General	82,435,071	121,990,397	736,920,242	140,560,917	1,081,906,627	0	0.00%
15	University Of Charleston	25,656,623	19,500,000	195,062,776	28,000,000	268,219,399	0	0.00%
16	Coastal Carolina University	12,801,503	21,000,000	210,609,143		244,410,646	0	0.00%
17	Francis Marion University	15,645,048	12,988,495	38,800,001		67,433,544	0	0.00%
18	Lander University	7,891,057	7,240,741	57,285,714	7,999,626	80,417,138	0	0.00%
19	South Carolina State University	13,970,128	54,501,255	51,756,047		120,227,430	0	0.00%
20A	University Of South Carolina	133,459,224	178,603,631	910,402,040	127,303	1,222,592,198	2,250,000	1.71%
20B	USC - Aiken Campus	8,277,419	10,500,000	41,457,362		60,234,781	0	0.00%
20C	USC - Upstate	11,432,697	14,750,838	68,376,142		94,559,677	0	0.00%
20D	USC - Beaufort Campus	3,682,059	5,477,915	27,307,011		36,466,985	0	0.00%
20E	USC - Lancaster Campus	2,456,070	4,090,048	13,784,453		20,330,571	0	0.00%
20F	USC - Salkehatchie Campus	1,826,338	3,880,454	8,373,545		14,080,337	0	0.00%
20G	USC - Sumter Campus	3,139,573	2,206,397	10,419,706		15,765,676	0	0.00%
20H	USC - Union Campus	881,195	1,928,258	4,161,055		6,970,508	0	0.00%
21	Winthrop University	16,365,381	51,197,500	86,488,860	12,968,320	167,020,061	0	0.00%
23	Medical University Of South Carolina.	69,795,296	159,326,889	454,681,405		683,803,590	0	0.00%
24	Area Health Education Consortium	10,650,969	844,700	2,808,927		14,304,596	0	0.00%
25	State Board For Technical & Comprehensive Education	150,398,383	52,614,581	502,130,285		705,143,249	0	0.00%
Higher Education Total		644,488,609	760,239,994	3,531,433,618	596,906,805	5,533,069,026	2,595,042	0.40%

Appropriations by Agency	FY 2018-19 Executive Budget					GF Change in Appropriations		
	General	Federal	Earmarked	Restricted	Total	Dollars	Percentage	
Regulatory								
42	Housing Finance & Development Authority		162,979,915	25,210,505	10,200,000	198,390,420	0	0.00%
70	Human Affairs Commission	2,284,291	336,225	750,000		3,370,516	0	0.00%
71	Commission On Minority Affairs	1,028,806		261,814		1,290,620	0	0.00%
72	Public Service Commission			4,645,308		4,645,308	0	0.00%
73	Office Of Regulatory Staff		610,347	8,186,368	4,604,808	13,401,523	0	0.00%
74	Workers' Compensation Commission	2,087,167		5,007,845		7,095,012	0	0.00%
75	State Accident Fund			8,863,100		8,863,100	0	0.00%
76	Patients' Compensation Fund				1,092,000	1,092,000	0	0.00%
78	Department Of Insurance	4,220,310		11,275,754	2,355,000	17,851,064	0	0.00%
79	State Board Of Financial Institutions			4,903,413		4,903,413	0	0.00%
80	Department Of Consumer Affairs	1,516,061		2,059,666		3,575,727	0	0.00%
81	Department Of Labor, Licensing & Regulation	1,416,609	2,904,264	36,797,608		41,118,481	0	0.00%
83	Department Of Employment And Workforce	500,873	150,987,848	16,017,884		167,506,605	0	0.00%
109	Department Of Revenue	50,110,970		34,082,093	95,000	84,288,063	0	0.00%
110	State Ethics Commission	1,310,780		707,202		2,017,982	174,995	15.41%
111	Procurement Review Panel	164,050		2,534		166,584	0	0.00%
Regulatory Total		64,639,917	317,818,599	158,771,094	18,346,808	559,576,418	174,995	0.27%
Transportation								
82	Department Of Motor Vehicles	89,252,845	1,700,000	7,947,596		98,900,441	3,527,622	4.12%
84	Department Of Transportation	50,057,271			2,407,783,188	2,457,840,459	0	0.00%
85	Infrastructure Bank Board				252,985,870	252,985,870	0	0.00%
86	County Transportation Funds				189,925,000	189,925,000	0	0.00%
87	Division Of Aeronautics	2,079,160	3,478,867	5,000,000		10,558,027	0	0.00%
Transportation Total		141,389,276	5,178,867	12,947,596	2,850,694,058	3,010,209,797	3,527,622	2.56%
General Government								
91A	The Senate	14,398,274		300,000		14,698,274	0	0.00%
91B	House Of Representatives	22,312,601				22,312,601	0	0.00%
91C	Codification Of Laws & Legislative Council	4,309,694		300,000		4,609,694	0	0.00%
91D	Legislative Services Agency	5,929,505				5,929,505	0	0.00%
91E	Legislative Audit Council	1,900,817		400,000		2,300,817	0	0.00%
92A	Governor's Office - Executive Control Of State	2,059,328				2,059,328	0	0.00%
92C	Governor's Office - Mansion And Grounds	323,464		200,000		523,464	0	0.00%
93	Department Of Administration	65,519,447	58,689,280	153,619,092	4,421,896	282,249,715	4,040,000	0.00%
94	Office Of Inspector General	674,739				674,739	12,273	0.00%
95	Lieutenant Governor's Office	18,163,509	27,349,923	6,870,197	2,184,100	54,567,729	19,808	0.11%
96	Secretary Of State's Office	1,126,491		2,119,255		3,245,746	0	0.00%
97	Comptroller General's Office	2,448,246		875,434		3,323,680	64,000	2.68%
98	State Treasurer's Office	1,993,683		7,495,061		9,488,744	0	0.00%
99	Retirement System Investment Commission				15,803,000	15,803,000	0	0.00%
101	Election Commission	6,539,449		1,640,700		8,180,149	250,000	3.97%
102	Revenue & Fiscal Affairs Office	4,955,891	25,000	5,889,274		10,870,165	197,670	4.15%
104	State Fiscal Accountability Authority	1,627,423		11,771,121	7,585,179	20,983,723	0	0.00%
105	SFAA - State Auditor's Office	4,571,668		2,379,639		6,951,307	0	0.00%
106	Statewide Employee Benefits	91,586,074				91,586,074	91,586,074	0.00%
107	Capital Reserve Fund	151,649,393				151,649,393	6,228,557	4.28%
108	Public Employee Benefit Authority	125,737,331			42,030,091	167,767,422	0	0.00%
112	Debt Service	74,190,663				74,190,663	(117,439,635)	-61.28%
113	Aid To Subdivisions - State Treasurer	243,092,525				243,092,525	0	0.00%
114	Aid to Subdivisions - Department Of Revenue	20,076,000				20,076,000	(5,659,247)	-21.99%
115	Tax Relief Trust Fund			599,438,000		599,438,000	0	0.00%
General Government Total		865,186,215	86,064,203	793,297,773	72,024,266	1,816,572,457	(20,700,500)	-2.34%
Grand Total		8,060,567,519	8,691,413,783	6,496,142,599	5,008,391,537	28,256,515,438	113,828,688	1.43%

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Governor's Recommended Appropriations



GOVERNOR'S RECOMMENDED APPROPRIATIONS

Public Safety and Criminal Justice

Administrative Law Court (Sec. 58)

- \$80,000 in one-time funds to replace outdated courtroom technology.

Attorney General (Sec. 59)

- \$60,000 for a new Capital Litigation Paralegal.
- \$216,500 for additional personnel to implement the Anti-Money Laundering Act.

Commission on Indigent Defense (Sec. 61)

- \$127,192 for information technology services.

State Law Enforcement Division (Sec. 62)

- \$956,131 for law enforcement officers' rank promotion.
- \$883,114 for additional forensic laboratory personnel and a one-time allocation of \$400,125 for associated personnel equipment purchases.
- \$484,416 for five (5) additional narcotics agents in the Vice Unit and a one-time allocation of \$276,375 for associated personnel equipment purchases.
- \$185,000 for expansion of a disaster recovery system.
- \$144,307 for the Pee Dee and Piedmont SLED office space.
- \$1,250,000 for operating funds for the Forensics Department.
- \$667,150 for the SC Critical Infrastructure Cybersecurity Program (SC CIC) and one-time allocations of \$704,600 for cybersecurity training and \$126,475 for associated personnel equipment purchases.
- \$242,000 for SC CIC National Guard Participation.
- \$134,296 for two additional Immigration Officers.
- \$71,455 for a new Immigration Compliance Recorder position to track compliance with proposed legislation to prevent sanctuary cities.
- \$1,000,000 in one-time funds for technology equipment and software support.

- \$1,430,000 in one-time funds for upgraded forensics equipment to replace outdated instruments.
- \$490,000 in one-time funds to replace the HVAC at the Criminal Justice Information Services (CJIS) building.
- \$355,000 in one-time funds to replace the roof at the CJIS building.
- \$20,000,000 in one-time funds towards the construction of a new forensics lab.

Department of Public Safety (Sec. 63)

- \$2,025,000 for Highway Patrol overtime pay.
- \$499,797 in one-time funds to provide Highway Patrol Officers with rifles.

Law Enforcement Training Council (Sec. 64)

- \$212,980 for instructor salary increases.
- \$500,000 for an expansion of the existing officer training program as well as a one-time allocation of \$22,500 for associated personnel equipment purchases.
- \$192,000 in one-time funds for information technology equipment for Division of Information Technology (DIT) and CJIS security.

Department of Corrections (Sec. 65)

- \$4,999,374 for a Correctional Officer hiring rate adjustment and retention plan.
- \$1,258,921 for an electronic health record system.
- \$1,730,507 to increase workforce and reentry services for level II and III institutions.
- \$368,559 to implement information technology security policies.
- \$3,120,000 in one-time funds for general maintenance of security equipment and detention systems.
- \$2,500,000 in one-time funds for roof replacement.

Department of Probation, Parole and Pardon Services (Sec. 66)

- \$1,146,080 to lease additional agent vehicles through the Department of Administration's Master Lease Program (Phase 2 of 2).
- \$863,408 to fund the expansion of the Offender Supervision Specialist Program.
- \$473,263 to migrate agency servers to the State Data Center.
- \$400,000 for workforce and reentry programs for offenders.

Department of Juvenile Justice (Sec. 67)

- \$1,014,958 for Juvenile Correction Officers and Community Specialists salary increases.
- \$500,000 for workforce and reentry programs juvenile offenders.

Adjutant General Office (Sec. 100)

- \$263,000 for a new position and operating expenses for the Emergency Management Division.
- \$120,000 for South Carolina State Guard personnel cost increases.
- \$225,000 in one-time funds to construct female latrines at Statewide Readiness Centers.

K-12 Education and Cultural

Department of Education (Sec. 1)

- \$25,182,795 for a \$10 increase to the Education Finance Act (EFA) Base Student Cost from \$2,425 in FY 2017-18 to \$2,435 in FY 2018-19.
- \$5,000,000 to double the Department of Education's annual appropriation for school bus leases.
- \$2,000,000 for the VirtualSC program to expand access to courses not offered in a student's local school.
- \$347,381 for two personnel to implement Act 23 of 2017 which will better ensure South Carolina's local school districts are using best fiscal and budgetary practices.
- \$2,500,000 to expand access to S.C. Public Charter Schools by providing transportation for charter school students to and from their schools.
- \$188,475 for two personalized learning positions at the Department of Education.
- \$2,654,809 for reading coaches to implement Read to Succeed.
- \$3,000,000 to defray the costs to students of industry certification and credentialing exams that are taken in secondary school.
- \$750,000 for a student engagement survey as required by South Carolina's Every Student Succeeds Act (ESSA) state plan submitted to the U.S. Department of Education.
- \$11,000,000 to increase technical assistance funding at the Department of Education to address underperforming schools and an additional \$100,000 for an additional Technical Assistance Education Associate at the Department.
- \$7,000,000 reduction to the National Boards Certification program to align funding to the program's expenditures since the program is closed to new entrants.
- \$5,000,000 for the School Safety Program to provide certified law enforcement officers to serve in schools that would otherwise be unable to incur this cost.
- \$3,100,000 in one-time funds to train a computer science and coding teacher for every school in South Carolina as well as \$200,000 in recurring support for computer science and coding professional development for classroom instruction.
- \$1,459,000 in additional one-time funds for Aid to Districts – Technology to support broadband infrastructure upgrades in all of South Carolina's school districts.
- \$3,000,000 in additional one-time funds for Career & Technology Education to purchase state of the art workforce training equipment across South Carolina's school districts.
- \$18,808,341 in additional funding for charter schools across South Carolina to support a 5% increase in per-pupil funding and enrollment growth.
- \$142,448 for a centralized data system that will allow the Office of First Steps to monitor the service performance of its partners across the state as well as \$595,000 in one-time funds for associated non-recurring costs.
- \$250,000 in one-time funds for the Office of First Steps to purchase a financial management system.
- \$137,252 to the Governor's School for Science and Math for district salary alignment.

- \$87,100 to enable the Governor’s School for Arts and Humanities to expand its footprint across our state by establishing a Director of Outreach and Engagement position.
- \$59,802 to the Governor’s School for Arts and Humanities for district salary alignment.
- \$480,000 in one-time funds for the Governor’s School of Arts and Humanities to upgrade its fire protection systems.
- \$65,000 in one-time funds for the Governor’s School of Arts and Humanities to replace a core switch.

Educational Television Commission (Sec. 8)

- \$46,799 for a new Tower Management Engineering Coordinator position to provide support for ETV’s tower and operations efforts.

Department of Archives and History (Sec. 26)

- \$200,000 in one-time funds to conserve South Carolina’s original constitutions.

State Library (Sec. 27)

- \$166,500 to meet the increasing cost for the Discus program, South Carolina’s virtual library.

Economic Development and Natural Resources_____

Forestry Commission (Sec.43)

- \$640,000 for five new firefighting positions, including operating costs, to increase the agency’s firefighting capacity.
- \$200,000 for additional state forest personnel to increase access to our state’s resources.
- \$3,500,000 in one-time funds to purchase enclosed cab bulldozers for firefighter safety.

Department of Agriculture (Sec. 44)

- \$2,000,000 in one-time funds for Statewide Agribusiness Infrastructure to recruit competitive agribusiness projects and development to South Carolina.

Department of Natural Resources (Sec. 47)

- \$502,000 for systematic hardware and software upgrades in the information technology program.
- \$403,934 for law enforcement officers’ rank promotion.
- \$1,500,000 for statewide public wildlife and fishery management projects to increase access to state owned land as well as \$2,000,000 in one-time funds to reopen the state’s freshwater fisheries.
- \$100,000 for maintenance and operations of stream gages.
- \$62,418 for a new climatologist position to address statewide drought and water conservation issues.
- \$400,000 in one-time funds to complete coastal vulnerability studies and offshore mapping.

Clemson Public Service Authority (Sec. 45)

- \$30,570 in EIA funds for district salary alignment.

Department of Parks and Tourism (Sec. 49)

- \$11,000,000 in one-time funds for beach renourishment.
- \$10,000,000 in one-time funds to repair and replace cabins at Hunting Island State Park damaged in hurricanes.
- \$319,000 in one-time funds for deferred maintenance at the Lace House.

Department of Commerce (Sec. 50)

- \$2,500,000 for the Closing Fund as well as an additional \$2,700,000 in one-time funds.
- \$150,000 for the Appalachian Regional Commission statewide assessment.
- \$1,000,000 for Applied Research Centers as well as an additional \$1,000,000 in one-time funds.
- \$600,000 for the Military Base Task Force.
- \$4,000,000 in one-time funds for LocateSC for economic development site preparation efforts.

South Carolina Conservation Bank (Sec. 53)

- \$6,000,000 in one-time funds for the Conservation Bank Trust.

Health and Social Services

Vocational Rehabilitation (Sec. 32)

- \$426,000 for services to youth and adults with disabilities to increase skill gains, attain credentials and enhance post-secondary outcomes.
- \$900,000 in one-time funds for IT technology, security, and computer purchases.

Department of Health and Human Services (Sec. 33)

- \$26,416,551 to continue current service provision to beneficiaries eligible for Medicaid under existing criteria.
- \$3,848,880 to increase the reimbursement rate for autism-related Applied Behavior Analysis (ABA).
- \$11,402,071 appropriation transfer from the Department of Disabilities and Special Needs to meet fiscal authority requirements and recommendations for the BabyNet program.
- \$1,368,235 appropriation transfer to the Department of Disabilities and Special Needs as a permanent measure to account for state matching funds for the Community Support Waiver and Home and Community Based Waiver.
- \$4,350,000 for a series of efforts to address opioid use abuse.
- \$7,741,075 in one-time funds for the Medicaid Management Information System.

Department of Health and Environmental Control (Sec. 34)

- \$350,000 to continue services provided by the EMS Performance Improvement Center.
- \$192,461 for additional staff to ensure the sustainability of groundwater resources through management of permitting facilities as well as \$106,354 in one-time funds for personnel equipment.
- \$250,000 for the assessment and cleanup of petroleum releases from above ground storage tanks (ASTs) or other unregulated sources.
- \$1,000,000 in one-time funds for improvements to the prescription drug monitoring system.

Department of Mental Health (Sec. 35)

- \$250,000 for school-based mental health services
- \$1,362,527 for contractual obligations in FY 2018-19 related to Consumer Price Index (CPI) adjustments for forensics programming and veterans' nursing homes.
- \$512,728 for increased costs associated with census growth of Sexually Violent Predators Program.
- \$1,852,294 to fund FY 2017-18 annualizations for Care Coordination, Deaf Services, IPS/Employment Program, Alzheimer's Association, and Psychiatric Residential Treatment Facility (PRTF) placements.
- \$53,200 for costs associated with vaccinations for shingles (Zostovax).
- \$2,000,000 in one-time funds for renovations to the Campbell Veterans Nursing Home.
- \$1,000,000 in one-time funds for deferred maintenance to community buildings.

Department of Disabilities and Special Needs (Sec. 36)

- \$200,000 for post-acute rehabilitation program for individuals who experience a traumatic brain or spinal cord injury.
- \$11,402,071 appropriation transfer to the Department of Health and Human Services to meet fiscal authority requirements and recommendations for the BabyNet program.

Department of Alcohol and Other Drug Abuse Services (Sec. 37)

- \$1,250,000 for prevention, treatment, and recovery activities for opioid use disorder (OUD).
- \$3,000,000 in one-time funds for infrastructure improvements to the substance abuse provider system.

Department of Social Services (Sec. 38)

- \$20,281,214 to fund 234 positions to increase child welfare services and reduce caseloads.
- \$2,665,562 for the Adult Protective Services (APS) program which investigates noncriminal reports of alleged abuse, neglect, and exploitation of vulnerable adults.
- \$313,606 for additional Benefit Integrity Unit staff responsible for the detection and prevention of fraud and misuse of benefit programs.
- \$686,394 to help meet state match requirements for the federal Child Care and Development Fund as well as \$1,992,185 in matching funds through a one-time allocation.
- \$25,000,000 in one-time funds for the Child Support System.

Commission for the Blind (Sec. 39)

- \$25,000 for additional technology and other assistive devices for the Children’s Services program.

Higher Education

Commission on Higher Education (Sec. 11)

- \$16,432,471 in additional funds for Need Based Grants.
- \$120,000 for agency technology needs and information security initiatives.
- \$222,740 for Southern Regional Education Board (SREB) contract programs and assessments.
- \$150,000 in one-time funds for technology upgrades.

Higher Education Tuition Grants Commission (Sec. 12)

- \$2,302 for an adjustment to the agency director’s salary, as approved by the Agency Head Salary Commission.

Clemson University (Sec. 14)

- \$500,000 for Call Me Mister to supplement existing institutional support.

University of South Carolina (Sec. 20A)

- \$2,250,000 for the child abuse and neglect medical response program.

State Board for Technical and Comprehensive Education (Sec. 25)

- \$5,000,000 to initiative the Workforce Partnership Grant program.
- \$9,110,101 in one-time funds for STEM equipment for high-demand job skills training.
- \$9,432,046 in one-time funds for ReadySC.
- \$3,000,000 for additional Workforce Scholarship and Grants awards.
- \$4,780,241 for additional Tuition Assistance awards.

Regulatory

State Ethics Commission (Sec. 110)

- \$66,484 for a new Program Assistant to assist in the review of campaign disclosures, statement of economic interest forms and lobbyist fillings.
- \$35,646 for the increase in office rent due to the agency’s recent relocation.
- \$52,107 for a new Law Clerk/Paralegal to assist with legal research, writing and administrative duties.
- \$5,000 for law enforcement training and supplies.
- \$15,758 for an adjustment to the agency head’s salary as approved by the Agency Head Salary Commission.

- \$185,000 or more in new agency revenue from doubling the lobbyist and lobbyist principal registration fee to be used for additional investigation and legal staff.

Department of Employment and Workforce (Sec. 83)

- \$950,000 for the Be Pro Be Proud workforce initiative.

Transportation

Department of Motor Vehicle (Sec.82)

- \$379,122 for costs associated with implementing requirements of federal REAL ID legislation, specifically costs to establish a State to State Help Desk.
- \$2,500,000 to support anticipated growth in budget programs previously supported by earmarked funds, no longer retained by the agency.
- \$428,000 to support the implementation of Act 89 of 2017, the Moped Bill, and costs associated with personnel expenses and registration materials.
- \$220,000 to support the implementation of Act 40 of 2017, the S.C. Infrastructure and Economic Development Reform Act, and costs associated with the collection and distribution of fees as well as an additional \$330,800 in one-time funds.
- \$5,637,990 in one-time funds for the implementation of READ ID.
- \$412,450 in one-time funds to offset costs associated with TERI payouts.

Division of Aeronautics (Sec. 87)

- \$100,000 in one-time funds for airport facilities security system replacement.

General Government

Department of Administration (Sec. 93)

- \$3,000,000 to create a Program Management Office to implement initiatives associated with Information Technology Shared Services and lead governance groups for statewide information technology decisions.
- \$1,040,000 for the Guardian Ad Litem program to meet National Court Appointed Special Advocates standards.
- \$4,800,000 in one-time funds to replace the Wade Hampton Building chilled and hot water distribution system.
- \$1,150,502 in one-time funds for repairs to the Adjutant General building.

Office of Inspector General (Sec. 94)

- \$7,560 for information technology support to meet increased standards.
- \$4,713 for new agency head salary.

Lieutenant Governor's Office (Sec. 95)

- \$19,808 to increase state match for additional federal funding for senior citizens services.

Comptroller General's Office (Sec. 97)

- \$64,000 for an additional Accounts Payable position.

Election Commission (Sec. 101)

- \$250,000 to purchase services and products to better secure the state's election infrastructure to include the statewide voting system and voter registration system.
- \$10,000,000 in one-time funds towards the replacement of the statewide voting system.
- \$4,000,000 in one-time funds to refresh the existing statewide voting system.
- \$650,000 in one-time funds as a recoupment to the special election fund.

Revenue and Fiscal Affairs Office (Sec. 102)

- \$197,670 for a new Statistician and Applications Analyst position to develop a longitudinal data system as required by Act 94 of 2017.

Statewide Employee Benefits (Sec. 106)

- \$59,174,238 to cover employer's share for the State Health Plan to include addition of adult well visits and increase in patient liability.
- \$32,411,836 for required 1% SCRS and PORS retirement increase.

Capital Reserve Fund (Sec. 107)

- \$6,228,557 to meet statutory funding requirements.

Debt Service (Sec. 112)

- \$117,439,635 reduction to meet funding requirements.

Aid to Subdivisions (Sec. 114)

- \$5,659,247 reduction to match FY 2018-19 formula funding requirements.



Governor's Proviso Recommendations

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GOVERNOR’S EXECUTIVE BUDGET PROVISO RECOMMENDATIONS

# / ACTION	TITLE / DESCRIPTION
1.3	EFA Formula/Base Student Const Inflation Factor
Amend	<i>This proviso mandates the full implementation of the Education Finance Act and specifies the variables included in the Base Student Cost. This amendment would raise the Base Student Cost from \$2,425 to \$2,435. The amendment also mandates that all funds received by a school district, pursuant to the dual credit weighting, must be used to defray all possible costs of dual credit courses for students.</i>
1.8	Educational Responsibility/Foster Care
Amend	<i>This proviso outlines the procedures regarding educating special needs students as well as students in foster care. This amendment would require that, upon a student’s discharge from a treatment facility, the placing agency must continue to partner with the local school district where the student will reside after treatment to ensure educational continuity for that student.</i>
1.12	School Lunch Program Aid
Delete	<i>This proviso specifies the appropriations disbursement procedures for the School Lunch Program Aid to local school districts. Pursuant to a recommendation by the Department the funding has been consolidated into the Education Finance Act line and the Executive Budget recommends deletion.</i>
1.26	School Districts and Special Schools Flexibility
Amend	<i>This proviso currently allows all school districts and special schools to transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children’s Education Endowment Fund for school facilities and fixed equipment assistance. This amendment will remove the school districts’ and special schools’ flexibility to spend Aid to District – Technology funds for purposes other than those designated in the proviso to ensure that districts are utilizing the funds in a manner compliant with the annual Appropriations Act.</i>
1.47	Student Health and Fitness
Amend	<i>This proviso currently mandates that funds appropriated for Student Health and Fitness be used to increase the number of physical education teachers and school nurses and specifies the disbursement</i>

of the appropriations. SHFA funding was consolidated into one line item, but this proviso was not changed to reflect the consolidation. This error caused the appropriations disbursement ratio between physical education teachers and nurses to be disbursed incorrectly. This amendment would correct that error and ensure that the proper amount of funds are allocated for both physical education teachers and school nurses.

1.58 Full-Day 4K

Amend *This proviso specifies funding levels for public and private 4K providers. This amendment increases the tuition rate per child by \$88 to support inflation.*

1.62 Reading/Literacy Coaches

Amend (Technical) *This proviso specifies how funds appropriated for Reading/Literacy Coaches must be allocated. This amendment will update the fiscal year language of the proviso.*

1.66 Board of Education Funds

Delete *This proviso allows the State Board of Education to utilize Department carry forward funds for educational opportunities and projects. The Executive Budget recommends the deletion of this proviso pursuant to a recommendation by the Department.*

1.68 First Steps 4K Technology

Amend (Technical) *This proviso authorizes First Steps to spend up to \$75,000 from 4K carry-forward funds to purchase electronic devices for assessments. This amendment will update the fiscal year language of the proviso.*

1.69 Teacher Salary Schedule Structure

Delete *This proviso convened specified stakeholders and mandated they examine and make recommendations regarding changes to the statewide minimum state teacher salary schedule and report their findings and recommendations. This report has been released, so this proviso is no longer necessary.*

1.71 Digital Instructional Materials

Amend *This proviso mandates the Department create an instructional materials list comprised of instructional materials that have been approved by the State Board of Education. Amendments to the proviso would mandate the ongoing maintenance of this approved materials list and clarifies guidelines for acquiring print and digital materials.*

1.72 CDEPP Unexpended Funds

Amend (Technical) *This proviso allows First Steps to keep the first \$1,000,000 in 4K carry-forward funds and specifies the disbursement process of any remaining funds. This amendment will update the fiscal year language of the proviso.*

1.75	Teacher Employment
Delete	<i>This proviso outlined the post-termination appeals process for a school district teacher. The relevant language was codified by Act 221 of 2016, so this proviso is no longer needed.</i>
1.77	Highly Qualified Teachers
Delete	<i>This proviso suspended the teacher certification requirements of the No Child Left Behind Act in South Carolina. With the passage of the Every Student Succeeds Act, this proviso no longer applies.</i>
1.83	First Steps 4K Underserved Communities
Amend (Technical)	<i>This proviso directs First Steps to develop a pilot program to expand 4K enrollment within underserved communities in South Carolina. This amendment will update the fiscal year language of the proviso.</i>
1.85	Carry Forward
Delete	<i>The proviso directed the Department to allocate \$30,000,000 from carry forward cash balances to the School Districts Capital Improvement Plan. The Department states that all projects set forth in the School Districts Capital Improvement Plan will be completed by January 2018, so this proviso is no longer necessary.</i>
1.86	Poverty
Amend (Technical)	<i>This proviso allows eligible students to receive funding according to the Poverty weighting in the Educational Finance Act. This amendment will update the fiscal year language of the proviso.</i>
1.88	Committee on Educator Retention and Recruitment
Delete	<i>This proviso directed the State Superintendent of Education to convene a study committee to review educator recruitment and retention and to present a report on the committee's findings. The Department states the study was to be completed by December 31, 2017, so this proviso no longer applies.</i>
1.89	Big Brothers Big Sisters
Delete	<i>This proviso directed the Department to transfer up to \$50,000 to Big Brothers Big Sisters of the Upstate and up to \$50,000 to the Big Brothers Big Sisters Youth Development Center. The Department states these were non-recurring funds, and the Executive Budget recommends deletion of this proviso.</i>
1.90	Hold Harmless
Delete	<i>This proviso directed the Department to distribute the \$5,000,000 appropriated from Proviso 8.2 for the Education Foundation Supplement distributed to public school districts which, in the previous fiscal year, would recognize a tax loss, according to an Index of Taxpaying Ability. The Department states these were non-recurring funds, and the Executive Budget recommends deletion of this proviso.</i>

1.91	Save the Children
Delete	<i>This proviso directs the Department transfer \$200,000 of its funds to Save the Children, but was not funded by the General Assembly. Therefore, the Executive Budget recommends deletion of this proviso.</i>
1.92	Bus Lease
Establish	<i>This proviso would mandate that, of the funds appropriated in the current fiscal year for Bus Lease, the department shall be required to lease buses. Further, when utilizing any revenue or funding for the replacement of the state bus fleet the department shall be required to lease and prioritize the replacement of the Type D 1995/96 buses in the fleet and those that may present the greatest potential safety hazard.</i>
1.93	Statewide Charter Schools Transportation
Establish	<i>This proviso would direct that funds appropriated for Statewide Charter Schools Transportation be utilized by the Department to offset the expenses of operating and leasing buses which will be used to provide transportation for students to public charter schools statewide.</i>
1A.2	African-American History
Amend	<i>This proviso directs the expenditure of carried-forward funds for the development of African American history curricula. The amendment would allow both non-profit organizations and school districts to compete for those carry-forward funds through a grant award process managed by the Department.</i>
1A.9	Teacher Supplies
Amend (Technical)	<i>This proviso directs the distribution of teacher supply funds. This amendment will update the fiscal year language of the proviso.</i>
1A.14	School Districts and Special School Flexibility
Amend	<i>This proviso currently allows all school districts and special schools to transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance. This amendment will remove the school districts' and special schools' flexibility to spend Aid to District – Technology funds for purposes other than those designated in the proviso to ensure that districts are utilizing the funds in a manner compliant with the annual Appropriations Act.</i>
1A.23	Reading
Amend	<i>This proviso directs the expenditures of appropriations related to improving reading levels for South Carolina students. The amendment would to consolidate the portion of the line item that is currently allocated to districts on Weighted Pupil Units with the current Aid to Districts line that is also allocated on Weighted Pupil Units. The Department will require districts to include what is required in the proviso in their district reading plans. The remainder of the funds will continue to fund literacy specialists to support local school districts.</i>

1A.25 Professional Development

Amend *This proviso specifies the expenditure of professional development funds. The amendment would consolidate the portion of the line item that is currently allocated to districts on Weighted Pupil Units with the current Aid to Districts line that is also allocated on Weighted Pupil Units. The Department is also requesting to consolidate proviso 1.84 with 1A.25, as Department further aims to concentrate professional development on both the Abbeville districts and districts experiencing a turnover rate greater than eleven percent. The amendment also directs the distribution of funds for Computer Science and Coding Education courses.*

1A.27 Adult Education

Amend *This proviso directs the allocation and use of funds for adult education students who are enrolled in programs that lead to a high school diploma, a state high school equivalency diploma (“GED”), or career readiness certificate (WorkKeys). The amendment would remove the specific reference to WorkKeys to ensure the language of the proviso may be applied to multiple career readiness assessments or certificates.*

1A.29 Full Day 4K

Amend *This proviso specifies funding levels for public and private 4K providers. This amendment increases the tuition rate per child by \$88 to support inflation.*

1A.37 Teacher Salaries/SE Average

Amend (Technical) *This proviso defines the projected Southeastern teacher salary and its implications on the South Carolina teacher salary schedule. This amendment will update the fiscal year language of the proviso.*

1A.48 Surplus

Amend *This proviso directs the expenditures of surplus funds of the Education Improvement Act. The amendment would amend the specific allocations of the surplus funds for the next fiscal year to conform with the Governor’s funding recommendations.*

1A.49 Public Charter Pupil Counts

Amend *This proviso directs the South Carolina Public Charter School District to submit student attendance reports and other data to the Department. The amendment would mandate that the proviso apply to all public charter schools sponsored by the South Carolina Public Charter School District or an institution of higher learning.*

1A.50 South Carolina Public Charter District Funding

Amend *This proviso specifies the expenditures of Education Improvement Act funds to local Public Charter School Districts. The amendment would mandate that the proviso apply to all public charter schools sponsored by the South Carolina Public Charter School District or an institution of higher learning.*

1A.54	Charter School Funding-Chartered by Institutions of Higher Education
Delete	<i>This proviso directs funding related to public charter schools that are sponsored by institutions of higher education. This proviso was already consolidated into proviso 1A.50 and is no longer needed.</i>
1A.57	Reading/Literacy Coaches
Amend (Technical)	<i>This proviso specifies how funds appropriated for Reading/Literacy Coaches must be allocated. This amendment will update the fiscal year language of the proviso.</i>
1A.58	Digital Instructional Materials
Amend	<i>This proviso mandates the Department create an instructional materials list comprised of instructional materials that have been approved by the State Board of Education. Amendments to the proviso would mandate the ongoing maintenance of this approved materials list and clarifies guidelines for acquiring print and digital materials.</i>
1A.59	4K Early Literacy Competencies Assessments
Amend	<i>This proviso directs that of the funds carried forward from the full day 4K program from the previous fiscal year, the Department shall be allowed to expend up to \$800,000 on assessments and professional development. The amendment would specify that should these full-day 4K carry forward funds not be available, the Department may use funds appropriated for Assessments to administer pre-kindergarten assessments. The amendment would also reduce student testing in pre-kindergarten to the fall only, adding accommodations for Limited English Proficient (“LEP”) students.</i>
1A.61	CDEPP Unexpended Funds
Amend (Technical)	<i>This proviso allows First Steps to keep the first \$1,000,000 in 4K carry-forward funds and specifies the disbursement process of any remaining funds. This amendment will update the fiscal year language of the proviso.</i>
1A.62	College and Career Readiness
Delete	<i>This proviso directs funds appropriated to the Department for district College and Career Readiness Assistance must first be used to increase the capacity of districts that are or were the original trial and plaintiff school districts in the Abbeville law suit. The Department states these were non-recurring funds, and the Executive Budget recommends deletion of this proviso.</i>
1A.66	South Carolina IT Academy
Delete	<i>This proviso directs the Department to procure an IT Academy for public schools statewide in the current school year, which would offer certification opportunities for educators to receive Teacher Certification Exams and for students to receive certifications in an office suite of products in the middle grades and programming credentials in high school. This program was not funded by the General Assembly and the Executive Budget recommends deletion pursuant to a recommendation by the Department.</i>

1A.67	Industry Certifications/Credentials
Amend	<i>This proviso establishes guidelines for distribution of Industry Certifications/Credentials funds to school districts. The amendment specifies the factors that determine the distribution of these funds, taking into consideration the cost of the industry credential exams, the number of exams administered by the district in the prior year, input from the business community in terms of demand of certifications, and future earning potential. The amendment also allows that any remaining funds may be used to support students in preparing for the exams in the current fiscal year or to pay for the cost of industry exams on behalf of an instructor who will go on to teach students in the area of certification.</i>
1A.76	Aid to Districts – Technology
Amend (Technical)	<i>This proviso mandates that the Aid to Districts—Technology appropriations be used to improve information technology connections to local school districts and directs the disbursement of those funds. This amendment will update the fiscal year language of the proviso.</i>
1A.77	Carry Forward
Delete	<i>The proviso directed the Department to allocate \$30,000,000 from carry forward cash balances to the School Districts Capital Improvement Plan. The Department states that all projects set forth in the School Districts Capital Improvement Plan will be completed by January 2018, making this proviso unnecessary.</i>
1A.78	Instructional Materials Adoption
Delete	<i>This proviso directed the Department the State Board of Education to review the current process for the adoption and appropriation of instructional materials and establish an updated process that will include both print and digital instructional materials. The Department states this project was completed December 2017, so it is no longer necessary.</i>
1A.84	Alternative Commitment to Truancy
Establish	<i>This proviso addresses school district plans for students who have reached family court level for truancy. This proviso is currently proviso 117.33 and the Department requests that it be moved to the Educational Improvement Act as a new proviso.</i>
1A.85	School Safety Program
Establish	<i>This proviso mandates that funds appropriated for the School Safety Program shall be utilized by the Department for the purpose of hiring certified law enforcement officers to serve as school resource officers for school districts that otherwise would lack the adequate resources to hire their own school resource officers.</i>
1A.86	Call Me Mister
Establish	<i>This proviso directs that all funds appropriated for the Call Me Mister program shall be allocated to Clemson University to support the Call Me Mister program and must be used to supplement and not supplant existing institutional support for the Call Me Mister Program by Clemson University or any other participating institution of higher education in Fiscal Year 2017-18.</i>

3.1	Audit
Amend (Technical)	<i>This proviso requires the development of procedures to ensure that lottery proceeds are expended in accordance with law. The Executive Budget recommends updating the fiscal year.</i>
3.3	FY 2017-18 Lottery Funding
Delete	<i>This proviso directs the allocation of the FY 2017-18 lottery revenues.</i>
3.5	FY 2018-19 Lottery Funding
Establish	<i>This proviso directs the allocation of the FY 2018-19 lottery revenues.</i>
5.4	Improved Forestry Practices
Delete	<i>This proviso allows Wil Lou Gray Opportunity School to carry out forestry practices on the school's property and keep proceeds from that timber farm operation. The school believes this practice is already allowed by proviso 5.8, so the proviso is no longer needed.</i>
7.4	Transition
Amend	<i>This proviso directs the financial and programmatic operations of John de la Howe School, focusing on the wilderness camp and operational and residential buildings. It also allows the school's board to use funds to contract for an evaluation of the school. This amendment would update the fiscal year language of the proviso and remove all language pertaining to evaluation and subsequent required report because the report is complete.</i>
8.2	Spectrum Auction
Amend	<i>This proviso allows the Educational Television Commission to receive and retain proceeds from the Federal Communication Commission TV auction and place them in a segregated account. The amendment would remove language directing ETV to transfer funds to the Department of Education, as this fund transfer has already been completed.</i>
11.18	Suspend Governor's Professor of the Year Award
Amend (Technical)	<i>This proviso suspends the Governor's Professor of the Year Award for Fiscal Year 2017-18. The Executive Budget recommends updating the fiscal year.</i>
11.21	Enrollment and Financial Data Submission
Establish	<i>The Executive Budget recommends establishing a new proviso to require each public institution of higher education submit financial information and student enrollment data to the Commission on Higher Education.</i>
18.1	Renovation and Repairs
Delete	<i>This proviso redirected funds previously appropriated for the Montessori Education Building renovation and repairs to the university's repairs funds. Funds have been transferred; the Executive Budget recommends deletion of the proviso.</i>

20.3	Child Abuse Medical Response Program
Amend	<i>The Executive Budget recommends amending the proviso to reflect the increased state general fund appropriations to the program.</i>
25.7	Workforce Pathways Funding Distribution
Amend (Technical)	<i>This proviso allows for the distribution of funds appropriated to the State Board for Technical and Comprehensive Education for the Workforce Pathways Program. It also states that The State Board shall report the formula for distribution and required criteria to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by August 31, 2017. The Executive Budget recommends updating the fiscal year.</i>
26.1	Use of Proceeds
Codify	<i>This proviso allows the Department of Archives and History to retain proceeds it earns and use those funds for operational costs.</i>
26.2	Disposal of Materials
Codify	<i>This proviso allows the Department of Archives and History to sell certain materials from its collections upon prior approval of its commission.</i>
32.6	Deferred Maintenance, Capital Projects, Ordinary Repair and Maintenance
Establish	<i>The Executive Budget recommends adding a new proviso to allow the department to establish a fund with the State Treasurer to deposit funds appropriated for the purpose of deferred maintenance, capital projects, and ordinary repair and maintenance.</i>
33.20	Medicaid Accountability and Quality Improvement Initiative
Amend	<i>This proviso authorizes the department to implement several accountability and quality improvement initiatives. It also directs how funding should be allocated towards these initiatives. The Executive Budget recommends amending this proviso to revise the amount of funding the department is responsible for distributing to certain providers.</i>
33.23	BabyNet Compliance
Amend (Technical)	<i>This proviso requires the department to report the status of their efforts to bring the BabyNet program into compliance with federal requirements. The Executive Budget recommends amending this proviso to update the date references.</i>
34.41	Residential Treatment Facilities Swing Beds
Amend (Technical)	<i>This proviso permits the department to allow Residential Treatment Facilities (RTF) to swing up to eighteen beds per qualifying facility to accommodate patients with a diagnosis of an acute psychiatric disorder. The Executive Budget recommends this proviso be amended to update the fiscal year reference.</i>

34.42	Tuberculosis Outbreak
Amend	<i>This proviso permits the department to expend any available funds for the purpose of surveillance, investigation, containment, and treatment activities during a tuberculosis outbreak. The Executive Budget recommends the proviso be amended to change the community outbreak notification process by no longer requiring the use of the South Carolina Health Alert Network.</i>
34.47	Abortion Clinic Certification
Amend (Technical)	<i>This proviso requires licensed and certified facilities, other than a hospital, to file a report with the department that provides the number of physicians that performed an abortion at the facility. The Executive Budget recommends this proviso be amended to update the reporting date parameters.</i>
36.15	Beaufort DDSN Facility
Amend (Technical)	<i>This proviso permits the department to retain the full amount of proceeds from the sale of the local Disabilities and Special Needs Board of Beaufort County property. The Executive Budget recommends this proviso be amended to update the fiscal year reference.</i>
38.24	Internal Child Fatality Review Committees
Amend (Technical)	<i>This proviso requires the department to create and fund Internal Child Fatality Review Committees to allow for the rapid and expeditious review of reported child fatalities that are reported to the Department. The Executive Budget recommends this proviso be amended to update the fiscal year reference.</i>
43.1	Grant Funds Carry Forward
Codify	<i>The Executive Budget recommends codifying this proviso.</i>
43.2	Retention of Emergency Expenditure Refunds
Codify	<i>The Executive Budget recommends codifying this proviso.</i>
43.3	Commissioned Officers' Physicals
Codify	<i>The Executive Budget recommends codifying this proviso.</i>
43.4	Compensatory Time
Codify	<i>The Executive Budget recommends codifying this proviso.</i>
44.8	Statewide Agribusiness Infrastructure
Establish	<i>The Executive Budget recommends this new proviso to establish a Statewide Agribusiness Infrastructure grant fund to promote competitive agribusiness projects and industry in South Carolina.</i>

47.11	Retention of Emergency Expenditure Refunds
Amend (Technical)	<i>The Executive Budget recommends updating fiscal year reference.</i>
50.13	Regional Economic Development Organizations
Amend (Technical)	<i>The Executive Budget recommends updating fiscal year reference.</i>
50.19	Funding for Rail Infrastructure
Establish	<i>The Executive Budget recommends adding a new proviso that will authorize the Department of Commerce the flexibility to utilize a portion of the Coordinating Council Economic Development funds to fund state-owned Palmetto Railways projects.</i>
53.1	Conservation Bank Trust Fund
Amend (Technical)	<i>The Executive Budget recommends updating fiscal year reference.</i>
53.2	Pittman-Robertson Funds State Match
Establish	<i>The Executive Budget recommends relocating, to this section of the budget, a proviso that requires the Conservation Bank to award a grant of \$2,000,000 to the Department of Natural Resources to be used as the state match for Pittman-Robertson Wildlife Restoration Funds to this section of the budget.</i>
53.3	North American Wetlands Conservation Act State Match
Establish	<i>The Executive Budget recommends relocating, to this section of the budget, a proviso that requires the Conservation Bank to award a grant of \$1,000,000 to the Department of Natural Resources to be used as the state match for the North American Conservation Act.</i>
63.4	Sale of Real Property
Delete	<i>This proviso specified that proceeds from the sale of the Laurens Road property be used to defray operating expenses of the Highway Patrol, the Department of Transportation, and the Department of Motor Vehicles. The property had been sold and the terms of the proviso have been met. The Executive Budget recommends deletion of this proviso.</i>
63.8	Overtime Pay
Delete	<i>The proviso required the Department of Public Safety to pay current non-exempt law enforcement officers for any compensatory time earned and not used in the prior fiscal year by October 1, 2017. The agency paid out compensatory time as directed by proviso. The Executive Budget recommends deletion of this proviso.</i>
80.1	Consumer Protection Code Violations Revenue
Amend	<i>The Executive Budget recommends amending this proviso to alleviate confusion and make clear the</i>

agency can retain funds received through investigations and/or litigation, striking through settlement and adding resolution.

80.2 Student Athlete/Agents Registration

Codify *This proviso allows the agency to retain funds paid under Chapter 102, Title 59 (Uniform Athlete Agents Act) for enforcement of the chapter.*

80.3 Expert Witness/Assistance Carry Forward

Codify *This proviso authorizes the agency to carry forward unexpended funds appropriated for the expert witness/assistance program. Carry forward is needed as the matters in which expert witnesses are hired frequently span two or more fiscal years.*

80.4 Registered Credit Grantor Notification and Maximum Filing Fees Retention

Amend *This proviso authorizes the agency to retain fund collected to cover operational costs and to carry forward such funds. A portion of this proviso was codified in Sections 37-2-305 and 37-3-305 and therefore a deletion of the appropriate is required. The Executive Budget follows the Department's recommendation to reference Chapters instead of sections to permit retention of all filing fees collected and avoid the need to amend the proviso as amendments and codification occurs.*

80.5 Retention of Fees

Codify *This proviso authorizes the agency to retain funds collected under Motor Club Services and Physical Fitness Services for program implementation.*

82.5 Five Year Eye Exam Suspension

Delete *This proviso suspends the law requiring an eye exam during the fifth year of a ten-year driver's license. Deletion is recommended, as it conflicts with Act 6 (Real ID legislation).*

82.8 Phoenix III Migration Pilot

Amend *The Executive Budget recommends amending to update the fiscal year reference and allow the remainder of earmarked funds to be utilized for Phoenix in FY 2018-19.*

82.9 Real ID

Amend *The Executive Budget recommends amending to allow the agency to expend any available earmarked cash reserves, beyond the balance designated for Phoenix for Real ID implementation.*

83.1 Consortium Contracts: Training-Development Sessions Media Services

Amend *The Executive Budget recommends amending to permit the Department to use funds for administrative purposes, otherwise prohibited by Federal Regulations.*

83.5 UI Tax System Modernization

Amend *The Executive Budget recommends amending to allow increases to the amount of funds, resulting from disposition of property, to be used for the UI program.*

83.6	Employment Training Outcomes Data Sharing
Amend	<i>The Executive Budget recommends amending to conform language to practice as follows: deletes language related to WLMIS and workforce system participants beyond DEWS's scope of governance; deletes references to codes not utilized (NAICS); deletes references to data sharing agreements that are already established (CHE, Vocational Rehabilitation, LLR, and DSS); and deletes references to agencies not currently using data (CERRA) and for which no data sharing agreement is currently needed (EOC).</i>
84.1	Expenditure Authority Limitation
Codify	<i>The proviso grants the agency the authority to carry forward and expend cash balances, including unexpended general funds, federal funds, proceeds from bond sales. It prohibits expenditure beyond the total of current balances and balances carried forward.</i>
84.2	Special Fund Authorization
Codify	<i>The proviso authorizes the agency establish with special funds with the State Treasurer necessary for proper accounting purposes.</i>
84.3	Secure Bonds and Insurance
Codify	<i>The proviso authorizes the agency to secure bonds, and insurance needed, supporting agencies' activities around the construction programs.</i>
84.4	Benefits
Codify	<i>The proviso authorizes the agency to provide adequate compensation, insurance benefits, bonuses as provided for in the Act.</i>
84.5	Document Fees
Codify	<i>The proviso authorizes the agency to establish an appropriate schedule of fees to be charged for copies of records, lists, bidder's proposals, plans, and maps.</i>
84.6	Meals in Emergency Operations
Codify	<i>The proviso allows the agency to provide meals to essential employees when deployed during a declared state of emergency, simulation exercises and when on duty during deployment.</i>
84.7	Rest Area Water Rates
Codify	<i>The proviso requires that rest areas be charged in district water rates by providers.</i>
88.1	Charleston Cooper River Bridge Project
Amend (Technical)	<i>The Executive Budget recommends updating fiscal year reference.</i>

88.5	Jasper Ocean Terminal Permitting
Delete	<i>The Executive Budget recommends deleting this proviso.</i>
91.23	Technology Panel
Amend (Technical)	<i>This proviso requires an annual report on a variety of technology issues affecting K-12 institutions and libraries and contains a date reference that must be updated.</i>
93.19	Sale of Surplus Real Property
Amend	<i>The proviso contained a section authorizing the Department of Vocational Rehabilitation to retain the net proceeds from the sale of 3.205 acres located at 22861 Highway 76 East in Clinton, South Carolina to be used for capital projects and deferred maintenance. The property has been sold. The Executive Budget recommends amending this proviso to remove this section.</i>
93.24	Emerging Leaders Program
Delete	<i>The proviso required the Department of Administration to develop a leadership program targeting emerging leaders in state government. The Department has recommended deleting the proviso to focus on retention of state government employees. The Executive Budget recommends deleting this proviso.</i>
100.9	Billeting and Dining Facility Operations
Amend	<i>The Executive Budget recommends amending this proviso to delete language referencing the Dining Facility and Deputy Adjutant for state operations for the Dining Facility.</i>
100.19	Disasters Expenditure Status Report
Amend	<i>The Executive Budget recommends amending this proviso to add Hurricane Irma to list of disasters and to update date reference.</i>
100.20	Hurricane Irma FEMA Match
Establish	<i>The Executive Budget recommends adding this proviso which requires the Office of the Adjutant General, Emergency Management Division to utilize existing fund balances to provide the non-federal cost share to state and local government entities for work that is eligible under the Federal Emergency Management Agency Public Assistance Program for Hurricane Irma and preventing use of funds for non-federal cost share for the South Carolina Public Service Authority or private non-profits.</i>
101.10	HAVA Match Funds
Delete	<i>The Executive Budget recommends the deletion of this proviso as funds will no longer be available after FY 2017-18.</i>
102.3	SC Health and Human Services Data Warehouse
Codify	<i>This proviso established the SC Health & Human Services Data Warehouse within the RFAO.</i>

102.5	Revenue for Goods and Services
Codify	<i>This proviso authorizes the Revenue and Fiscal Affairs Office to provide to and receive from other governmental entities goods and services.</i>
104.4	Insurance Coverage for Aging Entities Authorized
Amend (Technical)	<i>The Executive Budget recommends amending this proviso to update a fiscal year reference.</i>
105.1	Annual Audit of Federal Programs
Amend (Technical)	<i>The Executive Budget recommends amending this proviso to conform with the U.S. Code of Federal Regulations.</i>
110.2	Lobbyist and Lobbyist Principal Registration Fees
Establish	<i>The Executive Budget recommends adding a new proviso to allow the agency to retain, expend and carry forward the lobbyist registration fee as specified in Section 2-17-20 and the lobbyist principal registration fee as specified in Section 2-17-25 of the South Carolina Code. Further, any individual paid to influence decisions made by a county, city, or town councils must register as a lobbyist and their employer must likewise register as a lobbyist principal.</i>
112.1	Excess Debt Service
Amend (Technical)	<i>This proviso allows funds appropriated for debt service to be carried forward in the event of an excess balance. It contains a fiscal year reference that must be updated.</i>
113.2	Quarterly Distributions
Amend (Technical)	<i>This proviso establishes a quarterly distribution schedule for Local Government Fund payments under Part IA of the Appropriations Act. It contains a fiscal year reference that must be updated.</i>
113.5	LGF
Amend (Technical)	<i>This proviso suspends Sections 6-27-30 and Sections 6-27-50 of the South Carolina Code of Laws. It contains a fiscal year reference that must be updated.</i>
113.7	Political Subdivision Flexibility
Amend (Technical)	<i>This proviso allows political subdivisions to underfund state mandates in the same proportion by which the Local Government Fund has been reduced. It contains a fiscal year reference that must be updated.</i>
117.2	Appropriations for Funds
Amend (Technical)	<i>This proviso identifies the state funds from which resources have been appropriated by this bill. It contains a fiscal year reference that must be updated annually.</i>

117.3	Fiscal Year Definitions
Amend (Technical)	<i>This proviso identifies the terms and periods for which funds are being appropriated by this bill.</i>
117.14	FTE Management
Amend	<i>The proviso included language that allows state agencies to request the conversion of temporary, temporary grant, and time-limited positions to FTE positions under limited circumstances. The intent was to allow this conversion to take place only for Fiscal Year 2017-2018. The Executive Budget recommends deleting this section of the proviso.</i>
117.33	Alternative Commitment to Truancy
Delete	<i>This proviso addresses school district plans for students who have reached family court level for truancy. The Executive Budget recommends deletion and moves the proviso to Section 1A.</i>
117.65	Employee Recruitment and Retention
Amend	<i>This proviso permits selected agencies to spend state, federal, and other sources of revenue to provide lump sum bonuses to aid in recruiting and retaining healthcare workers in critical needs healthcare jobs based on objective guidelines established by the Department of Administration. The Executive Budget recommends amending this proviso to allow these recruitment and retention tools to be used for critical needs positions in all state agencies with the approval of the State Human Resources Director and the Department of Administration.</i>
117.72	Printed Report Requirements
Amend (Technical)	<i>The proviso allows a number of agencies to submit reports electronically, instead of in paper, as required by permanent law. The Executive Budget recommends updating the fiscal year references.</i>
117.89	Funds Transfer to ETV
Amend (Technical)	<i>This proviso directs the Department of Administration transfer certain funds to the Educational Television Commission. This amendment will update the fiscal year language of the proviso.</i>
117.92	WIA Service Advertising
Amend (Technical)	<i>The proviso permits Workforce Investment Boards to use a variety of promotional materials for the purpose of outreach in all workforce investment areas and further clarifies that all materials are subject to the state procurement code. This technical amendment updates the language to reflect the current fiscal year.</i>
117.93	WIA Training Marketability Evaluation
Amend (Technical)	<i>The proviso establishes reporting requirements for the South Carolina Department of Employment and Workforce on use of funds to provide work skills training. This technical amendment updates the language to reflect the current fiscal year.</i>

117.94	Victims Assistance Transfer
Amend (Technical)	<i>The proviso directs the Department of Corrections to transfer \$20,500 each month to the Department of Public Safety for distribution through the State Victims Assistance Program. The Executive Budget recommends amending the proviso language to conform to the Crime Victims Services Act which transferred the program from the Department of Public Safety to the Attorney General's Office.</i>
117.97	BabyNet Quarterly Reports
Amend	<i>This proviso requires agencies with BabyNet programming to submit quarterly reports. The Executive Budget recommends amending this proviso to remove First Steps to School Readiness from the proviso as they no longer have BabyNet programming.</i>
117.113	SCOIS Transfer
Amend	<i>This proviso transfers the South Carolina Occupational Information System from the Department of Employment and Workforce to the Department of Education. This amendment would ensure SCOICC continues to have the ability to collect and expend fees for the program.</i>
117.117	First Steps Reauthorization
Amend (Technical)	<i>This proviso reauthorizes Act 99 of 1999, the South Carolina First Steps to School Readiness Act. This amendment will update the fiscal year language of the proviso.</i>
117.120	County Transportation Committee Road Program Supplement
Delete	<i>The proviso allows the agency to carry forward designated funds. The language duplicates code section 12-28-2740(E) and can be deleted.</i>
117.124	Retail Facilities Revitalization Act Repeal Suspension
Amend (Technical)	<i>The proviso suspends the repeal of Chapter 34 of Title 6 of the 1976 Code as specified in Act 285 of 2006. This technical amendment updates the language to reflect the current fiscal year.</i>
117.125	Pittman-Robertson Funds State Match
Delete	<i>The Executive Budget recommends moving this proviso to Section 53.</i>
117.126	North American Wetlands Conservation Act State Match
Delete	<i>The Executive Budget recommends moving this proviso to Section 53.</i>
117.127	DOT Structural Efficiencies Study
Delete	<i>The proviso requires the agency to contract with a third party for an independent study of the agency's internal structure for the purpose of making recommendations for improvements that would result in more effective and efficient operations. The study has been completed and the proviso is no longer necessary.</i>

117.129	BabyNet
Amend (Technical)	<i>This proviso requires the Executive Budget Office to conduct an inventory of all BabyNet related spending. The Executive Budget recommending this proviso to update the date references.</i>
117.130	Equestrian Center Therapy Program
Delete	<i>This proviso redirected operating funds from Voc. Rehab to Lander University for the Equestrian Center Therapy Program. Due to Federal regulations, Voc. Rehab did not have authority for this expenditure. Funds have been transferred. The Executive Budget recommends deletion of this proviso.</i>
117.133	Distribution Facility
Amend	<i>The Executive Budget recommends amending this proviso to add the Palmetto Railways' Naval Base Intermodal Facility as a distribution facility to receive sales tax exemptions on purchasing of equipment and construction materials.</i>
117.134	Catastrophic Weather Event
Amend (Technical)	<i>The Executive Budget recommends updating fiscal year reference.</i>
117.136	Indigent Defense Screening Review
Delete	<i>This proviso requires the Commission on Indigent Defense and the Judicial Department Court Administration Program to consult with the Summary Court Judges' Association and Clerks of Court Association to make recommendations regarding requirements to ensure only those applicants that are truly indigent qualify for public defender services by December 1, 2017. The Executive Budget recommends deletion of this proviso.</i>
117.139	SCRS and PORS Contribution Rates
Amend (Technical)	<i>The proviso contains a fiscal year reference that must be updated.</i>
117.141	Statewide Study of Efficiency, Enterprise Focus and the Use of Shared Services
Establish	<i>The Executive Budget recommends adding a new proviso to allow the Department of Administration to provide consolidated administrative services to state agencies to promote cost savings for the state.</i>
117.142	Statewide Real Estate Plan Implementation
Establish	<i>The Executive Budget recommends adding a new proviso which directs the Department of Administration to establish a comprehensive, central real property and facilities management process.</i>

117.143	Statewide South Carolina Enterprise Information System (SCEIS) Data Entry Compliance
Establish	<i>The Executive Budget recommends adding a new proviso to direct the Department of Administration, through its SC Enterprise Information System, to develop and issue written standards and guidelines for data entry into the state's financial system by all agencies.</i>
118.1	Year End Cutoff
Amend (Technical)	<i>This proviso defines the terms and conditions under which funds appropriated may lapse to the General Fund. The Executive Budget recommends updating the fiscal year.</i>
118.9	Tax Relief Trust Fund
Amend (Technical)	<i>The proviso contains a fiscal year reference that must be updated.</i>
118.13	Nonrecurring Revenue
Delete	<i>The proviso appropriates non-recurring revenue for Fiscal Year 2017-18 and should be deleted.</i>
118.14	Nonrecurring Revenue
Establish	<i>This proviso appropriates non-recurring revenue for Fiscal Year 2018-19.</i>

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Summary Control Document

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			State			Federal	Other	Total			
		FY 2018-19 Agency	Part 1A	Nonrecurring	FY 2017-18 Capital Reserve						
		Beginning Base	Recurring Funds	Proviso	Fund	Total	Federal Funds	Other Funds	Total Funds	Line	
Line						State Funds					
1		ESTIMATED REVENUES									1
2		General Fund Revenue (BEA Forecast 11/09/17)	8,838,458,000			8,838,458,000			8,838,458,000	2	
3		Less: Transfer to Tax Relief Trust Fund/Res Prop Tax [Capped at FY 01-02 Level]	(599,438,000)			(599,438,000)			(599,438,000)	3	
4		Plus: Prior Year Tax Relief Trust Fund Brought Forward	-			-			-	4	
5		General Fund Revenue (Net of Tax Relief Transfer)	8,239,020,000			8,239,020,000			8,239,020,000	5	
6		Less: General Reserve Contribution [§ 11-11-310] (FY 2017-18 Balance = \$379,123,483)	(15,571,394)			(15,571,394)			(15,571,394)	6	
7		Net General Fund Revenue Available for Appropriation	8,223,448,606			8,223,448,606			8,223,448,606	7	
8										8	
9		Less: FY 2017-18 Appropriation Base	(7,946,738,831)			(7,946,738,831)			(7,946,738,831)	9	
10						-			-	10	
11		"New" Recurring Revenue	276,709,775		-	276,709,775			8,500,158,381	11	
12										12	
13		ENHANCEMENTS AND ADJUSTMENTS:									13
14		Police Officers, Peace Officer, and Firefighters Retirement Income Tax Exemption	(8,563,000)			(8,563,000)			(8,563,000)	14	
15		Military Retirement Income Tax Exemption	(14,079,176)			(14,079,176)			(14,079,176)	15	
16		Income Tax Reduction (Year 1 of 5)	(139,681,000)			(139,681,000)			(139,681,000)	16	
17										17	
18		Subtotal, Enhancements and Adjustments	(162,323,176)			(162,323,176)			(162,323,176)	18	
19										19	
20		Subtotal, Part I Revenues	114,386,599		-	114,386,599			8,337,835,205	20	
21										21	
22		NONRECURRING REVENUES									22
23		FY 2017-18 Capital Reserve Fund			145,420,836	145,420,836			145,420,836	23	
24		FY 2017-18 Debt Service Lapse		16,567,887		16,567,887			16,567,887	24	
25		Litigation Recovery Account - GM		4,063,276		4,063,276			4,063,276	25	
26										26	
27										27	
28		Subtotal, Nonrecurring Revenues	-	20,631,163	145,420,836	166,051,999			166,051,999	28	
29										29	
30		FEDERAL & OTHER FUNDS REVENUE PROJECTIONS SUPPORTING APPROPRIATIONS									30
31		FY 2017-18 Base					8,592,136,727	10,834,446,943	19,426,583,670	31	
32		FY 2017-18 Adjustment					99,277,056	625,419,334	724,696,390	32	
33		FY 2017-18 Projected EIA Revenue Increase (See EIA Section)						44,667,859	44,667,859	33	
34		FY 2017-18 Lottery Revenue (See Lottery Section)						-	-	34	
35										35	
36		Subtotal, Federal & Other Funds Revenue				-	8,691,413,783	11,504,534,136	20,195,947,919	36	
37										37	
38		TOTAL "NEW" FUNDS	114,386,599	20,631,163	145,420,836	280,438,598	99,277,056	670,087,193	1,049,802,847	38	
39										39	
40		TOTAL ALLOCATIONS									40
41		Recurring Allocations	113,828,688	-	-	113,828,688	8,691,413,783	11,504,534,136	28,257,117,507	41	
42		Nonrecurring Allocations		19,973,539	145,420,836	165,394,375			165,394,375	42	
43		GRAND TOTAL RECOMMENDED ALLOCATIONS	7,946,738,831	113,828,688	19,973,539	145,420,836	279,223,063	8,691,413,783	11,504,534,136	28,422,511,882	43
44										44	
45		RESIDUAL BALANCE									45
46		RESIDUAL—Recurring Appropriations	557,911	-	-	557,911			557,911	46	
47		RESIDUAL—EIA							-	47	
48		RESIDUAL—LOTTERY						19,600,000	19,600,000	48	
49		RESIDUAL—Nonrecurring Appropriations		657,624	-	657,624			657,624	49	
50										50	
51		GRAND TOTAL RESIDUAL NOT ALLOCATED	557,911	657,624	-	1,215,535		19,600,000	20,815,535	51	
52										52	
53		FY 2018-2019 APPROPRIATION ACT RECAP									53
54		PART 1A	8,060,567,519			8,060,567,519	8,691,413,783	11,504,534,136	28,256,515,438	54	
55		NON-RECURRING PROVISOS				-			-	55	
56		TOTAL FY 2018-19 APPROPRIATION ACT	8,060,567,519	-	-	8,060,567,519	8,691,413,783	11,504,534,136	28,256,515,438	56	
57		FY 2017-2018 SURPLUS		19,973,539		19,973,539			19,973,539	57	
58		FY 2017-2018 CAPITAL RESERVE FUND			145,420,836	145,420,836			145,420,836	58	

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				FY 2018-19 Agency	Part 1A	Nonrecurring	FY 2017-18 Capital Reserve					
Line				Beginning Base	Recurring Funds	Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
59												59
60				GRAND TOTAL				8,225,961,894	8,691,413,783	11,504,534,136	28,421,909,813	60
61												61
62				FY 2018-19 APPROPRIATION BASE	7,946,738,831							62
63												63
64				STATEWIDE ALLOCATIONS								64
65				Agy # Sec #								65
66												66
67		F300	106	Employee Benefits								67
68				2019 Health Insurance Increase		59,174,238		59,174,238			59,174,238	68
69				Retirement Contribution Increase: 1% General Fund State Employees		32,411,836		32,411,836			32,411,836	69
70												70
71				SUBTOTAL INCREMENTAL ADJUSTMENTS		91,586,074	-	91,586,074			91,586,074	71
72				SUBTOTAL EMPLOYEE BENEFITS		91,586,074		91,586,074			91,586,074	72
73												73
74		F310	107	Capital Reserve Fund	145,420,836			145,420,836			145,420,836	74
75				Capital Reserve Fund (2% of FY2016-17 Revenue = \$151,649,393)		6,228,557		6,228,557			6,228,557	75
76												76
77				SUBTOTAL INCREMENTAL ADJUSTMENTS		6,228,557	-	6,228,557			6,228,557	77
78				SUBTOTAL CAPITAL RESERVE FUND		151,649,393		151,649,393			151,649,393	78
79												79
80		V040	112	Debt Service	191,630,298			191,630,298			191,630,298	80
81				Debt Service Payments		(117,439,635)		(117,439,635)			(117,439,635)	81
82												82
83				SUBTOTAL INCREMENTAL ADJUSTMENTS		(117,439,635)	-	(117,439,635)			(117,439,635)	83
84				SUBTOTAL DEBT SERVICE		74,190,663		74,190,663			74,190,663	84
85												85
86		X220	113	Aid to Subdivisions - State Treasurer	30,473,114			30,473,114			30,473,114	86
87												87
88												88
89		X220	113	Local Government Fund - State Treasurer	212,619,411			212,619,411			212,619,411	89
90												90
91												91
92				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-			-	92
93				SUBTOTAL AID TO SUBDIVISIONS/LOCAL GOVERNMENT FUND		243,092,525		243,092,525			243,092,525	93
94												94
95		X440	114	Aid to Subdivisions - Dept. of Revenue	25,735,247			25,735,247			25,735,247	95
96				Homestead Exemption Fund - Shortfall (Reduction) [BEA 11/9/17]		(5,659,247)		(5,659,247)			(5,659,247)	96
97												97
98				SUBTOTAL INCREMENTAL ADJUSTMENTS		(5,659,247)	-	(5,659,247)			(5,659,247)	98
99				SUBTOTAL AID TO SUBDIVISIONS - DEPT OF REVENUE		20,076,000		20,076,000			20,076,000	99
100												100
101		X500	115	Tax Relief Trust Fund - Dept. of Revenue				-		599,438,000	599,438,000	101
102												102
103												103
104												104
105				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-			-	105
106				SUBTOTAL TAX RELIEF TRUST FUND - DEPT OF REVENUE						599,438,000	599,438,000	106
107				SUBTOTAL STATEWIDE	605,878,906	(25,284,251)	-	580,594,655		599,438,000	1,180,032,655	107
108												108
109				AGENCY ALLOCATIONS								109
110				Agy # Sec # AGENCIES								110
111												111
112		H630	1	State Department of Education (See Also Lottery Section)	2,974,781,353			2,974,781,353	879,200,886	834,821,050	4,688,803,289	112
113				<u>State Funds Adjustments:</u>								113
114				FS Local Partnership Data System		142,448		142,448			142,448	114
115				GSAH Director of Outreach and Engagement Position		87,100		87,100			87,100	115
116				EFA \$10 BSC Increase		25,182,795		25,182,795			25,182,795	116
117				Bus Lease		5,000,000		5,000,000			5,000,000	117

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				FY 2018-19 Agency	Part 1A	Nonrecurring	FY 2017-18 Capital Reserve		Federal	Other	Total	
Line				Beginning Base	Recurring Funds	Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
118					2,000,000			2,000,000			2,000,000	118
119					347,381			347,381			347,381	119
120					(25,800)			(25,800)			(25,800)	120
121					(89,839)			(89,839)			(89,839)	121
122					20,000,000			20,000,000			20,000,000	122
123					2,500,000			2,500,000			2,500,000	123
124					(20,000,000)			(20,000,000)			(20,000,000)	124
125						595,000		595,000			595,000	125
126						250,000		250,000			250,000	126
127						480,000		480,000			480,000	127
128						65,000		65,000			65,000	128
129												129
130												130
131												131
132												132
133										52,226,859	52,226,859	133
134												134
135					35,144,085	1,390,000	-	36,534,085		52,226,859	88,760,944	135
136					3,009,925,438			3,011,315,438	879,200,886	887,047,909	4,777,564,233	136
137												137
138	H660	3	Lottery Expenditure Account (See Lottery Section for Appropriations)							400,865,355	400,865,355	138
139			Other Funds:									139
140												140
141												141
142			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				142
143			SUBTOTAL LOTTERY EXPENDITURE ACCOUNT		-	-	-	-		400,865,355	400,865,355	143
144												144
145	A850	4	Education Oversight Committee							1,793,242	1,793,242	145
146			State Funds Adjustments:									146
147												147
148			Other Funds Adjustments:									148
149												149
150			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				150
151			SUBTOTAL EDUCATION OVERSIGHT COMMITTEE		-	-	-	-		1,793,242	1,793,242	151
152												152
153	H710	5	Wil Lou Gray Opportunity School	6,227,305				6,227,305	240,000	985,321	7,452,626	153
154			State Funds Adjustments:									154
155												155
156			Federal Funds Adjustments:									156
157												157
158			Other Funds Adjustments:									158
159												159
160			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				160
161			SUBTOTAL WIL LOU GRAY OPPORTUNITY SCHOOL		6,227,305			6,227,305	240,000	985,321	7,452,626	161
162												162
163	H750	6	School for the Deaf & Blind	15,054,880				15,054,880	1,139,000	10,270,455	26,464,335	163
164			State Funds Adjustments:									164
165												165
166			Federal Funds Adjustments:									166
167												167
168			Other Funds Adjustments:									168
169												169
170			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				170
171			SUBTOTAL SCHOOL FOR DEAF & BLIND		15,054,880			15,054,880	1,139,000	10,270,455	26,464,335	171
172												172
173	L120	7	John de la Howe School	4,795,673				4,795,673	353,227	784,047	5,932,947	173
174			State Funds Adjustments:									174
175												175
176			Federal Funds Adjustments:									176

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					FY 2018-19 Agency	Part 1A	Nonrecurring	FY 2017-18 Capital Reserve		Federal	Other	Total	
Line				Beginning Base	Recurring Funds	Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
177												177	
178												178	
179										417,000	417,000	179	
180												180	
181										417,000	417,000	181	
182					4,795,673			4,795,673	353,227	1,201,047	6,349,947	182	
183												183	
184	H670	8		Educational Television Commission	284,257			284,257	200,000	18,715,000	19,199,257	184	
185				State Funds Adjustments:								185	
186				Operations Support: Technical and Broadcasting per proviso 117.89		46,799		46,799			46,799	186	
187												187	
188				Federal Funds Adjustments:								188	
189												189	
190				Other Funds Adjustments:								190	
191				Authorization for Channel Reassignment funding/ FCC to Reimburse						7,000,000	7,000,000	191	
192				Authorization for ETV Infrastructure Plan Funding - from ETV Auction Proceeds Fund						10,000,000	10,000,000	192	
193												193	
194				SUBTOTAL INCREMENTAL ADJUSTMENTS	46,799	-	-	46,799		7,000,000	17,046,799	194	
195				SUBTOTAL EDUCATIONAL TELEVISION COMMISSION	331,056			331,056	200,000	35,715,000	36,246,056	195	
196												196	
197	H030	11		Commission on Higher Education (Also see Lottery Section)	36,349,257			36,349,257	4,729,832	4,469,188	45,548,277	197	
198				State Funds Adjustments:								198	
199				Technology Needs and Information Security Initiatives		120,000		120,000			120,000	199	
200				SREB Contract Programs & Assessments		222,740		222,740			222,740	200	
201				Technology Upgrades			150,000	150,000				201	
202												202	
203				Federal Funds Adjustments:								203	
204												204	
205				Other Funds Adjustments:								205	
206				State Electronic Library - PASCAL Authorization						1,000,000	1,000,000	206	
207												207	
208				SUBTOTAL INCREMENTAL ADJUSTMENTS	342,740	150,000	-	492,740		1,000,000	1,342,740	208	
209				SUBTOTAL COMMISSION ON HIGHER EDUCATION	36,691,997			36,841,997	4,729,832	5,469,188	46,891,017	209	
210												210	
211	H060	12		Higher Education Tuition Grants (Also See Lottery Section)	26,279,832			26,279,832		5,000,000	31,279,832	211	
212				State Funds Adjustments:								212	
213				Director Salary Adjustment		2,302		2,302			2,302	213	
214												214	
215				Federal Funds Adjustments:								215	
216												216	
217				Other Funds Adjustments:								217	
218				Other Funds Authority Increase						525,000	525,000	218	
219												219	
220				SUBTOTAL INCREMENTAL ADJUSTMENTS	2,302	-	-	2,302		525,000	527,302	220	
221				SUBTOTAL TUITION GRANTS	26,282,134			26,282,134		5,525,000	31,807,134	221	
222												222	
223				HIGHER EDUCATION INSTITUTIONS								223	
224	H090	13		Citadel	10,750,444			10,750,444	32,868,063	106,000,000	149,618,507	224	
225				State Funds Adjustments:								225	
226												226	
227				Federal Funds Adjustments:								227	
228												228	
229				Other Funds Adjustments:								229	
230												230	
231				SUBTOTAL INCREMENTAL ADJUSTMENTS	-	-	-	-				231	
232				SUBTOTAL CITADEL	10,750,444			10,750,444	32,868,063	106,000,000	149,618,507	232	
233												233	
234	H120	14		Clemson	82,435,071			82,435,071	107,909,480	801,404,804	991,749,355	234	
235				State Funds Adjustments:								235	

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				FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds		
Line				Beginning Base								Line	
236												236	
237												237	
238									11,235,925		11,235,925	238	
239									2,844,992		2,844,992	239	
240												240	
241												241	
242										39,019,450	39,019,450	242	
243										4,722,076	4,722,076	243	
244										32,334,829	32,334,829	244	
245												245	
246									14,080,917	76,076,355	90,157,272	246	
247								82,435,071	121,990,397	877,481,159	1,081,906,627	247	
248												248	
249	H150	15	University of Charleston	25,656,623				25,656,623	19,500,000	223,062,776	268,219,399	249	
250												250	
251												251	
252												252	
253												253	
254												254	
255												255	
256												256	
257												257	
258												258	
259	H170	16	Coastal Carolina	12,801,503				12,801,503	21,000,000	185,577,043	219,378,546	259	
260												260	
261												261	
262												262	
263												263	
264												264	
265										18,580,400	18,580,400	265	
266										6,451,700	6,451,700	266	
267												267	
268										25,032,100	25,032,100	268	
269												269	
270												270	
271	H180	17	Francis Marion	15,645,048				15,645,048	12,988,495	38,800,001	67,433,544	271	
272												272	
273												273	
274												274	
275												275	
276												276	
277												277	
278												278	
279												279	
280												280	
281	H210	18	Lander	7,891,057				7,891,057	7,240,741	64,281,487	79,413,285	281	
282												282	
283												283	
284												284	
285												285	
286												286	
287										1,003,853	1,003,853	287	
288												288	
289										1,003,853	1,003,853	289	
290												290	
291												291	
292	H240	19	SC State	13,970,128				13,970,128	54,501,255	51,756,047	120,227,430	292	
293												293	
294												294	

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
295		Federal Funds Adjustments:											295
296													296
297		Other Funds Adjustments:											297
298													298
299		SUBTOTAL INCREMENTAL ADJUSTMENTS				-	-	-	-				299
300		SUBTOTAL SC STATE				13,970,128			13,970,128	54,501,255	51,756,047	120,227,430	300
301													301
302		USC System											302
303	H270	20A	-Columbia		131,209,224				131,209,224	178,603,631	815,529,343	1,125,342,198	303
304		State Funds Adjustments:											304
305		Child Abuse and Neglect Medical Response Program				2,250,000			2,250,000			2,250,000	305
306		Federal Funds Adjustments:											306
307													307
308		Other Funds Adjustments:											308
309		Other Funds Authorization									95,000,000	95,000,000	309
310													310
311		SUBTOTAL INCREMENTAL ADJUSTMENTS				2,250,000	-	-	2,250,000		95,000,000	97,250,000	311
312		SUBTOTAL USC COLUMBIA				133,459,224			133,459,224	178,603,631	910,529,343	1,222,592,198	312
313													313
314													314
315	H290	20B	-Aiken		8,277,419				8,277,419	9,196,607	41,457,362	58,931,388	315
316		State Funds Adjustments:											316
317													317
318		Federal Funds Adjustments:											318
319		Federal Funds Authorization								1,303,393		1,303,393	319
320													320
321		Other Funds Adjustments:											321
322													322
323		SUBTOTAL INCREMENTAL ADJUSTMENTS				-	-	-	-	1,303,393		1,303,393	323
324		SUBTOTAL USC AIKEN				8,277,419			8,277,419	10,500,000	41,457,362	60,234,781	324
325													325
326	H340	20C	-Upstate		11,432,697				11,432,697	14,750,838	68,376,142	94,559,677	326
327		State Funds Adjustments:											327
328													328
329		Federal Funds Adjustments:											329
330													330
331		Other Funds Adjustments:											331
332													332
333		SUBTOTAL INCREMENTAL ADJUSTMENTS				-	-	-	-				333
334		SUBTOTAL USC UPSTATE				11,432,697			11,432,697	14,750,838	68,376,142	94,559,677	334
335													335
336	H360	20D	-Beaufort		3,682,059				3,682,059	4,977,915	24,307,011	32,966,985	336
337		State Funds Adjustments:											337
338													338
339		Federal Funds Adjustments:											339
340		USCB Beaufort Federal Funds Authorization Increase								500,000		500,000	340
341													341
342		Other Funds Adjustments:											342
343		USCB Other Funds Authorization Increase									3,000,000	3,000,000	343
344													344
345		SUBTOTAL INCREMENTAL ADJUSTMENTS				-	-	-	-	500,000	3,000,000	3,500,000	345
346		SUBTOTAL USC BEAUFORT				3,682,059			3,682,059	5,477,915	27,307,011	36,466,985	346
347													347
348	H370	20E	-Palmetto College		2,456,070				2,456,070	4,090,048	13,784,453	20,330,571	348
349		State Funds Adjustments:											349
350													350
351		Federal Funds Adjustments:											351
352													352
353		Other Funds Adjustments:											353

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
354													354
355													355
356						2,456,070			2,456,070	4,090,048	13,784,453	20,330,571	356
357													357
358	H380	20F		-Salkehatchie	1,826,338				1,826,338	3,880,454	8,373,545	14,080,337	358
359				State Funds Adjustments:									359
360													360
361				Federal Funds Adjustments:									361
362													362
363				Other Funds Adjustments:									363
364													364
365				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				365
366				SUBTOTAL USC SALKEHATCHIE		1,826,338			1,826,338	3,880,454	8,373,545	14,080,337	366
367													367
368	H390	20G		-Sumter	3,139,573				3,139,573	2,206,397	10,419,706	15,765,676	368
369				State Funds Adjustments:									369
370													370
371				Federal Funds Adjustments:									371
372													372
373				Other Funds Adjustments:									373
374													374
375				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				375
376				SUBTOTAL USC SUMTER		3,139,573			3,139,573	2,206,397	10,419,706	15,765,676	376
377													377
378	H400	20H		--Union	881,195				881,195	1,928,258	4,161,055	6,970,508	378
379				State Funds Adjustments:									379
380													380
381				Federal Funds Adjustments:									381
382													382
383				Other Funds Adjustments:									383
384													384
385				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				385
386				SUBTOTAL USC UNION		881,195			881,195	1,928,258	4,161,055	6,970,508	386
387													387
388	H470	21		Winthrop	16,365,381				16,365,381	51,197,500	90,457,180	158,020,061	388
389				State Funds Adjustments:									389
390													390
391				Federal Funds Adjustments:									391
392													392
393				Other Funds Adjustments:									393
394				Authorization Increase in Other Funded Education and General							9,000,000	9,000,000	394
395													395
396				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-		9,000,000	9,000,000	396
397				SUBTOTAL WINTHROP		16,365,381			16,365,381	51,197,500	99,457,180	167,020,061	397
398													398
399	H510	23		Medical University of South Carolina - MUSC	69,795,296				69,795,296	157,143,869	442,067,711	669,006,876	399
400				State Funds Adjustments:									400
401													401
402				Federal Funds Adjustments:									402
403				FY 2018-19 Federal Fund Changes						2,183,020		2,183,020	403
404													404
405				Other Funds Adjustments:									405
406				FY 2018-19 Other Fund Changes							12,613,694	12,613,694	406
407													407
408				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-	2,183,020	12,613,694	14,796,714	408
409				SUBTOTAL MUSC		69,795,296			69,795,296	159,326,889	454,681,405	683,803,590	409
410													410
411	H530	24		Area Health Education Consortium (AHEC)	10,650,969				10,650,969	844,700	2,808,927	14,304,596	411
412				State Funds Adjustments:									412

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					FY 2017-18 Capital Reserve		Federal	Other	Total		
		FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds		
Line		Beginning Base								Line	
413						-				413	
414		Federal Funds Adjustments:								414	
415										415	
416		Other Funds Adjustments:								416	
417										417	
418		SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-				418	
419		SUBTOTAL CONSORTIUM OF COMMUNITY TEACHING HOSPITALS	10,650,969			10,650,969	844,700	2,808,927	14,304,596	419	
420										420	
421		SUBTOTAL INCREMENTAL ADJUSTMENTS	2,250,000		-	-				421	
422		SUBTOTAL HIGHER EDUCATION INSTITUTIONS	431,116,095			431,116,095	702,895,581	3,214,350,595	4,348,362,271	422	
423										423	
424	H590	25 Board for Technical and Comprehensive Education	150,398,383			150,398,383	52,614,581	502,130,285	705,143,249	424	
425		State Funds Adjustments:								425	
426		STEM Equipment for High-Demand Jobs Skills Training			9,110,101	9,110,101			9,110,101	426	
427		ReadySC Direct Training			9,432,046	9,432,046			9,432,046	427	
428										428	
429		Federal Funds Adjustments:								429	
430										430	
431		Other Funds Adjustments:								431	
432										432	
433		SUBTOTAL INCREMENTAL ADJUSTMENTS		-	18,542,147	18,542,147			18,542,147	433	
434		SUBTOTAL BD. TECHNICAL & COMP. ED	150,398,383			168,940,530	52,614,581	502,130,285	723,685,396	434	
435										435	
436	H790	26 Department of Archives & History	2,637,077			2,637,077	897,583	1,294,158	4,828,818	436	
437		State Funds Adjustments:								437	
438		Conservation of South Carolina's Constitutions		200,000		200,000			200,000	438	
439										439	
440		Federal Funds Adjustments:								440	
441										441	
442		Other Funds Adjustments:								442	
443										443	
444		SUBTOTAL INCREMENTAL ADJUSTMENTS		-	200,000	200,000			200,000	444	
445		SUBTOTAL DEPT OF ARCHIVES & HISTORY	2,637,077			2,837,077	897,583	1,294,158	5,028,818	445	
446										446	
447	H870	27 State Library	13,186,639			13,186,639	2,701,146	267,000	16,154,785	447	
448		State Funds Adjustments:								448	
449		Increase to Discuss		166,500		166,500			166,500	449	
450										450	
451		Federal Funds Adjustments:								451	
452										452	
453		Other Funds Adjustments:								453	
454										454	
455		SUBTOTAL INCREMENTAL ADJUSTMENTS		166,500	-	166,500			166,500	455	
456		SUBTOTAL STATE LIBRARY	13,353,139			13,353,139	2,701,146	267,000	16,321,285	456	
457										457	
458	H910	28 Arts Commission	3,015,938			3,015,938	1,335,641	148,707	4,500,286	458	
459		State Funds Adjustments:								459	
460										460	
461										461	
462		Federal Funds Adjustments:								462	
463										463	
464		Other Funds Adjustments:								464	
465										465	
466										466	
467		SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-				467	
468		SUBTOTAL ARTS COMMISSION	3,015,938			3,015,938	1,335,641	148,707	4,500,286	468	
469										469	
470	H950	29 State Museum (State Museum Commission)	3,780,037			3,780,037		3,000,000	6,780,037	470	
471		State Funds Adjustments:								471	

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					FY 2018-19 Agency	Part 1A	Nonrecurring	FY 2017-18 Capital Reserve		Federal	Other	Total
Line				Beginning Base	Recurring Funds	Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
472								-				472
473												473
474												474
475												475
476												476
477												477
478					-	-	-	-				478
479					3,780,037			3,780,037		3,000,000	6,780,037	479
480												480
481	H960	30		Confederate Relic Room and Military Museum Commission	914,420			914,420		419,252	1,333,672	481
482				State Funds Adjustments:								482
483												483
484												484
485				Other Funds Adjustments:								485
486												486
487				SUBTOTAL INCREMENTAL ADJUSTMENTS	-	-	-	-				487
488				SUBTOTAL CONFEDERATE RELIC ROOM AND MILITARY MUSEUM COMMISSION	914,420			914,420		419,252	1,333,672	488
489												489
490	H730	32		Vocational Rehabilitation	16,003,396			16,003,396	119,986,616	35,340,201	171,330,213	490
491				State Funds Adjustments:								491
492				Client Services - Client Training		426,000		426,000			426,000	492
493				IT Technology/Security - Computer Purchases			900,000	900,000			900,000	493
494												494
495				Federal Funds Adjustments:								495
496				Client Services - Client Training					1,574,000		1,574,000	496
497												497
498				Other Funds Adjustments:								498
499												499
500												500
501				SUBTOTAL INCREMENTAL ADJUSTMENTS	426,000	900,000	-	1,326,000	1,574,000		2,900,000	501
502				SUBTOTAL VOCATIONAL REHABILITATION	16,429,396			17,329,396	121,560,616	35,340,201	174,230,213	502
503												503
504	J020	33		Department of Health & Human Services	1,317,712,382			1,317,712,382	5,308,622,236	997,097,870	7,623,432,488	504
505				State Funds Adjustments:								505
506				Maintenance of Effort Annualization		26,416,551		26,416,551			26,416,551	506
507				Maintain Access to Autism Spectrum Disorder Services		3,848,880		3,848,880			3,848,880	507
508				BabyNet Appropriation Transfer from DDSN		11,402,071		11,402,071			11,402,071	508
509				DDSN First Slots Appropriation Transfer		(1,368,235)		(1,368,235)			(1,368,235)	509
510				Opioids/Methadone Clinics		4,350,000		4,350,000			4,350,000	510
511				Medicaid Management Information System			7,741,075	7,741,075			7,741,075	511
512												512
513				Federal Funds Adjustments:								513
514				Maintenance of Effort Annualization					(7,227,007)		(7,227,007)	514
515				Maintain Access to Autism Spectrum Disorder Services					9,423,120		9,423,120	515
516				Opioids/Methadone Clinics					10,650,000		10,650,000	516
517												517
518				Other Funds Adjustments:								518
519				Maintenance of Effort Annualization						(12,016,064)	(12,016,064)	519
520												520
521				SUBTOTAL INCREMENTAL ADJUSTMENTS	44,649,267	-	7,741,075	52,390,342	12,846,113	(12,016,064)	53,220,391	521
522				SUBTOTAL DEPT. OF HEALTH & HUMAN SERVICES	1,362,361,649			1,370,102,724	5,321,468,349	985,081,806	7,676,652,879	522
523												523
524	J040	34		Department of Health & Environmental Control	132,070,532			132,070,532	286,140,200	200,899,732	619,110,464	524
525				State Funds Adjustments:								525
526				SC EMS Reporting Repository: EMS Performance Improvement Center (EMS PIC)		350,000		350,000			350,000	526
527				Groundwater Quantity Permitting and Planning		192,461		192,461			192,461	527
528				Protecting Public Health by Preventing Petroleum Contamination to Drinking Water Supplies		250,000		250,000			250,000	528
529				Groundwater Quantity Permitting and Planning			106,354	106,354			106,354	529
530				Prescription Drug Monitoring Improvements			1,000,000	1,000,000			1,000,000	530

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						State		Federal	Other	Total	
						FY 2017-18 Capital Reserve					
		FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
Line		Beginning Base									
531										531	
532		Federal Funds Adjustments:								532	
533										533	
534		Other Funds Adjustments:								534	
535		Earned Authorization Increase: Ryan White ADAP Pharmaceutical Rebate						20,000,000	20,000,000	535	
536										536	
537		SUBTOTAL INCREMENTAL ADJUSTMENTS	792,461	1,106,354	-	1,898,815		20,000,000	21,898,815	537	
538		SUBTOTAL DEPT. OF HEALTH & ENV. CONTROL	132,862,993			133,969,347	286,140,200	220,899,732	641,009,279	538	
539										539	
540	J120	35	Department of Mental Health	235,247,772			235,247,772	19,170,928	230,356,451	540	
541			State Funds Adjustments:							541	
542			School-Based Services		250,000		250,000		250,000	542	
543			Contractual Adjustment - Inpatient Services		1,362,527		1,362,527		1,362,527	543	
544			Sexually Violent Predators Program		512,728		512,728		512,728	544	
545			Other Support Areas - Annualization		1,852,294		1,852,294		1,852,294	545	
546			Long-Term Care - Vaccinations		53,200		53,200		53,200	546	
547			Community Buildings Deferred Maintenance			1,000,000	1,000,000		1,000,000	547	
548			Campbell Veterans Nursing Home Renovations			2,000,000	2,000,000		2,000,000	548	
549										549	
550			Federal Funds Adjustments:							550	
551										551	
552			Other Funds Adjustments:							552	
553										553	
554			SUBTOTAL INCREMENTAL ADJUSTMENTS	4,030,749	1,000,000	2,000,000	7,030,749		7,030,749	554	
555			SUBTOTAL DEPARTMENT OF MENTAL HEALTH	239,278,521			242,278,521	19,170,928	230,356,451	555	
556										556	
557	J160	36	Department of Disabilities & Special Needs	251,398,355			251,398,355	340,000	498,438,332	557	
558			State Funds Adjustments:							558	
559			Traumatic Brain & Spinal Cord Injuries		200,000		200,000		200,000	559	
560			BabyNet Transfer to DHHS		(11,402,071)		(11,402,071)		(11,402,071)	560	
561										561	
562			Federal Funds Adjustments:							562	
563										563	
564			Other Funds Adjustments:							564	
565										565	
566			SUBTOTAL INCREMENTAL ADJUSTMENTS	(11,202,071)	-	-	(11,202,071)		(11,202,071)	566	
567			SUBTOTAL DEPT. OF DISABILITIES & SPECIAL NEEDS	240,196,284			240,196,284	340,000	498,438,332	567	
568										568	
569	J200	37	Department of Alcohol & Other Drug Abuse Services	8,700,737			8,700,737	33,254,410	7,096,362	569	
570			State Funds Adjustments:							570	
571			Enhanced Response for Opioid Use Disorder		1,250,000		1,250,000		1,250,000	571	
572			Infrastructure Improvements/Substance Abuse Provider System			3,000,000	3,000,000		3,000,000	572	
573										573	
574			Federal Funds Adjustments:							574	
575			SC Opioid State Targeted Response					6,575,623	6,575,623	575	
576			Prescription Drug Overdose Prevention for States Enhanced/Expansion (NON-RECURRING)					787,697	787,697	576	
577										577	
578			Other Funds Adjustments:							578	
579										579	
580			SUBTOTAL INCREMENTAL ADJUSTMENTS	1,250,000	-	3,000,000	4,250,000	7,363,320	11,613,320	580	
581			SUBTOTAL DEPT. OF ALCOHOL & OTHER DRUG ABUSE	9,950,737			12,950,737	40,617,730	7,096,362	60,664,829	581
582										582	
583	L040	38	Department of Social Services	170,665,273			170,665,273	508,278,168	56,346,297	735,289,738	583
584			State Funds Adjustments:							584	
585			Michelle H. Consent Agreement / Child and Family Service Review (CFSR)		20,281,214		20,281,214		20,281,214	585	
586			Adult Protective Services		2,665,562		2,665,562		2,665,562	586	
587			Economic Services		1,000,000	1,992,185	2,992,185		2,992,185	587	
588			Child Support System			25,000,000	25,000,000		25,000,000	588	
589										589	

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						State			Federal	Other	Total	
						FY 2017-18 Capital Reserve						
		FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line		
Line		Beginning Base										
590										590		
591										591		
592										592		
593										593		
594										594		
595										595		
596										596		
597	L240	39	Commission for the Blind		3,522,103		3,522,103	8,664,818	403,000	12,589,921	597	
598			State Funds Adjustments:								598	
599			Children's Services Program Increase			25,000	25,000			25,000	599	
600											600	
601			Federal Funds Adjustments:								601	
602											602	
603											603	
604			Other Funds Adjustments:								604	
605											605	
606			SUBTOTAL INCREMENTAL ADJUSTMENTS			25,000	25,000			25,000	606	
607			SUBTOTAL COMMISSION FOR THE BLIND			3,547,103	3,547,103	8,664,818	403,000	12,614,921	607	
608											608	
609	L320	42	Housing Finance & Development Authority				-	158,813,114	26,638,553	185,451,667	609	
610			State Funds Adjustments:								610	
611											611	
612			Federal Funds Adjustments:								612	
613			Housing Initiatives					(1,485,136)		(1,485,136)	613	
614			Contract Administration and Compliance					4,900,000		4,900,000	614	
615			Rental Assistance					760,000		760,000	615	
616			Employee Benefits					(8,063)		(8,063)	616	
617											617	
618			Other Funds Adjustments:								618	
619			Housing Initiatives						3,695,136	3,695,136	619	
620			Executive Administration and Special Projects						3,505,528	3,505,528	620	
621			Support Services						732,000	732,000	621	
622			Contract Administration and Compliance						(115,000)	(115,000)	622	
623			Employee Benefits						859,288	859,288	623	
624			Mortgage Servicing						95,000	95,000	624	
625											625	
626			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	4,166,801	8,771,952	12,938,753	626	
627			SUBTOTAL HOUSING FINANCE & DEVELOPMENT AUTHORITY			-	-	162,979,915	35,410,505	198,390,420	627	
628											628	
629	P120	43	Forestry Commission		16,813,176		16,813,176	4,763,560	9,678,713	31,255,449	629	
630			State Funds Adjustments:								630	
631			Firefighting Capacity			640,000	640,000			640,000	631	
632			State Forests			200,000	200,000			200,000	632	
633			Firefighting Equipment				3,500,000	3,500,000		3,500,000	633	
634											634	
635			Federal Funds Adjustments:								635	
636											636	
637			Other Funds Adjustments:								637	
638											638	
639			SUBTOTAL INCREMENTAL ADJUSTMENTS			840,000	-	3,500,000		4,340,000	639	
640			SUBTOTAL FORESTRY COMMISSION			17,653,176		21,153,176	4,763,560	9,678,713	35,595,449	640
641											641	
642	P160	44	Department of Agriculture		11,373,461		11,373,461	2,219,304	7,382,626	20,975,391	642	
643			State Funds Adjustments:								643	
644			Statewide Agribusiness Infrastructure				2,000,000	2,000,000		2,000,000	644	
645											645	
646			Federal Funds Adjustments:								646	
647											647	
648			Other Funds Adjustments:								648	

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
649				Employer Contributions - Other Funds							27,510	27,510	649
650													650
651				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	2,000,000	-	2,000,000		27,510	2,027,510	651
652				SUBTOTAL DEPARTMENT OF AGRICULTURE		11,373,461			13,373,461	2,219,304	7,410,136	23,002,901	652
653													653
654	P200	45		Clemson-PSA	40,457,592				40,457,592	17,275,000	23,395,568	81,128,160	654
655				State Funds Adjustments:									655
656				Federal Funds Adjustments:									656
657													657
658				Other Funds Adjustments:									658
659													659
660													660
661				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				661
662				SUBTOTAL CLEMSON-PSA		40,457,592			40,457,592	17,275,000	23,395,568	81,128,160	662
663													663
664	P210	46		SC State-PSA	4,295,605				4,295,605	4,173,741		8,469,346	664
665				State Funds Adjustments:									665
666				Federal Funds Adjustments:									666
667													667
668													668
669				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				669
670				SUBTOTAL SC STATE-PSA		4,295,605			4,295,605	4,173,741		8,469,346	670
671													671
672	P240	47		Department of Natural Resources	28,843,402				28,843,402	31,098,135	46,546,390	106,487,927	672
673				State Funds Adjustments:									673
674				Information Technology - Operations		502,000			502,000			502,000	674
675				Law Enforcement - Step Increases (FY 18 and FY 19)		403,934			403,934			403,934	675
676				Statewide Public Wildlife & Fisheries Management Projects (2 FTES)		1,500,000			1,500,000			1,500,000	676
677				Geology/Hydrology - Staff & Operations (1 FTE)		100,000			100,000			100,000	677
678				Climatology - Statewide Drought Mitigation Coordinator		62,418			62,418			62,418	678
679				Freshwater Fisheries Hatchery Renovations			2,000,000		2,000,000			2,000,000	679
680				Coastal Vulnerability Studies and Offshore Mapping Phase II				400,000	400,000			400,000	680
681													681
682				Federal Funds Adjustments:									682
683				Water Recreation/Game & Fish - County Projects						150,000		150,000	683
684													684
685				Other Funds Adjustments:									685
686				Heritage Trust - Staff and Operations							301,238	301,238	686
687				Aquatic Nuisance Plants - Staff							35,626	35,626	687
688				Water Recreation/Game & Fish - County Projects							575,000	575,000	688
689				Indirect Cost Funds							226,951	226,951	689
690													690
691				SUBTOTAL INCREMENTAL ADJUSTMENTS		2,568,352	2,000,000	400,000	4,968,352	150,000	1,138,815	6,257,167	691
692				SUBTOTAL DEPT. OF NATURAL RESOURCES		31,411,754			33,811,754	31,248,135	47,685,205	112,745,094	692
693													693
694	P260	48		Sea Grant Consortium	677,461				677,461	4,550,000	450,000	5,677,461	694
695				State Funds Adjustments:									695
696				Federal Funds Adjustments:									696
697													697
698				Other Funds Adjustments:									698
699													699
700													700
701													701
702				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				702
703				SUBTOTAL SEA GRANT CONSORTIUM		677,461			677,461	4,550,000	450,000	5,677,461	703
704													704
705	P280	49		Department of Parks, Recreation & Tourism	43,156,699				43,156,699	2,505,110	53,113,105	98,774,914	705
706				State Funds Adjustments:									706
707				Beach Renourishment				11,000,000	11,000,000			11,000,000	707
708				Hunting Island Cabins Parks				10,000,000	10,000,000			10,000,000	708

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		FY 2018-19 Agency Beginning Base			State		Federal	Other	Total			
					Part 1A	Nonrecurring	FY 2017-18					
					Recurring Funds	Proviso	Capital Reserve Fund					
Line				Beginning Base			Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
709						319,000	319,000			319,000	709	
710											710	
711											711	
712								(693,530)		(693,530)	712	
713								693,530		693,530	713	
714											714	
715											715	
716											716	
717						319,000	21,000,000			21,319,000	717	
718						43,156,699		64,475,699	2,505,110	53,113,105	120,093,914	718
719											719	
720	P320	50	Department of Commerce	45,037,178			45,037,178	72,465,015	54,391,500	171,893,693	720	
721			State Funds Adjustments:								721	
722			Closing Fund		2,500,000		2,700,000			5,200,000	722	
723			Appalachian Regional Commission (ARC) Statewide Assessment		150,000		150,000			150,000	723	
724			Applied Research Centers		1,000,000	1,000,000				2,000,000	724	
725			Military Base Task Force		600,000					600,000	725	
726			Locate - SC				4,000,000			4,000,000	726	
727											727	
728			Federal Funds Adjustments:								728	
729			Disaster Recovery - Federal Authority					47,000,000		47,000,000	729	
730											730	
731			Other Fund Adjustments:								731	
732			Other Fund Authority						150,000	150,000	732	
733											733	
734			SUBTOTAL INCREMENTAL ADJUSTMENTS		4,250,000	1,000,000	6,700,000	11,950,000	47,000,000	150,000	59,100,000	734
735			SUBTOTAL DEPT. OF COMMERCE		49,287,178			56,987,178	119,465,015	54,541,500	230,993,693	735
736											736	
737	P340	51	Jobs-Economic Development Authority					18,000	405,150	423,150	737	
738			State Funds Adjustments:								738	
739											739	
740			Federal Funds Adjustments:								740	
741											741	
742			Other Funds Adjustments:								742	
743											743	
744			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-			744	
745			SUBTOTAL JOBS-ECONOMIC DEVELOPMENT AUTHORITY		-	-	-	-	18,000	405,150	423,150	745
746											746	
747	P360	52	Patriots Point Authority						13,836,012	13,836,012	747	
748			State Funds Adjustments:								748	
749											749	
750			Other Funds Adjustments:								750	
751											751	
752			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-			752	
753			SUBTOTAL PATRIOTS POINT AUTHORITY		-	-	-	-	13,836,012	13,836,012	753	
754											754	
755	P400	53	Conservation Bank	287,030			287,030			287,030	755	
756			State Funds Adjustments:								756	
757			Conservation Bank Trust			6,000,000	6,000,000			6,000,000	757	
758											758	
759			Other Funds Adjustments:								759	
760											760	
761			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	6,000,000	6,000,000		6,000,000	761	
762			SUBTOTAL CONSERVATION BANK		287,030			6,287,030		6,287,030	762	
763											763	
764	P450	54	Rural Infrastructure Authority	20,511,856			20,511,856	700,000	21,269,000	42,480,856	764	
765			State Funds Adjustments:								765	
766											766	
767			Other Funds Adjustments:								767	
768			Expanded Capacity						125,000	125,000	768	

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		FY 2018-19 Agency Beginning Base			Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
769												769
770										125,000	125,000	770
771					20,511,856			20,511,856	700,000	21,394,000	42,605,856	771
772												772
773	8040	57	Judicial Department	56,248,163				56,248,163	835,393	22,498,000	79,581,556	773
774			State Funds Adjustments:									774
775												775
776			Federal Funds Adjustments:									776
777												777
778			Other Funds Adjustments:									778
779												779
780			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				780
781			SUBTOTAL JUDICIAL DEPARTMENT		56,248,163			56,248,163	835,393	22,498,000	79,581,556	781
782												782
783	C050	58	Administrative Law Court	2,608,983				2,608,983		1,539,938	4,148,921	783
784			State Funds Adjustments:									784
785			Update of court room technology			80,000		80,000			80,000	785
786												786
787			Other Funds Adjustments:									787
788												788
789												789
790			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	80,000	-	80,000			80,000	790
791			SUBTOTAL ADMINISTRATIVE LAW JUDGES		2,608,983			2,688,983		1,539,938	4,228,921	791
792												792
793	E200	59	Attorney General	11,989,799				11,989,799	35,003,654	26,764,911	73,758,364	793
794			State Funds Adjustments:									794
795			Capital Litigation Paralegal		60,000			60,000			60,000	795
796			Anti-Money Laundering Registrar & Administrator		216,500			216,500			216,500	796
797												797
798			Federal Funds Adjustments:									798
799			Increase in Federal Authorization - Crime Victim Services Grants						5,000,000		5,000,000	799
800												800
801			Other Funds Adjustments:									801
802												802
803			SUBTOTAL INCREMENTAL ADJUSTMENTS		276,500	-	-	276,500	5,000,000		5,276,500	803
804			SUBTOTAL ATTORNEY GENERAL		12,266,299			12,266,299	40,003,654	26,764,911	79,034,864	804
805												805
806	E210	60	Prosecution Coordination Commission	27,268,639				27,268,639	355,583	8,250,000	35,874,222	806
807			State Funds Adjustments:									807
808												808
809			Federal Funds Adjustments:									809
810												810
811			Other Funds Adjustments:									811
812			Conditional Discharge General Sessions-Authorization							75,000	75,000	812
813												813
814			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-		75,000	75,000	814
815			SUBTOTAL PROSECUTION COORDINATION COMMISSION		27,268,639			27,268,639	355,583	8,325,000	35,949,222	815
816												816
817	E230	61	Commission on Indigent Defense	29,924,481				29,924,481		13,921,872	43,846,353	817
818			State Funds Adjustments:									818
819			Information Technology Services		127,192			127,192			127,192	819
820												820
821			Other Funds Adjustments:									821
822												822
823			SUBTOTAL INCREMENTAL ADJUSTMENTS		127,192	-	-	127,192			127,192	823
824			SUBTOTAL COMMISSION ON INDIGENT DEFENSE		30,051,673			30,051,673		13,921,872	43,973,545	824
825												825
826	D100	62	Governor's Office-SLED	49,597,408				49,597,408	25,000,000	23,548,045	98,145,453	826
827			State Funds Adjustments:									827

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					FY 2017-18 Capital Reserve		Federal	Other	Total		
		FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
Line		Beginning Base									
828		Law Enforcement Rank Change	956,131			956,131			956,131	828	
829		Forensic Personnel	883,114			883,114			883,114	829	
830		Narcotics Personnel	484,416			484,416			484,416	830	
831		Disaster Recovery System	185,000			185,000			185,000	831	
832		Pee Dee/Piedmont Office Space	144,307			144,307			144,307	832	
833		Forensics Operating	1,250,000			1,250,000			1,250,000	833	
834		SC Critical Infrastructure Cybersecurity Program (SC CIC) Personnel	667,150			667,150			667,150	834	
835		SC CIC National Guard Participation	242,000			242,000			242,000	835	
836		Immigration Compliance Recorder	71,455			71,455			71,455	836	
837		Immigration Officers Position Funding/ Base Budget Increase	134,296			134,296			134,296	837	
838		Immigration Unit - Transfer from DPS to SLED	752,069			752,069			752,069	838	
839		Technology Equipment/Software		1,000,000		1,000,000			1,000,000	839	
840		New Personnel Equipment - Forensics		400,125		400,125			400,125	840	
841		New Personnel Equipment - Narcotics		276,375		276,375			276,375	841	
842		Forensics Equipment			1,430,000	1,430,000			1,430,000	842	
843		Capital Budget Requests - CJIS HVAC Upgrade			490,000	490,000			490,000	843	
844		Capital Budget Requests - CJIS Roof Replacement			355,000	355,000			355,000	844	
845		New Personnel Equipment - SC CIC Program			126,475	126,475			126,475	845	
846		SC CIC Training, Exercises & Professional Services			704,600	704,600			704,600	846	
847		Capital Budget Request - New Forensics Laboratory Building			20,000,000	20,000,000			20,000,000	847	
848										848	
849		<u>Federal Funds Adjustments:</u>								849	
850										850	
851		<u>Other Funds Adjustments:</u>								851	
852		Earmark Authority						2,000,000	2,000,000	852	
853										853	
854		SUBTOTAL INCREMENTAL ADJUSTMENTS	5,769,938	1,676,500	23,106,075	30,552,513		2,000,000	32,552,513	854	
855		SUBTOTAL SLED	55,367,346			80,149,921	25,000,000	25,548,045	130,697,966	855	
856										856	
857	K050	63 Department of Public Safety	88,887,252			88,887,252	23,898,089	45,957,430	158,742,771	857	
858		<u>State Funds Adjustments:</u>								858	
859		Highway Patrol Overtime		2,025,000		2,025,000			2,025,000	859	
860		Immigration Unit - Transfer from DPS to SLED		(752,069)						860	
861		Rifles for Highway Patrol			499,797	499,797			499,797	861	
862										862	
863		<u>Federal Funds Adjustments:</u>								863	
864		STP Increase Federal Budget Authority					165,332		165,332	864	
865										865	
866		<u>Other Funds Adjustments:</u>								866	
867										867	
868		SUBTOTAL INCREMENTAL ADJUSTMENTS	1,272,931	-	499,797	2,524,797	165,332		2,690,129	868	
869		SUBTOTAL DEPARTMENT OF PUBLIC SAFETY	90,160,183			91,412,049	24,063,421	45,957,430	161,432,900	869	
870										870	
871	N200	64 Law Enforcement Training Council (Criminal Justice Academy)	5,052,605			5,052,605	601,000	8,650,000	14,303,605	871	
872		<u>State Funds Adjustments:</u>								872	
873		Instructor Salary Realignment		212,980		212,980			212,980	873	
874		Expansion of Training		500,000		500,000			500,000	874	
875		Clothing & Equipment for Expansion of Training			22,500	22,500			22,500	875	
876		IT Equipment Required for DIT & CJIS Security			192,000	192,000			192,000	876	
877										877	
878		<u>Federal Funds Adjustments:</u>								878	
879										879	
880		<u>Other Funds Adjustments:</u>								880	
881										881	
882		SUBTOTAL INCREMENTAL ADJUSTMENTS	712,980	214,500	-	927,480			927,480	882	
883		SUBTOTAL LAW ENFORCEMENT TRAINING COUNCIL	5,765,585			5,980,085	601,000	8,650,000	15,231,085	883	
884										884	
885	N040	65 Dept. of Corrections	419,880,106			419,880,106	3,627,000	62,209,210	485,716,316	885	
886		<u>State Funds Adjustments:</u>								886	
887		Officer Hiring Rate Adjustment and Retention		4,999,374		4,999,374			4,999,374	887	

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		FY 2018-19 Agency Beginning Base				State		Federal	Other	Total			
		Part 1A Recurring Funds		Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line			
888			Electronic Health Record System			1,258,921			1,258,921	888			
889			Workforce and Reentry Services for Level II/III Institutions - Phase I of II			1,730,507			1,730,507	889			
890			IT Security Implementation			368,559			368,559	890			
891			General Maintenance Security and Detention Systems & Equipment				3,120,000		3,120,000	891			
892			Agency Wide Roofing				2,500,000		2,500,000	892			
893										893			
894			Federal Funds Adjustments:							894			
895										895			
896			Other Funds Adjustments:							896			
897										897			
898			SUBTOTAL INCREMENTAL ADJUSTMENTS			8,357,361	5,620,000	-	13,977,361	898			
899			SUBTOTAL DEPT. OF CORRECTIONS			428,237,467			433,857,467	899			
900										900			
901	N080	66	Department of Probation, Parole & Pardon Services		37,548,774				37,548,774	206,000	21,044,391	58,799,165	901
902			State Funds Adjustments:										902
903			Agent Vehicle Support Plan (Phase II of II)			1,146,080			1,146,080			1,146,080	903
904			Expansion of the Offender Supervision Specialist (OSS) Program			863,408			863,408			863,408	904
905			Data Center Migration to DTO			473,263			473,263			473,263	905
906			Workforce and Reentry Services			400,000			400,000			400,000	906
907													907
908			Federal Funds Adjustments:										908
909													909
910			Other Funds Adjustments:										910
911													911
912			SUBTOTAL INCREMENTAL ADJUSTMENTS			2,882,751	-	-	2,882,751			2,882,751	912
913			SUBTOTAL DEPT. OF PROBATION, PAROLE & PARDON			40,431,525			40,431,525	206,000	21,044,391	61,681,916	913
914													914
915	N120	67	Department of Juvenile Justice		108,977,673				108,977,673	2,777,006	18,992,699	130,747,378	915
916			State Funds Adjustments:										916
917			Officer and Community Specialist Hiring Rate Adjustment and Retention			1,014,958			1,014,958			1,014,958	917
918			Workforce and Reentry Services			500,000			500,000			500,000	918
919													919
920			Federal Funds Adjustments:										920
921			Increase Federal Authorization							222,994		222,994	921
922													922
923			Other Funds Adjustments:										923
924													924
925													925
926			SUBTOTAL INCREMENTAL ADJUSTMENTS			1,514,958	-	-	1,514,958	222,994		1,737,952	926
927			SUBTOTAL DEPT. OF JUVENILE JUSTICE			110,492,631			110,492,631	3,000,000	18,992,699	132,485,330	927
928													928
929	L360	70	Human Affairs Commission		2,284,291				2,284,291	336,225	750,000	3,370,516	929
930			State Funds Adjustments:										930
931													931
932													932
933			Federal Funds Adjustments:										933
934													934
935			Other Funds Adjustments:										935
936													936
937													937
938			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				938
939			SUBTOTAL HUMAN AFFAIRS COMMISSION			2,284,291			2,284,291	336,225	750,000	3,370,516	939
940													940
941	L460	71	Commission On Minority Affairs		1,028,806				1,028,806		261,814	1,290,620	941
942			State Funds Adjustments:										942
943													943
944													944
945			Other Funds Adjustments:										945
946													946

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
947						-	-	-	-				947
948						1,028,806			1,028,806		261,814	1,290,620	948
949													949
950	R040	72	Public Service Commission								4,729,308	4,729,308	950
951			Other Funds Adjustments:										951
952			Administration - Personnel Services								(80,000)	(80,000)	952
953			Administration - Other Operating								(4,000)	(4,000)	953
954													954
955			SUBTOTAL INCREMENTAL ADJUSTMENTS								(84,000)	(84,000)	955
956			SUBTOTAL PUBLIC SERVICE COMMISSION			-			-		4,645,308	4,645,308	956
957													957
958	R060	73	Office of Regulatory Staff							610,090	12,667,414	13,277,504	958
959			Federal Funds Adjustments:										959
960			Additional Authorization for Employee Benefits							257		257	960
961													961
962			Other Funds Adjustments:										962
963			Additional Authorization for Employee Benefits								123,762	123,762	963
964													964
965			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-	257	123,762	123,762	965
966			SUBTOTAL OFFICE OF REGULATORY STAFF			-			-	610,347	12,791,176	13,401,523	966
967													967
968	R080	74	Workers Compensation Commission		2,087,167				2,087,167		5,007,845	7,095,012	968
969			State Funds Adjustments:										969
970													970
971													971
972			Other Funds Adjustments:										972
973													973
974													974
975			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				975
976			SUBTOTAL WORKERS COMP COMMISSION			2,087,167			2,087,167		5,007,845	7,095,012	976
977													977
978	R120	75	State Accident Fund								9,959,480	9,959,480	978
979			Other Funds Adjustments:										979
980			Reduction in Other Fund Authorization								(1,096,380)	(1,096,380)	980
981													981
982			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-		(1,096,380)	(1,096,380)	982
983			SUBTOTAL STATE ACCIDENT FUND			-			-		8,863,100	8,863,100	983
984													984
985	R140	76	Patients' Compensation Fund								1,092,000	1,092,000	985
986			Other Funds Adjustments:										986
987													987
988													988
989			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				989
990			SUBTOTAL PATIENTS' COMPENSATION FUND			-			-		1,092,000	1,092,000	990
991													991
992	R200	78	Department of Insurance		4,220,310				4,220,310		13,630,754	17,851,064	992
993			State Funds Adjustments:										993
994													994
995			Other Funds Adjustments:										995
996													996
997			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				997
998			SUBTOTAL DEPARTMENT OF INSURANCE			4,220,310			4,220,310		13,630,754	17,851,064	998
999													999
1000	R230	79	Board of Financial Institutions								4,673,413	4,673,413	1000
1001			Other Funds Adjustments:										1001
1002			Personal Services - fully fund current positions								110,000	110,000	1002
1003			Health Insurance Increases								90,000	90,000	1003
1004			Operating Expense Increase								30,000	30,000	1004
1005													1005

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
1006						-	-	-	-		230,000	230,000	1006
1007						-	-	-	-		4,903,413	4,903,413	1007
1008													1008
1009	R280	80	Department of Consumer Affairs	1,516,061					1,516,061		2,059,666	3,575,727	1009
1010			State Funds Adjustments:										1010
1011													1011
1012			Other Funds Adjustments:										1012
1013													1013
1014			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1014
1015			SUBTOTAL DEPT. OF CONSUMER AFFAIRS		1,516,061				1,516,061		2,059,666	3,575,727	1015
1016													1016
1017	R360	81	Department of Labor, Licensing, & Regulation	1,416,609					1,416,609	2,904,264	36,797,608	41,118,481	1017
1018			State Funds Adjustments:										1018
1019													1019
1020			Federal Funds Adjustments:										1020
1021													1021
1022			Other Funds Adjustments:										1022
1023													1023
1024			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1024
1025			SUBTOTAL DEPT. OF LABOR, LICENSING & REGULATION		1,416,609				1,416,609	2,904,264	36,797,608	41,118,481	1025
1026													1026
1027	R400	82	Department of Motor Vehicles	85,725,223					85,725,223	1,700,000	9,147,596	96,572,819	1027
1028			State Funds Adjustments:										1028
1029			REAL ID		379,122		5,637,990		6,017,112			6,017,112	1029
1030			Exchange Earmarked Authority for General Funds		2,500,000				2,500,000			2,500,000	1030
1031			Moped Bill		428,000				428,000			428,000	1031
1032			Roads Bill		220,500		330,800		551,300			551,300	1032
1033			TERI Payouts				412,450		412,450			412,450	1033
1034													1034
1035			Federal Funds Adjustments:										1035
1036													1036
1037			Other Funds Adjustments:										1037
1038			Exchange Earmarked Authority for General Funds								(2,500,000)	(2,500,000)	1038
1039			Plate Replacement Authority ONLY								1,300,000	1,300,000	1039
1040													1040
1041			SUBTOTAL INCREMENTAL ADJUSTMENTS		3,527,622	-	6,381,240		9,908,862		(1,200,000)	8,708,862	1041
1042			SUBTOTAL DEPT. OF MOTOR VEHICLES		89,252,845				95,634,085	1,700,000	7,947,596	105,281,681	1042
1043													1043
1044	R600	83	Department of Employment & Workforce	500,873					500,873	150,987,848	16,017,884	167,506,605	1044
1045			State Funds Adjustments:										1045
1046			Be Pro Be Proud				950,000		950,000			950,000	1046
1047													1047
1048			Federal Funds Adjustments:										1048
1049													1049
1050			Other Funds Adjustments:										1050
1051													1051
1052			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	950,000		950,000			950,000	1052
1053			SUBTOTAL DEPT. OF EMPLOYMENT & WORKFORCE		500,873				1,450,873	150,987,848	16,017,884	168,456,605	1053
1054													1054
1055	U120	84	Department of Transportation	50,057,271					50,057,271		2,077,881,071	2,127,938,342	1055
1056			State Funds Adjustments:										1056
1057													1057
1058			Other Funds Adjustments:										1058
1059			Infrastructure Maintenance Fund								232,000,000	232,000,000	1059
1060			Highway Fund Operations								131,073,412	131,073,412	1060
1061			Port Access Road								(24,456,330)	(24,456,330)	1061
1062			Volvo Interchange/ Berkeley County								(8,714,965)	(8,714,965)	1062
1063													1063
1064			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-	-		329,902,117	329,902,117	1064

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
1065						50,057,271			50,057,271		2,407,783,188	2,457,840,459	1065
1066													1066
1067	U150	85	Infrastructure Bank Board								252,985,870	252,985,870	1067
1068			Other Funds Adjustments:										1068
1069													1069
1070													1070
1071			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1071
1072			SUBTOTAL INFRASTRUCTURE BANK BOARD			-	-	-	-		252,985,870	252,985,870	1072
1073													1073
1074	U200	86	County Transportation Funds								189,925,000	189,925,000	1074
1075			Other Funds Adjustments:										1075
1076													1076
1077													1077
1078			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1078
1079			SUBTOTAL COUNTY TRANSPORTATION FUNDS			-	-	-	-		189,925,000	189,925,000	1079
1080													1080
1081	U300	87	Division of Aeronautics		2,079,160				2,079,160	3,478,867	5,000,000	10,558,027	1081
1082			State Funds Adjustments:										1082
1083			Airport Facilities Security System Replacement				100,000		100,000			100,000	1083
1084													1084
1085			Federal Funds Adjustments:										1085
1086													1086
1087			Other Funds Adjustments:										1087
1088													1088
1089			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	100,000	-	100,000			100,000	1089
1090			SUBTOTAL DIVISION OF AERONAUTICS			2,079,160			2,179,160	3,478,867	5,000,000	10,658,027	1090
1091													1091
1092	Y140	88	State Ports Authority										1092
1093			State Funds Adjustments:										1093
1094													1094
1095													1095
1096													1096
1097			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1097
1098			SUBTOTAL STATE PORTS AUTHORITY			-	-	-	-				1098
1099													1099
1100	A010	91A	The Senate		14,398,274				14,398,274		300,000	14,698,274	1100
1101			State Funds Adjustments:										1101
1102													1102
1103													1103
1104			Other Funds Adjustments:										1104
1105													1105
1106													1106
1107			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1107
1108			SUBTOTAL THE SENATE			14,398,274			14,398,274		300,000	14,698,274	1108
1109													1109
1110	A050	91B	House of Representatives		22,312,601				22,312,601			22,312,601	1110
1111			State Funds Adjustments:										1111
1112													1112
1113			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1113
1114			SUBTOTAL HOUSE OF REPRESENTATIVES			22,312,601			22,312,601			22,312,601	1114
1115													1115
1116	A150	91C	Codification of Laws & Legislative Council		4,309,694				4,309,694		300,000	4,609,694	1116
1117			State Funds Adjustments:										1117
1118													1118
1119													1119
1120			SUBTOTAL INCREMENTAL ADJUSTMENTS			-	-	-	-				1120
1121			SUBTOTAL CODIFICATION OF LAWS & LEG COUNCIL			4,309,694			4,309,694		300,000	4,609,694	1121
1122													1122
1123	A170	91D	Legislative Services		5,929,505				5,929,505			5,929,505	1123

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					FY 2018-19 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line
1124				State Funds Adjustments:									1124
1125													1125
1126													1126
1127				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				1127
1128				SUBTOTAL LEGISLATIVE SERVICES		5,929,505			5,929,505			5,929,505	1128
1129													1129
1130	A200	91E		Legislative Audit Council	1,900,817				1,900,817		400,000	2,300,817	1130
1131				State Funds Adjustments:									1131
1132													1132
1133				Other Funds Adjustments:									1133
1134													1134
1135				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				1135
1136				SUBTOTAL LEG AUDIT COUNCIL		1,900,817			1,900,817		400,000	2,300,817	1136
1137													1137
1138	D050	92A		Governor's Office-Executive Control of the State	2,059,328				2,059,328			2,059,328	1138
1139				State Funds Adjustments:									1139
1140													1140
1141													1141
1142				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				1142
1143				SUBTOTAL EXECUTIVE CONTROL OF STATE		2,059,328			2,059,328			2,059,328	1143
1144													1144
1145	D200	92C		Governor's Office-Mansion & Grounds	323,464				323,464		200,000	523,464	1145
1146				State Funds Adjustments:									1146
1147													1147
1148				Other Funds Adjustments:									1148
1149													1149
1150				SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				1150
1151				SUBTOTAL MANSION & GROUNDS		323,464			323,464		200,000	523,464	1151
1152													1152
1153	D500	93		Department of Administration	61,479,447				61,479,447	58,689,280	158,040,988	278,209,715	1153
1154				State Funds Adjustments:									1154
1155				IT shared Services Program Management Office		3,000,000			3,000,000			3,000,000	1155
1156				Guardian Ad Litem		1,040,000			1,040,000			1,040,000	1156
1157				Wade Hampton - Chilled & Hot Water Distribution System				4,800,000	4,800,000			4,800,000	1157
1158				Adjutant General Building - Air Handling Units, VAV, Controls, Duct Repair				1,150,502	1,150,502			1,150,502	1158
1159													1159
1160				Federal Funds Adjustments:									1160
1161													1161
1162				Other Funds Adjustments:									1162
1163													1163
1164				SUBTOTAL INCREMENTAL ADJUSTMENTS		4,040,000	-	5,950,502	9,990,502			9,990,502	1164
1165				SUBTOTAL DEPARTMENT OF ADMINISTRATION		65,519,447			71,469,949	58,689,280	158,040,988	288,200,217	1165
1166													1166
1167	D250	94		Inspector General	662,466				662,466			662,466	1167
1168				State Funds Adjustments:									1168
1169				Information Technology Support		7,560			7,560			7,560	1169
1170				Agency Head Salary Increase		4,713			4,713			4,713	1170
1171													1171
1172				Other Funds Adjustments:									1172
1173													1173
1174				SUBTOTAL INCREMENTAL ADJUSTMENTS		12,273	-	-	12,273			12,273	1174
1175				SUBTOTAL INSPECTOR GENERAL		674,739			674,739			674,739	1175
1176													1176
1177	E040	95		Lieutenant Governor	18,143,701				18,143,701	24,462,654	9,054,297	51,660,652	1177
1178				State Funds Adjustments:									1178
1179				Office on Aging (State Matching Funds)		19,808			19,808			19,808	1179
1180													1180
1181				Federal Funds Adjustments:									1181
1182				Office on Aging (Federal Authorization Increase)						2,887,269		2,887,269	1182

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					FY 2017-18 Capital Reserve		Federal	Other	Total			
		FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line		
Line		Beginning Base								Line		
1183										1183		
1184			<u>Other Funds Adjustments:</u>								1184	
1185										1185		
1186			SUBTOTAL INCREMENTAL ADJUSTMENTS		19,808	-	-	19,808	2,887,269	2,907,077	1186	
1187			SUBTOTAL LIEUTENANT GOVERNOR		18,163,509			18,163,509	27,349,923	9,054,297	54,567,729	1187
1188										1188		
1189	E080	96	Secretary of State		1,126,491			1,126,491		1,948,355	3,074,846	1189
1190			<u>State Funds Adjustments:</u>								1190	
1191											1191	
1192											1192	
1193			<u>Other Funds Adjustments:</u>								1193	
1194			Other Funds Authorization Increase							150,000	150,000	1194
1195			Other Funds Retirement, Health and Dental Increase							20,900	20,900	1195
1196											1196	
1197			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-		170,900	170,900	1197
1198			SUBTOTAL SECRETARY OF STATE		1,126,491			1,126,491		2,119,255	3,245,746	1198
1199											1199	
1200	E120	97	Comptroller General		2,384,246			2,384,246		875,434	3,259,680	1200
1201			<u>State Funds Adjustments:</u>								1201	
1202			Funding for Position in Statewide Accounts Payable			64,000		64,000			64,000	1202
1203											1203	
1204			<u>Other Funds Adjustments:</u>								1204	
1205											1205	
1206			SUBTOTAL INCREMENTAL ADJUSTMENTS		64,000	-	-	64,000			64,000	1206
1207			SUBTOTAL COMPTROLLER GENERAL		2,448,246			2,448,246		875,434	3,323,680	1207
1208											1208	
1209	E160	98	State Treasurer		1,993,683			1,993,683		7,359,886	9,353,569	1209
1210			<u>State Funds Adjustments:</u>								1210	
1211											1211	
1212											1212	
1213			<u>Other Funds Adjustments:</u>								1213	
1214			Health Insurance 2018 Plan Increases (Employer contributions & 1% Retirement Rate Increase)							135,175	135,175	1214
1215											1215	
1216			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-		135,175	135,175	1216
1217			SUBTOTAL STATE TREASURER		1,993,683			1,993,683		7,495,061	9,488,744	1217
1218											1218	
1219	E190	99	Retirement Systems Investment Commission							15,803,000	15,803,000	1219
1220			<u>Other Funds Adjustments:</u>								1220	
1221											1221	
1222											1222	
1223			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-	-				1223
1224			SUBTOTAL RETIREMENT SYSTEMS INVESTMENT COMMISSION		-	-	-	-		15,803,000	15,803,000	1224
1225											1225	
1226	E240	100	Adjutant General		7,196,501			7,196,501	45,193,912	6,646,961	59,037,374	1226
1227			<u>State Funds Adjustments:</u>								1227	
1228			Emergency Preparedness – (1 FTE & Operating Expenses)			263,000		263,000			263,000	1228
1229			South Carolina State Guard – Increased Personnel Costs			120,000		120,000			120,000	1229
1230			Statewide Readiness Centers - Female Latrines (12)				225,000	225,000			225,000	1230
1231											1231	
1232			<u>Federal Funds Adjustments:</u>								1232	
1233											1233	
1234			<u>Other Funds Adjustments:</u>								1234	
1235											1235	
1236			SUBTOTAL INCREMENTAL ADJUSTMENTS		383,000	225,000	-	608,000			608,000	1236
1237			SUBTOTAL ADJUTANT GENERAL		7,579,501			7,804,501	45,193,912	6,646,961	59,645,374	1237
1238											1238	
1239	E280	101	Election Commission		6,289,449			6,289,449		1,640,700	7,930,149	1239
1240			<u>State Funds Adjustments:</u>								1240	
1241			Security of Election Infrastructure			250,000		250,000			250,000	1241

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						State		Federal	Other	Total	
						FY 2017-18 Capital Reserve					
		FY 2018-19 Agency	Part 1A Recurring Funds	Nonrecurring Proviso	Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
Line		Beginning Base									
1242					650,000	650,000			650,000	1242	
1243					10,000,000	10,000,000			10,000,000	1243	
1244					4,000,000	4,000,000			4,000,000	1244	
1245										1245	
1246										1246	
1247										1247	
1248					250,000	-	14,650,000		14,900,000	1248	
1249					6,539,449		21,189,449	1,640,700	22,830,149	1249	
1250										1250	
1251	E500	102	Revenue & Fiscal Affairs Office	4,758,221			4,758,221	25,000	5,889,274	10,672,495	1251
1252			State Funds Adjustments:								1252
1253			Longitudinal Data System		197,670		197,670			197,670	1253
1254											1254
1255			Federal Funds Adjustments:								1255
1256											1256
1257			Other Funds Adjustments:								1257
1258											1258
1259			SUBTOTAL INCREMENTAL ADJUSTMENTS		197,670	-	197,670			197,670	1259
1260			SUBTOTAL REVENUE & FISCAL AFFAIRS OFFICE		4,955,891		4,955,891	25,000	5,889,274	10,870,165	1260
1261											1261
1262	E550	104	State Fiscal Accountability Authority	1,627,423			1,627,423		16,596,280	18,223,703	1262
1263			State Funds Adjustments:								1263
1264											1264
1265			Other Funds Adjustments:								1265
1266			Bond Services and Transfers						2,760,020	2,760,020	1266
1267											1267
1268			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-		2,760,020	2,760,020	1268
1269			SUBTOTAL STATE FISCAL ACCOUNTABILITY AUTHORITY		1,627,423		1,627,423		19,356,300	20,983,723	1269
1270											1270
1271	F270	105	SFAA - State Auditor's Office	4,571,668			4,571,668		2,379,639	6,951,307	1271
1272			State Funds Adjustments:								1272
1273											1273
1274			Other Funds Adjustments:								1274
1275											1275
1276			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-				1276
1277			SUBTOTAL SFAA - STATE AUDITOR'S OFFICE		4,571,668		4,571,668		2,379,639	6,951,307	1277
1278											1278
1279	F500	108	Public Employee Benefit Authority (PEBA)	125,737,331			125,737,331		32,030,091	157,767,422	1279
1280			State Funds Adjustments:								1280
1281											1281
1282											1282
1283			Other Funds Adjustments:								1283
1284			Benefits Administration System Modernization Plan						10,000,000	10,000,000	1284
1285											1285
1286			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-		10,000,000	10,000,000	1286
1287			SUBTOTAL STATE AUDITOR		125,737,331		125,737,331		42,030,091	167,767,422	1287
1288											1288
1289	R440	109	Department of Revenue	50,110,970			50,110,970		34,177,093	84,288,063	1289
1290			State Funds Adjustments:								1290
1291											1291
1292											1292
1293			Federal Funds Adjustments:								1293
1294											1294
1295			Other Funds Adjustments:								1295
1296											1296
1297			SUBTOTAL INCREMENTAL ADJUSTMENTS		-	-	-				1297
1298			SUBTOTAL DEPT. OF REVENUE		50,110,970		50,110,970		34,177,093	84,288,063	1298
1299											1299
1300	R520	110	State Ethics Commission	1,135,785			1,135,785		517,508	1,653,293	1300

Updated	01/08/18	SUMMARY CONTROL DOCUMENT				Governor's Executive Budget						
		FY 2018-19 Appropriation Bill										
		<i>The Summary Control Document is the SC Department of Administration - Executive Budget Office's attempt to maintain a historical record in summary form reflecting the Governor's Budget recommendations. It is not intended to be construed as a binding, legal document.</i>										
				FY 2018-19 Agency	Part 1A	Nonrecurring	FY 2017-18 Capital Reserve		Federal	Other	Total	
Line			Beginning Base	Recurring Funds	Proviso	Fund	Total	Federal Funds	Other Funds	Total Funds	Line	
1301											1301	
1302				66,484			66,484			66,484	1302	
1303				35,646			35,646			35,646	1303	
1304				52,107			52,107			52,107	1304	
1305				5,000			5,000			5,000	1305	
1306				15,758			15,758			15,758	1306	
1307											1307	
1308											1308	
1309									66,484	66,484	1309	
1310									123,210	123,210	1310	
1311											1311	
1312				174,995	-	-	174,995		189,694	364,689	1312	
1313				1,310,780			1,310,780		707,202	2,017,982	1313	
1314											1314	
1315	\$600	111		164,050			164,050		2,534	166,584	1315	
1316											1316	
1317											1317	
1318											1318	
1319											1319	
1320				-	-	-	-				1320	
1321				164,050			164,050		2,534	166,584	1321	
1322											1322	

Updated	01/08/18	SUMMARY CONTROL DOCUMENT FY 2018-19 Appropriation Bill				Governor's Executive Budget					
		<i>The Summary Control Document is the SC Department of Administration - Executive Budget Office's attempt to maintain a historical record in summary form reflecting the Governor's Budget recommendations. It is not intended to be construed as a binding, legal document.</i>									
		FY 2018-19 Agency Beginning Base				State		Federal	Other	Total	
		Part 1A Recurring Funds		Nonrecurring Proviso	FY 2017-18 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
1382											1382
1383											1383
1384		LOTTERY EXPENDITURE ACCOUNT - PROVISO 3.6				LOTTERY EXPENDITURE ACCOUNT					1384
1385										Total Lottery	1385
1386						Proviso 3.6	Nonrecurring				1386
1387		Estimated Revenue (BEA 11/9/17)									1387
1388		Lottery Proceeds				386,000,000			386,000,000		1388
1389		Investment Earnings				2,000,000			2,000,000		1389
1390		FY2017-18 Surplus Lottery Proceeds					28,000,000		28,000,000		1390
1391		Total Regular Lottery Revenues				388,000,000	28,000,000		416,000,000		1391
1392											1392
1393		Unclaimed Prizes				19,000,000			19,000,000		1393
1394											1394
1395		Total South Carolina Education Lottery Revenue				407,000,000	28,000,000		435,000,000		1395
1396											1396
1397		APPROPRIATIONS:									1397
1398		General Lottery Appropriations:									1398
1399		Higher Ed Comm—LIFE Scholarships (Chapter 149, Title 59)				230,056,162			230,056,162		1399
1400		Higher Ed Comm—HOPE Scholarships (Section 59-150-370)				15,563,241			15,563,241		1400
1401		Higher Ed Comm—Palmetto Fellows Scholarships (Section 59-104-20)				55,362,716			55,362,716		1401
1402		Higher Ed Comm & State Tech Board—Tuition Assistance				52,122,452			52,122,452		1402
1403		Higher Ed Comm—Need-Based Grants				18,065,421			18,065,421		1403
1404		Higher Ed Comm—Tuition Grants				8,830,008			8,830,008		1404
1405		State Tech Board—Workforce Scholarships/Grants				8,000,000			8,000,000		1405
1406											1406
1407		Subtotal:				388,000,000	-		388,000,000		1407
1408		Unclaimed Prizes									1408
1409		Higher Ed Comm—Higher Education Excellence Enhancement Program				6,072,473			6,072,473		1409
1410		DAODAS—Gambling Addiction Services				50,000			50,000		1410
1411		CHE - National Guard Tuition Repayment Program				2,373,399			2,373,399		1411
1412		State Tech Board—Workforce Scholarships/Grants				3,000,000			3,000,000		1412
1413		Higher Ed Comm—Need-Based Grants				7,504,128			7,504,128		1413
1414											1414
1415		Subtotal:				19,000,000	-		19,000,000		1415
1416		FY2017-18 Surplus Supplemental:									1416
1417		Higher Ed Comm—Need-Based Grants					8,400,000		8,400,000		1417
1418											1418
1419		Subtotal:				-	8,400,000		8,400,000		1419
1420											1420
1421		Total South Carolina Education Lottery Appropriations				407,000,000	8,400,000		415,400,000		1421
1422											1422
1423		Residual Balance				-	19,600,000		19,600,000		1423



Appendices

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Appendices

- January 5, 2018 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, certifying that the FY 2018-19 Executive Budget is balanced.
- January 2, 2018 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, regarding estimated costs of increasing base student costs by \$10 from \$2,425 to \$2,435
- December 18, 2017 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, assessing the prospective revenue impact of reducing all of the individual income tax marginal rates by one percent each over five years beginning in tax year 2018.
- December 21, 2017 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, assessing the prospective revenue impact of a full deduction of military retirement income in tax year 2018.
- December 21, 2017 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, assessing the prospective revenue impact of allowing a complete deduction of police officers, peace officers, and firefighters' retirement income from individual income tax beginning in tax year 2018.
- December 1, 2017 letter from Alan Wilson, Attorney General, State of South Carolina, on the \$4,063,276.97 settlement with General Motors Company



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
EMERSON F. GOWER, JR.

FRANK A. RAINWATER
Executive Director

January 5, 2018

The Honorable Henry McMaster
Governor, State of South Carolina
The State House
Columbia, South Carolina 29201

Dear Governor McMaster:

Pursuant to Proviso 117.66 and based upon the information provided by the Executive Budget Office, this letter is to certify that the proposed FY 2018-19 Executive Budget is in balance as follows:

General Fund Revenue	\$ <u>8,061,125,430</u>
Appropriation of General Fund Expenditures (Part IA)	\$ <u>8,060,567,519</u>
Balance	\$ <u>557,911</u>

Sincerely,

A handwritten signature in blue ink that reads "Frank A. Rainwater".

Frank A. Rainwater
Executive Director

FAR/kr



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
EMERSON F. GOWER, JR.

FRANK A. RAINWATER
Executive Director

January 2, 2018

Mr. Jay Wolfe
Budget and Policy Advisor
Office of the Governor, State of South Carolina
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Mr. Wolfe:

This letter follows up on our previous letter to Mr. Brian Gaines of the Executive Budget Office on December 4, 2017 regarding increases to the Base Student Cost. You requested an estimate of the General Fund cost to increase the Base Student Cost by \$10, from \$2,425 to \$2,435.

Based upon the currently available data, for FY 2018-19, the total General Fund cost to increase the Base Student Cost from \$2,425 to \$2,435 is \$25,182,795. This estimate uses the same basis and has the same limitations as described in the previous letter to Mr. Gaines.

Please note that the final FY 2017-18 45-day average daily membership counts are not yet available, and will not be available until on or after January 16. Once these are available, we will review the data and will make adjustments to these estimates as necessary.

If we may be of further assistance, please advise.

Sincerely,


Frank A. Rainwater
Executive Director

FAR/ahp



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
EMERSON F. GOWER, JR.

FRANK A. RAINWATER
Executive Director

December 18, 2017

The Honorable Henry McMaster
Governor, State of South Carolina
First Floor, State House
Columbia, South Carolina 29201

Dear Governor McMaster:

This is in response to a request by staff for the estimated revenue impact of reducing all of the individual income tax rates by 1 percent each over five years beginning in tax year 2018. These estimates reflect the November 9, 2017, forecast by the Board of Economic Advisors and our long-range expectations for personal income growth.

We have projected the impact on individual income tax of lowering the individual income tax rates by 0.2 percent each year for five years based upon individual income tax return data for 2016. By tax year 2022, the last year of the rate reduction, the tax rates will be lowered by 1 percent to 0 percent, 2 percent, 3 percent, 4 percent, 5 percent, and 6 percent, respectively. The projected individual income tax reduction by tax year is included in the attached detailed tables by taxable income range.

We anticipate that taxpayers who file estimated tax payments will begin reducing their quarterly declarations in response to the tax reduction. As such, 5.25 percent of the total tax year impact is recognized in the prior fiscal year for the first two calendar quarters of reduced estimated tax payments, and the remaining impact is reflected in the next fiscal year through the remaining reduced payments and higher refunds. The projected General Fund impact on a fiscal year basis is provided in the table below based upon these assumptions. The fiscal year estimates in later years most likely will vary from the estimates provided below if withholdings tables are adjusted to reflect the overall decrease in tax liability or taxpayer behavior changes further in response to the tax reduction.

The Honorable Henry McMaster

December 18, 2017

Page 2

Fiscal Year	General Fund Individual Income Tax Revenue	Annual Additional General Fund Individual Income Tax Revenue
FY 2017-18	(\$6,937,000)	(\$6,937,000)
FY 2018-19	(\$139,681,000)	(\$132,744,000)
FY 2019-20	(\$283,947,000)	(\$144,266,000)
FY 2020-21	(\$440,404,000)	(\$156,457,000)
FY 2021-22	(\$609,868,000)	(\$169,464,000)
FY 2022-23	(\$741,725,000)	(\$131,857,000)

Please be advised, this estimate impacts the current fiscal year, and the FY 2017-18 reduction currently is not reflected in the FY 2018-19 revenue base. As such, the General Fund revenue impact on the budget for FY 2018-19 will be the cumulative total reduction of \$139,681,000.

If we may be of any further assistance, please advise.

Sincerely,



Frank A. Rainwater
Executive Director

FAR/lhj

Enclosures: 5

cc: Mr. Jay Wolfe, Office of the Governor

ESTIMATE OF TAX YEAR 2018 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.20%

Objective: Reduce all rates by 0.20% to 0%, 2.80%, 3.80%, 4.80%, 5.80%, and 6.80% with brackets unchanged.

With these brackets and rates, 100.0% of returns have a lower or unchanged liability and the General Fund impact is (\$ 132,140,000).

Baseline Taxable Income Range 2016	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Returns 2018	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2018	Average Tax Liability 2018	Adjusted Average Tax Liability 2018	Average Tax	
							Increase/ (Decrease) 2018	Total Dollar Increase/ (Decrease) 2018
col 1	col 2 (f/a)	col 3	col 4	col 5 (f/b)	col 6	col 7	col 8	col 9
0	778,631	778,631	32.64%	0	0	0	0	0
1-5,000	279,619	1,058,250	44.36%	2,336	0	0	0	(223,163)
5,000-10,000	192,233	1,250,483	52.42%	7,765	162	153	(10)	(1,843,566)
10,000-20,000	287,281	1,537,764	64.46%	15,392	573	548	(25)	(7,137,490)
20,000-30,000	201,207	1,738,972	72.90%	25,930	1,310	1,264	(46)	(9,239,378)
30,000-40,000	144,235	1,883,207	78.94%	36,435	2,046	1,979	(67)	(9,653,549)
40,000-50,000	106,917	1,990,123	83.43%	46,932	2,780	2,692	(88)	(9,400,484)
50,000-60,000	79,809	2,069,932	86.77%	57,455	3,517	3,408	(109)	(8,696,726)
60,000-70,000	62,652	2,132,584	89.40%	67,938	4,251	4,121	(130)	(8,140,757)
70,000-80,000	49,486	2,182,069	91.47%	78,425	4,985	4,834	(151)	(7,467,899)
80,000-90,000	38,031	2,220,100	93.07%	88,930	5,720	5,548	(172)	(6,538,229)
90,000-100,000	29,538	2,249,639	94.30%	99,420	6,454	6,262	(193)	(5,697,923)
100,000-110,000	22,531	2,272,170	95.25%	109,936	7,191	6,977	(214)	(4,820,095)
110,000-120,000	17,796	2,289,965	96.00%	120,420	7,924	7,690	(235)	(4,180,272)
120,000-130,000	14,146	2,304,111	96.59%	130,930	8,660	8,404	(256)	(3,620,229)
130,000-140,000	11,433	2,315,544	97.07%	141,348	9,389	9,113	(277)	(3,164,159)
140,000-150,000	9,191	2,324,735	97.45%	151,897	10,128	9,830	(298)	(2,737,484)
150,000-160,000	7,452	2,332,187	97.77%	162,358	10,860	10,541	(319)	(2,375,541)
160,000-170,000	6,127	2,338,314	98.02%	172,830	11,593	11,253	(340)	(2,081,509)
170,000-180,000	5,157	2,343,471	98.24%	183,418	12,334	11,973	(361)	(1,861,132)
180,000-190,000	4,297	2,347,769	98.42%	193,791	13,060	12,679	(382)	(1,640,097)
190,000-200,000	3,659	2,351,428	98.57%	204,397	13,803	13,400	(403)	(1,474,167)
200,000-225,000	7,166	2,358,594	98.87%	222,181	15,048	14,609	(439)	(3,141,536)
225,000-250,000	5,062	2,363,655	99.08%	248,229	16,871	16,381	(491)	(2,482,905)
250,000-300,000	6,543	2,370,198	99.36%	285,796	19,501	18,935	(566)	(3,701,010)
300,000-400,000	6,602	2,376,800	99.64%	359,919	24,689	23,976	(714)	(4,713,059)
400,000-500,000	3,045	2,379,845	99.76%	466,213	32,130	31,204	(927)	(2,821,102)
500,000- \$1M	4,136	2,383,981	99.94%	697,522	48,322	46,933	(1,390)	(5,745,499)
\$1 M - \$2 M	1,044	2,385,025	99.98%	1,405,527	97,882	95,077	(2,806)	(2,927,409)
\$2 M +	469	2,385,493	100.00%	4,926,725	344,366	334,518	(9,848)	(4,613,883)
Total	2,385,493			\$29,576	\$1,565	\$1,512	(\$53)	(\$132,140,000)

2018 Current Tax Brackets

0.00% \$0 to 2,970
 3.00% \$2,970 to 5,940
 4.00% \$5,940 to 8,910
 5.00% \$8,910 to 11,880
 6.00% \$11,880 to 14,850
 7.00% Over \$14,850

Adjusted Brackets

0.00% \$0 to 2,970
 2.80% \$2,970 to 5,940
 3.80% \$5,940 to 8,910
 4.80% \$8,910 to 11,880
 5.80% \$11,880 to 14,850
 6.80% Over \$14,850

ESTIMATE OF TAX YEAR 2019 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.40%

Objective: Reduce all rates by 0.40% to 0%, 2.60%, 3.60%, 4.60%, 5.60%, and 6.60% with brackets unchanged.

With these brackets and rates, 100.0% of returns have a lower or unchanged liability and the General Fund impact is (\$ 275,769,000).

Baseline Taxable Income Range 2016	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Returns 2019	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2019	Average Tax Liability 2019	Adjusted Average Tax Liability 2019	Average Tax Increase/ (Decrease) 2019	Total Dollar Increase/ (Decrease) 2019
	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	791,868	791,868	32.64%	0	0	0	0	0
1-5,000	284,373	1,076,241	44.36%	2,395	0	0	0	(482,108)
5,000-10,000	195,501	1,271,742	52.42%	7,960	168	149	(20)	(3,878,610)
10,000-20,000	292,165	1,563,906	64.46%	15,778	594	543	(52)	(14,933,635)
20,000-30,000	204,628	1,768,534	72.90%	26,580	1,351	1,256	(95)	(19,300,502)
30,000-40,000	146,687	1,915,221	78.94%	37,348	2,104	1,967	(138)	(20,153,742)
40,000-50,000	108,734	2,023,955	83.43%	48,109	2,858	2,677	(181)	(19,619,351)
50,000-60,000	81,166	2,105,121	86.77%	58,895	3,613	3,389	(224)	(18,147,110)
60,000-70,000	63,717	2,168,838	89.40%	69,641	4,365	4,098	(267)	(16,984,812)
70,000-80,000	50,327	2,219,165	91.47%	80,392	5,117	4,808	(310)	(15,579,520)
80,000-90,000	38,677	2,257,842	93.07%	91,159	5,871	5,519	(353)	(13,639,087)
90,000-100,000	30,040	2,287,882	94.30%	101,913	6,624	6,228	(396)	(11,885,514)
100,000-110,000	22,914	2,310,796	95.25%	112,693	7,378	6,940	(439)	(10,053,975)
110,000-120,000	18,099	2,328,895	96.00%	123,439	8,131	7,649	(482)	(8,719,086)
120,000-130,000	14,386	2,343,281	96.59%	134,213	8,885	8,360	(525)	(7,550,736)
130,000-140,000	11,627	2,354,909	97.07%	144,892	9,632	9,065	(568)	(6,599,340)
140,000-150,000	9,347	2,364,256	97.45%	155,706	10,389	9,779	(611)	(5,709,316)
150,000-160,000	7,579	2,371,834	97.77%	166,429	11,140	10,486	(654)	(4,954,352)
160,000-170,000	6,231	2,378,066	98.02%	177,164	11,891	11,195	(697)	(4,341,055)
170,000-180,000	5,245	2,383,310	98.24%	188,017	12,651	11,911	(741)	(3,881,393)
180,000-190,000	4,371	2,387,681	98.42%	198,650	13,396	12,613	(783)	(3,420,380)
190,000-200,000	3,722	2,391,402	98.57%	209,522	14,157	13,330	(827)	(3,074,300)
200,000-225,000	7,287	2,398,690	98.87%	227,752	15,433	14,534	(900)	(6,551,399)
225,000-250,000	5,148	2,403,838	99.08%	254,453	17,302	16,296	(1,006)	(5,177,772)
250,000-300,000	6,654	2,410,492	99.36%	292,962	19,997	18,837	(1,160)	(7,717,790)
300,000-400,000	6,714	2,417,206	99.64%	368,943	25,316	23,852	(1,464)	(9,827,922)
400,000-500,000	3,097	2,420,303	99.76%	477,903	32,943	31,044	(1,900)	(5,882,548)
500,000- \$1M	4,206	2,424,509	99.94%	715,011	49,541	46,693	(2,849)	(11,980,114)
\$1 M - \$2 M	1,061	2,425,570	99.98%	1,440,768	100,344	94,593	(5,752)	(6,103,837)
\$2 M +	476	2,426,047	100.00%	5,050,257	353,008	332,819	(20,190)	(9,620,030)
Total	2,426,047			\$30,318	\$1,612	\$1,503	(\$109)	(\$275,769,000)

2019 Current Tax Brackets

0.00% \$0 to 3,000
 3.00% \$3,000 to 6,000
 4.00% \$6,000 to 9,000
 5.00% \$9,000 to 12,000
 6.00% \$12,000 to 15,000
 7.00% Over \$15,000

Adjusted Brackets

0.00% \$0 to 3,000
 2.60% \$3,000 to 6,000
 3.60% \$6,000 to 9,000
 4.60% \$9,000 to 12,000
 5.60% \$12,000 to 15,000
 6.60% Over \$15,000

ESTIMATE OF TAX YEAR 2020 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.60%

Objective: Reduce all rates by 0.60% to 0%, 2.40%, 3.40%, 4.40%, 5.40%, and 6.40% with brackets unchanged.

With these brackets and rates, 100.0% of returns have a lower or unchanged liability and the General Fund impact is (\$ 431,545,000).

Baseline Taxable Income Range 2016	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Returns 2020	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2020	Average Tax Liability 2020	Adjusted Average Tax Liability 2020	Average Tax Increase/ (Decrease) 2020	Total Dollar Increase/ (Decrease) 2020
col 1	col 2 (f/a)	col 3	col 4	col 5 (f/b)	col 6	col 7	col 8	col 9
0	805,330	805,330	32.64%	0	0	0	0	0
1-5,000	289,207	1,094,537	44.36%	2,455	0	0	0	(774,213)
5,000-10,000	198,824	1,293,361	52.42%	8,159	174	144	(31)	(6,107,194)
10,000-20,000	297,132	1,590,493	64.46%	16,174	615	537	(79)	(23,415,265)
20,000-30,000	208,107	1,798,599	72.90%	27,246	1,390	1,245	(146)	(30,225,139)
30,000-40,000	149,180	1,947,780	78.94%	38,285	2,163	1,952	(212)	(31,546,940)
40,000-50,000	110,583	2,058,362	83.43%	49,315	2,935	2,658	(278)	(30,703,129)
50,000-60,000	82,545	2,140,908	86.77%	60,372	3,709	3,365	(344)	(28,394,988)
60,000-70,000	64,800	2,205,708	89.40%	71,388	4,480	4,070	(411)	(26,573,694)
70,000-80,000	51,182	2,256,890	91.47%	82,407	5,252	4,776	(477)	(24,373,291)
80,000-90,000	39,335	2,296,225	93.07%	93,445	6,024	5,482	(543)	(21,336,434)
90,000-100,000	30,551	2,326,776	94.30%	104,468	6,796	6,187	(609)	(18,592,429)
100,000-110,000	23,304	2,350,080	95.25%	115,518	7,569	6,895	(675)	(15,726,828)
110,000-120,000	18,406	2,368,486	96.00%	126,534	8,341	7,600	(741)	(13,638,361)
120,000-130,000	14,631	2,383,117	96.59%	137,578	9,114	8,306	(808)	(11,810,556)
130,000-140,000	11,825	2,394,942	97.07%	148,525	9,880	9,007	(873)	(10,322,216)
140,000-150,000	9,506	2,404,448	97.45%	159,610	10,656	9,716	(940)	(8,929,952)
150,000-160,000	7,708	2,412,156	97.77%	170,602	11,425	10,420	(1,006)	(7,748,996)
160,000-170,000	6,337	2,418,493	98.02%	181,606	12,196	11,124	(1,072)	(6,789,664)
170,000-180,000	5,334	2,423,827	98.24%	192,732	12,974	11,836	(1,139)	(6,070,656)
180,000-190,000	4,445	2,428,271	98.42%	203,631	13,737	12,534	(1,204)	(5,349,559)
190,000-200,000	3,785	2,432,056	98.57%	214,775	14,517	13,247	(1,271)	(4,808,236)
200,000-225,000	7,411	2,439,467	98.87%	233,462	15,826	14,443	(1,383)	(10,246,316)
225,000-250,000	5,235	2,444,703	99.08%	260,833	17,741	16,195	(1,547)	(8,097,848)
250,000-300,000	6,767	2,451,470	99.36%	300,308	20,505	18,721	(1,784)	(12,070,124)
300,000-400,000	6,828	2,458,298	99.64%	378,194	25,957	23,706	(2,251)	(15,369,857)
400,000-500,000	3,149	2,461,448	99.76%	489,886	33,775	30,854	(2,922)	(9,199,500)
500,000- \$1M	4,278	2,465,726	99.94%	732,939	50,789	46,410	(4,380)	(18,734,808)
\$1 M - \$2 M	1,079	2,466,805	99.98%	1,476,894	102,866	94,023	(8,844)	(9,545,104)
\$2 M +	485	2,467,290	100.00%	5,176,885	361,865	330,822	(31,044)	(15,043,425)
Total	2,467,290			\$31,078	\$1,659	\$1,490	(\$168)	(\$431,545,000)

2020 Current Tax Brackets

0.00% \$0 to 3,040
 3.00% \$3,040 to 6,080
 4.00% \$6,080 to 9,120
 5.00% \$9,120 to 12,160
 6.00% \$12,160 to 15,200
 7.00% Over \$15,200

Adjusted Brackets

0.00% \$0 to 3,040
 2.40% \$3,040 to 6,080
 3.40% \$6,080 to 9,120
 4.40% \$9,120 to 12,160
 5.40% \$12,160 to 15,200
 6.40% Over \$15,200

Source: RFA, SC Dept. of Revenue Income Tax Data 2016

/a 2016 Base Year Grown by 1.7% per year

/b 2016 Base Year Taxable Income Grown by 4.06% for '17 and 4.25% for '18 and thereafter. 134

ESTIMATE OF TAX YEAR 2021 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.80%

Objective: Reduce all rates by 0.80% to 0%, 2.20%, 3.20%, 4.20%, 5.20%, and 6.20% with brackets unchanged.

With these brackets and rates, 100.0% of returns have a lower or unchanged liability and the General Fund impact is (\$ 600,285,000).

Baseline Taxable Income Range 2016	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Returns 2021	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2021	Average Tax Liability 2021	Adjusted Average Tax Liability 2021	Average Tax Increase/ (Decrease) 2021	Total Dollar Increase/ (Decrease) 2021
col 1	col 2 (1a)	col 3	col 4	col 5 (1b)	col 6	col 7	col 8	col 9
0	819,020	819,020	32.64%	0	0	0	0	0
1-5,000	294,123	1,113,144	44.36%	2,517	0	0	0	(1,109,840)
5,000-10,000	202,204	1,315,348	52.42%	8,364	181	138	(43)	(8,547,597)
10,000-20,000	302,183	1,617,531	64.46%	16,580	637	529	(108)	(32,634,788)
20,000-30,000	211,644	1,829,176	72.90%	27,930	1,431	1,233	(199)	(42,074,277)
30,000-40,000	151,716	1,980,892	78.94%	39,245	2,224	1,934	(290)	(43,894,213)
40,000-50,000	112,462	2,093,355	83.43%	50,551	3,015	2,635	(380)	(42,709,940)
50,000-60,000	83,949	2,177,303	86.77%	61,886	3,808	3,338	(471)	(39,493,361)
60,000-70,000	65,902	2,243,205	89.40%	73,178	4,599	4,038	(561)	(36,956,533)
70,000-80,000	52,052	2,295,258	91.47%	84,474	5,390	4,738	(652)	(33,893,959)
80,000-90,000	40,004	2,335,261	93.07%	95,788	6,182	5,440	(742)	(29,669,237)
90,000-100,000	31,070	2,366,332	94.30%	107,087	6,973	6,140	(833)	(25,852,480)
100,000-110,000	23,700	2,390,031	95.25%	118,415	7,765	6,843	(923)	(21,867,158)
110,000-120,000	18,719	2,408,750	96.00%	129,707	8,556	7,543	(1,014)	(18,962,746)
120,000-130,000	14,880	2,423,630	96.59%	141,027	9,348	8,245	(1,104)	(16,420,985)
130,000-140,000	12,026	2,435,656	97.07%	152,249	10,134	8,940	(1,194)	(14,351,365)
140,000-150,000	9,667	2,445,324	97.45%	163,612	10,929	9,645	(1,285)	(12,415,436)
150,000-160,000	7,839	2,453,162	97.77%	174,880	11,718	10,344	(1,375)	(10,773,377)
160,000-170,000	6,445	2,459,607	98.02%	186,159	12,508	11,043	(1,465)	(9,439,501)
170,000-180,000	5,424	2,465,032	98.24%	197,564	13,306	11,750	(1,556)	(8,439,784)
180,000-190,000	4,520	2,469,552	98.42%	208,737	14,088	12,443	(1,646)	(7,437,197)
190,000-200,000	3,849	2,473,401	98.57%	220,160	14,888	13,151	(1,737)	(6,684,564)
200,000-225,000	7,537	2,480,938	98.87%	239,316	16,229	14,339	(1,890)	(14,244,563)
225,000-250,000	5,324	2,486,263	99.08%	267,373	18,192	16,078	(2,115)	(11,257,551)
250,000-300,000	6,882	2,493,145	99.36%	307,837	21,025	18,587	(2,439)	(16,779,467)
300,000-400,000	6,944	2,500,089	99.64%	387,677	26,614	23,537	(3,077)	(21,366,113)
400,000-500,000	3,203	2,503,292	99.76%	502,169	34,628	30,636	(3,993)	(12,788,233)
500,000- \$1M	4,351	2,507,643	99.94%	751,317	52,069	46,083	(5,986)	(26,042,644)
\$1 M - \$2 M	1,098	2,508,741	99.98%	1,513,925	105,451	93,364	(12,087)	(13,268,012)
\$2 M +	493	2,509,234	100.00%	5,306,689	370,945	328,516	(42,429)	(20,910,503)
Total	2,509,234			\$31,857	\$1,706	\$1,476	(\$230)	(\$600,285,000)

2021 Current Tax Brackets

0.00% \$0 to 3,080
 3.00% \$3,080 to 6,160
 4.00% \$6,160 to 9,240
 5.00% \$9,240 to 12,320
 6.00% \$12,320 to 15,400
 7.00% Over \$15,400

Adjusted Brackets

0.00% \$0 to 3,080
 2.20% \$3,080 to 6,160
 3.20% \$6,160 to 9,240
 4.20% \$9,240 to 12,320
 5.20% \$12,320 to 15,400
 6.20% Over \$15,400

ESTIMATE OF TAX YEAR 2022 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 1.00%

Objective: Reduce all rates by 1.00% to 0%, 2.00%, 3.00%, 4.00%, 5.00%, and 6.00% with brackets unchanged.

With these brackets and rates, 100.0% of returns have a lower or unchanged liability and the General Fund impact is (\$ 782,823,000).

Baseline Taxable Income Range 2016	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Returns 2022	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2022	Average Tax Liability 2022	Adjusted Average Tax Liability 2022	Average Tax Increase/ (Decrease) 2022	Total Dollar Increase/ (Decrease) 2022
	col 2 (fa)	col 3	col 4	col 5 (fb)	col 6	col 7	col 8	col 9
0	832,944	832,944	32.64%	0	0	0	0	0
1-5,000	299,123	1,132,067	44.36%	2,580	0	0	0	(1,493,509)
5,000-10,000	205,642	1,337,709	52.42%	8,574	187	132	(55)	(11,215,141)
10,000-20,000	307,320	1,645,029	64.46%	16,995	659	521	(139)	(42,641,615)
20,000-30,000	215,242	1,860,272	72.90%	28,630	1,474	1,219	(256)	(54,908,170)
30,000-40,000	154,296	2,014,567	78.94%	40,229	2,286	1,915	(372)	(57,257,086)
40,000-50,000	114,374	2,128,942	83.43%	51,819	3,097	2,610	(487)	(55,698,969)
50,000-60,000	85,376	2,214,317	86.77%	63,438	3,910	3,307	(604)	(51,496,569)
60,000-70,000	67,022	2,281,340	89.40%	75,012	4,720	4,002	(719)	(48,183,932)
70,000-80,000	52,937	2,334,277	91.47%	86,592	5,531	4,696	(835)	(44,187,773)
80,000-90,000	40,684	2,374,961	93.07%	98,190	6,343	5,392	(951)	(38,677,869)
90,000-100,000	31,599	2,406,559	94.30%	109,773	7,154	6,087	(1,067)	(33,700,776)
100,000-110,000	24,103	2,430,662	95.25%	121,384	7,966	6,784	(1,183)	(28,504,614)
110,000-120,000	19,037	2,449,699	96.00%	132,959	8,777	7,478	(1,299)	(24,717,916)
120,000-130,000	15,133	2,464,832	96.59%	144,564	9,589	8,175	(1,415)	(21,404,229)
130,000-140,000	12,231	2,477,062	97.07%	156,067	10,394	8,865	(1,530)	(18,706,176)
140,000-150,000	9,832	2,486,894	97.45%	167,714	11,210	9,564	(1,646)	(16,182,525)
150,000-160,000	7,972	2,494,866	97.77%	179,265	12,018	10,257	(1,762)	(14,042,024)
160,000-170,000	6,555	2,501,421	98.02%	190,827	12,827	10,950	(1,878)	(12,303,290)
170,000-180,000	5,517	2,506,937	98.24%	202,518	13,646	11,652	(1,994)	(11,000,147)
180,000-190,000	4,597	2,511,534	98.42%	213,971	14,448	12,339	(2,109)	(9,693,308)
190,000-200,000	3,915	2,515,449	98.57%	225,681	15,267	13,042	(2,226)	(8,712,279)
200,000-225,000	7,665	2,523,114	98.87%	245,317	16,642	14,220	(2,422)	(18,565,300)
225,000-250,000	5,415	2,528,529	99.08%	274,077	18,655	15,945	(2,710)	(14,672,012)
250,000-300,000	6,999	2,535,529	99.36%	315,556	21,559	18,434	(3,125)	(21,868,349)
300,000-400,000	7,062	2,542,591	99.64%	397,398	27,287	23,345	(3,943)	(27,845,345)
400,000-500,000	3,257	2,545,848	99.76%	514,760	35,503	30,386	(5,117)	(16,665,879)
500,000- \$1M	4,425	2,550,273	99.94%	770,155	53,380	45,710	(7,671)	(33,938,467)
\$1 M - \$2 M	1,116	2,551,389	99.98%	1,551,885	108,102	92,614	(15,488)	(17,290,294)
\$2 M +	501	2,551,891	100.00%	5,439,748	380,252	325,886	(54,367)	(27,249,186)
Total	2,551,891			\$32,656	\$1,756	\$1,460	(\$295)	(\$782,823,000)

2022 Current Tax Brackets

0.00% \$0 to 3,120
 3.00% \$3,120 to 6,240
 4.00% \$6,240 to 9,360
 5.00% \$9,360 to 12,480
 6.00% \$12,480 to 15,600
 7.00% Over \$15,600

Adjusted Brackets

0.00% \$0 to 3,120
 2.00% \$3,120 to 6,240
 3.00% \$6,240 to 9,360
 4.00% \$9,360 to 12,480
 5.00% \$12,480 to 15,600
 6.00% Over \$15,600

Source: RFA, SC Dept. of Revenue Income Tax Data 2016

/a 2016 Base Year Grown by 1.7% per year

/b 2016 Base Year Taxable Income Grown by 4.06% for '17 and 4.25% for '18 and thereafter. 136



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
EMERSON F. GOWER, JR.

FRANK A. RAINWATER
Executive Director

December 21, 2017

The Honorable Henry McMaster
Governor, State of South Carolina
First Floor, State House
Columbia, SC 29201

Dear Governor McMaster:

This letter is in response to a request by staff for the estimated revenue impact of a full deduction of military retirement income in tax year 2018. This would speed up the implementation of Act 272 of 2016 and additionally provide a complete deduction of all military retirement income.

Act 272 of 2016 provides an individual income tax deduction of up to \$17,500 of earned income for taxpayers under age 65 that receive military retirement income. The deduction is equal to the amount of military retirement income, not to exceed \$17,500. When a taxpayer reaches age 65, the taxpayer may deduct up to \$30,000 of military retirement income. The military retirement income deductions are phased-in beginning in tax year 2016 over a five-year period through tax year 2020. The deductions for tax year 2018 are \$11,700 and \$24,000, respectively for taxpayers under age 65 and taxpayers age 65 and older. The revenue impact in FY 2018-19 for these deductions total \$13,374,156. The BEA revenue forecast for FY 2018-19 reflects this reduction in General Fund individual income tax revenue.

Table 1 reports the estimated revenue impact of implementing Act 272 of 2016 and a full deduction of all military retirement income for taxpayers under age 65 in tax year 2018. We estimate that the individual income tax revenue impact of the fully implemented military retirement income deduction in FY 2018-19 will total \$17,443,922. For taxpayers under age 65, the BEA has included a \$7,230,806 reduction in the individual income tax revenue forecast to implement Act 272 of 2016 through FY 2018-19. Therefore, the proposed complete deduction of the remaining military retirement for taxpayers under age 65 would reduce individual income tax revenue by an additional \$10,213,116 in FY 2018-19.

Table 1: Tax Revenue Reduction for Military Retirees Under Age 65

Fiscal Year	Total Number of Active Duty Military Retirees	Maximum Earned Income Deduction Amount	Total Tax Revenue Reduction from Phased-in Deduction	Annual Revenue Reduction	Additional Revenue Reduction from Full Military Retirement Deduction
FY 2016-17	19,338	\$5,900	(\$4,048,245)	(\$4,048,245)	\$0
FY 2017-18	19,410	\$8,800	(\$5,636,034)	(\$1,587,789)	\$0
FY 2018-19	19,481	All	(\$17,443,922)	(\$11,807,888)	(\$10,213,116)

Table 2: Tax Revenue Reduction for Military Retirees Age 65 and Older

Fiscal Year	Total Number of Active Duty Military Retirees	Maximum Retirement Income Deduction Amount	Total Tax Revenue Reduction from Phased-in Deduction	Annual Revenue Reduction	Additional Revenue Reduction from Full Military Retirement Deduction
FY 2016-17	17,874	\$18,000	(\$2,451,350)	(\$2,451,350)	\$0
FY 2017-18	18,127	\$21,000	(\$4,282,550)	(\$1,831,200)	\$0
FY 2018-19	18,383	All	(\$10,009,410)	(\$5,726,860)	(\$3,866,060)

Table 2 reports the estimated revenue impact of implementing Act 272 of 2016 and a full deduction of all military retirement income for taxpayers age 65 and older in tax year 2018. We estimate that the individual income tax revenue impact of the fully implemented military retirement income deduction in FY 2018-19 will total \$10,009,410. For taxpayers age 65 and older, the BEA has included a \$6,143,350 reduction in the individual income tax revenue forecast to implement Act 272 of 2016 through FY 2018-19. Therefore, the proposed complete deduction of the remaining military retirement for taxpayers age 65 and older would reduce individual income tax revenue by an additional \$3,866,060 in FY 2018-19.

Combining the revenue impacts of the retirement income tax deduction for military retirees under age 65 and for taxpayers age 65 and older results in a total estimated reduction in General Fund individual income tax revenue of \$27,453,332 in FY 2018-19. Of this total, the BEA has included a \$13,374,156 reduction in the individual income tax revenue forecast to implement Act 272 of 2016 through FY 2018-19. Therefore, the proposed complete deduction of the remaining military retirement for all taxpayers would reduce General Fund individual income tax revenue by an additional \$14,079,176 in FY 2018-19.

The total and additional revenue reductions by fiscal year are reported in Table 3.

Table 3: Total Tax Revenue Reduction for All Military Retirees

Fiscal Year	Total Tax Revenue Reduction from Phased-in Deduction	Annual Tax Revenue Reduction from Act 272 of 2016	Additional Revenue Reduction from Full Military Retirement Deduction
FY 2016-17	(\$6,499,595)	(\$6,499,595)	\$0
FY 2017-18	(\$9,918,584)	(\$3,418,989)	\$0
FY 2018-19	(\$27,453,332)	(\$13,374,156)	(\$14,079,176)

If we may be of further assistance, please advise.

Sincerely,



Frank A. Rainwater
Executive Director

FAR/gos

cc: Mr. Jay Wolfe, Office of the Governor



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
EMERSON F. GOWER, JR.

FRANK A. RAINWATER
Executive Director

December 21, 2017

The Honorable Henry McMaster
Governor, State of South Carolina
First Floor, State House
Columbia, SC 29201

Dear Governor McMaster:

This letter is in response to a request by staff for the estimated revenue impact of allowing a complete deduction of police officers, peace officers, and firefighters' retirement income from individual income tax beginning in tax year 2018. This proposal would include otherwise eligible police officers, peace officers, and firefighters' retirement income earned in other states and retirement income of South Carolina retirees that do not participate in the Police Officers Retirement System (PORS).

The basis of this analysis is data from PORS. Membership in PORS includes police officers, firefighters, peace officers, coroners, magistrates, and probate judges. Police officers and firefighters must earn at least \$2,000 per year and devote at least 1,600 hours per year to this work. This following revenue estimate includes all members of PORS, because the Public Employee Benefits Authority (PEBA) is unable to differentiate retirees by their previous occupations. Therefore, the estimated revenue impact may be over inclusive to the original request.

We estimate that this proposal would reduce General Fund individual income tax revenue by \$8,563,000 in FY 2018-19.

The following is a detailed revenue impact analysis of the proposed retirement income deduction. Since current statutes allow various amounts of retirement income deductions by taxpayers depending on their age, we use PORS data to segregate these taxpayers into two categories: age 65 and older and under age 65. Currently, taxpayers age 65 and older may deduct income of up to \$15,000 per year, while taxpayers under age 65 may deduct retirement income up to \$3,000 per year.

The latest available year of PORS data is for FY 2016-17. We estimate the number of retirees and their retirement benefits for tax year 2018, or FY 2018-19, by applying a 5.5

percent annual growth to the FY 2016-17 data, as advised by the PORS consulting actuaries. We estimate the number of additional retirees not covered by PORS by calculating the percentage of protective service providers in South Carolina for ages 18 to 60 from Census Bureau data and applying that percentage to the South Carolina population aged 60 and over. This adds approximately 12.4 percent more retirees and retirement benefits to the analysis above the retirees and retirement benefits provided by PORS.

PORS data is adjusted further for retirement benefits paid to disabled retirees because income from a total and permanent disability is deductible under current statutes in South Carolina. To account for this already exempt retirement income, we reduce the amount of estimated retirement benefits by 6.1 percent. This estimate is derived from PORS data indicating that approximately 15.3 percent of all retirement benefits in FY 2016-17 were disbursed to disabled retirees. Additionally, PORS' actuarial consultants estimate that 40 percent of disabled retirees would be classified as totally and permanently disabled. The product of these two estimates results in a 6.1 percent reduction in total retirement benefits.

The enclosed tables report the revenue impact by retirees under 65, age 65 and older, and as a total. For example, we expect that 10,600 retirees in FY 2018-19 under age 65 will have \$247,815,000 in retirement income. This represents approximately \$23,389 in average annual retirement income. Current law allows these retirees to deduct up to \$3,000 of retirement income. We estimate that the remaining \$216,015,000 in taxable retirement benefits at an average tax rate of 3.5 percent would generate \$7,561,000 in individual income tax in FY 2018-19.

For eligible retirees age 65 and older, we expect that 9,770 retirees in FY 2018-19 will have \$180,410,000 in retirement income. This represents approximately \$18,466 in average annual retirement income. Current law allows these retirees to deduct up to \$15,000 of retirement income. We estimate that the remaining \$33,860,000 in taxable retirement benefits at an average tax rate of 2.96 percent would generate \$1,002,000 in individual income tax in FY 2018-19.

The average tax rates used in this analysis are based on a re-calculation of 2014 income tax returns after the proposed amount of deduction is applied. This method takes into account the large number of returns that have zero taxable income, returns that are reduced to zero taxable income by the deduction, and returns that do not benefit from the full amount of the proposed deduction. The tax rates for the two age groups are different because the larger deduction for age 65 and older further reduces remaining South Carolina income subject to tax.

Combining the revenue impacts of the proposed retirement deduction for both age groups results in an estimated reduction in General Fund individual income tax revenue of \$8,563,000 in FY 2018-19.

The Honorable Henry McMaster

December 21, 2017

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This analysis may be further refined given additional time and assistance from PEBA and the Department of Revenue. It may be possible to match PORS retirees with their income tax forms to provide a better estimate of the remaining taxable income for these retirees. Additionally, we will continue to research for a means to determine the previous occupations of retirees in PORS to refine our analysis to include only police officers, peace officers, and firefighters.

If we may be of further assistance, please advise.

Sincerely,



Frank A. Rainwater

Executive Director

FAR/gos

Enclosure: 1

cc: Mr. Jay Wolfe, Office of the Governor

Estimated Number of Retirees Under Age 65 Eligible for the Proposed Retirement Deduction

PORS Retirement Benefit Payments	Number of Retirees	Annual PORS Retirement Benefits	Average PORS Retirement Benefit	Annual PORS Retirement Benefits		Tax on Remaining PORS Retirement Income
				Deducted Under Current Law, Maximum \$3,000	Remaining PORS Retirement Income	
FY 2015-16	9,746	\$216,630,358	\$22,229	\$29,236,664	\$187,393,693	\$6,558,779
FY 2016-17	9,887	\$222,518,329	\$22,506	\$29,660,569	\$192,857,760	\$6,750,022
FY 2017-18e	10,230	\$234,826,000	\$22,949	\$30,690,000	\$204,136,000	\$7,145,000
FY 2018-19e	10,600	\$247,815,000	\$23,389	\$31,800,000	\$216,015,000	\$7,561,000

Estimated Number of Retirees Age 65 and Older Eligible for the Proposed Retirement Deduction

PORS Retirement Benefit Payments	Number of Retirees	Annual PORS Retirement Benefits	Average PORS Retirement Benefit	Annual PORS Retirement Benefits		Tax on Remaining PORS Retirement Income
				Deducted Under Current Law, Maximum \$15,000	Remaining PORS Retirement Income	
FY 2015-16	8,622	\$150,833,719	\$17,495	\$129,322,757	\$21,510,963	\$636,724
FY 2016-17	9,117	\$161,993,685	\$17,769	\$136,749,054	\$25,244,631	\$747,241
FY 2017-18e	9,440	\$170,954,000	\$18,119	\$141,600,000	\$29,354,000	\$869,000
FY 2018-19e	9,770	\$180,410,000	\$18,466	\$146,550,000	\$33,860,000	\$1,002,000

Estimated Total Number of Retirees Eligible for the Proposed Retirement Deduction

PORS Retirement Benefit Payments	Number of Retirees	Annual PORS Retirement Benefits	Average PORS Retirement Benefit	Annual PORS Retirement Benefits		Tax on Remaining PORS Retirement Income
				Deducted Under Current Law, Maximum \$3,000 or \$15,000	Remaining PORS Retirement Income	
FY 2015-16	18,367	367,464,077	\$20,007	158,559,421	208,904,656	7,195,504
FY 2016-17	19,003	384,512,014	\$20,234	166,409,623	218,102,391	7,497,263
FY 2017-18e	19,670	405,780,000	\$20,629	172,290,000	233,490,000	8,014,000
FY 2018-19e	20,370	428,225,000	\$21,022	178,350,000	249,875,000	8,563,000

Source: Police Officers Retirement System Actuarial Valuation Report, various years. US Census Bureau Annual Estimates of the Resident Population for Selected Age Groups for South Carolina, July 1, 2016. All calculations and estimates are by RFA staff.



ALAN WILSON
ATTORNEY GENERAL

December 1, 2017

The Honorable Henry McMaster
Office of the Governor
1205 Pendleton Street
Columbia, South Carolina 29201

Re: General Motors Settlement

Dear Governor McMaster:

The Attorney General's Office recently settled a case that I approved, and the General Assembly's Litigation Recovery Account will receive \$4,063,276.97 under the terms of the settlement. The settlement is with General Motors Company, regarding key rotation and ignition switch related Recalls. My finance division will be transferring these settlement funds to the Litigation Recovery Account shortly.

Please contact my Office if you have any questions about this settlement.

Sincerely,

Alan Wilson