



**Executive Budget
State of South Carolina**

Fiscal Year 2020-21

**Governor Henry McMaster
January 13, 2020**

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HENRY McMASTER
GOVERNOR

January 13, 2020

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

I submit to you my Executive Budget for 2020-21.

South Carolina is roaring into the twenties with a vibrant economy, innovation and a growing population. This provides opportunities of unlimited prosperity for our people.

Since 2017, we have announced nearly \$10 billion in new capital investment and close to 35,000 new jobs. These are records, compounding the great progress of earlier years. Unemployment is at a record low. More people are working today than ever before, and personal income growth is at an all-time high.

We are growing faster than almost any other state, adding over one million residents in the last twenty years. National rankings consistently list us as one of the best states in which to raise a family, do business or visit.

South Carolina is winning because we are thinking - and thinking ahead.

Last year I asked the General Assembly to take bold actions necessary to keep our state winning. Working together - in a spirit of communication, collaboration and cooperation - we began laying the groundwork for historic reform - evidenced by the record number of Executive Budget proposals that were embraced by the legislature in the final General Appropriations Act.

This year we must again be bold. This year, my Executive Budget continues investing in our people and our priorities while keeping faith with our taxpayers.

South Carolina's booming economy has once again created a large, unexpected amount of new revenue, greatly exceeding last year's revenues of \$9 + billion. Over \$1.8 billion unexpected dollars are coming in from the taxpayers, but that does not mean we should spend them all.

By thinking ahead and investing wisely in the foundational and empowering functions and structures of our state, we can return to the taxpayers nearly twenty-five cents of every dollar from this year's budget surplus. This would send back to our taxpayers over \$400 million dollars in the form of tax cuts and rebates - while meeting our state's most pressing needs.

Accordingly, this year we must begin tax reform. South Carolina's personal income tax rate of 7% is the highest in the southeast and the 12th highest in the nation. States around us have recently cut their income tax rates, enhancing their competitiveness for new jobs and investment.

This Executive Budget cuts personal income taxes by \$160 million this year and \$2.6 billion over the next five years. In addition, this budget sends \$250 million dollars back to the South Carolina taxpayers in the form of a rebate check. We must maintain the people's confidence by investing in our state's priorities and returning the rest to the people.

In addition, I ask you again to eliminate all state income taxes on the retirement pay of career military veterans and first responders, as well as retired state and federal law enforcement officers, firefighters and peace officers. It is past time for the General Assembly to act on this issue. These citizens - through their commitment, discipline, talent and service - form the backbone of our peace and prosperity. We must ensure their success.

Prosperity requires that we continue to work tirelessly to protect our state's competitive advantage for new jobs and investment. We are taking bold steps in education reform to empower the next generation's workforce. Our investment into education will be the most significant ever.

Recent statistics indicate that excellent teachers are leaving South Carolina classrooms at an alarming rate, with almost half leaving before they reach their fifth year of employment. We must reverse this trend. To attract and retain talented classroom teachers, we must provide competitive starting and career salaries.

In last year's state budget, we began the process of investing in our educational strength by raising all South Carolina teachers' salaries. This year, my Executive Budget proposes providing each teacher with an additional \$3,000 pay raise - which equates to an average 7% raise per teacher.

The impact of this investment will be dramatic and immediate. South Carolina will vault to the top 25 national ranking for average teacher pay. We now rank 41st. We will surpass the southeastern average for the first time. And the minimum starting salary for new teachers will have jumped 26% in the last three years, to \$38,000.

These continued investments will help attract the best and the brightest young people into the profession while keeping our highly successful and experienced teachers where they are needed the most - in the classroom.

The skilled and educated workforce of the future requires us to recognize today the weaknesses which exist in our state's early childhood education efforts. We know we are falling behind in educational improvement and outcomes.

Data indicate that South Carolina's lower income five-year-old children are increasingly entering kindergarten unprepared to learn and without the necessary literacy and language skills. This makes them immediately "at risk" and unlikely to ever catch up. By the third grade the best indicators of progress and future success are reading and writing skills. Without them these children are less likely to graduate or obtain the skills necessary to enter the workforce and contribute to our economy and their own success.

In 2006 the General Assembly funded full-day, four-year-old kindergarten programs for Medicaid-eligible children in public schools and private child care centers. Currently 62 school districts are eligible to participate, and 17 districts are not. This leaves 13,000 lower income "at risk" children in 17 urban and suburban school districts without the option to attend full-day, four-year-old kindergarten.

My Executive Budget proposes that we provide every lower income four-year-old child in South Carolina the opportunity to attend full-day kindergarten at the public, private, parochial or religious institution of their parents' choosing. We do this by simply unleashing the free market into early childhood education with the entry of new providers, eliminating burdensome regulations and increasing the reimbursement rate - the money - that already follows each child.

The time is now to take dramatic and decisive action - to demonstrate to the nation that South Carolina is serious and determined to compete and win for generations to come, and to assure all of South Carolina's parents that their children will not be left behind.

We must also continue our collaborative efforts to make our public universities and colleges - technical and comprehensive - more affordable and accessible for all South Carolinians. Last year we took a dramatic step by freezing college tuition for in-state students in order to halt the alarming rise in the costs associated with obtaining a degree.

My Executive Budget once again proposes a tuition freeze by providing a 5% increase in higher education funding for each institution upon certification by the Commission on Higher Education that they have not raised in-state tuition for the upcoming school year.

This year our surplus also allows us to make an historic, one-time investment toward repairing aging campus buildings and infrastructure at these institutions. I ask the General Assembly to join me in paying down the state's deferred maintenance liability while we can - now - rather than borrowing it in the future through a bond bill.

Scholarships, grants and financial assistance are critical in providing opportunity and access to higher education for lower income students seeking a degree. This Executive Budget provides an additional \$164 million dollars for need-based scholarships and grants to remove the financial barriers of cost and debt and open the door to opportunity for our state's students. This is in addition to our state's investment in Palmetto Fellows, LIFE and HOPE scholarships that totals \$325.8 million.

In addition, active duty members of the South Carolina Army or Air National Guard attending college in our state will have 100% of their college tuition paid by the state under my budget proposal.

One of the main responsibilities of the government is to provide for the safety of the people. Every member of the General Assembly is aware of the struggles facing the men and women working at our Department of Corrections. Each day they are confronted with the challenges of contraband, violence, gangs, staffing, health care and facilities that are inadequate, outdated or simply broken.

This year our investment will be dramatic not only in its size but also in its message. This budget invests over \$100 million dollars toward making our prisons safer and more secure, both inside and outside the fence, by replacing and repairing existing infrastructure, facilities and control systems.

Keeping our citizens safe also means keeping law enforcement on the job. Our state law enforcement agencies continue to lose valuable and experienced personnel because they are unable to remain competitive with pay and benefits. Our highways are dangerous without troopers on patrol. Every school must have a resource officer on duty all day. Forest fires must be battled and contained. Justice requires investigations be properly conducted. Correctional facilities need guards. And our waterways and lakes must remain navigable and safe.

This budget dedicates over \$60 million in new dollars to law enforcement, public safety and first response agencies for recruitment and retention. This includes pay raises for troopers, state law enforcement division agents, wildlife officers, probation agents, firefighters, corrections officers, forestry services and emergency services personnel. In addition, we will have completed placing a school resource officer in every school in the state.

During times of national or state emergency we call on the South Carolina National Guard to do many things, including defending the country and safely evacuating and securing our coast. These brave men and women are known around the world for their service and sacrifice. However, the conditions of many armories are unsafe, unusable or inadequate for training and drill. This budget will provide for a timely and significant reinvestment into improving the condition of our armories around the state.

We face recruitment and retention challenges not only with teachers, troopers and guards, but also with valuable talent at our state agencies. Our booming economy and record low unemployment sometimes put agencies at a disadvantage with the private sector in recruiting personnel. Government should run like a business, so it should compete like a business, too.

I believe the question of state employee compensation needs re-examination. Across-the-board pay raises for state employees are less effective than those based on performance, merit, success or longevity. Agency directors should be empowered to incentivize their personnel. Therefore, this budget takes the \$33 million which is almost the equivalent of a 2% across-the-board state employee pay raise and directs that those same funds be used instead by agency directors for merit-based recruitment and retention pay raises.

The time has also come to refresh the retirement benefit program provided for state employees. Our state's unfunded pension liability continues to grow every day. The enrollment of new state employees in an antiquated "defined-benefit" retirement plan only makes our unfunded liability worse. This budget proposes that the state, at the end of this year, close enrollment into the

current “defined-benefit” plan and require new employees enroll in the state’s existing 401k retirement plan, which is currently optional.

Finally, this budget takes an unprecedented step toward maintaining the public’s trust in government by implementing new procedures to ensure transparency in the appropriations process. Last year, as in years past, the General Assembly appropriated substantial taxpayer dollars (\$21,630,000) to various agencies to be spent for vague purposes like “Parks Revitalization” and “Sports Marketing.” Neither the citizens nor the agency heads who received the funds could identify the intended recipients of these funds, or who placed them in the budget. Discrete instructions arrived later, usually by email and always out of public view as to where and how the money was to be distributed.

Since becoming governor, I have vetoed these items, but there is a better way for the taxpayers. It is time that such appropriations be publicly disclosed, debated and allowed to stand on their own merits.

To that end, this budget appropriates almost identical funds to the same agencies as last year, but with the caveat that they be awarded through a public competitive grants process. Funds will only be made available to entities with demonstrated community support and missions which advance the agencies’ underlying objectives. Further, all applications and awards will be placed online, allowing for public scrutiny and total transparency.

Last year’s budgetary process was characterized by unprecedented communication, collaboration and cooperation between the Governor’s Office and the General Assembly. Working together, we were able to agree on more than 60 proposals, and the people of the Palmetto State benefited as a result. This year let us remain collaborators - not competitors. Let us be bold. Let us act on behalf of the sons and daughters of South Carolina, so that they may receive a state as bright with promise as that which we were blessed to inherit.

Yours very truly,



Henry McMaster

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Budget Process

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Preparing the FY 2020-21 Budget

July 2019	<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 2020	<ul style="list-style-type: none">• Governor releases FY 2020-21 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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EXECUTIVE BUDGET SUMMARY

FY 2020-21

TAX AND REGULATORY REFORM

The FY 2020-21 Executive Budget provides \$428.5 million in savings for South Carolina taxpayers, representing one quarter of every new dollar in this budget, including:

- A \$250 million taxpayer rebate, to be distributed pro-rata based on amount paid;
- A 1% rate reduction over five years for all personal income tax brackets, starting with an immediate \$160 million cut that is paid for and certified in this budget; and
- 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 \$18.5 million in relief the first year.

With \$1.8 billion in new revenue for FY 2020-21, we have a unique opportunity to make progress on multiple fronts. At the same time, the surplus makes clear: this is the year for tax reform.

Reducing the tax burden on South Carolina's people and businesses is one of the most important ways we can lay a foundation for future growth. Recently, Governor McMaster issued a \$69 million dollar (34%) cut to the unemployment insurance taxes paid by our state's employers thanks to successful reforms to our state's unemployment trust fund. This budget takes the next step to reduce impediments on our people and future prosperity.

South Carolina maintains the highest marginal tax rate (7%) in the southeast and the 12th highest in the nation. The FY 2020-21 Executive Budget proposes and pays for a 1% rate reduction over five years for all personal income tax brackets, resulting in \$2.6 billion in taxpayer savings. In the first year of implementation, taxpayer savings would constitute \$160,000,000.

Coupled with these savings, this budget again proposes sending money back to taxpayers in the form of a rebate check, totaling \$250 million – or a quarter of a billion dollars. The amount of the rebate for each individual taxpayer, regardless of filing status, will be based on the number of residents that filed a 2019 Individual Income Tax Return. The Department of Revenue will issue all rebates on a basis proportional to the amount paid.

Last year in his Executive Budget, Governor McMaster also proposed this initiative, and the final amount approved by the General Assembly totaled \$67 million. It was a start – but we should commit to returning tax dollars back to our people at every opportunity.

For the third year in a row, this budget 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 into perpetuity. Under Governor McMaster's plan, retired veterans and first responders will never pay state taxes on their retirement income again – ever.

The Office of Revenue and Fiscal Affairs has scored these proposals, determining that the majority of retired first responders under 65 will save an average of \$734 per year. Yearly savings for retired first responders over 65 will average about \$117 due to preexisting income deduction eligibility (at a total of \$9,351,000). For military retirees, yearly savings will average \$402 for those under 65 and \$68 for those over 65 (at a total of \$9,181,615).

Altogether, taxpayer savings in this budget total \$428,532,615 – or 24% of the total surplus revenue. This fiscal year, roughly one quarter of every new dollar is going back to the taxpayer.

Regulatory Reform. The costs of regulatory creep are well studied. Nationally, according to estimates by the Competitive Enterprise Institute, regulatory compliance costs total \$1.9 trillion, constituting a “hidden tax” of \$14,615 annually per household. Researchers at the Mercatus Center at George Mason University have estimated that federal regulation is slowing national economic growth by about 0.8 percentage points a year.

But regulations also have the pernicious effect of distorting markets by influencing the decisions of companies – often serving as the determinative factor in where a company decides to do business. In South Carolina, Governor McMaster has focused on eliminating overburdensome regulations to better facilitate innovation, investment, vision, creativity and prosperity. In April of 2017, he issued an executive order requiring a reduction of regulatory scope and impact. Later that year, he 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.

New legislation introduced by Senator Tom Davis (S. 902) in partnership with the Governor’s Office would require all future governors to submit a biennial report to the General Assembly concerning statutes and regulations that he or she has determined to be burdensome. The report would include: statutes to be repealed or amended; regulations to be repealed, codified or amended; boards, commissions, agencies to be eliminated, restructured or repurposed; and practices, procedures or protocols created by a state agency to be eliminated or amended. This legislation should be promptly passed and implemented.

EDUCATION

The FY 2020-21 Executive Budget provides:

- \$213.5 million for a \$3,000 across-the-board pay raise for every one of South Carolina’s 52,733 teachers and \$13.8 million for additional teacher recruitment and retention;
- \$52.7 million to expand full-day 4K offerings for all Medicaid-eligible children and children whose family income is 185% or less of the federal poverty index, and \$4 million for early childhood education in rural South Carolina;
- \$21.7 million to increase base student cost to account for inflation, as well as a \$10-per-student increase at a cost of \$9.4 million, with an additional weighting for students with multiple disabilities at a cost of \$45.2 million;
- \$70 million for the purchase of new instructional materials at our K-12 institutions;
- \$47 million for school bus purchases and leases;
- \$24.5 million for school resource officers and mental health counselors at our K-12 institutions;
- \$1.2 million for computer science education;
- \$26.1 million for tuition mitigation at our institutions of higher education;
- \$162 million from last year’s Capital Reserve Fund for deferred maintenance at our institutions of higher education; and
- \$54.2 million in South Carolina Education Lottery proceeds for need-based grants.

South Carolina has made great strides in education over the past year. In the FY 2019-20 Appropriations Act, we invested \$159 million dollars in our teachers, raising salaries across-the-board by 4% with the goal of recruiting new teachers and reversing the trend of losing them before their fifth year in the classroom.

We also invested in rural South Carolina – providing the “spark” for recruiting new jobs and investment into our state’s most impoverished school districts. The Rural School District Economic Development Closing Fund will enhance recruitment of companies in areas of the state they might not otherwise consider – creating jobs, infrastructure and long-term revenue.

In his 2019 State of the State Address, Governor McMaster said, “the words ‘Corridor of Shame’ will be a distant memory.” Indeed, five years after the *Abbeville* ruling’s criticism of “the creation of school districts burdened with administrative costs disproportionate to their size,” districts are finally consolidating. Hampton School Districts 1 and 2, Barnwell School Districts 19 and 29,

Clarendon School Districts 1 and 3 – all are currently in the process of joining together to reduce overhead, create efficiencies and put more dollars into the classroom where they belong.

This Executive Budget demonstrates Governor McMaster’s continued commitment to investing in students, parents and teachers.

Teacher Salaries. Teacher vacancies in our public schools continue to pose an obstacle – particularly in rural areas.

According to the December 2019 report from the South Carolina Center on Educator Recruitment, Retention and Advancement (CERRA), 6,650 teachers left the classroom at the end of the 2018-19 school year, leaving 555 vacant positions at the start of fall 2019 as compared to 621 in the fall of 2018. Fewer teachers have retired since the Teacher and Employee Retention Initiative was eliminated in June of 2018.

Of those leaving, 36% of teachers taught for five years or less, while 13% left after one year or less of teaching. As a state, we need more specific information on why teachers leave. A considerable number of teachers (40%) state personal/family reasons. However, it is likely that many are less than candid about their reasons for leaving, especially if they are related to job dissatisfaction.

We know that low pay remains a key contributing factor in the ongoing teacher shortage. We must continue investing in our teachers, and in future teachers, to ensure that our young people receive the best education possible. To facilitate robust recruitment and retention, salaries must be competitive with fellow teachers in the southeast – and compelling enough to attract more to enter the profession.

By paying teachers more, we will send a strong message: South Carolina is serious about education, South Carolina is investing in education and South Carolina will continue to do so.

This budget proposes a \$3,000 pay raise for every one of our state’s 52,733 public school teachers – 100% paid for by the state. This \$213.5 million investment represents an average of 7% per teacher – and an 8.6% increase over the minimum starting salary for new teachers entering the profession.

The adjustment will boost our state’s national ranking from 41st into the top 25 states for average teacher pay. Further, it will constitute a substantial cumulative increase; in the last three years, the minimum starting salary for new teachers will have gone up by 26%, from \$32,000 to \$38,000. In 2020, South Carolina teachers will make \$2,456 above the southeastern average for the first time in decades.

This budget also increases the amount of Education Improvement Act (EIA) reimbursement funds available for teacher supplies from \$275 to \$400 per teacher. We know that teachers spend substantial dollars out-of-pocket for supplies each year; this will ensure they are fully reimbursed for their personal investments in students and classrooms.

We must do more. We must reform our education delivery system in South Carolina. We must not only act to directly impact teachers, but students as well – from birth to graduation.

Full-Day 4K. Poverty is the enemy of education. Some of our children live in circumstances so dire that education is but a fleeting experience. For parents struggling to put food on the table, building a strong educational foundation can be a challenge.

It is time that we invest in early childhood education. It is time that we offer choice for those without any.

In 2018, only 37% of young people in our state entered kindergarten ready to learn. High quality, full-day 4K programs – especially for our most at-risk youth – provide a tremendous return on investment through better kindergarten readiness rates and higher graduation rates. We know that children in poverty who attended full-day 4K programs in public schools outperformed their peers who did not.

In 1984, the creation of the EIA led our state’s first investment in early childhood education by creating and funding half-day 4K programs. Then, in 2006, the General Assembly funded full-day 4K programs for four-year-olds in poverty who lived in districts named in the *Abbeville* suit.

Over the past 13 years, the program has gradually expanded, allowing four-year-old children living in districts with a poverty rating of 70% or greater to participate in a full-day kindergarten program provided in either a private child care center or public school. Yet, today, four-year-old children in only 62 of the 79 traditional school districts in our state are eligible to participate. In these 62 districts – of the 20,253 children eligible to participate – 77% participate in Head Start or the state-funded full-day 4K program. A total of 80% attend public schools, while 20% attend private child care centers.

In the remaining 17 school districts, there are an estimated 13,000 “at risk” four-year-old children who are unable to attend a full day kindergarten like their “eligible” peers in the 62 school districts.

A 2019 study from University of Colorado Boulder entitled “The Effects of Full-Day Prekindergarten: Experimental Evidence of Impacts on Children’s School Readiness” explores the hypothesis that “expanding the length of the school day will provide children with more exposure to high-quality learning opportunities, which, in turn, will yield greater and longer lasting benefits.” The study provides compelling evidence that “a full-day, full-week preschool supports young children’s development.”

Such studies demonstrate what is already self-evident. We should provide all-day, high quality early childhood education for every four-year-old living in poverty in our state.

This Executive Budget proposes that the state invest an additional \$52.7 million in EIA funds to expand the existing full-day 4K program to all Medicaid-eligible children and children whose family income is 185% or less of the federal poverty index. This includes a significant increase in the per pupil reimbursement rate – from \$4,600 to \$4,800.

At a cost of \$52.7 million, this will almost double the number of four-year-old children eligible for full-day 4K. Not only will this expansion improve kindergarten readiness, it will empower parents to make the best decisions for their children. This proposal will expand where an eligible child may attend – including qualified parochial, private, independent or church schools. Allowing more institutions to enter the 4K realm will allow free market principles of competition to play a role in improving education outcomes by incentivizing schools to improve effectiveness and innovation.

This expansion can be entirely paid for with new penny sales tax revenue, which is projected to increase \$69.5 million in FY 2020-21. But revenues alone will not be enough to meet this challenge. Health care providers, faith-based organizations and non-profit organizations all have a role to play in laying a foundation for our children’s future success.

Governor McMaster is directing the Office of First Steps to develop a statewide strategy to improve services to children and their families from birth to age three. The Governor’s Office will work with the First Steps board to set goals for serving a higher proportion of our at-risk children and establish a plan and timetable for reaching this goal. The board will establish priorities in early childhood programs that will target services to the most at-risk students so that available resources meet the greatest need.

The Governor is proposing an additional \$3 million in EIA funds for the Office of First Steps to accomplish these objectives. Applications must address the needs of children living in Tier III or Tier IV counties, our most rural.

This executive budget also includes \$1 million in EIA funds for Save the Children – the national non-profit which helps expecting and new parents learn how to provide early childhood education for their children to strengthen their language, math, social and emotional development.

State Aid to Classrooms. With \$1.8 million in surplus revenue, we should dedicate additional resources into our classrooms where they will make an impact. This budget includes a \$21.7 million increase in state aid to classrooms to account for inflation, as well as a \$10-per-student increase in the base student cost at \$9.4 million, with an additional weighting for students with multiple disabilities at a cost of \$45.2 million. Coupled with salary increases for teachers, this budget’s investment in classrooms totals \$289,779,302.

Studies show that students’ anxiety and stress related to social media are reduced when cell phone access during school hours is prohibited. We all know that cell phone use is distracting. This budget includes an anti-bullying proviso which requires school districts to implement policies prohibiting the use of cell phones or other personal electronic communications devices before they receive any increased funding for base student cost. Teachers should be free to teach and students free to learn without the burden of added distraction.

This budget also includes \$71 million for the purchase of new instructional materials. South Carolina schools have not replaced their mathematics text books since the elimination of “Common Core” in 2015. These dollars will allow them to finally purge these outdated books from

shelves and refocus instructional efforts on an approach tailored to the needs of South Carolina students.

For the third year in a row, this budget commits to replacing our aging fleet of school buses. While past budgets have successfully gotten fire-prone buses off the roads, we should continue to cycle out older vehicles – leasing when possible to reduce ownership of aging assets. The FY 2020-21 Executive Budget includes \$15 million in recurring dollars to lease new buses and \$32 million in non-recurring dollars for purchases.

Students must be prepared to compete in the 21st century economy. According to the 2019 State of Computer Science Report released by Code.org, South Carolina gets high marks for being one of only two states in the country (along with Nevada) to have computer science graduation requirements. However, the report also highlighted the need for our state to complete and publish a state plan for K-12 computer science.

While all South Carolina school districts are now required to offer computer science, classroom offerings can vary wildly from school to school – some might offer coding, while others might offer less challenging coursework. This Executive Budget provides \$1.2 million for coding and computer science regional specialists and materials. The South Carolina Department of Education (SCDE) will develop a state K-12 computer science plan to be reviewed and approved by the State Board of Education, which will include timelines and strategies for achieving the goals by December 30 of the fiscal year.

School Safety. Last year in his executive budget, Governor McMaster requested \$46 million to advance the goal of placing a trained police officer at every school in every county – all day, every day. The General Assembly appropriated \$10 million in the FY 2019-20 Appropriations Act. It is time that we fulfill our commitment to students and parents. This budget offers \$23.4 million to continue and complete this process.

The Governor’s Executive Budget also funds the Department of Mental Health’s school mental health services program in the amount of \$1.1 million. This funding will allow DMH to hire more counselors to assist troubled youth and recognize warning signs of violent behavior before it occurs.

Future Reform. Last year, Governor McMaster, Speaker Lucas and President Peeler called on the Office of Revenue and Fiscal Affairs (RFA) to objectively review South Carolina’s outdated education funding formula and suggest a new, more efficient and modern funding model for the General Assembly to consider. In October, the final report proved much of what we already believed to be true – the manner in which we fund K-12 education is confusing, not working and no longer sustainable. We have no easy solution nor a quick fix before us.

Education reform means accountability, efficiency and transparency for local school boards and administrators – ensuring taxpayer dollars are being properly delivered and utilized in the classrooms. It means removing outdated, inefficient and confusing testing and paperwork from the classroom so that teachers can teach and students can learn.

The House of Representatives has passed a comprehensive education reform bill, and the Senate is working on their own version. Through collaboration and cooperation, working together as a team, we can deliver a modern education reform plan that will deliver real results in all of South Carolina’s classrooms.

Higher Education. For too long, rampant spending at our institutions of higher education has resulted in skyrocketing tuition rates. In 2018, South Carolina led the nation in student debt. This is one “number one” we do not need. In South Carolina, graduates leave school with an average debt of \$26,535. Pennsylvania is second with \$26,084. Alabama is third with \$25,917.

Last year, Governor McMaster proposed and signed into law a tuition mitigation plan which placed a 7% increase in higher education’s base appropriation (totaling \$42 million) with schools, which then had to verify that they had not increased tuition before spending a single dollar. Public colleges that pledged to forego tuition increases received these dollars on a pro-rata basis after certification by the Commission on Higher Education (CHE).

This budget again increases base funding for higher education – by a level of 5%, or \$26,149,958 – to reflect inflation costs. These dollars will be placed directly with the institutions with the caveat that they be used contingent only upon certification by CHE.

Higher education has tremendous deferred maintenance needs which should not go ignored in a year in which the state has \$1.8 billion in new revenue. This budget proposes that the \$162 million now sitting in last year’s Capital Reserve Fund go directly to these institutions. This funding will be distributed pro-rata based on the number of in-state students at each school – and will constitute the largest deferred maintenance investment in years. Under this formula, every school in the state should get one of their top deferred maintenance priorities. Schools with large numbers of in-state students will see proportional benefit.

Deferred maintenance amounts by institution:

Two-, Four-Year and Research Universities

Institution	Non-Recurring Dollars
The Citadel	\$2,617,458
Clemson University	\$15,956,246
College of Charleston	\$7,136,986
Coastal Carolina University	\$5,699,867
Francis Marion University	\$3,963,701
Lander University	\$2,943,980
South Carolina State University	\$2,786,531
USC - Columbia	\$21,332,761
USC - Aiken	\$3,333,904
USC - Upstate	\$6,126,776
USC - Beaufort	\$1,870,368
USC - Lancaster	\$1,557,583

USC - Salkehatchie	\$922,503
USC - Sumter	\$1,088,406
USC - Union	\$1,130,674
Winthrop University	\$5,393,422
Medical University of South Carolina	\$2,120,807
<u>Total</u>	\$85,981,973

Technical Colleges

Institution	Non-Recurring Dollars
Trident Technical College	\$12,708,991
Northeastern Technical College	\$1,324,051
Florence Darlington Technical College	\$4,281,769
Greenville Technical College	\$11,121,820
Horry-Georgetown Technical College	\$5,583,629
Midlands Technical College	\$10,158,105
Orangeburg-Calhoun Technical College	\$2,482,200
Piedmont Technical College	\$4,634,708
Spartanburg Technical College	\$4,692,827
Central Carolina Technical College	\$3,742,849
Tri-County Technical College	\$5,929,172
York Technical College	\$4,324,037
Aiken Technical College	\$2,088,050
Denmark Technical College	\$471,291
Technical College of the Lowcountry	\$2,181,040
Williamsburg Technical College	\$778,793
<u>Total</u>	\$76,503,332

As Governor McMaster said back in 2017, we do not need another bond bill – this is why. Our success allows us to make a one-time investment in our institutions of higher education, without taking on any additional debt. We are making this investment in cash – not on a credit card.

It’s time to right-size our institutions of higher education. With this investment, there is an expectation that school administrators get control of tuition. If this investment is made and fees and costs continue to go up, it will constitute a break of faith with the citizens of this state, who in many cases are under-represented at our state colleges and universities.

We must redouble our efforts to ensure more of our in-state students are able to get an education in South Carolina. According to CHE, in FY 2018-19 the 33 public colleges and universities had a combined unmet scholarship need of \$59.8 million, while independent institutions had an unmet need of \$5.9 million. This budget endeavors to fill this gap, dedicating \$54.2 million in South Carolina Education Lottery proceeds for need-based grants. This allocation will provide

substantial relief for meritorious students who would otherwise have to take on debt to pay for their education.

ECONOMIC & WORKFORCE DEVELOPMENT

The FY 2020-21 Executive Budget provides \$109 million for workforce development, including:

- \$50 million for the creation or expansion of career and technical education center offerings in rural areas of the state;
- \$18 million for equipment for high-demand job skills training at our technical schools;
- \$10.3 million for readySC direct training; and
- \$30.5 million for workforce scholarships.

Economic Development. South Carolina roars into the twenties at the forefront of a new era of economic success and prosperity. Since 2017, we have announced nearly \$10 billion in new capital investment and close to 35,000 new jobs. Our unemployment rate is a record low of 2.4%, the second lowest rate in the country, and far outpacing the United States average (3.5%).

We have the ninth fastest growing population in the nation; since 2000, we have added more than one million new residents. In recent years, we've added approximately 60,000 people annually – an average of more than 170 each day.

According to *Area Development* magazine, South Carolina places third overall for best places in the country to do business, second for workforce development programs, third for cooperative and responsive state government, fourth for favorable regulatory climate and fifth for most competitive labor climate. We are open for business.

Workforce. Prosperity requires businesses have access to a pipeline of future employees who are trained, educated and ready to work.

According to *U.S. News and World Report*, South Carolina is ranked in the top 5% for high potential for job growth, especially in manufacturing, technology, health care and engineering fields. But there is a flip side to this prosperity. Businesses are struggling to fill vacancies in their workforce. The labor market is tight. Competition for workers is fierce. And some businesses are closing – not for a lack of customers – but because they cannot find enough staff.

According to the South Carolina Department of Employment and Workforce, “critical needs” jobs account for 45% of the workforce, while only 29% of people have the necessary skills to fill those jobs. And, according to a report by the Lumina Foundation, by 2025, 60% of Americans will need some type of high-quality credential beyond high school to participate in the workforce.

We have the people and all the resources that we need – what is important is that we expand our investment in retraining and technical education to ensure our workforce continues to play a decisive role in recruiting new business. New efforts like The Continuum in Lake City are

working to reach students at a younger age to prepare them for careers in advanced manufacturing or other industries.

This budget provides over \$109 million for South Carolina workforce development. That includes \$18 million for equipment for high-demand job skills training at our technical schools, \$10.3 million for readySC direct training and \$30.5 million for workforce scholarships. It also includes \$1.4 million for Jobs for America's Graduates (JAG), the national non-profit which helps at-risk and disadvantaged students achieve career success. Since its inception in 2009, JAG-SC has launched 2,623 high school seniors with an average 96.57% Graduation Rate. This funding will allow JAG-SC to expand to hire new teachers and expand to ten new sites throughout the state.

This budget also allocates \$50 million for the creation or expansion of career and technical education center offerings in rural areas of the state. These career and technical education center grants will be utilized to provide students and adults with college courses and workforce training designed to address the identified needs of local business and industry. Per proviso, grants will only be available in counties with one school district.

The 2020-21 Executive Budget also dedicates more than \$1.5 million to the South Carolina Vocational Rehabilitation Department to help individuals with barriers achieve employment success. This includes money for new equipment furthering job-driven credential attainment to better meet the needs of our thriving manufacturing industry.

In 2018, Governor McMaster asked our state Health and Human Services Director Josh Baker to request a waiver from the federal government that would allow the state to require certain able-bodied recipients of public assistance to pursue 80 hours a month of community engagement, education, job training or employment.

Recently, Governor McMaster created the "State Community Engagement Implementation Task Force" to coordinate efforts between the numerous agencies and entities necessary to implement the new requirements and begin adding new skilled, trained and educated workers to our workforce.

This initiative will result in a healthier South Carolina by encouraging able-bodied Medicaid recipients to engage in their communities, further their training and education, and eventually find gainful employment rather than relying on temporary government assistance.

PUBLIC SAFETY

The FY 2020-21 Executive Budget includes:

- \$38.2 million in new, recurring dollars for law enforcement and criminal justice recruitment and retention;
- \$100 million nonrecurring for safety and security upgrades and \$29.5 million in recurring dollars for health services and expansion of the Gang Enforcement Security unit at the Department of Corrections;
- \$15 million for cybersecurity efforts at the Aiken Readiness Center;
- \$5 million to revitalize state armories; and
- \$2.5 million to expand the South Carolina National Guard College Assistance Program (SCNG CAP).

The most important role of government is protecting its citizens. As the state's former top law enforcement official and current chief executive, Governor McMaster remains dedicated to vigorous enforcement of the law and supporting our public safety officials in every capacity.

According to the South Carolina Office of Highway Safety, 978 people were killed on highways in South Carolina in 2019. The year prior, we lost over 1,000. A more robust Highway Patrol presence on our roads will have a deterrent effect on reckless and drunk driving.

In November, the Governor nominated North Charleston Police Chief Reggie Burgess as the new Director of the South Carolina Department of Public Safety (DPS). One of the finest leaders that South Carolina has ever produced, Chief Burgess has a remarkable record of achievement. As director, he will restore morale, recruitment and retention of additional troopers while also addressing discipline and grievance policies.

Currently, there are 130 vacancies at DPS – this governor is committed to putting 100 new troopers on the roads within one year. This budget dedicates \$38.2 million in new, recurring dollars for recruitment and retention – not just at DPS, but across all law enforcement agencies ensure a safer, more secure South Carolina.

That includes: \$8.5 million for recruitment and retention of officers, teachers and health professionals at the Department of Juvenile Justice (DJJ); \$5.5 million for recruitment and retention at the State Law Enforcement Division (SLED); \$2 million for recruitment and retention at the Department of Probation, Parole and Pardon Services; and \$2 million for recruitment and retention at the Department of Natural Resources (DNR).

Every member of the General Assembly is aware of the struggles facing the men and women working at our Department of Corrections (SCDC). Each day they are confronted with the challenges of contraband, violence, gangs, staffing, health care and facilities that are inadequate, outdated or simply broken.

This year our investment is dramatic in both size and message. This budget invests over \$100 million dollars toward making our prisons safer and more secure, both inside and outside the fence, by replacing and repairing existing infrastructure, facilities and control systems.

This budget also commits \$29.5 million in recurring dollars for health services at SCDC and for expansion of the Gang Enforcement Security unit.

Military and Veterans. South Carolina is a military state. We have more than 50,000 active duty and reserve members of the military, eight major military installations and more than 400,000 veterans in South Carolina. 50% percent of all soldiers entering the Army each year come through Fort Jackson. Victory starts here and victory lives here.

That is why it is important that we make veterans an even greater priority. We must ensure they receive the benefits and access to services that they earned over a lifetime of protecting our country.

Governor McMaster was proud to work with the General Assembly to support legislation creating the South Carolina Department of Veterans' Affairs. Veterans in South Carolina will now have a gubernatorial-appointed secretary leading this cabinet-level agency to act as their advocate on the state and federal level.

Lt. Col. Bobby Cox is a skilled, capable leader with decades of experience in military and government. As secretary, he will assist former, present and future members of the armed services of the United States in South Carolina by advocating for and assisting in securing benefits for veterans and their dependents from the federal government – for pensions, medical care, mental health and rehabilitative services, housing, job placement and education.

This budget provides \$37,888,352 for two new veterans nursing homes (with locations to be determined by the agency). It also provides \$2.5 million to expand the South Carolina National Guard College Assistance Program (SCNG CAP). Currently, SCNG CAP offers financial assistance to members of the South Carolina Army and Air National Guard as an incentive for enlisting or remaining for a specified period of time in either body. Recipients may receive up to a maximum of \$4,500 for the Army National Guard and up to a maximum of \$9,000 for the Air National Guard per academic year, with the cumulative total not to exceed \$18,000. In many cases, these dollar amounts are not sufficient to cover all tuition costs at our state institutions of higher education. With this additional investment, based on last year's numbers, SCNG CAP recipients will have all of their tuition covered.

We should always seek to honor and reward those that dedicate their time and efforts to serve our nation. This adjustment will do so – and may also encourage more in-state enrollment in the process.

Let it be known: if you join the South Carolina Army or National Guard, and you meet qualifications, your tuition will be paid for – all of it.

This budget includes \$15 million for phase two of construction of the Aiken Readiness Center – a state-of-the-art facility that will provide cyber training and modernization of the National Guard’s cyber mission. The facility will provide the basis for a collaborative effort between military, education, business, industry, and research centers to be able to protect the infrastructure and continue to attract new industry to the state. It includes \$5 million for armory revitalization to address current and on-going facility revitalizations and assist in eliminating the backlog of deferred maintenance.

GOOD GOVERNMENT

The FY 2020-21 Executive Budget includes:

- \$22.6 million to end roll-up appropriations and replace them with a competitive grant appropriation for each agency;
- \$33,000,000 for merit-based raises for state employees;
- \$9,000,000 in recurring dollars for one free wellness visit – for every employee and dependent;
- \$69 million in new, recurring dollars for the Department of Social Services to better provide for in-home, trauma-informed, evidence-based prevention services to children and families; and
- \$8 million in new dollars for addiction services and the Substance Abuse Provider System.

Budgetary Reform. Too often, the General Assembly uses the practice of “rolling up” funding in the budget for individual earmarks, pet projects and “pork” commonly intended for local projects by in certain legislators’ districts. They are placed on lines inside a specific state agency budget and given vague names like “Parks Revitalization” and “Sports Marketing.” Ninety percent of the membership – and one hundred percent of the public, to whom these tax dollars actually belong – is unaware of the intended recipients of these appropriations, as no public list is provided. In practice, months after the budget has become law, an agency head is contacted by legislators or their staffers and instructed where and to whom these funds are to be sent.

Last year, Governor McMaster vetoed over \$20 million in “roll up” funds in the FY 2019-20 General Appropriations Act and provided the following explanation:

“This line represents a pass-thru earmark void of necessary transparency. The appropriation lacks disclosure or explanation, justification, description, purpose, location or amount. These earmarks should be publicly disclosed and debated through the normal appropriations process and allowed to stand on their own merits, not rolled up into one line thereby sheltered from scrutiny.”

These vetoes were subsequently overridden by the General Assembly and became law. This has become a routine exercise between governors and the legislature.

This budget takes an unprecedented step toward maintaining the public’s trust in government by implementing new procedures to ensure transparency in the appropriations process – ending roll-ups and replacing them with a competitive grant appropriation for each agency. Agencies shall establish a process for entities, organizations and individuals to apply for funding. Applications will be required to provide detailed explanation, justification, description and intended use of

these funds. Agencies shall also post online all information about grants, the application process, required criteria and award information.

In the future, organizations, festivals, tournaments and other standard recipients of earmarked dollars will apply for these grants and awards will be determined through a merit-based process established by an agency director. This new process will be transparent and accountable to taxpayers. Moreover, it will demonstrate to the people of South Carolina that their money is being spent wisely.

Amounts appropriated to each agency will be based on last year's funding levels, totaling \$22,630,000. Line-item appropriations are clearly delineated in this budget, as follows:

- Archives and History - \$5,400,000
- Arts Commission - \$450,000
- Health and Human Services - \$3,500,000
- Parks, Recreation and Tourism - \$6,500,000 (Parks Revitalization); \$4,500,000 (Sports Marketing)
- Public Safety - \$2,000,000 (Local Law Enforcement Grants)
- Labor, Licensing and Regulation - \$280,000 (Local Fire Department Grants)

Revenue expenditures should always be listed on the line. The Governor has made clear – if the General Assembly allows these allocations to stand on their own merits, he will issue a veto only where they fail to live up to the standards expected by the taxpayers, who are the true owners of every government brick and building in the state.

Ethics. South Carolinians must trust their representatives, and representatives must demonstrate they are deserving of that trust.

Along with former 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. It is the continued goal of this administration to see them all enacted.

South Carolina needs 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. This budget doubles the registration fee for lobbyists from \$100 to \$200, allowing for increased investigation and enforcement efforts by the State Ethics Commission.

We should require anyone paid to influence decisions made by county, city or town councils to register as lobbyists. And we should require that Members of the General Assembly comply with the Freedom of Information Act (FOIA). After all these years, the legislature still shields itself from FOIA requests. If we are to hold all public servants accountable, this self-imposed exemption must end.

Raises and Wellness Visits for State Employees. Our booming economy and record low unemployment sometimes put state agencies at a disadvantage with the private sector filling jobs. Right now, there are more than 8,700 vacant full-time employee positions in state government (excluding higher education). Government should run like a business so it should compete like a business, too.

This budget allocates \$33,000,000 for merit-based raises for state employees, based on the agency director's discretion and with a salary cap of \$100,000. At their discretion, agency directors will now have a new opportunity to reward those employees who deserve and require a salary adjustment so we do not lose them to the private sector.

The FY 2020-21 Executive Budget also provides \$9,000,000 in recurring dollars for one free wellness visit – for every employee, each year. In the long run, this will save us millions of dollars, while ensuring a healthier, happier South Carolina.

Health. Improving the health and well-being of all South Carolinians is a top priority for this administration.

According to a study by the National Alliance on Mental Illness, one-in-five adults and 17% of youth in the United States experience some form of mental illness. In South Carolina, 4.5% of the population lives with serious mental health conditions like schizophrenia, bipolar disorder and major depression.

The people at DMH do admirable, effective work to provide medical and support services for children, adults and families impacted by mental health issues in South Carolina. Their staff are silent heroes. This Executive Budget provides \$3.5 million for recruitment and retention at DMH, as well as \$2 million to combat suicides at DMH facilities.

Protecting South Carolina's young people and vulnerable adults is one of the most important duties with which we are tasked in state government. In March, Governor McMaster nominated Michael Leach to serve as director of the South Carolina Department of Social Services (DSS). A trained mental health clinician, Leach has brought transformative leadership to DSS. This budget includes \$69 million in new, recurring dollars for the Department of Social Services for recruitment and retention and to better provide for in-home, trauma-informed, evidence-based prevention services to children and families.

The ongoing opioid crisis remains a key contributing factor to South Carolina's health woes. According to RFA, 10,717 patients were discharged from emergency departments and inpatient departments with issues related to opioid use/dependence in 2017. We are taking the steps to stop this scourge.

In December 2017, Governor McMaster declared the state's opioid crisis to be a public health emergency and established the South Carolina Opioid Emergency Response Team (SC OERT). Since its founding, the SC OERT has developed a multilateral strategy to prevent and treat the misuse of prescription opioids and use of illicit opioids in order to strengthen the health and well-being of the citizens of South Carolina. This budget dedicates \$8 million in new dollars for

addiction services and the Substance Abuse Provider System. With this funding, the South Carolina Department of Alcohol and Other Abuse Services will be better able to ease the trauma and anguish attendant to prescription painkiller abuse.

Pensions. We have been ringing the alarm bell for years. South Carolina's \$24 billion unfunded pension liability threatens to place unprecedented strain on state government if steps are not taken to address this crisis.

In 2017, 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. It is time for the legislature to make some hard decisions and implement systemic reforms to correct this problem.

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.

This budget includes proviso language which closes enrollment in the South Carolina Retirement System (SCRS) to new members. A person who otherwise would have been required or eligible to become a member of SCRS and employed by the state after December 31, 2020, instead shall join the State Optional Retirement Program (State ORP) administered by the South Carolina Public Employee Benefit Authority (PEBA).

Adopting this reform 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.

ENERGY & ENVIRONMENT

The FY 2020-21 Executive Budget provides:

- \$10 million in non-recurring dollars to the Medical University of South Carolina (MUSC) to connect campus storm water drainage to the City of Charleston’s deep well storm drainage project;
- \$7 million in non-recurring dollars and \$559,697 in recurring dollars for the creation of the “WAties Technology, Education and Research (WATER) Station” on Waties Island, South Carolina;
- \$1.5 million to continue with development and implementation of the State Water Plan;
- \$10 million for rest area renovations, \$7.6 million to revitalize our welcome center facilities, \$2 million for destination specific tourism marketing, \$1 million for advertising and \$5 million in non-recurring dollars for the Medal of Honor Museum at Patriot’s Point – with \$8 million dedicated to deferred maintenance at our state parks; and
- \$5.8 million to the South Carolina Department of Transportation to hire contractors to assist with litter control on our 41,500 miles of state-owned roads.

In 2004, the Sierra Club named then-Attorney General McMaster the public servant of the year. In the ensuing years, McMaster has remained a steadfast, unwavering advocate for protecting our environment and precious natural resources, which drive a \$22 billion annual tourism industry – our state’s largest. This governor will never take a chance with our trees, mountains, rivers, lakes, flora, fauna or any one of our 187 miles of coastal shoreline – ever.

Floodwater. In 2019, we largely escaped the wrath of a major hurricane – but we know well what to expect. Four major flooding disasters affected South Carolina in the period between 2012 and 2018. Collectively, these events resulted in 37 deaths and harm to nearly 150,000 homes. Damages exceeded \$800 million, with an estimated total loss of \$320 million in tourism dollars.

Hurricanes and flooding are challenges of the utmost urgency. That is why this governor has taken a proactive approach to protect our people, property and way of life.

In the one year since the creation of the South Carolina Floodwater Commission, this state has seen unprecedented, bipartisan collaboration and cooperation – across all levels of government, academia, the military, the private sector and non-governmental organizations. Thousands of hours of volunteerism have gone into producing a report which endeavors to address our many challenges in a balanced, holistic manner.

South Carolina cannot solve the world's problems. We *can* solve our own – and we can set an example for the rest of the world to follow. The Floodwater Commission's report sets out short- and long-term recommendations to alleviate and mitigate flooding in South Carolina.

We must address deferred maintenance of our state's drainage systems. We must plant more native vegetation – to deter erosion and aid in groundwater infiltration. We must protect, replenish and expand our marshes. We must develop centralized, streamlined resiliency and response strategies. And, we must ensure under-resourced local governments have the means to apply for and access much-needed recovery funds.

Most importantly, we must continue to have an honest and open discussion regarding the flood-related challenges that we all face. Together, Team South Carolina can – and will – be a world leader in water management.

The Floodwater Commission's recommendations will take some time to implement. However, certain items require action immediately – without delay. The FY 2020-21 Executive Budget provides \$10 million in non-recurring dollars to the Medical University of South Carolina (MUSC) to connect campus storm water drainage to the City of Charleston's deep well storm drainage project.

Since 2015, MUSC has experienced at least one major flood annually. King tides and summer storms are increasing in frequency, creating flooding several times each year. These events render campus roads impassable, turning health care facilities into islands and delaying or blocking emergency access. This funding will mitigate flooding by enabling the existing campus storm water drainage system to operate and discharge storm water from the streets. More importantly, it will reduce risk to patients and staff, ensuring ongoing access to the life-saving health care provided in the Charleston Medical District.

The 2020-21 Executive Budget also includes \$7 million in non-recurring dollars and \$559,697 in recurring dollars for the creation of the "WATies Technology, Education and Research (WATER) Station" on Waties Island, South Carolina. This state-of-the-art new facility will foster collaboration among state agencies while serving the research, education and extension missions of partnering universities. It will support innovation, exploration, communication, guidance and training in key thematic areas related to flooding and erosional pressures facing the state. And, it will serve as a base for the South East Atlantic Econet's environmental measurements and innovation initiative.

This budget also calls for the creation of a chief resilience officer position to be appointed by the governor. The chief resilience officer shall be responsible for creating a best-in-the-nation strategic resilience plan so that the state can maximize federal assistance on critical policy and projects and provide coordination across all relevant agencies to facilitate rapid response to future crises as they arise.

Water is a shared resource that is vital to our state. We have a responsibility to plan for its future. The South Carolina Department of Natural Resources (DNR) is leading the effort to create an updated State Water Plan with the goal of ensuring sustainable water supplies and resources for

current and future generations. This budget commits \$1.5 million to help DNR develop a plan for the Pee Dee River Basin.

Offshore Drilling. President Reagan recognized that, “If we've learned any lessons during the past few decades, perhaps the most important is that preservation of our environment is not a partisan challenge; it's common sense. Our physical health, our social happiness, and our economic well-being will be sustained only by all of us working in partnership as thoughtful, effective stewards of our natural resources.”

We must be stewards of our natural resources – and that means protecting our coastline. Nearly every town council along the coast has voted to oppose offshore drilling and seismic testing. They are right to do so. Our commercial seafood fishing industry enjoys a vibrant offshore ecosystem. The impacts and habitat disruption that marine life might suffer due to seismic testing is simply not worth whatever benefit our state might see from placing oil rigs offshore.

The governor is profoundly concerned about the construction of industrialized infrastructure required to support offshore drilling operations. Massive refineries, gas storage tanks, maintenance and operating facilities are not economically compatible with existing coastal residential and resort development, protected sea islands, estuaries and tidal marsh refuges.

Governor McMaster commends the Trump Administration for their decision to shelve plans for offshore drilling in the Atlantic. South Carolinians can remain confident that we will continue our efforts to protect our pristine coastline and invaluable tourism industry from this destructive threat.

Parks, Recreation and Roads. To keep and enhance our thriving tourism industry, this budget invests significant dollars in our state parks, providing \$10 million for rest area renovations, \$7.6 million to revitalize our welcome center facilities, \$2 million for destination specific tourism marketing, \$1 million for advertising and \$5 million in non-recurring dollars for the Medal of Honor Museum at Patriot’s Point – with \$8 million dedicated to deferred maintenance at our state parks.

This budget also provides \$5.8 million to the South Carolina Department of Transportation to hire contractors to assist with litter control on our 41,500 miles of state-owned roads. If we allow our state to be trashed, not only will it hurt tourism, it will destroy for future generations that which makes us special – the mountains, the beach and everything in between.

Money alone will not solve this problem; volunteerism and good citizenship is key. In November, hundreds of volunteers picked up thousands of pounds of litter throughout the state as part of Lieutenant Governor Pamela Evette’s “Grab a Bag” anti-litter campaign. We can legislate, and we can promulgate policy. But there is simply no substitute for this type of engagement.

It is how government is supposed to work. It is how communities are supposed to work. And it is emblematic of the spirit of this great state.

INFRASTRUCTURE

The FY 2020-21 Executive Budget provides:

- \$5 million for continued construction of the Jasper Ocean Terminal; and
- \$574,913 for South Carolina Education Television’s rural broadband initiative.

South Carolina’s ports, roads and rail continue to provide unparalleled benefit for those doing business within our borders.

Our trade, transportation and logistics industries are thriving. Last year, S.C. exporters achieved a 9th consecutive record year in export sales – topping \$34 billion for the first time. We have one of the nation's fastest-growing container ports, two innovative inland ports, 2,300 miles of rail lines and more than 41,000 miles of state-maintained highways. There are 208 million people within two days drive of South Carolina.

But we have our share of challenges. Our roads need substantial – and efficient – reinvestment. We must complete projects like I-73, which could create as many as 29,000 jobs in the Grand Strand and Pee Dee regions.

We must also redouble our efforts to finish the Port of Charleston deepening project. The Port of Charleston is among the fastest-growing container ports in the U.S. In FY19, it handled record cargo volume – nearly 2.4 million twenty-foot equivalent container units (TEUs), an 8.8% increase over the previous year.

Inland Port in Greer reported its busiest fiscal year in FY19, with a nearly 22% increase in rail moves. Inland Port Dillon, in its second year of operation, handled around 30,000 rail moves. And, the planned Jasper Ocean Terminal on the Savannah River will only enhance our competitive edge. This budget allocates \$5 million for its continued construction.

Over the next decade, S.C. will execute over \$2 billion in port-related capital investments. By continuing to invest in our infrastructure and logistics assets, we will ensure that South Carolina maintains its unmatched global connectivity.

Broadband. Broadband connectivity is a powerful catalyst for economic and social advancement. It is no longer a luxury – it is a necessity, critical to ensuring a level playing field for those in rural areas. Emergency response, health care access, education – all rely increasingly on Internet access. Children in rural schools must have the same advantages as those in more developed areas.

In South Carolina, nearly half a million people (434,725) are below the Federal Communications Commission standard for broadband connectivity – 94% of them are in rural areas. 160,655 people in rural South Carolina are completely unserved. The South Carolina Electric Cooperatives are announcing an initiative to run fiber-optic cable along their existing electric

distribution infrastructure. And, this budget includes more than half a million dollars for South Carolina Education Television's rural broadband initiative.

South Carolina's agriculture industry – one of our largest, with an economic impact of \$41 billion – will see substantial benefit from enhanced broadband connectivity. Rural broadband is essential to modern agriculture, allowing farmers to utilize precision agriculture techniques to achieve optimal yield and reduced environmental impact.

Santee Cooper. South Carolina's bright economic future and continued job growth require an abundant supply of clean and affordable energy. Without it, we are at a competitive disadvantage.

Governor McMaster has pushed for Santee Cooper's sale for a long time and commends the General Assembly for approving a process to field and evaluate offers from companies to purchase or take over management of the utility, which supplies power to 2 million South Carolinians.

This is a bold and historic step to protect ratepayers and taxpayers. Resolving the future of Santee Cooper is no longer a question of "if" – it's now a question of "when and how."

Paying off Santee Cooper's debt will cost direct-serve customers in customers in Horry, Georgetown and Berkeley counties about \$6,200 per household. It will cost customers of the 20 electric cooperatives who distribute Santee Cooper's power about \$4,200 per household.

The Governor has met with several large and significant utilities who have expressed interest in purchasing Santee Cooper. Offers have been made. The Department of Administration is now in the process of reviewing these offers and bring. After January 15, they will bring the best ones back to the General Assembly.

Governor McMaster instructed each of these interested purchasers that the State will not consider any proposal which saddles the ratepayers or taxpayers with any of Santee Cooper's \$4.3 billion nuclear construction debt.

We must provide the state with the best solution possible, one which protects ratepayers while recognizing the valuable contributions of current and former employees of Santee Cooper, both now and in the future.

VALUES

South Carolina is in the midst of a stunning economic resurgence – built on brainpower and bolstered by our values. That success and prosperity is the realization of an enduring philosophy based on strength and self-determination, celebrated and championed by the people of the Palmetto State. One that goes to the heart of who we are.

We believe in opportunity and hard work – in government that gets out of the way, out of your life and away from your pocketbook. Governor McMaster’s resolve is stronger than ever – to fight for South Carolina and the values we all share.

Children. There are more than 4,600 children in foster care in South Carolina. As of today, over 500 of those are awaiting adoption. It is critical that we redouble our efforts to find loving homes for these young people. This duty falls largely on the shoulders of one agency – DSS. But we are also lucky to have are to have strong partners like the South Carolina Foster Care Association and Miracle Hill in the upstate.

In 2018, Governor McMaster issued an Executive Order to ensure Miracle Hill’s religious freedom is protected. He also directed state agencies to review their policies and procedures to ensure our State is recognizing the constitutionally protected freedoms of faith-based organizations. We need more organizations like Miracle Hill to step up and help with our adoption needs – not less.

This budget also dedicates additional funding to the Department of Children’s Advocacy for the guardian ad litem program – to encourage more adults to represent young people in need of a champion.

Finally, for the third year in a row, this budget includes a proviso preventing the funneling of taxpayer dollars to abortion providers like Planned Parenthood. There are a variety of agencies, clinics, and medical entities in South Carolina that receive taxpayer funding to offer important women's health and family planning services without performing abortions. South Carolinians do not want their money spent that way; this budget safeguards against spending tax dollars in a manner that is contrary to the values we hold dear.

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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:

<https://admin.sc.gov/budget/accountability>

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Financial Overview

Financial Overview

GENERAL FUND – RECURRING	
SOURCES:	
Sales and Use Tax.....	\$ 3,572,229,000
Individual Income Tax.....	4,957,531,385
Corporate Income Tax.....	444,214,000
Other Recurring Sources.....	1,075,912,000
	10,049,886,385
Less: Income Tax Revenues Credited to the Tax Relief Trust Fund (§11-11-150).....	(629,405,136)
Net General Fund Revenues.....	\$ 9,420,481,249
USES:	
General Fund Appropriations.....	\$ 9,420,481,249
GENERAL FUND – NONRECURRING	
SOURCES:	
FY2018-19 Contingency Reserve Fund	\$ 349,951,083
FY2019-20 General Fund Surplus.....	499,535,000
	\$ 849,486,083
USES:	
Transfer to General Reserve Fund (§11-11-310).....	\$ 34,024,350
Nonrecurring Appropriations.....	\$ 815,461,733
CAPITAL RESERVE FUND	
SOURCES:	
Funds Appropriated to the FY2019-20 Capital Reserve Fund, Part IA, Section 107, FY2019-20 General Appropriations Act.....	\$ 162,485,305
USES:	
Capital Reserve Fund Appropriations.....	\$ 162,485,305
EDUCATION IMPROVEMENT ACT	
SOURCES:	
Recurring: Education Improvement Act Sales Tax.....	\$ 930,273,000
USES:	
EIA Appropriations.....	\$ 930,273,000
EDUCATION LOTTERY EXPENDITURE ACCOUNT	
SOURCES:	
Recurring:	
Lottery Proceeds.....	\$ 448,300,000
Investment Earnings.....	2,500,000
Unclaimed Prizes.....	19,000,000
Nonrecurring:	
FY2019-20 Estimated EIA Revenue Surplus.....	7,000,000
	Total: \$ 476,800,000
USES:	
Lottery Appropriations.....	\$ 476,800,000

STATEMENT OF REVENUES
ESTIMATE OF GENERAL, SCHOOL, TRANSPORTATION,
EDUCATION IMPROVEMENT ACT AND EDUCATION LOTTERY REVENUES
FISCAL YEAR 2020-21

	Appropriation Act Estimate FY 2019-20	Board of Economic Advisors Estimate FY 2020-21 November 8, 2019	Governor's Estimate FY 2020-21
General Fund Revenues:			
Sales and Use Tax.....	\$ 3,294,402,000	\$ 3,572,229,000	\$ 3,572,229,000
Individual Income Tax.....	4,661,029,000	5,136,732,000	4,957,531,385
Corporate Income Tax.....	400,997,000	444,214,000	444,214,000
Insurance Taxes.....	266,000,000	288,995,000	288,995,000
Admissions Tax.....	32,429,000	34,354,000	34,354,000
Aircraft Tax.....	2,500,000	2,500,000	2,500,000
Alcoholic Liquor Tax.....	85,920,000	91,948,000	91,948,000
Bank Tax.....	54,851,000	82,190,000	82,190,000
Beer and Wine Tax.....	110,764,000	113,728,000	113,728,000
Bingo Tax.....	362,000	113,000	113,000
Business Filing Fees.....	7,750,000	8,200,000	8,200,000
Circuit & Family Court Fines.....	6,917,000	6,217,000	6,217,000
Corporation License Tax.....	105,162,000	119,060,000	119,060,000
Documentary Tax.....	84,652,000	91,050,000	91,050,000
Earned on Investments.....	60,000,000	75,000,000	75,000,000
Indirect Cost Recoveries.....	16,500,000	15,500,000	15,500,000
Motor Vehicle Licenses.....	11,476,000	12,890,000	12,890,000
Nursing Home Licenses/Fees.....	3,600,000	3,600,000	3,600,000
Parole & Probation Supervision Fees.....	3,393,000	3,393,000	3,393,000
Private Car Lines Tax.....	6,596,000	6,787,000	6,787,000
Public Service Authority.....	17,000,000	17,700,000	17,700,000
Purchase Card Rebates.....	3,147,000	3,497,000	3,497,000
Record Search Fees.....	4,461,000	4,461,000	4,461,000
Savings & Loan Association Tax.....	803,000	1,038,000	1,038,000
Security Dealer Fees.....	27,300,000	28,100,000	28,100,000
Surcharge on Vehicle Rentals.....	870,000	175,000	175,000
Tobacco Tax.....	23,142,000	28,657,000	28,657,000
Uncashed Checks.....	2,000,000	1,000,000	1,000,000
Unclaimed Property Fund Transfer.....	15,000,000	15,000,000	15,000,000
Workers' Compensation Insurance Tax.....	11,137,000	8,828,000	8,828,000
Other Source Revenues.....	10,502,000	11,931,000	11,931,000
Subtotal.....	9,330,662,000	10,229,087,000	10,049,886,385
Less: Income Tax Revenues Credited to Tax Relief Trust Fund (§11-11-150).....	(614,053,000)	(629,405,136)	(629,405,136)
Total General Fund Revenues.....	8,716,609,000	9,599,681,864	9,420,481,249
Add: Non-Recurring Revenues and Transfers.....	20,403,313	-	-
General Fund Revenues.....	8,737,012,313	9,599,681,864	9,420,481,249
Education Improvement Act Fund Revenues.....	861,235,000	930,273,000	930,273,000
<i>Nonrecurring:</i> Estimated FY2018-19 EIA Surplus.....	-	-	-
Total Education Improvement Act Fund Revenues.....	861,235,000	930,273,000	930,273,000
Transportation Fund Revenues.....	2,595,096,860	-	2,621,581,310
Education Lottery Account Revenues.....	463,200,000	469,800,000	469,800,000
<i>Nonrecurring:</i> FY2018-19 Certified Surplus Lottery Proceeds.....	45,900,000	-	-
FY2019-20 Certified Surplus Lottery Proceeds.....	-	7,000,000	7,000,000
Total Education Lottery Account Revenues.....	509,100,000	476,800,000	476,800,000
Total Estimated Revenues (§11-11-410)	\$ 13,316,497,173	\$ 11,636,160,000	\$ 14,078,540,695

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EIA, Lottery, CRF, and Nonrecurring Recommendations

EDUCATION IMPROVEMENT ACT	FY 2019-20	FY 2020-21	Notes
	Enacted Budget	Executive Budget	

A. STANDARDS, TEACHING, LEARNING, ACCOUNTABILITY

1. Student Learning

Classified Positions		\$ 320,000	1
Other Operating Expenses		\$ 120,000	1
Industry Certifications/Credentials	\$ 550,000	\$ 5,550,000	
Adult Education	\$ 15,073,736	\$ 15,073,736	
Aid to Districts	\$ 24,401,779	\$ 24,401,779	
Students at Risk of School Failure	\$ 79,551,723	\$ 79,551,723	
Arts Curricula	\$ 1,487,571	\$ 1,487,571	
Career & Technology Education	\$ 20,072,135	\$ 20,072,135	
Summer Reading Camps	\$ 7,500,000	\$ 7,500,000	
Reading Coaches	\$ 9,922,556	\$ 9,922,556	
EEDA	\$ 8,413,832	\$ 8,413,832	
Subtotal:	\$ 166,973,332	\$ 172,413,332	

2. Student Testing

Classified Positions	\$ 548,518	\$ 548,518	
Other Operating Expenses	\$ 678,748	\$ 678,748	
Assessment/Testing	\$ 27,261,400	\$ 29,261,400	
Subtotal:	\$ 28,488,666	\$ 30,488,666	

3. Curriculum & Standards

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

4. Assistance, Intervention, & Reward

Classified Positions	\$ 1,236,436	\$ 1,236,436	
Other Operating Expenses	\$ 1,374,752	\$ 1,374,752	
School Safety Program	\$ 10,000,000	\$ 10,000,000	
EAA Technical Assistance	\$ 23,801,301	\$ 23,801,301	
PowerSchool/Data Collection	\$ 7,500,000	\$ 7,500,000	
School Value Added Instrument	\$ 1,400,000	\$ 1,400,000	
Subtotal:	\$ 45,312,489	\$ 45,312,489	

B. Early Childhood

Classified Positions	\$ 831,246	\$ 831,246	
Other Operating Expenses	\$ 556,592	\$ 556,592	
Alloc EIA - 4 YR Early Childhood	\$ 15,513,846	\$ -	2
CDEPP - SCDE	\$ 41,441,053	\$ 79,079,696	
Subtotal:	\$ 58,342,737	\$ 80,467,534	

C. TEACHER QUALITY

1. Certification

Classified Positions	\$ 1,263,470	\$ 1,263,470	
Other Personal Service	\$ 1,579	\$ 1,579	
Other Operating Expenses	\$ 638,999	\$ 638,999	
Subtotal:	\$ 1,904,048	\$ 1,904,048	

2. Retention & Reward

Teacher of the Year Award	\$ 155,000	\$ 155,000	
Teacher Quality Commission	\$ 372,724	\$ 372,724	
Classified Positions	\$ 80,000	\$ 80,000	
Teacher Salary Supplement	\$ 181,230,766	\$ 181,230,766	
Teacher Supplies	\$ 14,721,500	\$ 21,346,500	4
Teacher Salary Supplement – Fringe/Employer Cont.	\$ 39,524,934	\$ 43,533,934	
National Board Certification	\$ 44,500,000	\$ 44,500,000	

EDUCATION IMPROVEMENT ACT	FY 2019-20		FY 2020-21	Notes
	Enacted Budget	Executive Budget		
Rural Teacher Recruitment	\$ 9,748,392	\$ 9,748,392		
Subtotal:	\$ 290,333,316	\$ 300,967,316		
3. Professional Development				
Professional Development	\$ 2,771,758	\$ 2,771,758		
ADEPT	\$ 873,909	\$ 873,909		
Subtotal:	\$ 3,645,667	\$ 3,645,667		
4. ADEPT				
Classified Positions	\$ 65,000	\$ 65,000		
Subtotal:	\$ 65,000	\$ 65,000		
D. LEADERSHIP				
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	\$ 1,269,821	\$ 1,514,476		1
Subtotal:	\$ 1,269,821	\$ 1,514,476		
F. PARTNERSHIPS				
ETV - K-12 Public Education (H670)	\$ 3,576,409	\$ -		3
ETV - Infrastructure (H670)	\$ 2,150,000	\$ -		3
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)	\$ 1,170,000	\$ 1,170,000		
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)	\$ 1,619,531	\$ 1,795,652		
Wil Lou Gray Opp. School (H710)	\$ 736,678	\$ 807,126		
School for Deaf & Blind (H750)	\$ 7,933,774	\$ 8,421,316		
Dept. of Disabilities & Special Needs (J160)	\$ 408,653	\$ 408,653		
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)	\$ 1,144,356	\$ 1,272,090		
Center for Educational Partnerships (H270)	\$ 715,933	\$ 715,933		
Centers of Excellence (H030)	\$ 1,137,526	\$ 1,137,526		
Teacher Recruit Program (H030)	\$ 4,243,527	\$ 6,083,527		
Teacher Loan Program (E160)	\$ 5,089,881	\$ 5,089,881		
BabyNet Autism Therapy (J020)	\$ 3,926,408	\$ 3,926,408		
Call Me Mister (H120)	\$ 500,000	\$ 500,000		
Regional Education Centers (P320)	\$ 1,952,000	\$ 1,952,000		
Family Connection S.C. (H630)	\$ 300,000	\$ 300,000		
Gov. School for Math & Science (H630)	\$ 1,207,122	\$ 1,423,629		
Center for Educ. Recruit, Reten., & Adv. (CERRA) (H470)	\$ 531,680	\$ 781,680		
Transform SC (A850)	\$ 400,000	\$ 400,000		
EOC Partnerships for Innovation (NR)	\$ 500,000			
SDE Grants Committee	\$ 504,313	\$ 7,504,313		
National Student Clearinghouse (E500)		\$ 56,100		
Save the Children (A850)		\$ 1,000,000		
Subtotal:	\$ 49,987,173	\$ 54,985,216		
G. TRANSPORTATION				
Other Operating	\$ 22,032,195	\$ 22,032,195		
Subtotal:	\$ 22,032,195	\$ 22,032,195		

EDUCATION IMPROVEMENT ACT	FY 2019-20		FY 2020-21	Notes
	Enacted Budget		Executive Budget	

H. SOUTH CAROLINA PUBLIC CHARTER SCHOOL DISTRICT

S.C. Public Charter Schools	\$	126,461,481	\$	131,993,681
Subtotal:	\$	126,461,481	\$	131,993,681

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	\$	17,435,228
CDEPP	\$	9,767,864	\$	24,832,169
Employer Contributions	\$	775,485	\$	775,485
Subtotal:	\$	29,336,227	\$	47,400,532

J. EIA NON-RECURRING

Computer Science Certification and Professional Learning	\$	700,000
Instructional Materials	\$	30,547,200
Subtotal	\$	31,247,200

TOTAL :	\$	861,235,000	\$	961,520,200
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Available FY 2020-21 EIA Revenue (Recurring):	\$	930,273,000
Available FY 2019-20 EIA Revenue (Non-Recurring):	\$	31,247,200
Available FY 2020-21 EIA:	\$	961,520,200
Surplus / (Deficit):	\$	-

Notes:

1. Funding increase for Classified Positions, Operating and Fringe for Computer Science Regional Specialists.
2. Funds are redirected to expansion of full-day 4K program and early literacy assessments.
3. Funding for ETV moved from EIA to General Fund.
4. Funding to increase teacher supply reimbursement from \$275 to \$400.

EDUCATION LOTTERY ACCOUNT

Certified Net Lottery Proceeds and Investment Earnings *(\$450.8M)*

(1) Commission on Higher Education and State Board for Technical and Comprehensive Education - Tuition Assistance	\$ 51,100,000
(2) Commission on Higher Education - LIFE Scholarships (Chapter 149, Title 59)	\$ 243,186,014
(3) Commission on Higher Education - HOPE Scholarships (Section 59-150-370)	\$ 13,057,116
(4) Commission on Higher Education - Palmetto Fellows Scholarships (Section 59-104-20)	\$ 69,571,483
(5) Commission on Higher Education - Need-Based Grants	\$ 32,276,121
(6) Higher Education Tuition Grant Commission - Tuition Grants	\$ 11,128,792
(7) State Board for Technical and Comprehensive Education - Workforce Scholarships and Grants	\$ 11,000,000
(8) CHE - National Guard Tuition Repayment Program (Section 59-111-75)	\$ 2,480,474
(9) State Board for Technical and Comprehensive Education - Workforce Industry Needs Scholarships	\$ 17,000,000
Subtotal:	\$ 450,800,000

Unclaimed Prizes *(\$19M)*

(1) Commission on Higher Education - Need-Based Grants	\$ 19,000,000
Subtotal:	\$ 19,000,000

Total Certified by BEA: \$ 469,800,000

FY 2019-20 Certified Surplus Lottery Proceeds *(\$7.0M)*

(1) Commission on Higher Education - Need-Based Grants	\$ 2,950,000
(2) Commission on Higher Education - Higher Education Excellence Enhancement Program	\$ 4,000,000
(3) Department of Alcohol and Other Drug Abuse Services - Gambling Addiction Services	\$ 50,000
Subtotal:	\$ 7,000,000

Total: \$ 476,800,000

CAPITAL RESERVE FUND

Sect.	Agency/Item	Amount
13	The Citadel	
	Maintenance and Care of State-Owned Assets	\$ 2,617,458
14	Clemson University	
	Maintenance and Care of State-Owned Assets	\$ 15,956,246
15	University of Charleston	
	Maintenance and Care of State-Owned Assets	\$ 7,136,986
16	Coastal Carolina University	
	Maintenance and Care of State-Owned Assets	\$ 5,699,867
17	Francis Marion University	
	Maintenance and Care of State-Owned Assets	\$ 3,963,701
18	Lander University	
	Maintenance and Care of State-Owned Assets	\$ 2,943,980
19	South Carolina State University	
	Maintenance and Care of State-Owned Assets	\$ 2,786,531
20A	University of South Carolina	
	Maintenance and Care of State-Owned Assets	\$ 21,332,761
20B	University of South Carolina - Aiken	
	Maintenance and Care of State-Owned Assets	\$ 3,333,904
20C	University of South Carolina - Upstate	
	Maintenance and Care of State-Owned Assets	\$ 6,126,776
20D	University of South Carolina - Beaufort	
	Maintenance and Care of State-Owned Assets	\$ 1,870,368
20E	University of South Carolina - Lancaster	
	Maintenance and Care of State-Owned Assets	\$ 1,557,583
20F	University of South Carolina - Salkehatchie	
	Maintenance and Care of State-Owned Assets	\$ 922,503
20G	University of South Carolina - Sumter	
	Maintenance and Care of State-Owned Assets	\$ 1,088,406
20H	University of South Carolina - Union	
	Maintenance and Care of State-Owned Assets	\$ 1,130,674
21	Winthrop University	
	Maintenance and Care of State-Owned Assets	\$ 5,393,422
23	Medical University of South Carolina	
	Maintenance and Care of State-Owned Assets	\$ 2,120,807

CAPITAL RESERVE FUND

Sect.	Agency/Item	Amount
25	State Board for Technical and Comprehensive Education	
	Maintenance and Care of State-Owned Assets - Aiken Technical College	\$ 2,088,050
	Maintenance and Care of State-Owned Assets - Central Carolina Tech College	\$ 3,742,849
	Maintenance and Care of State-Owned Assets - Denmark Technical College	\$ 471,291
	Maintenance and Care of State-Owned Assets - Florence Darlington Tech College	\$ 4,281,769
	Maintenance and Care of State-Owned Assets- Greenville Technical College	\$ 11,121,820
	Maintenance and Care of State-Owned Assets - Horry-Georgetown Tech College	\$ 5,583,629
	Maintenance and Care of State-Owned Assets - Midlands Technical College	\$ 10,158,105
	Maintenance and Care of State-Owned Assets - Northeastern Technical College	\$ 1,324,051
	Maintenance and Care of State-Owned Assets - Orangeburg-Calhoun Tec College	\$ 2,482,200
	Maintenance and Care of State-Owned Assets - Piedmont Technical College	\$ 4,634,708
	Maintenance and Care of State-Owned Assets - Spartanburg Technical College	\$ 4,692,827
	Maintenance and Care of State-Owned Assets - Tech College Of The Lowcountry	\$ 2,181,040
	Maintenance and Care of State-Owned Assets - Tri-County Technical College	\$ 5,929,172
	Maintenance and Care of State-Owned Assets - Trident Technical College	\$ 12,708,991
	Maintenance and Care of State-Owned Assets - Williamsburg Technical College	\$ 778,793
	Maintenance and Care of State-Owned Assets - York Technical College	\$ 4,324,037
Capital Reserve Fund Total:		\$ 162,485,305

Non-Recurring Funds

Sect.	Agency/Item	Amount
1	Department Of Education	
	Office of First Steps - Outcome and Accountability Data System	\$ 595,000
	Relocation Assistance	\$ 2,200,000
	Instructional Materials	\$ 40,000,000
	Bus Purchase	\$ 32,022,000
	Governor's School for Arts and Humanities - Deferred Maintenance	\$ 1,000,000
	Governor's School for Science and Math - Deferred Maintenance	\$ 1,000,000
5	Wil Lou Gray Opportunity School	
	Classroom Security Improvement	\$ 300,000
	Security Camera and Keyless Entry	\$ 200,000
7	John de la Howe School	
	L. S. Brice School Renovation	\$ 5,827,112
12	Higher Educaton Tuition Grants Commission	
	Student Information System Purchase	\$ 200,000
16	Coastal Carolina University	
	WATER Station	\$ 7,000,000
20A	University of South Carolina	
	USC Columbia School of Medicine Relocation	\$ 15,000,000
23	Medical University of South Carolina	
	Flood Mitigation	\$ 10,000,000
25	Board for Technical and Comprehensive Education	
	readySC Direct Training	\$ 10,250,000
	Equipment for High-Demand Job Skills Training	\$ 18,000,000
	Career and Technology Centers	\$ 50,000,000
26	Department of Archives and History	
	Historic Preservation and Community Development Grants	\$ 1,000,000
	Convert Micrographics Lab to Digital Lab and Office Space	\$ 500,000
	SCAAHC Green Book of SC Merchandise Development	\$ 50,000
28	Arts Commission	
	Cultural Arts and Theatre Center Grants	\$ 450,000
	Greenville Cultural and Arts Center	\$ 19,000,000
	Sumter Opera House	\$ 15,000,000
29	State Museum	
	Permanent Gallery Renovation - Phase 2	\$ 3,750,000
	Planetarium Technology Upgrade and Content Enhancements	\$ 350,000
32	Department of Vocational Rehabilitation	
	Credential Attainment - Skills Boss	\$ 453,750
	Demand Driven Training Service - HVAC and Welding	\$ 1,072,900

Non-Recurring Funds

Sect.	Agency/Item	Amount
33	Department of Health and Human Services	
	Medical Contract Grants	\$ 3,000,000
	Medicaid Management Information System	\$ 7,409,009
34	Department of Health and Environmental Control	
	Able Site Cleanup	\$ 4,512,000
	Funding for Additional Newborn Screenings (Dylan's Law)	\$ 101,128
35	Department of Mental Health	
	Deferred Maintenance and Revitalization of Veterans Homes, Hospitals, and facilities agency wide.	\$ 4,000,000
	VA Nursing Home Furnishings	\$ 2,500,000
	Suicide Prevention - Ligature Resistant Fixtures	\$ 2,000,000
	Certification of State Match (Additional VA Nursing Homes)	\$ 37,888,352
36	Department of Disabilities and Special Needs	
	Transfer of 65 Legacy State Owned Facilities to Providers	\$ 487,500
	South Carolina Genomic Medicine Initiative	\$ 2,000,000
	Electrical Grid - Coastal Regional Center Campus	\$ 1,500,000
37	Department of Alcohol and Other Drug Abuse Services	
	Infrastructure Improvements / Substance Abuse Provider System	\$ 5,000,000
38	Department of Social Services	
	Technology Infrastructure	\$ 6,000,000
39	Commission for the Blind	
	Customize AWARE System and purchase AWARE Quality Assurance Module	\$ 300,000
	Complex Renovations and Improvements	\$ 5,101,685
43	Forestry Commission	
	Fire Support Aircraft	\$ 250,000
	Expedited Equipment Replacement	\$ 1,000,000
44	Department of Agriculture	
	State Hemp Farming Program	\$ 1,300,000
	Certified SC Grown Program	\$ 400,000
45	Clemson PSA	
	Research and Education Center Graduate Student Housing	\$ 4,000,000
	Pee Dee Research and Education Center Greenhouses	\$ 2,000,000
	Sandhill REC Research and Extension Building Repairs	\$ 990,000
47	Department of Natural Resources	
	Watercraft Registration Conversion (Year 2 of 2)	\$ 1,051,860
	Marine Resources Research Lab Shoreline Stabilization	\$ 585,500
	Barnwell Fish Hatchery Maintenance	\$ 800,000
	Research Vessel Replacement	\$ 1,207,000
	State Water Plan - Pee Dee Basin	\$ 1,500,000

Non-Recurring Funds

Sect.	Agency/Item	Amount
49	Department of Parks, Recreation and Tourism	
	Welcome Center, Revitalization, and Maintenance	\$ 4,000,000
	State Park Deferred Maintenance and Repair	\$ 8,000,000
	International African American Museum	\$ 250,000
	PGA Championship 2021 Kiawah Island	\$ 360,000
	Venues at Arsenal Hill	\$ 8,350,000
	Parks Revitalization Grants	\$ 3,000,000
	Sports Marketing Grants	\$ 3,000,000
	Medal of Honor Museum	\$ 5,000,000
50	Department of Commerce	
	LocateSC	\$ 4,000,000
	PGA Championship 2021	\$ 360,000
53	Conservation Bank	
	Conservation Grant Funding	\$ 3,000,000
54	Rural Infrastructure Authority	
	Water and Sewer Regionalization Fund	\$ 4,300,000
60	Prosecution Coordination Commission	
	Agency Administrative & Legal Staff	\$ 6,000
	Agency Technology & IT Staff: Prosecution Data Collection System & Personnel / Technology Operations Manager / Website / Software, Service & Equipment	\$ 589,300
	Agency Office Renovation & Security: Construction & Installation	\$ 194,000
	Agency Office Renovation & Security: Furniture & Equipment	\$ 29,000
62	State Law Enforcement Division	
	Nevah Adams Search (SLED, DOT, Forestry, State Fire, DHEC, & DNR)	\$ 713,917
	New Personnel Equipment	\$ 2,386,925
	Technology Equipment/Software	\$ 3,000,000
	Forensic Equipment	\$ 952,000
63	Department of Public Safety	
	Local Law Enforcement Grants	\$ 2,000,000
64	Law Enforcement Training Council	
	Generator for Academy Main Building	\$ 2,750,000
65	Department of Corrections	
	Security and Safety Upgrades at Facilities	\$ 100,000,000
67	Department of Juvenile Justice	
	Safety and Security Upgrades to Facilities	\$ 5,000,000
81	Department of Labor, Licensing and Regulation	
	Local Fire Department Grants	\$ 280,000
	Emergency Response Task Force - US&R SC-TF1 & SC-HART Equipment	\$ 850,000
82	Department of Motor Vehicles	
	Phoenix III Modernization	\$ 2,000,000
	Motor Carrier System Upgrade - 15% Grant Match	\$ 268,300

Non-Recurring Funds

Sect.	Agency/Item	Amount
84	Department of Transportation	
	Rest Areas - Renovations	\$ 10,000,000
87	Division of Aeronautics	
	Deferred Maintenance - Aircraft	\$ 1,000,000
	Exterior Roofing and Coating	\$ 300,000
88	State Ports Authority	
	Jasper Ocean Terminal Port Facility Infrastructure Fund	\$ 5,000,000
93	Department of Administration	
	SC Enterprise Information System - S4/Hana Migration	\$ 8,169,184
	State House Deferred Maintenance	\$ 2,641,131
98	State Treasurer's Office	
	Tuition Prepayment Program	\$ 10,000,000
100	Adjutant General's Office	
	Aiken Readiness Center	\$ 15,000,000
	Olympia Armory Sewer, Drill Hall Floor & Other Repairs	\$ 1,200,000
	SCEMD – Phased Replacement of HVAC Units (Phase 1 of 3)	\$ 162,950
	State Share Disaster Funding	\$ 13,544,230
101	Election Commission	
	Funding to Support New Paper Voting System Solution	\$ 200,000
	Completion of New Voting System Solution	\$ 1,500,000
109	Department of Revenue	
	Taxpayer Rebate	\$ 250,000,000
Non-Recurring Funds Total:		\$ 815,461,733

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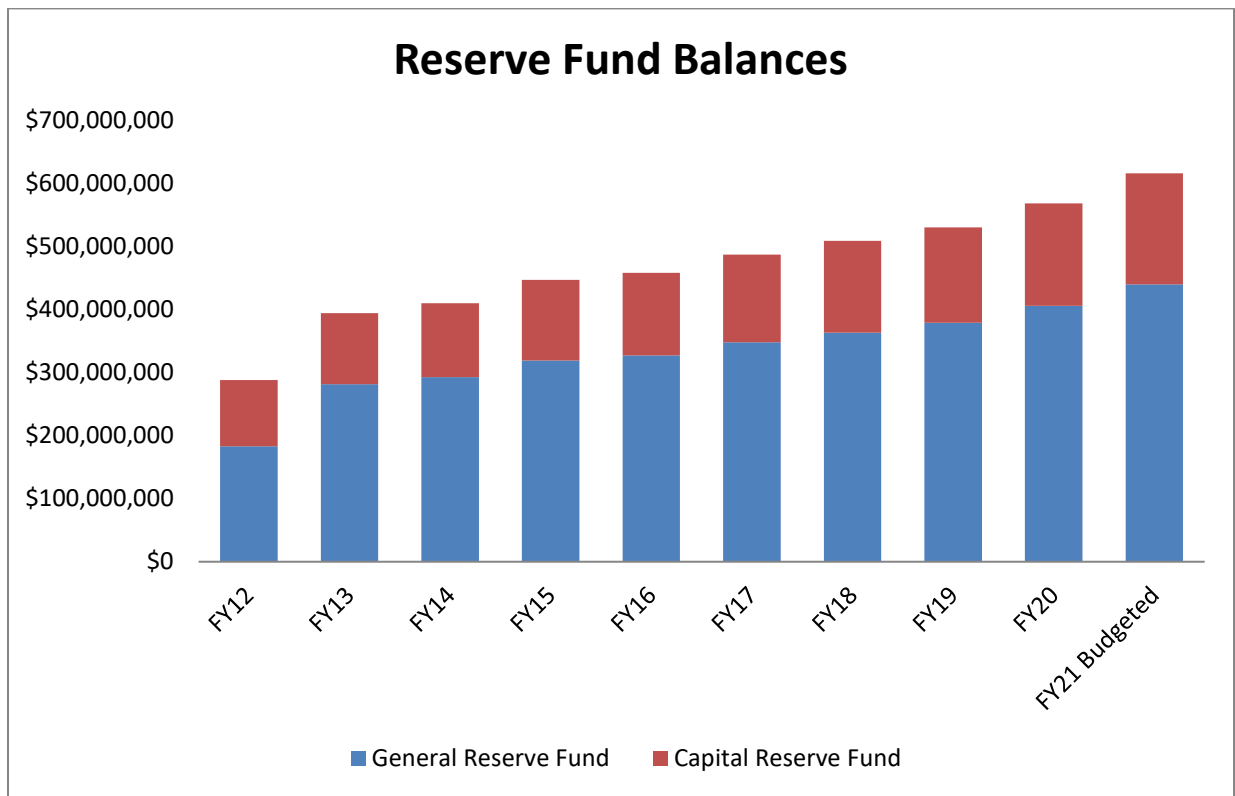


Reserve Funds & Debt

Reserve Funds

The General Reserve Fund is required to be 5 percent of the revenues of the most recently completed fiscal year. For FY 2018-19, 5 percent of revenues is \$440,237,611. The Executive Budget fully funds this amount for FY 2020-21.

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 2020-21, \$176,095,044 is set aside for the Capital Reserve Fund in the Executive Budget.



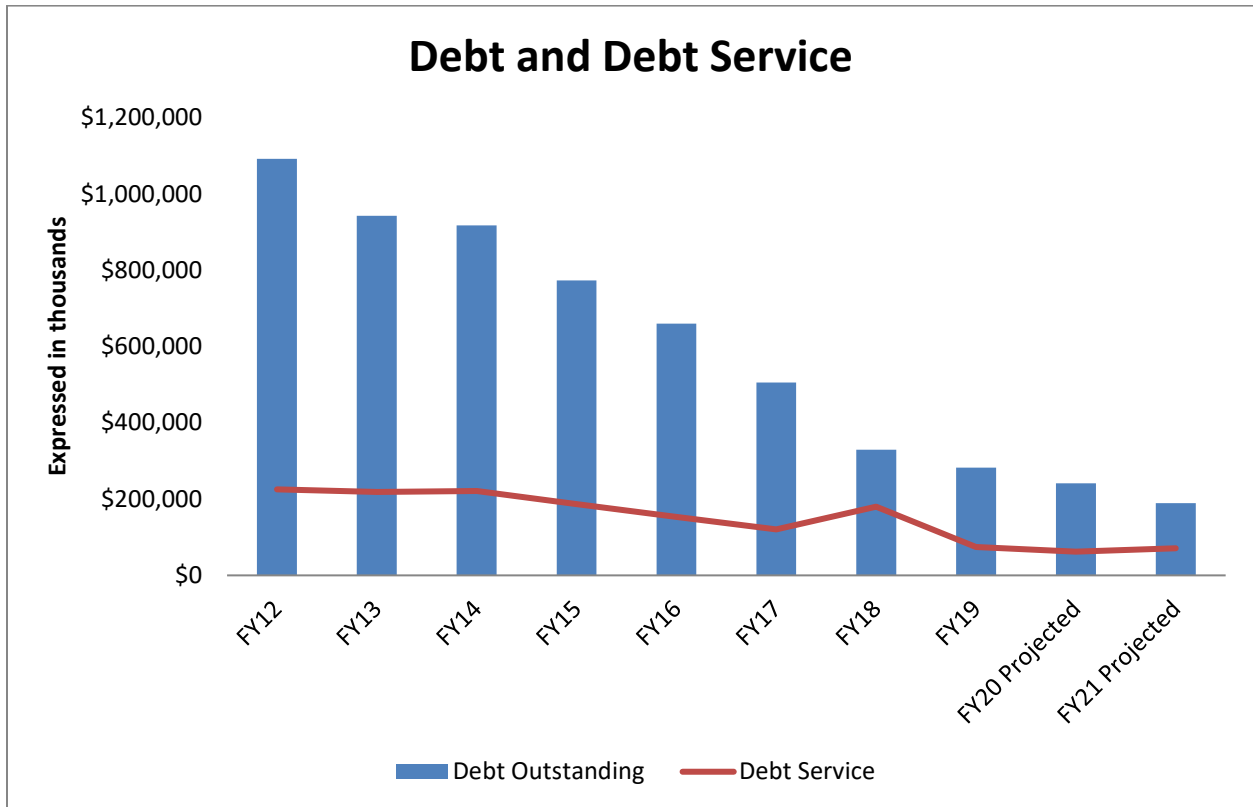
Debt and Debt Service

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

The chart below displays debt that is serviced by the General Fund.

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

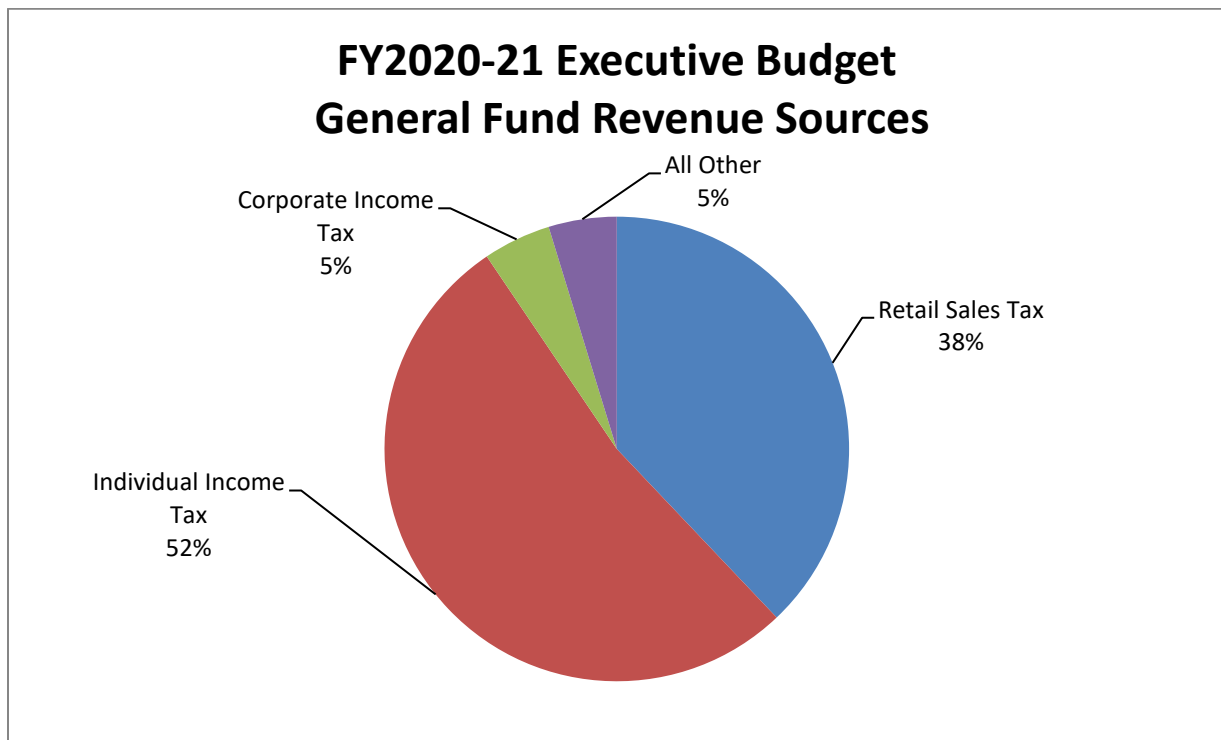
The Executive Budget recommendations for Fiscal Year 2020-21 total \$31 billion, of which \$9.4 billion is from General Funds:

	FY20 Budget	FY21 Exec. Budget	\$ Change	% Change
General Funds	\$8,737,012,313	\$9,420,481,249	\$683,468,936	7.82%
Federal Funds	\$8,856,439,244	\$9,277,211,154	\$420,771,910	4.75%
Other Funds	\$11,943,487,871	\$12,364,563,082	\$421,075,211	3.53%
Total	\$29,536,939,428	\$31,062,255,485	\$1,525,316,057	5.16%

REVENUE

Over 90% of South Carolina’s General Fund revenue comes from income and retail sales taxes.

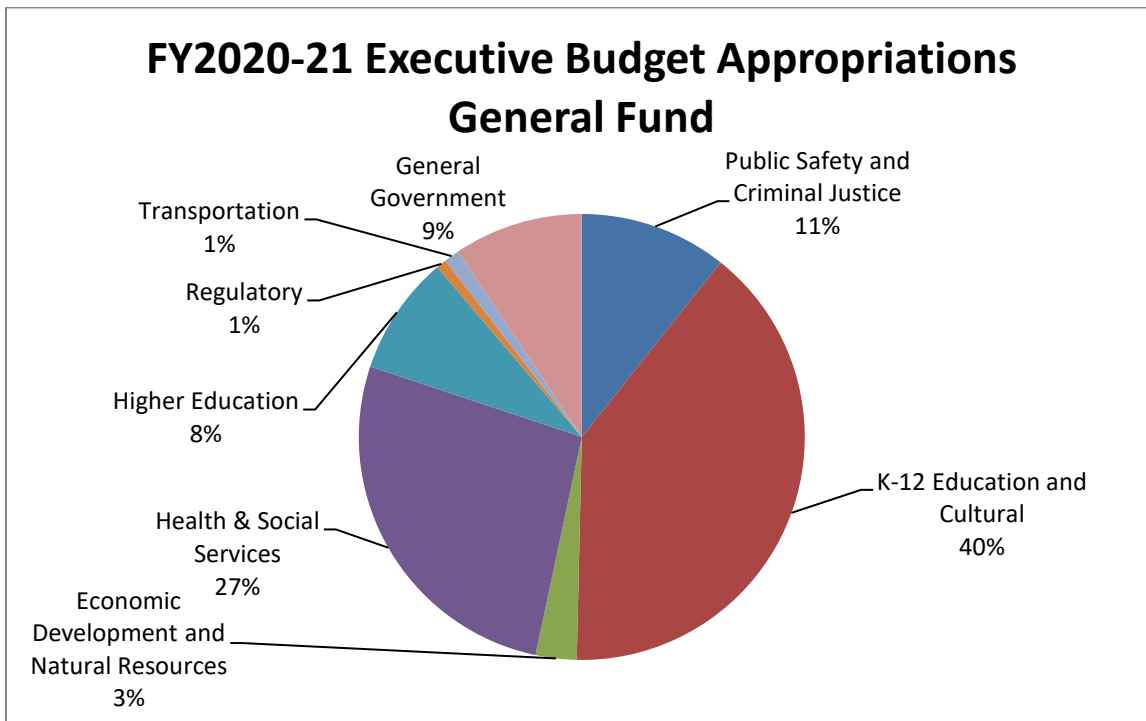
General Fund Revenue Sources	FY2019-20	%
Retail Sales Tax	\$3,572,229,000	37.92%
Individual Income Tax	\$4,957,531,385	52.63%
Corporate Income Tax	\$444,214,000	4.72%
All Other	\$446,506,864	4.74%
Total Regular & Misc Revenue	\$9,420,481,249	100.00%



AGENCY RECOMMENDATIONS

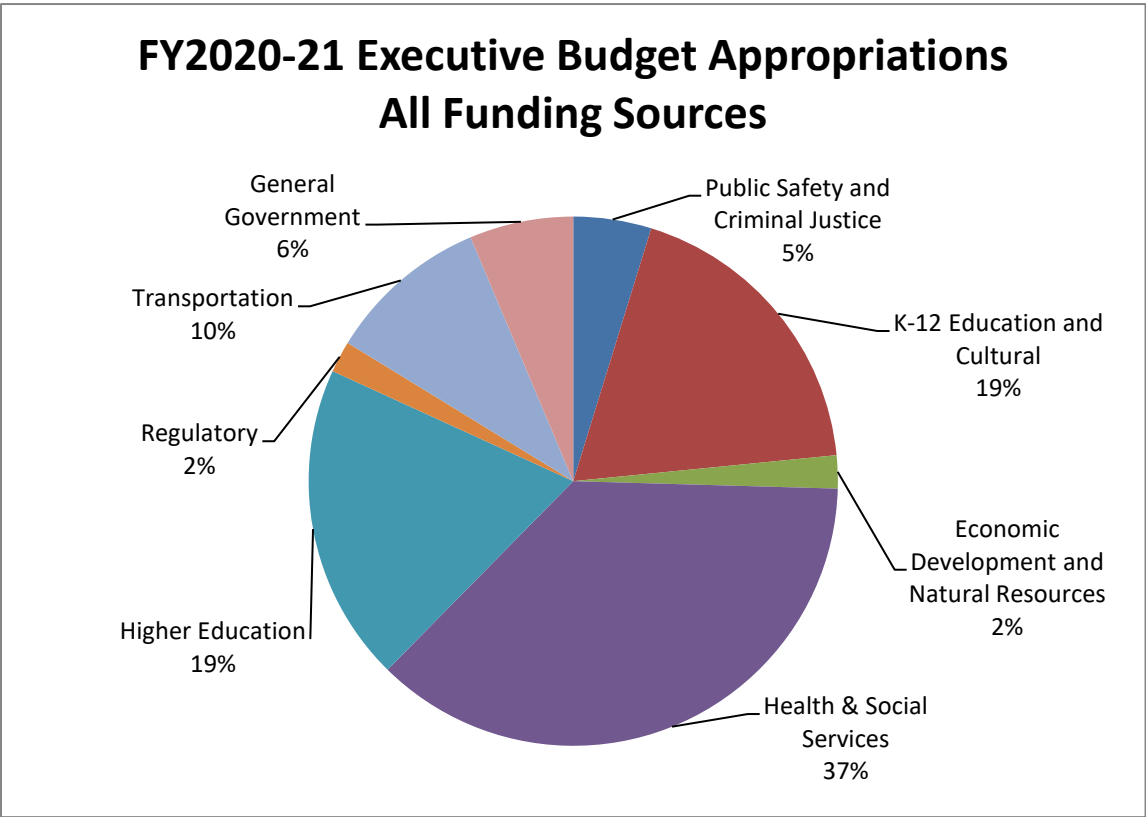
The Executive Budget recommends 48% of General Funds for K-12 and higher education, 27% for health and social rehabilitation agencies, 11% for public safety agencies, and 14% for all other agencies.

General Fund Appropriations	FY19-20	%
Public Safety and Criminal Justice	\$1,007,905,561	10.7%
K-12 Education and Cultural	\$3,736,347,789	39.7%
Economic Development and Natural Resources	\$280,301,025	3.0%
Health & Social Services	\$2,522,637,408	26.8%
Higher Education	\$815,509,575	8.7%
Regulatory	\$71,189,037	0.8%
Transportation	\$101,820,906	1.1%
General Government	\$884,769,948	9.4%
Total General Fund	\$9,420,481,249	100.0%



The Executive Budget recommends 38% 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 10% for all other agencies.

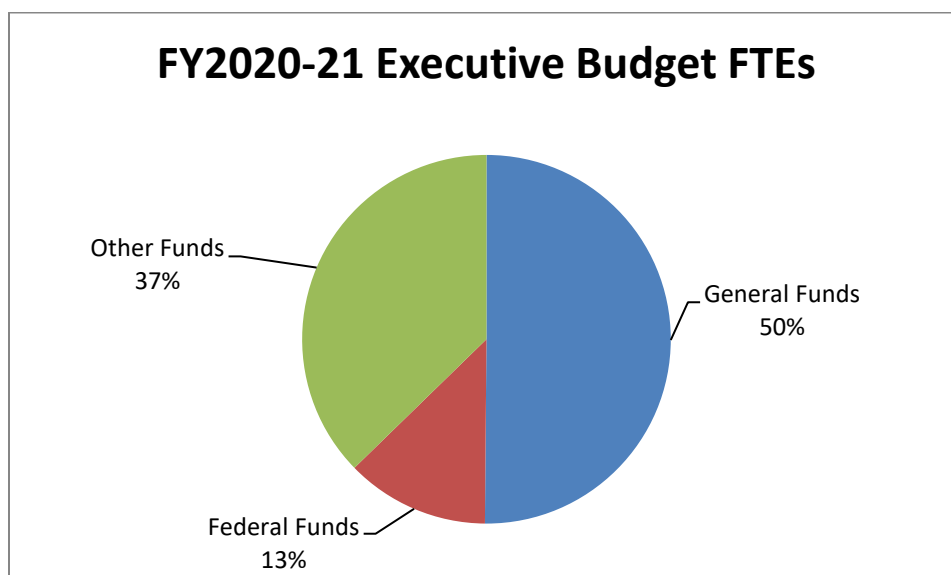
All Funding Sources	FY19-20	%
Public Safety and Criminal Justice	\$1,478,659,660	4.8%
K-12 Education and Cultural	\$5,799,833,163	18.7%
Economic Development and Natural Resources	\$626,643,554	2.0%
Health & Social Services	\$11,471,645,890	36.9%
Higher Education	\$6,039,851,780	19.4%
Regulatory	\$598,785,701	1.9%
Transportation	\$3,076,257,370	9.9%
General Government	\$1,970,578,367	6.3%
Total General Fund	\$31,062,255,485	100.0%



AUTHORIZED FTEs

The Executive Budget recommends a total of 72,252.97 authorized FTEs for Fiscal Year 2020-21 from all funding sources.

Source	FY20 Authorized	FY21 Executive Budget	# Chg	% Chg
General Funds	35,786.86	36,222.21	435.35	1.22%
Federal Funds	8,992.96	9,087.64	94.68	1.05%
Other Funds	26,751.50	26,943.12	191.62	0.72%
Total	71,531.32	72,252.97	721.65	1.01%



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Recapitulation

Recapitulation

Appropriations by Agency	FY 2020-21 Executive Budget					GF Change in Appropriations	
	General	Federal	Earmarked	Restricted	Grand Total	Dollars	Percentage
Public Safety & Criminal Justice							
57 Judicial Department	70,008,010	835,393	22,123,000		92,966,403	0	0.00%
58 Administrative Law Court	3,424,851		1,655,986		5,080,837	267,150	8.46%
59 Attorney General's Office	18,233,341	60,003,654	26,764,911		105,001,906	3,600,000	24.60%
60 Prosecution Coordination Commission	29,863,308	355,583	8,325,000		38,543,891	787,940	2.71%
61 Commission On Indigent Defense	32,616,862		1,472,600	12,824,272	46,913,734	716,701	2.25%
62 Governor's Off-State Law Enforcement Division	63,997,620	25,000,000	23,548,045		112,545,665	9,236,739	16.87%
63 Department Of Public Safety	103,442,561	26,363,242	40,260,544	5,696,886	175,763,233	4,736,778	4.80%
64 Law Enforcement Training Council	8,708,307	601,000	6,805,025		16,114,332	0	0.00%
65 Department Of Corrections	485,234,403	3,773,785	65,486,733	722,477	555,217,398	29,587,019	6.49%
66 Department Of Probation, Parole & Pardon Services	51,218,878	206,000	21,044,391		72,469,269	5,301,816	11.55%
67 Department Of Juvenile Justice	125,230,856	3,000,000	18,285,284	707,415	147,223,555	8,544,845	7.32%
100 Adjutant General's Office	15,926,564	88,166,912	6,725,961		110,819,437	5,110,000	47.24%
Public Safety & Criminal Justice Total	1,007,905,561	208,305,569	242,497,480	19,951,050	1,478,659,660	67,888,988	
K-12 Education & Cultural							
1 Department Of Education	3,668,813,467	979,200,886	49,120,509	962,920,200	5,660,055,062	334,419,353	10.03%
4 Education Oversight Committee				1,793,242	1,793,242	0	0.00%
5 Wil Lou Gray Opportunity School	6,712,764	240,000	950,321	35,000	7,938,085	100,000	1.51%
6 School For The Deaf And The Blind	18,016,449	1,739,000	11,570,455	200,000	31,525,904	2,500,000	16.11%
7 John De La Howe School	4,982,201	353,227	481,512	302,535	6,119,475	0	0.00%
8 Educational Television Commission	8,244,981	200,000	28,700,719	15,514,281	52,659,981	6,506,222	374.19%
26 Department Of Archives & History	4,164,823	897,583	1,294,158		6,356,564	1,188,000	39.91%
27 State Library	16,167,200	2,701,146	187,000	80,000	19,135,346	751,000	4.87%
28 Arts Commission	4,366,187	1,335,641	148,707		5,850,535	0	0.00%
29 State Museum Commission	3,942,954		3,100,000		7,042,954	0	0.00%
30 Confederate Relic Room and Military Museum Commission	936,763		419,252		1,356,015	0	0.00%
K-12 Education & Cultural Total	3,736,347,789	986,667,483	95,972,633	980,845,258	5,799,833,163	345,464,575	
Economic Development & Natural Resources							
43 Forestry Commission	23,754,592	4,763,560	11,678,713		40,196,865	1,750,000	7.95%
44 Department Of Agriculture	14,931,288	2,219,304	9,190,015		26,340,607	850,000	6.04%
45 Clemson University - Public Service Activities	50,065,743	20,025,000	23,395,568		93,486,311	3,343,450	7.16%
46 South Carolina State University - Public Service Activities	6,433,183	4,173,741			10,606,924	1,550,000	31.74%
47 Department Of Natural Resources	41,162,130	31,748,635	18,513,340	30,246,424	121,670,529	4,911,664	13.55%
48 Sea Grant Consortium	785,722	4,550,000	450,000		5,785,722	30,000	3.97%
49 Department Of Parks, Recreation & Tourism	51,270,001	2,505,110	65,202,042	4,342,000	123,319,153	263,560	0.52%
50 Department Of Commerce	56,792,576	19,760,015	32,246,500	22,415,000	131,214,091	4,120,000	7.82%
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	11,070,134		2,564,400		13,634,534	2,000,000	22.05%
54 Rural Infrastructure Bank	24,035,656	700,000		21,394,000	46,129,656	2,000,000	9.08%
Economic Development & Natural Resources Total	280,301,025	90,463,365	163,645,728	92,233,436	626,643,554	20,818,674	
Health & Social Services							
40 Department on Aging	19,624,978	27,349,923	4,870,197	1,184,100	53,029,198	778,706	4.13%
41 Department of Children's Advocacy	9,418,547	451,680	7,096,060	3,931,628	20,897,915	1,436,365	17.99%
32 Department Of Vocational Rehabilitation	17,058,843	122,342,107	35,340,201		174,741,151	0	0.00%
33 Department Of Health & Human Services	1,484,623,280	5,670,441,990	590,291,956	475,545,784	8,220,903,010	68,400,143	4.83%
34 Department Of Health & Environmental Control	147,532,543	286,140,200	195,589,511	25,310,221	654,572,475	2,417,023	1.67%
35 Department Of Mental Health	264,103,610	22,270,928	265,856,451		552,230,989	7,222,191	2.81%
36 Department Of Disabilities & Special Needs	284,511,917	340,000	559,294,926		844,146,843	12,572,665	4.62%
37 Department Of Alcohol & Other Drug Abuse Services	14,983,171	54,872,054	1,852,077	100,000	71,807,302	3,000,000	25.04%
38 Department Of Social Services	276,119,479	531,736,973	55,981,711	849,986	864,688,149	72,360,352	35.51%
39 Commission For The Blind	4,661,040	9,564,818	403,000		14,628,858	650,000	16.21%
Health & Social Services Total	2,522,637,408	6,725,510,673	1,716,576,090	506,921,719	11,471,645,890	168,837,445	
Higher Education							
3 Lottery Expenditure Account				476,800,000	476,800,000	0	0.00%
11 Commission On Higher Education	37,070,696	4,729,832	5,583,904	885,284	48,269,716	1,555,357	4.38%
12 Higher Education Tuition Grants Commission	29,311,054		225,000	6,025,000	35,561,054	1,407,957	5.05%
13 The Citadel	13,125,720	34,852,554	111,039,240		159,017,514	625,034	5.00%
14 Clemson University - Education & General	104,346,281	134,586,539	848,539,705	155,420,594	1,242,893,119	9,064,109	9.51%
15 University Of Charleston	32,355,232	19,500,000	194,062,766	29,000,000	274,917,998	1,540,725	5.00%
16 Coastal Carolina University	17,866,739	21,000,000	211,457,613		250,324,352	1,383,842	8.40%
17 Francis Marion University	19,447,745	12,988,495	52,668,968		85,105,208	926,083	5.00%
18 Lander University	10,479,056	7,240,741	60,287,553	7,999,626	86,006,976	499,003	5.00%
19 South Carolina State University	16,915,639	54,501,255	51,756,047		123,172,941	805,507	5.00%
20A University Of South Carolina	165,768,277	178,603,631	930,529,343		1,274,901,251	9,798,489	6.28%
20B USC - Aiken Campus	11,581,763	11,500,000	41,457,362		64,539,125	1,027,703	9.74%
20C USC - Upstate	16,362,177	16,450,838	68,376,142		101,189,157	779,151	5.00%
20D USC - Beaufort Campus	6,262,355	5,477,915	27,307,011		39,047,281	298,207	5.00%
20E USC - Lancaster Campus	3,748,424	4,390,048	13,784,453		21,922,925	178,496	5.00%
20F USC - Salkehatchie Campus	2,603,112	3,880,454	8,373,545		14,857,111	123,958	5.00%
20G USC - Sumter Campus	4,114,234	2,706,397	10,419,706		17,240,337	195,916	5.00%
20H USC - Union Campus	1,648,043	1,928,258	5,161,055		8,737,356	78,478	5.00%
21 Winthrop University	21,202,730	14,197,500	87,348,235	50,968,320	173,716,785	1,009,654	5.00%
23 Medical University Of South Carolina	94,430,274	177,455,169	504,477,614		776,363,057	8,175,299	9.48%
24 Area Health Education Consortium	12,317,584	844,700	2,808,927		15,971,211	1,165,000	10.45%
25 State Board For Technical & Comprehensive Education	194,552,440	52,614,581	502,130,285		749,297,306	28,000,000	16.81%
Higher Education Total	815,509,575	759,448,907	3,737,794,474	727,098,824	6,039,851,780	68,637,968	

		Recapitulation				GF Change in Appropriations		
Appropriations by Agency		FY 2020-21 Executive Budget						
		General	Federal	Earmarked	Restricted	Grand Total	Dollars	Percentage
Regulatory								
42	Housing Finance & Development Authority		181,935,861	20,427,605	17,200,000	219,563,466	0	0.00%
70	Human Affairs Commission	2,806,319	350,442	776,156		3,932,917	200,000	7.67%
71	Commission On Minority Affairs	1,717,245		261,814		1,979,059	200,000	13.18%
72	Public Service Commission			6,351,686		6,351,686	0	0.00%
73	Office Of Regulatory Staff		886,960	9,940,433	4,639,446	15,466,839	0	0.00%
74	Workers' Compensation Commission	2,578,439		5,607,845		8,186,284	0	0.00%
75	State Accident Fund			10,337,896		10,337,896	0	0.00%
76	Patients' Compensation Fund				0	0	0	0.00%
78	Department Of Insurance	4,529,109		11,275,754	2,355,000	18,159,863	0	0.00%
79	State Board Of Financial Institutions			5,961,181		5,961,181	0	0.00%
80	Department Of Consumer Affairs	1,689,148		2,193,246		3,882,394	0	0.00%
81	Department Of Labor, Licensing & Regulation	1,732,653	2,904,264	42,488,208		47,125,125	250,000	16.86%
83	Department Of Employment And Workforce	2,595,179	150,987,848	16,017,884		169,600,911	2,090,520	414.24%
109	Department Of Revenue	51,881,400		34,082,093	95,000	86,058,493	0	0.00%
110	State Ethics Commission	1,480,648		517,508		1,998,156	0	0.00%
111	Procurement Review Panel	178,897		2,534		181,431	0	0.00%
Regulatory Total		71,189,037	337,065,375	166,241,843	24,289,446	598,785,701	2,740,520	
Transportation								
82	Department Of Motor Vehicles	93,848,386	1,700,000	18,947,596		114,495,982	2,500,000	2.74%
84	Department Of Transportation	5,849,270			2,621,581,310	2,627,430,580	5,792,000	10113.50%
85	Infrastructure Bank Board				106,046,270	106,046,270	0	0.00%
86	County Transportation Funds				216,682,421	216,682,421	0	0.00%
87	Division Of Aeronautics	2,123,250	3,478,867	6,000,000		11,602,117	0	0.00%
Transportation Total		101,820,906	5,178,867	24,947,596	2,944,310,001	3,076,257,370	8,292,000	
General Government								
91A	Leg Dept - The Senate	15,149,409		300,000		15,449,409	0	0.00%
91B	Leg Dept - House Of Representatives	22,966,544				22,966,544	0	0.00%
91C	Leg Dept - Codification Of Laws & Legislative Council	4,585,492		300,000		4,885,492	0	0.00%
91D	Leg Dept - Legislative Services Agency	6,459,276				6,459,276	0	0.00%
91E	Leg Dept - Legislative Audit Council	2,105,478		400,000		2,505,478	0	0.00%
92A	Governor's Office - Executive Control Of State	3,122,331				3,122,331	0	0.00%
92C	Governor's Office - Mansion And Grounds	333,868		200,000		533,868	0	0.00%
93	Department of Administration	72,438,439	162,237,600	146,078,032	390,268	381,144,339	11,629,596	19.12%
94	Office Of Inspector General	869,028				869,028	34,138	4.09%
96	Secretary Of State's Office	1,246,839		2,469,255		3,716,094	0	0.00%
97	Comptroller General's Office	2,560,272		875,434		3,435,706	0	0.00%
98	State Treasurer's Office	2,162,016		8,071,061		10,233,077	50,000	2.37%
99	Retirement System Investment Commission				15,303,000	15,303,000	0	0.00%
101	Department of Veterans' Affairs	2,137,659		445,000	100,000	2,682,659	0	0.00%
102	Election Commission	6,627,413		1,640,700		8,268,113	0	0.00%
103	Revenue & Fiscal Affairs Office	5,214,709	2,333,315	6,069,274	45,000,000	58,617,298	0	0.00%
104	State Fiscal Accountability Authority	1,700,213		11,953,271	7,627,343	21,280,827	0	0.00%
105	SFAA - State Auditor's Office	5,038,858		2,579,639		7,618,497	285,270	6.00%
106	Statewide Employee Benefits	104,153,836				104,153,836	104,153,836	0.00%
107	Capital Reserve Fund	176,095,044				176,095,044	13,609,739	8.38%
108	Public Employee Benefit Authority	112,368,739			42,030,091	154,398,830	0	0.00%
112	Debt Service	71,390,721				71,390,721	(120,239,577)	-62.75%
113	Aid To Subdivisions - State Treasurer	266,043,764				266,043,764	11,687,035	4.59%
114	Aid to Subdivisions - Department Of Revenue	0				0	(20,421,270)	-100.00%
115	Tax Relief Trust Fund			629,405,136		629,405,136	0	0.00%
General Government Total		884,769,948	164,570,915	810,786,802	110,450,702	1,970,578,367	788,767	
Grand Total		9,420,481,249	9,277,211,154	6,958,462,646	5,406,100,436	31,062,255,485	683,468,937	7.83%

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Governor's Recommended Appropriations



GOVERNOR'S RECOMMENDED APPROPRIATIONS

Public Safety and Criminal Justice

Administrative Law Court (Sec. 58)

- \$267,150 for retention

Attorney General's Office (Sec. 59)

- \$1,600,000 in recurring funding for the Department of Crime Victim Compensation Sexual Assault Claims Program
- \$1,283,975 in recurring funding for the Attorney General's Office
- \$716,025 in recruitment and retention

Prosecution Coordination (Sec. 60)

- \$376,000 for administrative and legal staff
- \$417,940 recurring and \$589,300 non-recurring for agency technology equipment and personnel
- \$223,000 for security and office renovation

Indigent Defense (Sec. 61)

- \$716,701 for workload parity and retention

State Law Enforcement Division (Sec. 62)

- \$250,000 in recurring funding for PTSD treatment
- \$4,609,233 in funding additional staff and \$2,386,925 non-recurring for equipment
- \$936,528 for agent step increases
- \$2,000,000 in recurring and \$3,100,000 in non-recurring for technology improvements
- \$500,000 in recurring funding for vehicles
- \$177,756 to fully fund the Illegal Immigration Unit
- \$952,000 for forensic equipment

Department of Public Safety (Sec. 63)

- \$5,000,000 for recruitment and retention
- \$2,044,589 in recurring funding for equipment

Law Enforcement Training Council (Sec. 64)

- \$2,750,000 for a generator for the Academy Main Building

Department of Corrections (Sec. 65)

- \$20,000,000 for recruitment and retention
- \$10,000,000 for security and safety upgrades
- \$5,000,000 recurring for medical supplies and equipment
- \$4,587,019 to expand the gang enforcement security team
-

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

- \$3,926,144 for recruitment and retention
- \$625,675 for vehicles
- \$750,000 for the Alston Wilkes Society

Department of Juvenile Justice (Sec. 67)

- \$4,119,810 for recruitment and retention
- \$4,425,035 recurring to support the Department of Juvenile Justice School District
- \$5,000,000 for safety and security upgrades to facilities

K-12 Education and Cultural

Department of Education (Sec. 1)

- \$213,450,030 to increase teacher salaries by \$3,000 at all education levels and years of experience
- \$31,100,784 to increase the Base Student Cost component of State Aid to Classrooms by \$10 from \$2,489 to \$2,499
- \$45,228,488 to add an additional EFA weight of 50 for students with multiple disabilities
- \$40,000,000 nonrecurring and \$30,247,200 nonrecurring EIA for instructional materials
- \$23,400,00 for the School Safety Program to provide School Resource Officers for all schools that do not currently have them and can least afford to hire them
- \$15,000,000 increase for school bus leasing
- \$32,022,000 nonrecurring for school bus purchases
- \$2,610,000 for the VirtualSC program to expand access to courses not offered in a student's local school
- \$142,448 for operating expenses associated with 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 to procure the system through a competitive process
- \$2,440,303 recurring and \$2,200,000 nonrecurring to assist with the relocation of the State Department of Education
- \$247,300 for additional staff at the Office of School Facilities

- \$1,000,000 nonrecurring for deferred maintenance at the Governor’s School for Arts and Humanities
- \$229,914 for operating expenses at the Governor’s School for Arts and Humanities
- \$66,456 for a Production Manager at the Governor’s School for Arts and Humanities
- \$42,880 for and Building and Grounds Specialist at the Governor’s School for Arts and Humanities
- \$60,750 for teacher salary STEP increases at the Governor’s School for Arts and Humanities
- \$1,000,000 nonrecurring for deferred maintenance at the Governor’s School for Science and Mathematics
- \$166,820 for Music and Visual Arts Instructors at the Governor’s School for Science and Mathematics
- \$233,180 for Student Success Coordinators for the Virtual Program at the Governor’s School for Science and Mathematics
- \$52,702,948 recurring EIA funding to expand full day 4K statewide, split between both public and private providers
- \$7,000,000 recurring EIA funding for Department of Education Grants
- \$6,625,000 recurring EIA funding to increase the teacher supply reimbursement from \$275 per teacher to \$400
- \$5,532,200 recurring EIA funding to account for anticipated enrollment growth among the statewide charter school authorizers
- \$5,000,000 recurring EIA funding for industry certifications and credentials
- \$4,009,000 recurring EIA funding to cover the 1 percent employer contribution increase for SCRS
- \$3,000,000 recurring EIA funding for grants to early education providers in rural areas
- \$1,840,000 recurring EIA funding to increase the number of Teaching Fellows Scholarships from 200 to 215 and fund additional Teacher Cadet programs
- \$1,078,352 recurring EIA funding to increase teacher salaries by \$3,000 at all education levels and years of experience at the special schools
- \$1,000,000 recurring EIA funding for Save the Children
- \$812,655 recurring EIA funding for Computer Science Regional Specialists and associated fringe costs
- \$700,000 nonrecurring EIA funding for computer science certification and professional development
- \$250,000 recurring EIA funding for a teacher working conditions survey
- \$56,100 recurring EIA funding for access to the National Student Clearinghouse

Wil Lou Gray Opportunity School (Sec. 5)

- \$100,000 for a Licensed Professional Counselor Supervisor
- \$300,000 nonrecurring for classroom security improvements
- \$200,000 for a security camera and keyless entry system

School for the Deaf and Blind (Sec. 6)

- \$2,500,000 for increased operating expenses

John de la Howe School (Sec. 7)

- \$5,827,112 for renovation of the LS Brice School building

Educational Television Commission (Sec. 8)

- \$574,813 to support rural broadband
- \$205,000 for the South Carolina Emergency Information Network
- \$5,726,409 to replace a corresponding reduction in EIA funding

Department of Archives and History (Sec. 26)

- \$1,388,000 to support the SC Revolutionary War Sestercentennial Commission
- \$1,000,000 nonrecurring for Historic Preservation and Community Development Grants
- \$500,000 nonrecurring to convert the micrographics lab to a digital lab and office space
- \$50,000 nonrecurring to support development of merchandise for the SC African American Heritage Commission's Green Book

State Library (Sec. 27)

- \$260,000 for classified positions
- \$250,000 for increased costs associated with Discus
- \$110,000 for operating expenses
- \$131,000 to support the Talking Book Services program

Arts Commission (Sec. 28)

- \$19,000,000 nonrecurring for the Greenville Cultural and Arts Center
- \$15,000,000 nonrecurring for the Sumter Opera House
- \$450,000 for Cultural and Arts Theatre Center Grants

State Museum Commission (Sec. 29)

- \$3,750,000 for phase two of the permanent gallery renovations
- \$350,000 nonrecurring to upgrade planetarium technology and content

Economic Development and Natural Resources_____

Forestry Commission (Sec. 43)

- \$1,000,000 in recurring and \$1,000,000 in one-time funds to purchase firefighting equipment
- \$420,000 for four (4) positions at the Forestry Commission
- \$330,000 for three (3) positions, equipment, and software for the Information Technology and Security department
- \$250,000 in one-time funds to purchase two (2) fixed-wing aircrafts for fire support

Department of Agriculture (Sec. 44)

- \$850,000 to fund increasing operating overhead costs
- \$1,300,000 in one-time funds for the State Hemp Farming Program to purchase equipment and for industry development
- \$400,000 in one-time funds for additional marketing for the Certified SC Grown Program

Department of Natural Resources (Sec. 47)

- \$375,137 for law enforcement officers' rank promotion
- \$1,624,863 for twenty-five (25) new law enforcement officers
- \$258,471 for three (3) risk management and compliance analyst positions, including associated operating expenses
- \$54,269 for one (1) position to support the Flood Mitigation Program
- \$2,598,924 to relocate the agency's Headquarters
- \$1,051,860 in one-time funds for the Watercraft Registration Conversion
- \$585,500 in one-time funds for the Marine Resources Research Lab Shoreline Stabilization
- \$800,000 in one-time funds for maintenance at the Barnwell Fish Hatchery
- \$1,207,000 in one-time funds for the replacement of the Research Vessel
- \$1,500,000 in one-time funds for the Pee Dee Basin State Water Plan

Sea Grants Consortium (Sec. 48)

- \$30,000 to establish an undergraduate Resilience Research Scholars Program

Department of Parks, and Tourism (Sec. 49)

- \$3,563,560 to fund the Welcome Center's operational costs
- \$1,000,000 to increase advertising at South Carolina State Parks
- \$2,000,000 to increase funding for the Destination Specific Marketing Program
- \$200,000 for three (3) positions and operating funds for the Venues at Arsenal Hill and \$8,350,000 in one-time funding to renovate and restore the Lace House, Caldwell-Boylston House, Carriage House, and the Gardens
- \$4,000,000 in one-time funds for Welcome Center revitalization and maintenance
- \$8,000,000 in one-time funds for State Park deferred maintenance and repairs
- \$250,000 in one-time funds for the International African American Museum
- \$360,000 in one-time funds for the 2021 PGA Championship at Kiawah Island
- \$3,000,000 in one-time funds for Parks Revitalization Grants
- \$3,000,000 in one-time funds for Sports Marketing Grants
- \$5,000,000 in one-time funds for the Medal of Honor Museum

Department of Commerce (Sec. 50)

- \$3,700,000 for the Closing Fund Program
- \$250,000 for two (2) positions and operating funds for the Rural Initiative
- \$170,000 to establish the Procurement Technical Assistance Program
- \$4,000,000 in one-time funds for the Locate SC Program
- \$360,000 in one-time funds for the 2021 PGA Championship at Kiawah Island

South Carolina Conservation Bank (Sec. 53)

- \$2,000,000 in recurring and \$3,000,000 in one-time funds for the Conservation Bank Grant Fund

Rural Infrastructure Authority (Sec. 54)

- \$2,000,000 for the Rural Infrastructure Fund
- \$4,300,000 in one-time funds to establish the Water and Sewer Regionalization Fund

State Ports Authority (Sec. 88)

- \$5,000,000 in one-time allocations for the Jasper Ocean Terminal Port Facility Infrastructure Fund

Adjutant General's Office (Sec. 100)

- \$3,500,000 for Armory Revitalization
- \$110,000 for retention
- \$15,000,000 for the Aiken Readiness Center
- \$1,362,950 for Olympia Armory and SCEMD repairs
- \$13,544,230 for the state share of disaster funding

Health and Social Services

Vocational Rehabilitation (Sec. 32)

- \$1,526,650 for job skills training equipment

Department of Health and Human Services (Sec. 33)

- \$47,384,662 for annualization
- \$13,925,644 for community long term care
- \$7,852,502 for provider reimbursement rate increase
- \$7,409,009 for Medicaid Management Information System

Department of Health and Environmental Control (Sec. 34)

- \$997,000 for vaccine funding for disease control response
- \$635,594 for Sustaining the Resource Conservation and Recovery Act Program
- \$240,810 for partnerships to improve rural water and sewer infrastructure
- \$644,747 for additional Newborn Screenings required under Dylan's Law
- \$4,512,000 for Able Site Cleanup

Department of Mental Health (Sec. 35)

- \$3,500,000 for recruitment and retention
- \$750,000 for Out of Home Placements Program for high risk adolescents
- \$625,897 for the Sexually Violent Predator Program
- \$250,000 for long-term care
- \$400,000 for emergency department telepsychiatry
- \$750,000 for crisis stabilization units
- \$600,000 for school mental health
- \$300,000 for young adult intervention services
- \$325,000 to expand the Clinicians in Law Enforcement Program
- \$6,500,000 for deferred maintenance and revitalization of veteran's homes and hospitals
- \$8,605,645 for suicide prevention renovations

Department of Disabilities and Special Needs (Sec. 36)

- \$430,000 for HASCI waiver slots
- \$5,135,000 for rate increases for services impacting waiver costs
- \$500,000 for increased access to post-acute rehabilitation
- \$487,500 to transfer state owned facilities to local providers
- \$2,000,000 for the South Carolina Genomic Medicine Initiative
- \$1,500,000 to repair the electrical grid at the Coastal Regional Center Campus

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

- \$3,000,000 for sustainability of addiction crisis efforts
- \$5,000,000 for infrastructure improvements for the substance abuse provider system

Department of Social Services (Sec. 38)

- \$69,070,746 for recruitment and retention
- \$2,753,118 recurring for information technology and \$6,000,000 for technology infrastructure
- \$536,488 for child support enforcement

Commission for the Blind (Sec. 39)

- \$350,000 for salary alignment
- \$150,000 for children's services
- \$150,000 for prevention of blindness
- \$300,000 to customize the AWARE system and purchase a quality assurance module
- \$5,101,685 for complex renovations and improvements

Department of Children's Advocacy (Sec. 41)

- \$1,300,000 for the Continuum of Care
- \$136,365 for the Guardians Ad Litem program

Human Affairs Commission (Sec. 70)

- \$109,358 for retention

Minority Affairs Commission (Sec. 71)

- \$176,800 for additional staff

Higher Education

Commission on Higher Education (Sec. 11)

- \$54,226,121 in lottery appropriations for need-based grants
- \$2,480,474 in lottery appropriations for full tuition for members of National Guard
- \$1,500,000 in recurring appropriations to support the statewide electronic library (PASCAL), previously funded through the lottery
- \$40,357 to align the President and Executive Director salary with that adopted by the Agency Head Salary Commission
- \$15,000 to fund the Governor's Professor of the Year Award

Higher Education Tuition Grants Commission (Sec. 12)

- \$1,128,792 increase to raise the maximum grant for students at independent colleges and universities by \$100 to \$3,600
- \$270,000 increase to support operating costs associated with a new student information system with an additional \$200,000 nonrecurring to purchase the system
- \$5,000 increase to employer contributions and \$4,165 increase to classified positions to cover increased costs of benefits and salary

The Citadel (Sec. 13)

- \$625,034 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$2,617,458 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

Clemson University (Sec. 14)

- \$4,764,109 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$1,300,000 increase for Health Innovation Extension Programming
- \$3,000,000 increase for the Clemson University Center for Advanced Manufacturing
- \$15,956,246 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of Charleston (Sec. 15)

- \$1,540,725 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$7,136,986 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

Coastal Carolina University (Sec. 16)

- \$824,145 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$5,699,867 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets
- \$559,697 recurring and \$7,000,000 nonrecurring for the WATER station

Francis Marion University (Sec. 17)

- \$926,083 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$3,963,701 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

Lander University (Sec. 18)

- \$499,003 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$2,943,980 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

South Carolina State University (Sec. 19)

- \$805,507 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$2,786,531 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina (Sec. 20A)

- \$7,798,489 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$2,000,000 increase to expand Palmetto College for active duty military personnel
- \$21,332,761 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets
- \$15,000,000 nonrecurring for relocation of the School of Medicine

University of South Carolina – Aiken Campus (Sec. 20B)

- \$527,703 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$500,000 to implement new Cyber Education programs
- \$3,333,904 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina – Upstate (Sec. 20C)

- \$779,151 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$6,126,776 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina – Beaufort Campus (Sec. 20D)

- \$298,207 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$1,870,368 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina – Lancaster Campus (Sec. 20E)

- \$178,496 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$1,557,583 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina – Salkehatchie Campus (Sec. 20F)

- \$123,958 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$922,503 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina – Sumter Campus (Sec. 20G)

- \$195,916 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$1,088,406 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

University of South Carolina – Union Campus (20H)

- \$78,478 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$1,130,674 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

Winthrop University (Sec. 21)

- \$1,009,654 increase for tuition mitigation, representing a 5 percent General Fund base increase
- \$5,393,422 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets

Medical University of South Carolina (Sec. 23)

- \$5,175,299 increase for tuition mitigation
- \$3,000,000 for statewide teaching partnerships
- \$2,120,807 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets
- \$10,000,000 nonrecurring for flood mitigation

Area Health Education Consortium (Sec. 24)

- \$545,000 to expand the Health Careers Program
- \$620,000 increase to the Rural Physicians Incentive Program

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

- \$28,000,000 for instructional program support at the 16 technical colleges statewide
- \$10,250,000 nonrecurring for readySC Direct Training
- \$18,000,000 nonrecurring for equipment for high demand job skill training
- \$50,000,000 nonrecurring for Career and Technology Centers
- \$76,503,332 from the Capital Reserve Fund for Maintenance and Care of State-Owned Assets at the 16 technical colleges throughout the state

Clemson PSA (Sec. 45)

- \$1,127,250 to support the Statewide Comprehensive Extension Program
- \$1,448,400 for critical fruit and vegetable research
- \$767,800 for statewide forestry and wildlife extension
- \$4,000,000 nonrecurring for Research and Education Center Graduate Housing
- \$2,000,000 for the Pee Dee Research and Education Center Greenhouses
- \$990,000 nonrecurring for the Sandhill Research and Education Center Research and Extension Building Repairs

South Carolina State PSA (Sec. 46)

- \$1,550,000 for research and extension program development and implementation

Regulatory

Department of Labor, Licensing and Regulation (Sec. 81)

- \$250,000 for PTSD Treatment for firefighters
- \$280,000 in one-time funds for Local Fire Department Grants
- \$850,000 in one-time funds to purchase equipment for the Emergency Response Task Force

Transportation

Department of Motor Vehicles (Sec. 82)

- \$2,500,000 for the DMV's Career Pathing Plan
- \$2,000,000 in one-time funds for the Phoenix III modernization
- \$268,300 in one-time funds for the Motor Carrier System Upgrade

Department of Employment and Workforce (Sec. 83)

- \$690,520 for the Unemployment Insurance Supplemental Program
- \$1,400,000 for the Jobs for American's Graduates Program (JAG Program)

Department of Transportation (Sec. 84)

- \$5,792,000 for litter control on South Carolina roadways
- \$10,000,000 in one-time funds for Rest Area renovations

Division of Aeronautics (Sec. 87)

- \$1,000,000 in one-time funds for deferred maintenance of aircraft
- \$300,000 in one-time funds for roof repairs on facilities

General Government

Department of Administration (Sec. 93)

- \$1,512,000 and 6 FTEs to increase the services provided by the Division of State Human Resources
- \$2,517,596 recurring and \$8,169,184 in one-time funds for the required multi-year project to move the statewide accounting and human resources system known as SCEIS to a version supported by SAP
- \$7,000,000 for deferred maintenance for state owned buildings
- \$350,000 for a budget development system in the Executive Budget Office
- \$250,000 for pre-award funding for the Office of Disaster Recovery
- One-time funds of \$2,641,131 for State House deferred maintenance

Office of Inspector General (Sec. 94)

- \$34,138 for operational needs including information technology, employee benefits, and training

State Treasurer (Sec. 98)

- \$50,000 to fund administrative costs for Court Fines & Fees and Conviction Surcharges
- One-time funds of \$10,000,000 to address the liability in the Tuition Prepayment program

Election Commission (Sec. 102)

- One-time funds of \$1,700,000 to support the new paper voting system

State Auditor's Office (Sec. 105)

- \$132,000 for two Auditors to review organizations that receive grants from the State
- \$66,000 to fund an Auditor position
- \$22,270 for salary changes authorized by the Agency Head Salary Commission
- \$65,000 for auditing software

Statewide Employee Benefits (Sec. 106)

- \$33,000,000 to fund statewide recruitment and retention
- \$38,742,000 for the employer's share for the State Health Plan to include adult wellness visits
- \$32,411,836 for required 1% SCRS and PORS retirement increase

Capital Reserve Fund (Sec. 107)

- \$13,609,739 to meet statutory funding requirements

Department of Revenue (Sec. 109)

- \$250,000,000 in one-time funds for Taxpayer Rebate

Debt Service (Sec. 112)

- \$120,239,577 reduction to match FY2020-21 funding requirements

Aid to Subdivisions – State Treasurer (Sec. 113)

- \$11,687,035 to meet statutory funding requirements for the Local Government Fund

Aid to Subdivisions – Department of Revenue (Sec. 114)

- A reduction of \$20,421,270 per the Board of Economic Advisors

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Governor's Proviso Recommendations



GOVERNOR’S EXECUTIVE BUDGET PROVISIO RECOMMENDATIONS

# / ACTION	TITLE / DESCRIPTION
1.3	EFA Formula/Base Student Cost 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 raises the minimum teacher salary by \$3,000 at all education and experience levels and adds an additional weight for students with multiple disabilities.</i>
1.25	School District and Special Schools Flexibility
Amend	<i>This proviso allows school districts and special schools flexibility to use various revenue sources as they deem appropriate to achieve student outcomes within specified parameters. This amendment removes references to 90th and 180th day student counts and replaces them with the 135th day count.</i>
1.56	Full-Day 4K
Amend	<i>This proviso specifies funding levels for public and private 4K providers. This amendment expands the Full-Day 4K program statewide, increases per pupil funding to \$4,800 per student and transportation funding to \$587 per student, and directs the expenditure of any carryforward funds.</i>
1.63	South Carolina Community Development Block Grants for Education Pilot Program
Delete	<i>This proviso creates the Community Development Block Grants for Education Pilot Program at the EOC. This Executive Budget recommends deleting the proviso, as the funding source will no longer be available.</i>
1.68	CDEPP Unexpended Funds
Delete	<i>This proviso directs the purposes for which unexpended CDEPP funds may be used. The Executive Budget recommends deleting the proviso, with certain provisions being incorporated into proviso 1.56.</i>

1.69	Technology Technical Assistance
Delete	<i>This proviso allows the Department of Education to withhold up to \$350,000 of funds appropriated to the K-12 Technology Initiative to develop a statewide technology plan for schools and districts. The Executive Budget recommends deleting the proviso because the line item appropriation no longer exists and the K-12 Technology Committee governs the allocation of funds for technology.</i>
1.73	Military Child Care Centers
Amend	<i>This proviso allows First Steps to extend 4K provider eligibility to military child care settings to expand services. This amendment allows more facilities to be approved for the expansion by eliminating the requirement that they be approved in the prior fiscal year.</i>
1.74	First Steps 4K Underserved Communities
Delete	<i>This proviso allows 4K providers to apply for one-time supplemental funding to expand their programming to ten or more CERDEP eligible children and outlines the purposes for which the additional funding must be used. The Executive Budget recommends deleting the proviso, with certain provisions being incorporated into proviso 1.56.</i>
1.80	Safe Schools Initiative
Amend	<i>This proviso requires all schools to create Threat Assessment Teams and School Safety plans and submit them to the Department of Education and directs the Department and SLED to suggest recommended statutory changes and cost estimates to improve school safety. This amendment requires schools to maintain these teams in the current year.</i>
1.84	School Safety Program
Amend	<i>This proviso directs the state funding for school resources officers, providing funding to the poorest districts. This amendment would allow charter schools to apply for funding, allow funds to be used to purchase equipment other than vehicles, and remove the limitation on funding a maximum of four officers per district.</i>
1.86	School Districts Capital Improvements
Amend	<i>This proviso directs the nonrecurring funding made available to school districts for consolidation and shared facilities. This amendment grants carryforward authority to the Department of Education for these funds.</i>
1.87	Teacher Salaries/SE Average
Amend	<i>This proviso establishes the southeastern average teacher salary, requires year of experience increases by districts, and directs the statewide teacher pay increase. This amendment updates the Southeastern average teacher salary, updates fiscal year references, and mandates districts to increase their local salary schedules by \$3,000 for all levels of education and experience.</i>

1.88	School District Hold Harmless
Amend (Technical)	<i>This proviso holds harmless from the Fiscal Accountability Act any district that must use reserve funds to pay for teacher salary or step increases, if the Education Finance Act formula funding is not increased. This amendment is a fiscal year update.</i>
1.89	Educational Services for Children with Disabilities
Amend	<i>This proviso requires the Department of Education to work with other service providing agencies to report on whether children with disabilities are receiving the services they need and whether service or funding should be reformed. This amendment requires that district level data also be acquired and shared with the Revenue and Fiscal Affairs Office.</i>
1.90	Reserve Suspension
Delete	<i>This proviso suspends the cash reserve limitations of permanent statute for Dorchester County School District 2. The Executive Budget recommends deleting the proviso.</i>
1.91	Standards-Based Assessments Suspended
Amend	<i>This proviso suspends code sections requiring standardized testing for science in eighth grade and social studies in grades five and seven and directs the expenditure of savings from the assessment suspension. This amendment updates the fiscal year and removes language directing remaining funds to industry certifications/credentials.</i>
1.93	Master's Plus Thirty
Amend (Technical)	<i>This proviso requires the Department of Education to process the Master's Plus Thirty certificate classification in the same manner as the prior fiscal year. This amendment is a fiscal year update.</i>
1.94	Anti-bullying
Establish	<i>The Executive Budget recommends adding this new proviso requiring a school district to implement a policy that prohibits the unauthorized use of personal electronic communication devices by students during direct classroom instructional time by July 1, 2020 in order to receive increased funding for the base student cost.</i>
1A.7	Disbursements/Other Entities
Amend	<i>This proviso directs the disbursement of EIA partnership funds to various state agencies. This amendment replaces references to the Comptroller General with Executive Budget Office to align with actual practice.</i>
1A.9	Teacher Supplies
Amend	<i>This proviso directs the distribution of teacher supply funds. This amendment updates the fiscal year references and increases the teacher supply allocation from \$275 to \$400 per teacher.</i>

1A.14	School District and Special Schools Flexibility
Amend	<i>This proviso allows school districts and special schools flexibility to use various revenue sources as they deem appropriate to achieve student outcomes within specified parameters. This amendment removes references to 90th and 180th day student counts and replaces them with the 135th day count.</i>
1A.29	Full-Day 4K
Amend	<i>This proviso specifies funding levels for public and private 4K providers. This amendment expands the Full-Day 4K program statewide, increases per pupil funding to \$4,800 per student and transportation funding to \$587 per student, and directs the expenditure of any carryforward funds.</i>
1A.36	Teacher Salaries/SE Average
Amend	<i>This proviso establishes the southeastern average teacher salary, requires year of experience increases by districts, and directs the statewide teacher pay increase. This amendment updates the Southeastern average teacher salary, updated fiscal year references, and mandates districts increase their local salary schedules by \$3,000 for all levels of education and experience.</i>
1A.49	South Carolina Public Charter School Funding
Amend	<i>This proviso establishes the per pupil EIA funding for charter schools authorized by the Public Charter School District or an Institution of Higher Education. This amendment updates the fiscal year and deletes the reporting requirement by the EOC, as the report will be completed.</i>
1A.55	4K Early Literacy Competencies Assessments
Amend	<i>This proviso directs implementation and funding of early learning assessments and professional development. This amendment conforms the proviso to the expansion of 4K statewide.</i>
1A.56	CDEPP Unexpended Funds
Delete	<i>This proviso directs the purposes for which unexpended CDEPP funds may be used. The Executive Budget recommends deleting the proviso, with certain provisions being incorporated into proviso 1A.29.</i>
1A.63	Value-Added Accountability
Delete	<i>This proviso directs the Department of Education to use the value-added system to calculate the magnitude of student progress at the school level for state and federal accountability. The Executive Budget recommends deletion of the proviso as the Department has the system under contract and its use is in permanent statute.</i>
1A.66	McCormick County Schools
Delete	<i>This proviso requires the Department of Revenue to redirect John de la Howe's EIA appropriations to McCormick County Schools. The Executive Budget recommends deleting this proviso, as John de la Howe will be operating again in this fiscal year.</i>
1A.67	Grants Committee
Amend	<i>This proviso directs the State Superintendent of Education to create a grants committee to invest in innovative programs and strategies to improve student outcomes. This amendment removes the requirement that projects funded in the prior year be given priority and adds the requirement that an independent evaluation be made of each grantee.</i>

1A.69	Digital Learning Plan
Amend	<i>This proviso directs the implementation of the second year of the digital learning pilot program for school makeup day administered by the EOC. This amendment directs the third year as the final year of the pilot program, requires the Department of Education to assign a staff member to assist implementation in preparation for their takeover of the program in the following year, and updates fiscal year references.</i>
1A.70	School Safety Program
Amend	<i>This proviso directs the state funding for school resources officers providing funding to the poorest districts. This amendment allows charter schools to apply for funding, permits funds to be used to purchase equipment other than vehicles, and remove the limitation on funding a maximum of four officers per district.</i>
1A.71	Teacher Recruitment Program
Amend (Technical)	<i>This proviso directs the funding and reporting requirements of the Teacher Recruitment Program. This amendment is a fiscal year update.</i>
1A.72	Bridge Program
Amend (Technical)	<i>This proviso directs \$1.4 million to SC State University for a Bridge program to recruit minority high school students into the teaching profession. This amendment is a fiscal year update.</i>
1A.73	Surplus
Establish	<i>The Executive Budget recommends adding this new proviso directing unobligated EIA cash to be expended on instructional materials.</i>
1A.74	First Steps County Partnerships
Establish	<i>The Executive Budget recommends adding this new proviso directing the Office of First Steps to allocate up to \$3 million to local county partnerships for the enhancement or expansion of evidence-based programs serving at-risk children from birth through age three in rural counties through a competitive process.</i>
1A.75	K-12 Computer Science Plan
Establish	<i>The Executive Budget recommends adding this new proviso directing the Department of Education to develop and the State Board of Education to approve a state K-12 Computer Science plan.</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>
3.4	FY 2019-20 Lottery Funding
Delete	<i>This proviso directs the allocation of the FY 2019-20 lottery revenues.</i>
3.5	FY 2020-21 Lottery Funding
Establish	<i>This proviso directs the allocation of the FY 2020-21 lottery revenues.</i>

11.11	SmartState
Delete	<i>The Executive Budget recommends deleting this proviso prohibiting the Commission on Higher Education from expending any funding on marketing the SmartState program.</i>
11.18	Suspend Governor’s Professor of the Year Award
Delete	<i>The Executive Budget recommends deleting this proviso suspending the Governor’s Professor of the Year Award.</i>
11.20	Grant Authorization Adjustment
Establish	<i>The Executive Budget recommends adding this new proviso allowing the Commission on Higher Education to receive increased other funds authorization to expend grant awards received during the course of the year with proper documentation to the Executive Budget Office and reporting to the legislative appropriations committees.</i>
25.6	Florence Darlington Fund Repurpose
Delete	<i>The Executive Budget recommends deleting this proviso redirecting previously appropriated funds for Florence Darlington Technical College as it is no longer needed.</i>
25.7	Health Science Capital Project
Delete	<i>The Executive Budget recommends deleting this proviso allowing for the redirection of funds from the New River Workforce Development Center to the Health Science capital project as it is no longer needed.</i>
25.8	Tech Awareness and Education
Delete	<i>The Executive Budget recommends deleting this proviso authorizing the technical college board to expend \$500,000 to enhance awareness and perception of technical college education as it is no longer needed.</i>
25.9	Northeastern Tech Repurpose
Delete	<i>The Executive Budget recommends deleting this proviso redirecting previously appropriated funds for Northeastern Technical College as it is no longer needed.</i>
25.10	Career and Technology Education Centers
Establish	<i>The Executive Budget recommends adding a new proviso establishing a grants committee to make awards for creating and expanding career and technical education offerings in rural areas of the state. The proviso sets criteria to be considered in awarding grants and establishes reporting requirements.</i>
26.3	Historic Preservation and Community Development Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Department of Archives and History, setting criteria for grant awards, and requiring external evaluation of grantees.</i>
28.6	Cultural Arts and Theater Center Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Arts Commission, setting criteria for grant awards, and requiring external evaluation of grantees.</i>

33.20	Medicaid Accountability and Quality Improvement Initiative
Amend	<i>This proviso provides guidance on the distribution of the Department of Health and Human Services agency appropriations for public health initiatives, safety net providers, FQHC's, Free Clinics, and local alcohol and drug abuse authorities created under Act 301 of 1973. This amendment removes requirement to pass funding thorough to local hospitals.</i>
33.23	BabyNet Compliance
Amend (Technical)	<i>This proviso requires the Department of Health and Human Services to report to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee on the status of the department's efforts to bring the BabyNet program into compliance with federal requirements. This amendment will update the fiscal year language of the proviso.</i>
33.24	Personal Emergency Response System
Delete	<i>The proviso requires the department to develop one or more Requests for Proposals, to provide for Personal Emergency Response Systems (PERS) to be issued to Medicaid recipients pursuant to the department's Medicaid Home and Community-based waiver. Proviso also gives guidance regarding required system capability and service. The Executive Budget recommends the deletion of this proviso in accordance with the governor's vetoes in the FY 2019-20 Appropriations Bill.</i>
33.26	Medical Contract Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Department of Health and Human Services, setting criteria for grant awards, and requiring external evaluation of grantees.</i>
34.50	Ocean Water Quality Outfall Initiative
Delete	<i>This proviso directs funds appropriated for the Beach Renourishment Fund be made available as state matching funds for Horry County Ocean Water Quality Outfall Initiatives. All funds associated with this proviso have been dispersed.</i>
34.52	Hazardous Waste Fund County Account
Delete	<i>This proviso requires funds in each county's Hazardous Waste Fund County Account to be released by the State Treasurer, upon the written request of a majority of the county's legislative delegation representing the economically depressed area of the county, and shall be used for infrastructure within the economically depressed area of that county. The Executive Budget recommends the deletion of this proviso in accordance with the governor's vetoes in the FY 2019-20 Appropriations Bill.</i>
34.56	Reimbursement of Expenditures
Establish	<i>The Executive Budget recommends adding this proviso authorizing the Department of Health and Environmental Control to use funds received in the current year as reimbursement of expenses incurred in the current or prior fiscal year.</i>
34.57	Able Contracting Site Cleanup
Establish	<i>The Executive Budget recommends adding this proviso requiring the Department of Health and Environmental Control to use funds appropriated for the Solid Waste Management Program to remove material at Able Contracting Inc. Any funds remaining may be used by the department to undertake cost recovery efforts from any potentially responsible parties.</i>

35.3	Alzheimer's Funding	<i>The proviso requires the Department of Mental Health to expend funds for Community Mental Health Center on contractual services for Alzheimer's patient respite care and diagnostic services. The Executive Budget recommends deleting this proviso and establishes a new proviso at the Department on Aging.</i>
36.14	Beaufort DSN Facility	<i>This proviso authorizes the Department of Disabilities and Special Needs to retain the full amount of proceeds from the sale of the local Disabilities and Special Needs Board of Beaufort County property and use the proceeds to purchase a new property for the local Disabilities and Special Needs Board in Beaufort County that more appropriately meets the needs of the individuals served. This amendment will update the fiscal year language of the proviso.</i>
38.1	Fee Retention	<i>This proviso permits the Department of Social Services to use overpayments from child support collections above \$800,000 to support the collection efforts. The amendment permits the agency to keep the full amount of overpayments and to use them to fund data security and child support operations.</i>
38.14	Family Foster Care Payments	<i>This proviso dictates payments to foster families for the care of foster children. This amendment increases the payments for ages 0-5 from \$500 to \$601; ages 6-12 from \$523 to \$702; and ages 13 and over from \$589 to \$742.</i>
38.17	Child Support Enforcement System	<i>This proviso outlines how the Department of Social Services reports on funds appropriated for the development of the Child Support Enforcement System. The Executive Budget recommends deleting this proviso as the system has been implemented.</i>
38.29	Foster Care Child Placements	<i>This proviso gives specific direction to the Department of Social Services regarding measures they are to implement in the foster care placement process. The Executive Budget recommends the deletion of this proviso in accordance with the governor's vetoes in the FY 2019-20 Appropriations Bill.</i>
38.30	Comprehensive Child Welfare Information System	<i>This proviso directs the Department of Social Services to use a portion of the recurring funds appropriated to the department to issue a request for proposal for a vendor to implement a comprehensive case management data and analysis system. The requirements of the proviso have been met and the Executive Budget recommends the deletion of this proviso pursuant to a recommendation by the Department.</i>

40.9	Alzheimer's Funding
Establish	<i>The Executive Budget recommends adding this proviso directing the Department on Aging to use \$778,706 for contractual services to provide respite care and diagnostic services to those who qualify as determined by the Alzheimer's Disease and Related Disorders Association.</i>
41.2	Guardian Ad Litem Program
Amend	<i>This proviso requires both the program and the funds appropriated to the Department of Children's Advocacy Guardian ad Litem Program be administered separately from other programs and must be expended for the exclusive use of the Guardian ad Litem Program. The Department of Revenue is also directed to reduce the rate of interest paid on eligible refunds by two percentage points. The revenue resulting from this reduction will be used for operations of the Guardian ad Litem program. The amendment grants the Department of Children's Advocacy greater flexibility in expending this revenue in support of the Guardian Ad Litem program.</i>
47.14	Waterfowl Impoundments Projects
Establish	<i>The Executive Budget recommends adding this proviso authorizing the Department of Natural Resources to enter into agreements with qualified not-for-profit entities that possess specialized knowledge and skills necessary to plan, develop, construct, improve and/or maintain waterfowl impoundments owned or managed by the department.</i>
48.2	Retention of Accrued Leave
Establish	<i>The Executive Budget recommends adding this proviso allowing employees of the Sea Grants Consortium being converted to full-time equivalent positions from temporary grant positions in FY 2020-21 to retain their accrued leave.</i>
49.18	State Park Employee Housing
Establish	<i>The Executive Budget recommends adding this proviso allowing employees of the Department of Parks, Recreation and Tourism's State Park Service to make deductions from their compensation for rental payments if their residential housing is located within a South Carolina State Park.</i>
49.19	Local Parks Revitalization Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Department of Parks, Recreation and Tourism, setting criteria for grant awards, and requiring external evaluation of grantees.</i>
49.20	Sports Marketing Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Department of Parks, Recreation and Tourism, setting criteria for grant awards, and requiring external evaluation of grantees.</i>
52.2	Clamagore Reef
Delete	<i>This proviso directs Patriots Point to utilize the \$1,000,000 appropriated in Act No. 286 of 2014 by Proviso 118.16, Item (9) for the Medal of Honor Museum for the USS Clamagore Veteran Memorial Reef. The Executive Budget recommends deleting this proviso as it is no longer needed.</i>

53.1	Conservation Grant Funding Carryforward Authority
Establish	<i>The Executive Budget recommends adding this proviso authorizing the Conservation Bank to carry forward Conservation Bank Trust funds into the next fiscal year for the same purpose.</i>
60.13	Exemption for Pass Through Funding
Establish	<i>The Executive Budget recommends adding this proviso exempting pass through funding at the Prosecution Coordination Commission from being included in any budget reduction calculations.</i>
61.11	Capital Case Contract Attorneys
Amend	<i>This proviso outlines payments for capital attorneys. The amendment permits the Commission on Indigent Defense to use funding for capital attorneys to pay for support services for the capital attorneys.</i>
62.23	First Responder PTSD Treatment
Establish	<i>The Executive Budget recommends adding this proviso directing SLED to distribute funds to the SLED Assistance Program to reimburse law enforcement officers who incur mental injury as a result of a critical incident during the scope of employment.</i>
63.8	SC Law Enforcement Officers Hall of Fame Donations
Establish	<i>The Executive Budget recommends adding this proviso permitting the Department of Public Safety to carry forward all donations made to the Law Enforcement Officers Hall of Fame for use for the same purpose.</i>
63.9	Local Law Enforcement Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Department of Public Safety, setting criteria for grant awards, and requiring external evaluation of grantees.</i>
67.12	Local District Effort
Delete	<i>This proviso requires the home school districts to transfer funds to the Department of Juvenile Justice for every child in the Department's care. The Executive Budget recommends deleting this proviso as requested by the Department.</i>
78.4	Insurance Fraud
Establish	<i>The Executive Budget recommends adding this proviso authorizing the Department of Insurance to retain and use up to \$5,000,000 of fees collected to combat and prosecute insurance fraud cases.</i>
81.13	First Responder PTSD Treatment
Establish	<i>The Executive Budget recommends adding this proviso directing the Department of Labor, Licensing and Regulation to distribute funds to the South Carolina Firefighter Assistance Support Team (FAST) to reimburse firefighters and emergency medical technicians who incur mental injury as a result of a critical incident during the scope of employment.</i>

81.14	Local Fire Department Grants
Establish	<i>The Executive Budget recommends adding this proviso creating a grants committee at the Department of Labor, Licensing and Regulation, setting criteria for grant awards, and requiring external evaluation of grantees.</i>
82.2	Cost Recovery Fee/Sale of Photos or Digitized Images
Amend	<i>This proviso allows the Department of Motor Vehicles to collect and retain fees for various deliverables and prohibits the sale of driver's license or personal identification card images to private parties. The Executive Budget recommends amending this proviso to allow the agency to collect and retain fees for Freedom of Information Act requests.</i>
82.3	DPPA Compliance Audit
Amend	<i>This proviso allows the Department of Motor Vehicles to charge fees to defray the costs associated with auditing and enforcing compliance of laws pertaining to personal information for customers receiving information disseminated by the department. The Executive Budget recommends amending to remove language related to the Comptroller General's Office.</i>
82.7	Phoenix III Migration Pilot
Delete	<i>This proviso allows the Department of Motor Vehicles to utilize the remainder of earmarked funds for the Phoenix project in FY 2019-20. The Executive Budget recommends deleting this proviso as it is no longer needed.</i>
82.8	Real ID
Amend	<i>This proviso grants the Department of Motor Vehicles the flexibility to spend any remaining cash, except funds designated for the Phoenix project, on Real ID implementation in FY 2019-20. The Executive Budget recommends amending to update the fiscal year reference and to remove language exempting the Phoenix III funds.</i>
82.10	Minor Identification Card Fees
Amend	<i>This proviso allows the Department of Motor Vehicles to waive the \$5 fee for individuals under the age of 17, if issuance is through an established partnership with a state or federal agency. The Executive Budget recommends amending to allow the fee to be waived for individuals of all ages.</i>
82.11	Temporary License Plate Revenue Direction
Establish	<i>The Executive Budget recommends adding this proviso allowing the Department of Motor Vehicles to retain and use the revenue collected from trackable temporary license plates.</i>
83.5	UI Tax System Modernization
Amend	<i>This proviso allows the Department of Employment and Workforce to dispose of unused property which has federal equity and, in compliance with the Reed Act, use the funds for the Unemployment Insurance program. This amendment decreases the amount of funds authorized (resulting from disposition of property) to be used for the Unemployment Insurance program's tax system modernization as requested by the agency.</i>

83.6	Employment Training Outcomes Data Sharing
Amend	<i>This proviso requires the integration of data for the improvement of employment assessment outcomes by various providers and allows the Department of Employment and Workforce to charge for providing employment related data to state agency recipients. The Executive Budget recommends removing language exempting the Department of Commerce from being charged for data sharing, which conforms the language to federal law.</i>
84.15	Compensatory Payment
Establish	<i>The Executive Budget recommends adding this proviso to allow the Department of Transportation to exempt employees to be paid for actual hours worked in lieu of accruing compensatory time during a state of emergency declared by the Governor.</i>
84.16	Non-Federal Aid Highway fund
Establish	<i>The Executive Budget recommends adding this proviso clarifying the language on the use of funds from Act 176, so that funds may be used to repair and maintain the existing highway system, consistent with the language of the Infrastructure Maintenance Trust Fund established in Act 40 of 2017.</i>
88.1	Charleston Cooper River Bridge Project
Amend (Technical)	<i>This proviso directs the State Ports Authority to pay the State Transportation Infrastructure Bank \$1 million to continue the Charleston Cooper River Bridge Project. The Executive Budget recommends updating the fiscal year reference.</i>
88.5	Jasper Ocean Terminal Permitting
Amend	<i>This proviso directs that any funds appropriated to the State Ports Authority for the Jasper Ocean Terminal shall be utilized for activities approved and directed by the joint venture governing board and associated with advancing the project during the upcoming fiscal year. In FY 2019-20, the proviso also directed the State Ports Authority to utilize not more than \$5,000,000 for the purchase of real property at the Sherwood Plantation. The Executive Budget recommends the deletion of language related to the purchase of real property at the Sherwood Plantation and to update any date references.</i>
91.23	Technology Panel
Amend	<i>This proviso directs the K-12 Technology Panel Initiative partnership to submit an annual report detailing the expenditure of K-12 Technology funds. The Executive Budget recommends amending this proviso to update the fiscal year reference.</i>
93.2	State House Operation & Maintenance Account
Amend	<i>This proviso directs the Department of Administration to maintain a separate account for funds appropriated for State House Maintenance and Operations and Renovations. The Executive Budget recommends amending this proviso to update the account reference to “Capitol Complex and Mansion” as requested by the Department.</i>
96.1	UCC Filing Fees
Amend	<i>This proviso allows the Secretary of State to retain up to \$180,000 of UCC filing fees for administration of the UCC program. This amendment increases the amount the agency is allowed to retain to \$250,000.</i>

96.4	Charity Fine Revenue
Establish	<i>The Executive Budget recommends adding this proviso to increase the amount of charity fines the Secretary of State is authorized to retain from \$200,000 to \$300,000.</i>
100.13	National or State Guard State Active Duty
Amend	<i>This proviso requires \$500,000 from the general fund to be set aside to cover costs incurred by the Adjutant General in the event the SC National Guard or State Guard is activated during a declared emergency. This amendment increases the amount set aside to \$1,000,000.</i>
100.20	Retention of Accrued Leave for Firefighters Transitioning from Grant to FTE
Establish	<i>The Executive Budget recommends adding this proviso allowing employees of the Adjutant General to be converted to full-time equivalent positions from temporary grant positions in FY 2020-21 to retain their accrued leave.</i>
102.12	Match for Additional HAVA Funds
Amend	<i>This proviso authorizes the State Election Commission to utilize funds appropriated for primary and general elections and voting system refurbishments to provide the state match should Help America Vote Act federal funds become available. This amendment deletes the reference to voting system refurbishment as a new voting system has been implemented.</i>
102.13	Third Party Consultant
Delete	<i>This proviso directs the State Election Commission to expend funds to contract for a third-party consultant to advise the Richland County Election Commission on the conduct of elections. The Executive Budget recommends deleting this proviso.</i>
103.3	SC Health & Human Services Data Warehouse
Amend	<i>This proviso establishes the data warehouse within the Revenue and Fiscal Affairs Office to enhance health and human services agencies by coordination and integration of client information. This amendment adds language related to the Department of Health and Environmental Control's electronic health records system to the list of exemptions, as requested by the Department.</i>
103.6	NG911 Strategic Plan
Delete	<i>This proviso directs the Revenue and Fiscal Affairs Office to expend \$150,000 to develop a statewide NG911 strategic plan. The Executive Budget recommends deleting this proviso as the strategic plan has been developed.</i>
108.3	Health Plan Tobacco User Differential
Amend	<i>This proviso authorizes PEBA to charge a tobacco surcharge to health plan members who utilize tobacco products. The proviso is amended to authorize PEBA to charge a surcharge on e-cigarette users in addition to tobacco users.</i>
108.6	State Health Plan
Amend	<i>This proviso establishes the employer and subscriber premiums for the State Health Plan. This amendment updates the date references to ensure employer and subscriber premiums remain the same for Plan Year 2020 as in Plan Year 2020.</i>

108.12	South Carolina Retirement Systems
Establish	<i>The Executive Budget recommends adding this proviso to close the South Carolina Retirement System to new enrollees effective December 31, 2020 and directs all new enrollees to join the State Optional Retirement Plan.</i>
109.12	Food Manufacturing Equipment
Delete	<i>This proviso requires the exemption of sales and use taxes on clothing and equipment used in food preparation as defined by the North American Industry Classification system. The Executive Budget recommends the deletion of this proviso.</i>
109.13	Collection of Business License Taxes
Amend	<i>This proviso prohibits counties from using third parties to assess, collect, and process business license taxes for telecommunication providers and insurers. This amendment adds the Municipal Association of South Carolina to the list of entities prohibited from use by counties and removes language related to the creation and composition of a study committee.</i>
109.14	Cigarette Stamps
Delete	<i>This proviso provides an extension to taxpayers filing a report stating the number of unstamped packages of cigarettes. The Executive Budget recommends deleting this proviso as the extension date has passed.</i>
109.15	Individual Income Tax
Establish	<i>The Executive Budget recommends adding this proviso directing the Department of Revenue to reduce individual income tax rates by .2% each year for 5 years beginning in tax year 2020. The proviso includes a minimum threshold of 5% general fund growth annually before a reduction may be implemented.</i>
109.16	Workforce and Senior Affordable Housing Act
Establish	<i>The Executive Budget recommends adding this proviso to provide a state tax credit for qualified housing projects placed into service after January 1, 2021.</i>
110.1	Ethics Commission Website Changes
Delete	<i>This proviso requires the Ethics Commission to obtain approval of the General Assembly prior to making changes to the agency's Reporting System. The Executive Budget recommends deleting this proviso.</i>
110.3	Lobbyists and Lobbyist Principal Registration Fee
Establish	<i>The Executive Budget recommends adding a new proviso to authorize the Ethics Commission to increase the lobbyist and lobbyist principal registration fee from \$100 to \$200.</i>
112.1	Excess Debt Service
Amend	<i>This proviso provides guidance to the State Treasurer's Office on the use of excess debt service funds. This amendment deletes references to one-time nonrecurring appropriations made from excess debt service funds in the prior fiscal year.</i>

113.2	Quarterly Distributions
Amend (Technical)	<i>This proviso provides guidance on the quarterly distribution of funds to local governments. This amendment updates the fiscal year reference.</i>
113.5	Local Government Fund
Delete	<i>This proviso suspends provisions of the Code of Laws that pertained to the Local Government Fund. The Executive Budget recommends deleting this proviso as changes to the Local Government Fund have been codified in permanent law.</i>
113.7	Political Subdivision Flexibility
Delete	<i>This proviso allows political subdivisions to reduce support of state-mandated programs by percentage reductions to the Local Government Fund. The Executive Budget recommends deleting this proviso as changes to the Local Government Fund have been codified in permanent law.</i>
117.2	Appropriations from Funds
Amend (Technical)	<i>This proviso states that funds appropriated in the Act are for the current fiscal year. This amendment updates the fiscal year reference.</i>
117.3	Fiscal Year Definitions
Amend (Technical)	<i>This proviso defines “current fiscal year.” This amendment updates the fiscal year reference.</i>
117.53	Employee Bonuses
Amend	<i>This proviso authorizes state agencies and institutions to expend state, federal, and other sources of revenue to provide employee lump sum bonuses, not to exceed three thousand dollars per year, based on objective guidelines established by the Department of Administration. This amendment removes the prohibition of bonuses for employees earning more than \$100,000 annually, as requested by the Department.</i>
117.69	Printed Report Requirements
Amend (Technical)	<i>This proviso provides reporting guidance to higher education institutions. This amendment updates the fiscal year reference.</i>
117.106	Charleston & Dorchester County Sound Barriers
Delete	<i>This proviso allows Charleston and Dorchester Counties to construct sound barriers with the Department of Transportation’s easements along Interstate 26. The Executive Budget recommends deleting this proviso.</i>
117.109	Employee Compensation
Amend	<i>This proviso provides guidance on the distribution of funds appropriated for Employee Pay Increases. The Executive Budget recommends amending this proviso to direct agency heads to develop a compensation plan, with the assistance of the Department of Administration, to provide an average 2% pay increase for state employees.</i>

117.117	Retail Facilities Revitalization Act Repeal Suspension
Amend (Technical)	<i>This proviso suspends the repeal of Chapter 34 of Title 6 of the 1976 Code related to property and income tax credits for rehabilitation expenses incurred during renovation of former retail or service facilities. This amendment updates the fiscal year reference.</i>
117.119	BabyNet
Amend (Technical)	<i>This proviso requires the Executive Budget Office to conduct an inventory of all BabyNet-related spending, which shall be submitted to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. This amendment updates the fiscal year reference.</i>
117.120	South Carolina Telemedicine Network
Amend	<i>This proviso requires the development of a telemedicine network that complies with federal regulations and requires the Department of Health and Human Services to report compliance to House Ways and Means and Senate Finance Committees. This amendment deletes the reporting requirement.</i>
117.121	Distribution Facility
Delete	<i>This proviso classifies the State Ports Authority as a distribution facility for the purpose of sales tax exemptions associated with the purchase of equipment and construction materials. The Executive Budget recommends deleting this proviso as this classification has been codified by Act 37 of 2019.</i>
117.124	SCRS & PORS Trust Fund
Amend	<i>This proviso directs the use of funds appropriated to the Public Employee Benefit Authority for credit given to participating employers of the South Carolina Retirement System and Police Officers Retirement System. This amendment updates the fiscal year reference.</i>
117.129	Statewide Administrative Services
Amend (Technical)	<i>This proviso authorizes the Department of Administration to provide consolidated administrative services to state agencies. This amendment updates the fiscal year reference.</i>
117.131	State Flag Study Committee
Delete	<i>This proviso establishes the South Carolina State Flag Study Committee to propose an official, uniform design for the state flag. The Executive Budget recommends deleting this proviso as the committee's work will be completed in this fiscal year.</i>
117.137	Georgetown County Boat Ramps
Delete	<i>This proviso directs the Department of Transportation to transfer the remaining balance from Proviso 118.17(B)(43)(f) in Act 101 of 2013 to the Department of Natural Resources to be credited in the Georgetown County Water Recreation Fund. The Executive Budget recommends deleting this proviso as the transfer and credit have been completed.</i>

117.138	CDBG-DR Flexibility
Delete	<i>This proviso directs the Department of Commerce to transfer the remaining funds appropriated for Non-CDBG Disaster Recovery to the Department of Administration. The Executive Budget recommends deleting this proviso as the transfer has been completed.</i>
117.140	Higher Education Tuition Mitigation
Amend	<i>This proviso establishes the Part IA appropriation increases by institution of higher education intended for tuition mitigation, requires the institutions to certify to CHE that they have not raised tuition or mandatory fees, and requires that any institution not certifying compliance must remit their General Fund increase. This amendment conforms the proviso the new Part IA increases and removes the language allowing institutions to increase tuition and fees to pay for employer contribution pension increases.</i>
117.142	Voting System Funds Transfer
Delete	<i>This proviso directs the State Election Commission to transfer funds previously appropriated for the purchase or refurbishment of voting machines to the Department of Administration to purchase a new statewide voting system. The Executive Budget recommends deleting this proviso as the transfer has been completed.</i>
117.146	Intrastate Motor Carrier Fee Collections
Amend (Technical)	<i>This proviso requires the Department of Motor Vehicles to consult with the Department of Revenue and other key entities regarding the collection of road use fees. This amendment updates the fiscal year reference.</i>
117.149	Early Childhood Education Study Committee
Delete	<i>This proviso establishes the Early Childhood Education Study Committee to study the creation of a cabinet-level agency that would organize all early childhood services. The Executive Budget recommends deleting this proviso as the committee's findings have been completed.</i>
117.150	Educational Fee Waivers for In-State Students
Establish	<i>The Executive Budget recommends adding this new proviso allowing institutions of higher education to offer up to an additional four percent of student's fee waivers, limited exclusively to in-state undergraduate students with family incomes under two hundred percent of federal poverty guidelines.</i>
117.151	Chief Resilience Officer
Establish	<i>The Executive Budget recommends adding this proviso establishing the state Chief Resilience Officer and Office of Resilience to coordinate strategic resilience planning to maximize federal assistance on critical policy and projects.</i>
118.1	Year End Cutoff
Amend (Technical)	<i>This proviso sets the year end cutoff dates for processing payments. This amendment updates the fiscal year reference.</i>

118.9	Tax Relief Reserve Fund
Amend (Technical)	<i>This proviso establishes the Tax Relief Reserve Fund to provide tax relief to businesses and individuals. This amendment updates this fiscal year reference.</i>
118.11	Tobacco Settlement
Amend	<i>This proviso directs the use of payments from the Tobacco Master Settlement Agreement. This amendment removes the authorization granted to the Attorney General to expend funds on information technology and infrastructure upgrades during FY 2019-20.</i>
118.14	Taxpayer Rebate
Amend	<i>This proviso provides each taxpayer a \$50 rebate for tax year 2018. The Executive Budget recommends amending this proviso to provide a pro-rata taxpayer rebate to each individual income tax return for tax year 2019.</i>
118.15	Nonrecurring Revenue
Delete	<i>This proviso appropriates nonrecurring revenue sources for FY 2019-20. The Executive Budget recommends deleting this proviso as funds have been appropriated.</i>
118.16	Farm Aid
Delete	<i>This proviso establishes the South Carolina Farm Aid Fund to provide grants to persons that experienced a loss due to Hurricanes Michael and Florence. The Executive Budget recommends deleting this proviso as federal funds were provided for this purpose.</i>
118.17	Nonrecurring Revenue
Amend	<i>The Executive Budget recommends adding this proviso to appropriate nonrecurring revenue sources for FY 2020-21.</i>

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Summary Control Document

Unaudited 01/09/20		SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill										Governor's Executive Budget									
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.																					
Line	Agency Beginning Base	FY 2020-21					State					FY 2019-20									
		Part IA Recurring Funds	Nonrecurring Proviso	Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total	Part IA Recurring Funds	Nonrecurring Proviso	Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total						
ESTIMATED REVENUES																					
1		10,229,087,000																			
2		10,229,087,000																			
3		(629,405,136)																			
4		-																			
5		9,599,681,864																			
6																					
7		9,599,681,864																			
8																					
9		(8,737,012,312)																			
10																					
11		862,669,552																			
12																					
13																					
14		(160,668,000)																			
15		(9,181,615)																			
16		(9,351,000)																			
17																					
18		(179,200,615)																			
19																					
20		683,468,937																			
21																					
22																					
23																					
24		349,951,083																			
25		499,535,000																			
26		(34,024,350)																			
27																					
28		815,461,733																			
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36																					
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38		683,468,937																			
39		815,461,733																			
40																					
41		683,468,937																			
42																					
43		683,468,937																			
44		8,737,012,312																			
45																					
46																					
47																					
48																					
49																					
50																					
51																					
52																					
53																					
54		9,420,481,249																			
55																					
56		9,420,481,249																			
57		815,461,733																			
58		162,485,305																			

Unaudited 01/09/20		SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill										Governor's Executive Budget										
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Line	Agcy #	Sec #	FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total	Line	Agcy #	Sec #	FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total	
59							10,398,428,287	9,277,211,154	12,364,563,082	32,040,202,523	59							10,398,428,287	9,277,211,154	12,364,563,082	32,040,202,523	
60											60											
61			8,737,012,312								61											
62											62											
63											63											
64											64											
65											65											
66											66											
67											67											
68	F300	106		33,000,000			33,000,000			33,000,000	68				33,000,000			33,000,000				33,000,000
69				38,742,000			38,742,000			38,742,000	69				38,742,000			38,742,000				38,742,000
70				32,411,836			32,411,836			32,411,836	70				32,411,836			32,411,836				32,411,836
71											71											
72				104,153,836			104,153,836			104,153,836	72				104,153,836			104,153,836				104,153,836
73				104,153,836			104,153,836			104,153,836	73				104,153,836			104,153,836				104,153,836
74											74											
75	F310	107	162,485,305				162,485,305			162,485,305	75				162,485,305			162,485,305				162,485,305
76				13,609,739			13,609,739			13,609,739	76				13,609,739			13,609,739				13,609,739
77											77											
78				13,609,739			13,609,739			13,609,739	78				13,609,739			13,609,739				13,609,739
79				176,095,044			176,095,044			176,095,044	79				176,095,044			176,095,044				176,095,044
80											80											
81	V040	112	191,630,298				191,630,298			191,630,298	81				191,630,298			191,630,298				191,630,298
82				(120,239,577)			(120,239,577)			(120,239,577)	82				(120,239,577)			(120,239,577)				(120,239,577)
83											83											
84				(120,239,577)			(120,239,577)			(120,239,577)	84				(120,239,577)			(120,239,577)				(120,239,577)
85				71,390,721			71,390,721			71,390,721	85				71,390,721			71,390,721				71,390,721
86											86											
87	R440	109			250,000,000		250,000,000			250,000,000	87							250,000,000				250,000,000
88											88											
89											89											
90											90											
91											91											
92											92											
93	X220	113	20,616,033				20,616,033			20,616,033	93				20,616,033			20,616,033				20,616,033
94											94											
95											95											
96	X220	113	233,740,696				233,740,696			233,740,696	96				233,740,696			233,740,696				233,740,696
97				11,687,035			11,687,035			11,687,035	97				11,687,035			11,687,035				11,687,035
98											98											
99				11,687,035			11,687,035			11,687,035	99				11,687,035			11,687,035				11,687,035
100				266,043,764			266,043,764			266,043,764	100				266,043,764			266,043,764				266,043,764
101											101											
102	X440	114	20,421,270				20,421,270			20,421,270	102				20,421,270			20,421,270				20,421,270
103				(20,421,270)			(20,421,270)			(20,421,270)	103				(20,421,270)			(20,421,270)				(20,421,270)
104											104											
105				(20,421,270)			(20,421,270)			(20,421,270)	105				(20,421,270)			(20,421,270)				(20,421,270)
106											106											
107											107											
108	X500	115									108								614,053,000			614,053,000
109											109											
110											110								15,352,136			15,352,136
111											111											
112											112								15,352,136			15,352,136
113											113								629,405,136			629,405,136
114			628,893,602	(11,210,237)	250,000,000		879,370,400			879,370,400	114				879,370,400			879,370,400				879,370,400
115											115											
116											116											
117											117											

Unaudited	01/09/20	SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill	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.	FY 2020-21 Agency Beginning Base	State				Federal	Other	Total
					Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds			
Line				Beginning Base							Line
118											118
119	H630	1	State Department of Education (See Also Lottery Section)	3,334,394,114				879,200,886		902,882,909	5,116,477,909
120			State Funds Adjustments:								120
121			Teacher Salary Increase - \$3,000 per teacher		213,450,030						213,450,030
122			BSC Inflation Factor (Maintain \$2,489 BSC)		21,656,971						21,656,971
123			\$10 Base Student Cost Increase		9,448,813						9,448,813
124			New Weight - Students with Multiple Disabilities		45,228,488						45,228,488
125			Relocation Assistance		2,440,303						2,440,303
126			Bus Lease		15,000,000						15,000,000
127			School Resource Officers		23,400,000						23,400,000
128			SC Virtual School Program (VirtualISC)		2,610,000						2,610,000
129			Additional FTEs - Office of School Facilities		247,300						247,300
130			Outcome and Accountability Data System		142,448						142,448
131			Other Operating Expense Increase		229,914						229,914
132			Production Manager II Position (Governor's School for Arts and Humanities)		66,456						66,456
133			Building and Grounds Specialist II Position (Governor's School for Arts and Humanities)		42,880						42,880
134			Teacher Salary In-Schedule STEP Increase (Governor's School for Arts and Humanities)		60,750						60,750
135			Music and Visual Art Instructors (Governor's School for Arts and Humanities)		166,820						166,820
136			Student Success Coordinators for the Virtual Program (Governor's School for Science and Math)		233,180						233,180
137			Relocation Assistance		2,200,000						2,200,000
138			Instructional Materials		40,000,000						40,000,000
139			Bus Purchase		32,022,000						32,022,000
140			First Steps - Outcome and Accountability Data System		595,000						595,000
141			School for Arts and Humanities - Deferred Maintenance		1,000,000						1,000,000
142			School for Science and Math - Deferred Maintenance		1,000,000						1,000,000
143											143
144											144
145			Federal Funds Adjustments:								145
146			Federal Budget Authority Increase due to Increased Federal Grant Awards					100,000,000			100,000,000
147											147
148			Other Funds Adjustments:								148
149			Governor's School for Arts and Humanities - Increase Other Operating Expense						500,000		500,000
150			Funds from Volkswagen Environmental Mitigation Trust to Purchase School Buses						7,872,600		7,872,600
151			EIA Expenditures Adjustment (Details in EIA Section)						100,785,200		100,785,200
152											152
153			SUBTOTAL INCREMENTAL ADJUSTMENTS		334,419,353	76,817,000		100,000,000		109,157,800	620,394,153
154			SUBTOTAL STATE DEPARTMENT OF EDUCATION		3,668,813,467			979,200,886	1,012,040,709		5,756,872,062
155											155
156	H660	3	Lottery Expenditure Account (See Lottery Section for Appropriations)						476,800,000		476,800,000
157			Other Funds:								157
158											158
159											159
160			SUBTOTAL INCREMENTAL ADJUSTMENTS								160
161			SUBTOTAL LOTTERY EXPENDITURE ACCOUNT						476,800,000		476,800,000
162											162
163	A850	4	Education Oversight Committee						1,793,242		1,793,242
164			State Funds Adjustments:								164
165											165
166			Other Funds Adjustments:								166
167											167
168			SUBTOTAL INCREMENTAL ADJUSTMENTS								168
169			SUBTOTAL EDUCATION OVERSIGHT COMMITTEE						1,793,242		1,793,242
170											170
171	H710	5	Will Lou Gray Opportunity School	6,612,764				240,000		985,321	7,838,085
172			State Funds Adjustments:								172
173			Licensed Professional Counselor Supervisor		100,000						100,000
174			Classroom Security Improvement			300,000					300,000
175			Security Camera and Keyless Entry			200,000					200,000
176											176
177			Federal Funds Adjustments:								177

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Line											FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds						
237												1,555,357	-	-	1,555,357		1,000,000	2,555,357						
238												37,070,696			37,070,696	4,729,832	6,469,188	48,269,716						
239																								
240																								
241	H060	12									27,903,097				27,903,097		6,050,000	33,953,097						
242																								
243												1,128,792			1,128,792			1,128,792						
244												270,000			270,000			270,000						
245												9,165			9,165			9,165						
246													200,000		200,000			200,000						
247																								
248																								
249																								
250																								
251																								
252																								
253																								
254												1,407,957	200,000		1,607,957		200,000	1,807,957						
255												29,311,054			29,311,054		6,250,000	35,761,054						
256																								
257																								
258	H090	13									12,500,686				12,500,686	33,936,275	108,120,000	154,556,961						
259																								
260												625,034			625,034			625,034						
261													2,617,458		2,617,458			2,617,458						
262																								
263																								
264																916,279		916,279						
265																								
266																								
267																								
268																								
269																								
270												625,034			625,034			625,034						
271												13,125,720		2,617,458	15,743,178	34,852,554	111,039,240	161,634,972						
272																								
273	H120	14									95,282,172				95,282,172	127,655,954	945,642,629	1,168,580,755						
274																								
275												4,764,109			4,764,109			4,764,109						
276												1,300,000			1,300,000			1,300,000						
277												3,000,000			3,000,000			3,000,000						
278													15,956,246		15,956,246			15,956,246						
279																								
280																								
281																6,930,585		6,930,585						
282																								
283																								
284																								
285																								
286												9,064,109		15,956,246	25,020,355	6,930,585	58,317,670	90,268,610						
287												104,346,281			120,302,527	134,586,539	1,003,960,299	1,258,849,365						
288																								
289	H150	15									30,814,507				30,814,507	19,500,000	223,062,766	273,377,273						
290																								
291												1,540,725			1,540,725			1,540,725						
292																								
293																								
294																								
295																								

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Line	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000	1001	1002	1003	1004	1005	1006	1007	1008	1009	1010	1011	1012	1013	1014	1015	1016	1017	1018	1019	1020	1021	1022	1023	1024	1025	1026	1027	1028	1029	1030	1031	1032	1033	1034	1035	1036	1037	1038	1039	1040	1041	1042	1043	1044	1045	1046	1047	1048	1049	1050	1051	1052	1053	1054	1055	1056	1057	1058	1059	1060	1061	1062	1063	1064	1065	1066	1067	1068	1069	1070	1071	1072	1073	1074	1075	1076	1077	1078	1079	1080	1081	1082	1083	1084	1085	1086	1087	1088	1089	1090	1091	1092	1093	1094	1095	1096	1097	1098	1099	1100	1101	1102	1103	1104	1105	1106	1107	1108	1109	1110	1111	1112	1113	1114	1115	1116	1117	1118	1119	1120	1121	1122	1123	1124	1125	1126	1127	1128	1129	1130	1131	1132	1133	1134	1135	1136	1137	1138	1139	1140	1141	1142	1143	1144	1145	1146	1147	1148	1149	1150	1151	1152	1153	1154	1155	1156	1157	1158	1159	1160	1161	1162	1163	1164	1165	1166	1167	1168	1169	1170	1171	1172	1173	1174	1175	1176	1177	1178	1179	1180	1181	1182	1183	1184	1185	1186	1187	1188	1189	1190	1191	1192	1193	1194	1195	1196	1197	1198	1199	1200	1201	1202	1203	1204	1205	1206	1207	1208	1209	1210	1211	1212	1213	1214	1215	1216	1217	1218	1219	1220	1221	1222	1223	1224	1225	1226	1227	1228	1229	1230	1231	1232	1233	1234	1235	1236	1237	1238	1239	1240	1241	1242	1243	1244	1245	1246	1247	1248	1249	1250	1251	1252	1253	1254	1255	1256	1257	1258	1259	1260	1261	1262	1263	1264	1265	1266	1267	1268	1269	1270	1271	1272	1273	1274	1275	1276	1277	1278	1279	1280	1281	1282	1283	1284	1285	1286	1287	1288	1289	1290	1291	1292	1293	1294	1295	1296	1297	1298	1299	1300	1301	1302	1303	1304	1305	1306	1307	1308	1309	1310	1311	1312	1313	1314	1315	1316	1317	1318	1319	1320	1321	1322	1323	1324	1325	1326	1327	1328	1329	1330	1331	1332	1333	1334	1335	1336	1337	1338	1339	1340	1341	1342	1343	1344	1345	1346	1347	1348	1349	1350	1351	1352	1353	1354	1355	1356	1357	1358	1359	1360	1361	1362	1363	1364	1365	1366	1367	1368	1369	1370	1371	1372	1373	1374	1375	1376	1377	1378	1379	1380	1381	1382	1383	1384	1385	1386	1387	1388	1389	1390	1391	1392	1393	1394	1395	1396	1397	1398	1399	1400	1401	1402	1403	1404	1405	1406	1407	1408	1409	1410	1411	1412	1413	1414	1415	1416	1417	1418	1419	1420	1421	1422	1423	1424	1425	1426	1427	1428	1429	1430	1431	1432	1433	1434	1435	1436	1437	1438	1439	1440	1441	1442	1443	1444	1445	1446	1447	1448	1449	1450	1451

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Line	Agency	Beginning Base	FY 2020-21				FY 2019-20				Federal		Other		Total						
			Part 1A Recurring Funds	Nonrecurring Proviso	Capital Reserve Fund	Total State Funds	Part 1A Recurring Funds	Nonrecurring Proviso	Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Federal Funds	Other Funds							
652					3,000,000										3,000,000	652	3,000,000				
653					7,409,009										7,409,009	653	7,409,009				
654																654					
655																655					
656																656					
657																657	264,520,394				
658																658	38,480,260				
659																659	28,268,308				
660																660					
661																661					
662																662	70,219,845				
663																663	1,386,087				
664																664	3,749,864				
665																665					
666																666					
667																667	75,355,796				
668																668	1,065,837,740				
669																669	220,899,732				
670	34			145,115,520												670	286,140,200				
671																671					
672																672	997,000				
673																673	635,594				
674																674	240,810				
675																675	543,619				
676																676	4,512,000				
677																677	101,128				
678																678					
679																679					
680																680					
681																681					
682																682					
683																683					
684																684					
685																685	7,030,151				
686																686	659,185,603				
687																687					
688	J120			256,881,419												688	22,270,928				
689																689					
690																690	3,500,000				
691																691	750,000				
692																692	625,897				
693																693	250,000				
694																694	400,000				
695																695	750,000				
696																696	1,100,000				
697																697	300,000				
698																698	325,000				
699																699	4,000,000				
700																700	2,500,000				
701																701	2,000,000				
702																702	37,888,352				
703																703					
704																704					
705																705					
706																706					
707																707					
708																708					
709																709	35,500,000				
710																710					
711																711	89,889,249				
																	54,389,249				
																	46,388,352				
																	7,222,191				

Unaudited 01/09/20		SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill										Governor's Executive Budget					
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.																	
Line	Agency	Beginning Base	FY 2020-21				FY 2019-20				Federal		Other		Total		
			Part IA Recurring Funds	Nonrecurring Proviso	Capital Reserve Fund	Total State Funds	Part IA Recurring Funds	Nonrecurring Proviso	Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Federal Funds	Other Funds			
830															201,000	201,000	830
															(15,159)	(15,159)	831
832																	832
833															1,618,927	10,499,380	833
834															37,627,605	219,563,466	834
835																	835
P120	43	Forestry Commission													9,678,713	36,446,865	836
836		State Funds Adjustments:															837
837		Firefighting Equipment															838
838		Staffing Realignment for Agency Efficiency	1,000,000													1,000,000	839
839		Information Technology and Security	330,000													330,000	840
840		Fire Support Aircraft		250,000												250,000	841
841		Equipment Replacement		1,000,000												1,000,000	842
843		Federal Funds Adjustments:															843
844																	844
845																	845
846																	846
847																	847
848																	848
849															2,000,000	2,000,000	849
850																	850
851			1,750,000	1,250,000												3,000,000	851
852			23,754,592													25,004,592	852
P160	44	Department of Agriculture															853
853		State Funds Adjustments:															854
854		Agency Operating	850,000													850,000	855
855		State Hemp Farming Program		1,300,000												1,300,000	856
856		Certified SC Grown Program		400,000												400,000	857
857																	858
858																	859
859																	860
860																	861
861																	862
862																	863
863																	864
864																	865
865																	866
866																	867
867			850,000	1,700,000												2,550,000	868
868			14,931,288													16,631,288	869
P200	45	Clemson-PSA															870
870		State Funds Adjustments:															871
871		Statewide Comprehensive Extension Program Support															872
872		Critical Fruit and Vegetable Research	1,127,250													1,127,250	873
873		Statewide Forestry and Wildlife Extension	1,448,400													1,448,400	874
874		Research and Education Center Graduate Student Housing	767,800													767,800	875
875		Pee Dee Research and Education Center Greenhouses		4,000,000												4,000,000	876
876		Sandhill REC Research and Extension Building Repairs		2,000,000												2,000,000	877
877				990,000												990,000	878
878																	879
879																	880
880																	881
881																	882
882																	883
883																	884
884																	885
885			3,343,450	6,990,000												10,333,450	886
886			50,065,743													57,055,743	887
887																	888
P210	46	SC State-PSA															889
888																4,883,183	9,056,924

Unaudited 01/09/20	SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill	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.	Governor's Executive Budget									
			FY 2020-21 Agency Beginning Base		State				Federal		Other	
Line			Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line		
949				3,000,000		3,000,000	3,000,000		3,000,000	949	3,000,000	
950				3,000,000		3,000,000	3,000,000		3,000,000	950	3,000,000	
951				5,000,000		5,000,000	5,000,000		5,000,000	951	5,000,000	
952										952		
953										953		
954										954		
955										955		
956										956		
957										957		
958								36,000	36,000	958	36,000	
959								4,290,000	4,290,000	959	4,290,000	
960								1,500,000	1,500,000	960	1,500,000	
961										961		
962			263,560	31,960,000		32,223,560	32,223,560	6,126,000	38,349,560	962	38,349,560	
963			51,270,001			83,230,001	83,230,001	2,505,110	155,279,153	963	155,279,153	
964										964		
965	P320	50	52,672,576			52,672,576	52,672,576	19,465,015	176,749,091	965	176,749,091	
966										966		
967			3,700,000			3,700,000	3,700,000		3,700,000	967	3,700,000	
968			250,000			250,000	250,000		250,000	968	250,000	
969			170,000			170,000	170,000		170,000	969	170,000	
970				4,000,000		4,000,000	4,000,000		4,000,000	970	4,000,000	
971				360,000		360,000	360,000		360,000	971	360,000	
972										972		
973										973		
974								40,000	40,000	974	40,000	
975								255,000	255,000	975	255,000	
976										976		
977										977		
978								50,000	50,000	978	50,000	
979										979		
980			4,120,000	4,360,000		8,480,000	8,480,000	295,000	8,825,000	980	8,825,000	
981			56,792,576			61,152,576	61,152,576	19,760,015	135,574,091	981	135,574,091	
982										982		
983	P340	51						18,000	405,150	983	423,150	
984										984		
985										985		
986										986		
987										987		
988										988		
989										989		
990										990		
991										991		
992										992		
993										993		
994										994		
995								18,000	405,150	995	423,150	
996	P360	52							13,836,012	996	13,836,012	
997										997		
998										998		
999										999		
1000										1000		
1001										1001		
1002										1002		
1003										1003		
1004										1004		
1005									13,836,012	1005	13,836,012	
1006	P400	53	9,070,134			9,070,134	9,070,134		2,564,400	1006	11,634,534	
1007										1007		
1008			2,000,000	3,000,000		5,000,000	5,000,000		5,000,000	1008	5,000,000	

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Line	FY 2020-21 Agency Beginning Base		State				Federal		Other		Total									
	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	State Funds	Federal Funds	Other Funds	Total State Funds	Total Federal Funds	Total Other Funds	Total Funds							
1009													1009							
1010													1010							
1011													1011							
1012													1012							
1013													1013							
1014													1014							
1015							5,000,000			5,000,000			1015							
1016							14,070,134			14,070,134		2,564,400	1016							
1017													1017							
1018	P450	54					22,035,656	700,000		22,035,656	700,000	21,394,000	1018							
1019													1019							
1020							2,000,000			2,000,000			1020							
1021							4,300,000			4,300,000			1021							
1022													1022							
1023													1023							
1024													1024							
1025													1025							
1026							2,000,000			2,000,000			1026							
1027							24,035,656			24,035,656	700,000	21,394,000	1027							
1028													1028							
1029	B040	57					70,008,010			70,008,010	835,393	22,123,000	1029							
1030													1030							
1031													1031							
1032													1032							
1033													1033							
1034													1034							
1035													1035							
1036													1036							
1037													1037							
1038													1038							
1039													1039							
1040													1040							
1041							70,008,010			70,008,010	835,393	22,123,000	1041							
1042	C050	58					3,157,701			3,157,701		1,555,986	1042							
1043													1043							
1044													1044							
1045													1045							
1046													1046							
1047													1047							
1048													1048							
1049													1049							
1050													1050							
1051													1051							
1052	E200	59					14,633,341			14,633,341	60,003,654	26,764,911	1052							
1053													1053							
1054													1054							
1055													1055							
1056													1056							
1057													1057							
1058													1058							
1059													1059							
1060													1060							
1061													1061							
1062													1062							
1063													1063							
1064													1064							
1065													1065							
1066													1066							
1067													1067							

Unaudited 01/09/20		SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill										Governor's Executive Budget										
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.																						
												State										
												FY 2019-20		FY 2020-21		Federal		Other		Total		
												Capital Reserve Fund	Nonrecurring Proviso	Part 1A Recurring Funds	Agency Beginning Base	Recurring Funds	State Funds	Federal Funds	Other Funds	Federal Funds	Other Funds	Total Funds
Line																						
1194																					1194	
1195	N120	67	Department of Juvenile Justice						116,686,011												1195	
1196			State Funds Adjustments:																		1196	
1197			Recruitment and Retention of Juvenile Correction Officers and Community Specialists																		1197	
1198			DJ School District							4,119,810											1198	
1199			Safety and Security Upgrades							4,425,035											1199	
1200										5,000,000											1200	
1201																					1201	
1202			Federal Funds Adjustments:																		1202	
1203																					1203	
1204																					1204	
1205			Other Funds Adjustments:																		1205	
1206																					1206	
1207																					1207	
1208			SUBTOTAL INCREMENTAL ADJUSTMENTS							8,544,845											1208	
1209			SUBTOTAL DEPT. OF JUVENILE JUSTICE							125,230,856											1209	
1210																					1210	
1211	L360	70	Human Affairs Commission																		1211	
1212			State Funds Adjustments:																		1212	
1213			Recruitment and Retention							200,000											1213	
1214																					1214	
1215			Federal Funds Adjustments:																		1215	
1216			Recruitment and Retention																		1216	
1217																					1217	
1218			Other Funds Adjustments:																		1218	
1219			Recruitment and Retention																		1219	
1220																					1220	
1221																					1221	
1222			SUBTOTAL INCREMENTAL ADJUSTMENTS							200,000											1222	
1223			SUBTOTAL HUMAN AFFAIRS COMMISSION							2,806,319											1223	
1224																					1224	
1225	L460	71	Commission On Minority Affairs																		1225	
1226			State Funds Adjustments:																		1226	
1227			Recruitment and Retention							200,000											1227	
1228																					1228	
1229			Other Funds Adjustments:																		1229	
1230																					1230	
1231																					1231	
1232																					1232	
1233			SUBTOTAL INCREMENTAL ADJUSTMENTS							200,000											1233	
1234			SUBTOTAL COMMISSION ON MINORITY AFFAIRS							1,717,245											1234	
1235																					1235	
1236	R040	72	Public Service Commission																		1236	
1237			Other Funds Adjustments:																		1237	
1238			Administration - Personal Services & Employer Contributions																		1238	
1239			Administration - Other Operating																		1239	
1240																					1240	
1241																					1241	
1242			SUBTOTAL INCREMENTAL ADJUSTMENTS																		1242	
1243			SUBTOTAL PUBLIC SERVICE COMMISSION																		1243	
1244																					1244	
1245	R060	73	Office of Regulatory Staff																		1245	
1246			Federal Funds Adjustments:																		1246	
1247																					1247	
1248																					1248	
1249			Other Funds Adjustments:																		1249	
1250																					1250	
1251																					1251	
1252			SUBTOTAL INCREMENTAL ADJUSTMENTS																		1252	

Unaudited 01/09/20	SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill										Governor's Executive Budget									
	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.																			
Line	FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	State Funds	Federal Funds	Other Funds	Total	Line	FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	State Funds	Federal Funds	Other Funds	Total			
1430									1430											
1431									1431											
1432									1432											
1433	A200	91E							1433											
1434									1434											
1435									1435											
1436									1436											
1437									1437											
1438									1438											
1439									1439											
1440									1440											
1441									1441											
1442	D050	92A							1442											
1443									1443											
1444									1444											
1445									1445											
1446									1446											
1447									1447											
1448									1448											
1449	D200	92C							1449											
1450									1450											
1451									1451											
1452									1452											
1453									1453											
1454									1454											
1455									1455											
1456									1456											
1457	D500	93							1457											
1458									1458											
1459									1459											
1460									1460											
1461									1461											
1462									1462											
1463									1463											
1464									1464											
1465									1465											
1466									1466											
1467									1467											
1468									1468											
1469									1469											
1470									1470											
1471									1471											
1472									1472											
1473									1473											
1474	D250	94							1474											
1475									1475											
1476									1476											
1477									1477											
1478									1478											
1479									1479											
1480									1480											
1481									1481											
1482									1482											
1483									1483											
1484	E080	96							1484											
1485									1485											
1486									1486											
1487									1487											
1488									1488											

Unaudited 01/09/20	SUMMARY CONTROL DOCUMENT FY 2020-21 Appropriation Bill										Governor's Executive Budget									
	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.																			
	Line	FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	FY 2020-21 Agency Beginning Base	Part 1A Recurring Funds	Nonrecurring Proviso	FY 2019-20 Capital Reserve Fund	Total State Funds	Federal Funds	Other Funds	Total Funds	Line	
1489									1489								145,000	145,000	1489	
1490									1490								40,000	40,000	1490	
1491									1491										1491	
1492									1492								185,000	185,000	1492	
1493									1493	1,246,839				1,246,839			2,469,255	3,716,094	1493	
1494									1494										1494	
1495	E120	97							1495	2,560,272				2,560,272			875,434	3,435,706	1495	
1496									1496										1496	
1497									1497										1497	
1498									1498										1498	
1499									1499										1499	
1500									1500										1500	
1501									1501										1501	
1502									1502	2,560,272				2,560,272			875,434	3,435,706	1502	
1503									1503										1503	
1504	E160	98							1504	2,112,016				2,112,016			7,891,061	10,003,077	1504	
1505									1505										1505	
1506									1506								50,000	50,000	1506	
1507									1507								10,000,000	10,000,000	1507	
1508									1508										1508	
1509									1509										1509	
1510									1510								180,000	180,000	1510	
1511									1511										1511	
1512									1512										1512	
1513									1513										1513	
1514									1514								180,000	10,230,000	1514	
1515									1515								8,071,061	20,239,077	1515	
1516									1516										1516	
E190									E190								15,303,000	15,303,000	E190	
1517									1517										1517	
1518									1518										1518	
1519									1519										1519	
1520									1520										1520	
1521									1521										1521	
1522									1522								15,303,000	15,303,000	1522	
1523									1523										1523	
E240									E240								74,318,912	91,782,437	E240	
1524									1524										1524	
1525									1525										1525	
1526									1526								5,000,000	5,000,000	1526	
1527									1527								110,000	110,000	1527	
1528									1528								15,000,000	15,000,000	1528	
1529									1529								1,200,000	1,200,000	1529	
1530									1530								162,950	162,950	1530	
1531									1531								13,544,230	13,544,230	1531	
1532									1532										1532	
1533									1533										1533	
1534									1534								3,500,000	3,500,000	1534	
1535									1535								10,000,000	10,000,000	1535	
1536									1536								348,000	348,000	1536	
1537									1537										1537	
1538									1538										1538	
1539									1539								79,000	79,000	1539	
1540									1540										1540	
1541									1541								13,848,000	48,944,180	1541	
1542									1542								6,725,961	140,729,617	1542	
1543									1543										1543	
1544	E260	101							1544								545,000	2,682,659	1544	
1545									1545										1545	
1546									1546										1546	
1547									1547										1547	

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Appendices

Appendices

- January 10, 2020 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, certifying that the FY 2020-21 Executive Budget is balanced.
- November 19, 2019 letter from Frank Rainwater, Executive Director, South Carolina Revenue and Fiscal Affairs Office, regarding estimated costs of increasing base student costs by \$10 increments.
- December 9, 2019 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 rates over five years by a total of 1 percent each beginning in tax year 2020.
- November 13, 2019 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 2020.
- November 14, 2019 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 2020.



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

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

FRANK A. RAINWATER
Executive Director

January 10, 2020

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

Dear Governor McMaster:

Pursuant to Proviso 117.65 and based upon the information provided by the Executive Budget Office, this letter is to certify that the proposed FY 2020-21 Executive Budget is in balance as follows:

General Fund Revenue	<u>\$9,420,481,249</u>
Appropriation of General Fund Expenditures (Part IA)	<u>\$9,420,481,249</u>
Balance	<u>\$0</u>

Sincerely,

A handwritten signature in cursive script, appearing to read "Frank A. Rainwater".

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

November 19, 2019

Mr. Kevin Etheridge
Budget and Research Director, Executive Budget Office
South Carolina Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Mr. Etheridge:

This letter is in response to your request for assistance in calculating the General Fund expenditure associated with increasing the Base Student Cost by a \$10 increment. Based upon the currently available data for FY 2020-21, the cost to maintain the Base Student Cost at \$2,489 is \$21,656,971. For each \$10 increment thereafter, the total General Fund expenditure increase, including both the Education Finance Act increase and associated fringe, is projected to be \$9,443,813. Please see the table below for the estimated General Fund expenditure to increase the Base Student Cost by \$10 increments.

FY 2020-21 Estimates		
Base Student Cost	Base Student Cost Increase	Total Estimated General Fund Expenditure Increase
\$2,489	\$0	\$21,656,971
\$2,499	\$10	\$31,100,784
\$2,509	\$20	\$40,544,597
\$2,519	\$30	\$49,988,410
\$2,529	\$40	\$59,432,223
\$2,539	\$50	\$68,876,036

Based upon the latest data available, we estimate a total average daily membership (ADM) of 761,476 and weighted pupil units (WPU) of 1,043,178 for FY 2020-21. Please see the table below for the estimated ADMs and WPU by district entity. We have assumed that EFA payments for students in residential treatment facilities will remain the same as in the most recently completed fiscal year.

Mr. Kevin Etheridge
November 19, 2019
Page 2

FY 2020-21 Estimates		
District Entity	Average Daily Membership	Weighted Pupil Units
Regular school districts	722,760	993,663
S.C. Public Charter School District	25,231	31,437
Charter Institute at Erskine	12,353	16,205
Special school districts	1,132	1,873
Total	761,476	1,043,178

Please note that the final 45-day ADM counts for FY 2019-20 are not yet available. Once these are released, we will review the data and make adjustments to these estimates if necessary.

If we may be of further assistance, please advise.

Sincerely,



Frank A. Rainwater
Executive Director

FAR/lpw

cc: Mr. Brian Gaines, Director, Executive Budget Office
Mr. Jake Scoggins, Budget Analyst, Executive Budget Office



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

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

FRANK A. RAINWATER
Executive Director

December 9, 2019

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 over five years by a total of 1 percent each beginning in tax year 2020. These estimates reflect the November 8, 2019, forecast by the Board of Economic Advisors and are based on our long-range expectations for personal income growth.

We estimate the impact on individual income tax revenue from lowering the individual income tax rates by 0.2 percent each year for five years based upon individual income tax return data for 2018. By tax year 2024, the last year of the proposed 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 9, 2019

Page 2

Fiscal Year	General Fund Individual Income Tax Revenue	Annual Additional General Fund Individual Income Tax Revenue
FY 2019-20	(\$7,978,000)	(\$7,978,000)
FY 2020-21	(\$160,668,000)	(\$152,690,000)
FY 2021-22	(\$327,205,000)	(\$166,537,000)
FY 2022-23	(\$508,464,000)	(\$181,259,000)
FY 2023-24	(\$705,584,000)	(\$197,120,000)
FY 2024-25	(\$859,687,000)	(\$154,103,000)

Please be advised, this estimate affects the current fiscal year, and the FY 2019-20 reduction currently is not reflected in the FY 2020-21 revenue base. As such, the General Fund revenue impact on the budget for FY 2020-21 will be the cumulative total reduction of \$160,668,000. Once this proposal is fully implemented, General Fund individual income tax revenue will be reduced by a total of \$859,687,000 in FY 2024-25.

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

Sincerely,



Frank A. Rainwater
Executive Director

FAR/lhj

Enclosures: 5

cc: Mr. Kevin Etheridge, Executive Budget Office

ESTIMATED TAX YEAR 2020 INDIVIDUAL INCOME TAX IMPACT

Proposal: 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 (\$ 151,965,000).

Estimated Taxable Income Range	Current Tax Structure					Estimate of Tax Year Impact		
	Projected # of Returns 2020	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2020	Average Tax Liability 2020	Proposed Average Tax Liability 2020	Average Tax Increase/ (Decrease) 2020	Total Dollar Increase/ (Decrease) 2020
0	881,334	881,334	35.70%	\$0	\$0	\$0	\$0	\$0
1-5,000	233,433	1,114,768	45.15%	\$2,409	\$0	\$0	\$0	(\$184,790)
5,000-10,000	172,798	1,287,565	52.15%	\$7,884	\$162	\$152	(\$10)	(\$1,663,740)
10,000-20,000	273,155	1,560,721	63.22%	\$15,627	\$572	\$547	(\$26)	(\$6,860,267)
20,000-30,000	202,125	1,762,845	71.41%	\$26,263	\$1,317	\$1,270	(\$47)	(\$9,375,732)
30,000-40,000	149,938	1,912,784	77.48%	\$36,887	\$2,060	\$1,993	(\$68)	(\$10,141,075)
40,000-50,000	111,834	2,024,617	82.01%	\$47,511	\$2,804	\$2,715	(\$89)	(\$9,940,039)
50,000-60,000	84,664	2,109,281	85.44%	\$58,164	\$3,550	\$3,439	(\$111)	(\$9,328,882)
60,000-70,000	66,451	2,175,732	88.13%	\$68,789	\$4,293	\$4,162	(\$132)	(\$8,734,233)
70,000-80,000	52,898	2,228,630	90.27%	\$79,380	\$5,035	\$4,882	(\$153)	(\$8,073,279)
80,000-90,000	41,720	2,270,351	91.96%	\$89,999	\$5,778	\$5,604	(\$174)	(\$7,253,393)
90,000-100,000	32,445	2,302,796	93.28%	\$100,632	\$6,522	\$6,327	(\$196)	(\$6,330,867)
100,000-125,000	55,721	2,358,517	95.53%	\$118,223	\$7,754	\$7,523	(\$231)	(\$12,832,921)
125,000-150,000	32,456	2,390,973	96.85%	\$144,856	\$9,618	\$9,334	(\$284)	(\$9,203,499)
150,000-175,000	20,449	2,411,421	97.68%	\$171,500	\$11,483	\$11,146	(\$337)	(\$6,888,367)
175,000-200,000	13,208	2,424,629	98.21%	\$198,227	\$13,354	\$12,964	(\$391)	(\$5,155,248)
200,000-250,000	15,437	2,440,066	98.84%	\$235,897	\$15,991	\$15,525	(\$466)	(\$7,188,349)
250,000-300,000	8,650	2,448,717	99.19%	\$289,324	\$19,731	\$19,158	(\$573)	(\$4,952,307)
300,000-400,000	8,517	2,457,233	99.53%	\$364,033	\$24,960	\$24,238	(\$722)	(\$6,148,288)
400,000-500,000	4,019	2,461,252	99.69%	\$472,353	\$32,543	\$31,604	(\$939)	(\$3,771,967)
500,000- \$1M	5,494	2,466,745	99.92%	\$706,912	\$48,962	\$47,554	(\$1,408)	(\$7,733,187)
\$1 M +	2,043	2,468,788	100.00%	\$2,501,050	\$174,552	\$169,556	(\$4,996)	(\$10,204,721)
Total	2,468,788			\$32,651	\$1,764	\$1,705	(\$59)	(\$151,965,000)

2020 Current Tax Brackets	0.00% \$0 to 3,070	Proposed Tax Brackets	0.00% \$0 to 3,070
	3.00% \$3,070 to 6,140		2.80% \$3,070 to 6,140
	4.00% \$6,140 to 9,210		3.80% \$6,140 to 9,210
	5.00% \$9,210 to 12,280		4.80% \$9,210 to 12,280
	6.00% \$12,280 to 15,350		5.80% \$12,280 to 15,350
	7.00% Over \$15,350		6.80% Over \$15,350

Columns may not add to totals due to rounding

/a 2018 Base Year Grown by 1.8% per year.

/b 2018 Base Year Taxable Income Grown by 5.25% for '19, 4.5% thereafter.

ESTIMATED TAX YEAR 2021 INDIVIDUAL INCOME TAX IMPACT

Proposal: 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 (\$ 317,732,000).

Estimated Taxable Income Range	Current Tax Structure					Estimate of Tax Year Impact		
	Projected # of Returns 2021	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2021	Average Tax Liability 2021	Proposed Average Tax Liability 2021	Average Tax Increase/ (Decrease) 2021	Total Dollar Increase/ (Decrease) 2021
col 1	col 2 (/a)	col 3	col 4	col 5 (/b)	col 6	col 7	col 8	col 9
0	897,199	897,199	35.70%	\$0	\$0	\$0	\$0	\$0
1-5,000	237,635	1,134,833	45.15%	\$2,473	\$0	\$0	\$0	(\$393,193)
5,000-10,000	175,908	1,310,741	52.15%	\$8,093	\$167	\$147	(\$20)	(\$3,492,291)
10,000-20,000	278,072	1,588,813	63.22%	\$16,042	\$591	\$539	(\$52)	(\$14,361,787)
20,000-30,000	205,763	1,794,576	71.41%	\$26,960	\$1,355	\$1,260	(\$96)	(\$19,612,913)
30,000-40,000	152,637	1,947,214	77.48%	\$37,866	\$2,119	\$1,980	(\$139)	(\$21,207,928)
40,000-50,000	113,847	2,061,061	82.01%	\$48,771	\$2,882	\$2,699	(\$183)	(\$20,784,438)
50,000-60,000	86,187	2,147,248	85.44%	\$59,707	\$3,647	\$3,421	(\$227)	(\$19,504,749)
60,000-70,000	67,647	2,214,895	88.13%	\$70,614	\$4,411	\$4,141	(\$270)	(\$18,260,343)
70,000-80,000	53,850	2,268,746	90.27%	\$81,485	\$5,172	\$4,858	(\$314)	(\$16,877,768)
80,000-90,000	42,471	2,311,217	91.96%	\$92,386	\$5,935	\$5,578	(\$358)	(\$15,163,231)
90,000-100,000	33,029	2,344,246	93.28%	\$103,301	\$6,699	\$6,298	(\$401)	(\$13,234,343)
100,000-125,000	56,724	2,400,970	95.53%	\$121,359	\$7,963	\$7,490	(\$473)	(\$26,825,667)
125,000-150,000	33,040	2,434,010	96.85%	\$148,698	\$9,877	\$9,294	(\$583)	(\$19,238,143)
150,000-175,000	20,817	2,454,827	97.68%	\$176,049	\$11,791	\$11,100	(\$692)	(\$14,398,472)
175,000-200,000	13,446	2,468,273	98.21%	\$203,484	\$13,712	\$12,910	(\$802)	(\$10,775,620)
200,000-250,000	15,715	2,483,988	98.84%	\$242,154	\$16,419	\$15,463	(\$957)	(\$15,024,997)
250,000-300,000	8,806	2,492,793	99.19%	\$296,998	\$20,258	\$19,082	(\$1,176)	(\$10,351,076)
300,000-400,000	8,670	2,501,463	99.53%	\$373,688	\$25,626	\$24,144	(\$1,483)	(\$12,850,664)
400,000-500,000	4,091	2,505,554	99.69%	\$484,881	\$33,410	\$31,483	(\$1,928)	(\$7,883,762)
500,000- \$1M	5,592	2,511,147	99.92%	\$725,661	\$50,264	\$47,374	(\$2,891)	(\$16,162,841)
\$1 M +	2,079	2,513,226	100.00%	\$2,567,384	\$179,185	\$168,928	(\$10,258)	(\$21,328,046)
Total	2,513,226			\$33,517	\$1,814	\$1,693	(\$122)	(\$317,732,000)

2021 Current Tax Brackets	0.00% \$0 to 3,130	Proposed Tax Brackets	0.00% \$0 to 3,130
	3.00% \$3,130 to 6,260		2.60% \$3,130 to 6,260
	4.00% \$6,260 to 9,390		3.60% \$6,260 to 9,390
	5.00% \$9,390 to 12,520		4.60% \$9,390 to 12,520
	6.00% \$12,520 to 15,650		5.60% \$12,520 to 15,650
	7.00% Over \$15,650		6.60% Over \$15,650

Columns may not add to totals due to rounding

/a 2018 Base Year Grown by 1.8% per year.

/b 2018 Base Year Taxable Income Grown by 5.25% for '19, 4.5% thereafter.

ESTIMATED TAX YEAR 2022 INDIVIDUAL INCOME TAX IMPACT

Proposal: 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 (\$ 498,161,000).

Estimated Taxable Income Range	Current Tax Structure					Estimate of Tax Year Impact		
	Projected # of Returns 2022	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2022	Average Tax Liability 2022	Proposed Average Tax Liability 2022	Average Tax Increase/ (Decrease) 2022	Total Dollar Increase/ (Decrease) 2022
				col 5 (/b)	col 6			
col 1	col 2 (/a)	col 3	col 4	col 5 (/b)	col 6	col 7	col 8	col 9
0	913,348	913,348	35.70%	\$0	\$0	\$0	\$0	\$0
1-5,000	241,912	1,155,260	45.15%	\$2,538	\$0	\$0	\$0	(\$622,807)
5,000-10,000	179,074	1,334,335	52.15%	\$8,308	\$172	\$142	(\$31)	(\$5,488,150)
10,000-20,000	283,077	1,617,412	63.22%	\$16,467	\$609	\$529	(\$80)	(\$22,534,208)
20,000-30,000	209,467	1,826,879	71.41%	\$27,675	\$1,393	\$1,246	(\$147)	(\$30,759,599)
30,000-40,000	155,385	1,982,264	77.48%	\$38,870	\$2,177	\$1,963	(\$215)	(\$33,255,561)
40,000-50,000	115,896	2,098,160	82.01%	\$50,065	\$2,961	\$2,679	(\$282)	(\$32,588,657)
50,000-60,000	87,739	2,185,899	85.44%	\$61,290	\$3,746	\$3,398	(\$349)	(\$30,580,545)
60,000-70,000	68,865	2,254,763	88.13%	\$72,487	\$4,530	\$4,114	(\$416)	(\$28,628,466)
70,000-80,000	54,820	2,309,583	90.27%	\$83,646	\$5,311	\$4,829	(\$483)	(\$26,460,183)
80,000-90,000	43,236	2,352,819	91.96%	\$94,836	\$6,095	\$5,545	(\$550)	(\$23,771,741)
90,000-100,000	33,624	2,386,443	93.28%	\$106,041	\$6,879	\$6,262	(\$618)	(\$20,747,459)
100,000-125,000	57,745	2,444,188	95.53%	\$124,578	\$8,176	\$7,448	(\$729)	(\$42,053,742)
125,000-150,000	33,635	2,477,822	96.85%	\$152,642	\$10,141	\$9,244	(\$897)	(\$30,158,417)
150,000-175,000	21,192	2,499,014	97.68%	\$180,718	\$12,106	\$11,041	(\$1,066)	(\$22,571,260)
175,000-200,000	13,688	2,512,701	98.21%	\$208,881	\$14,078	\$12,844	(\$1,235)	(\$16,891,853)
200,000-250,000	15,998	2,528,699	98.84%	\$248,576	\$16,856	\$15,384	(\$1,473)	(\$23,552,932)
250,000-300,000	8,964	2,537,664	99.19%	\$304,875	\$20,797	\$18,987	(\$1,811)	(\$16,226,012)
300,000-400,000	8,826	2,546,490	99.53%	\$383,599	\$26,308	\$24,026	(\$2,283)	(\$20,144,106)
400,000-500,000	4,165	2,550,654	99.69%	\$497,741	\$34,298	\$31,331	(\$2,968)	(\$12,358,121)
500,000- \$1M	5,693	2,556,347	99.92%	\$744,908	\$51,600	\$47,149	(\$4,451)	(\$25,335,698)
\$1 M +	2,117	2,558,464	100.00%	\$2,635,478	\$183,939	\$168,146	(\$15,794)	(\$33,431,877)
Total	2,558,464			\$34,406	\$1,864	\$1,677	(\$187)	(\$498,161,000)

2022 Current Tax Brackets	Proposed Tax Brackets
0.00% \$0 to 3,200	0.00% \$0 to 3,200
3.00% \$3,200 to 6,400	2.40% \$3,200 to 6,400
4.00% \$6,400 to 9,600	3.40% \$6,400 to 9,600
5.00% \$9,600 to 12,800	4.40% \$9,600 to 12,800
6.00% \$12,800 to 16,000	5.40% \$12,800 to 16,000
7.00% Over \$16,000	6.40% Over \$16,000

Columns may not add to totals due to rounding

/a 2018 Base Year Grown by 1.8% per year.

/b 2018 Base Year Taxable Income Grown by 5.25% for '19, 4.5% thereafter.

ESTIMATED TAX YEAR 2023 INDIVIDUAL INCOME TAX IMPACT

Proposal: 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 (\$ 694,406,000).

Estimated Taxable Income Range	Current Tax Structure					Estimate of Tax Year Impact		
	Projected # of Returns 2023	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2023	Average Tax Liability 2023	Proposed Average Tax Liability 2023	Average Tax Increase/ (Decrease) 2023	Total Dollar Increase/ (Decrease) 2023
				col 5 (/b)	col 6	col 7	col 8	col 9
col 1	col 2 (/a)	col 3	col 4	col 5 (/b)	col 6	col 7	col 8	col 9
0	929,788	929,788	35.70%	\$0	\$0	\$0	\$0	\$0
1-5,000	246,267	1,176,055	45.15%	\$2,606	\$0	\$0	\$0	(\$884,578)
5,000-10,000	182,298	1,358,353	52.15%	\$8,528	\$178	\$136	(\$43)	(\$7,683,096)
10,000-20,000	288,173	1,646,526	63.22%	\$16,904	\$629	\$520	(\$110)	(\$31,455,004)
20,000-30,000	213,237	1,859,763	71.41%	\$28,409	\$1,434	\$1,233	(\$202)	(\$42,900,805)
30,000-40,000	158,182	2,017,944	77.48%	\$39,901	\$2,239	\$1,946	(\$294)	(\$46,367,557)
40,000-50,000	117,982	2,135,927	82.01%	\$51,393	\$3,043	\$2,658	(\$386)	(\$45,430,338)
50,000-60,000	89,318	2,225,245	85.44%	\$62,916	\$3,850	\$3,373	(\$478)	(\$42,626,666)
60,000-70,000	70,105	2,295,349	88.13%	\$74,409	\$4,654	\$4,085	(\$570)	(\$39,902,946)
70,000-80,000	55,806	2,351,156	90.27%	\$85,865	\$5,456	\$4,795	(\$661)	(\$36,878,959)
80,000-90,000	44,014	2,395,170	91.96%	\$97,351	\$6,260	\$5,508	(\$753)	(\$33,130,717)
90,000-100,000	34,229	2,429,399	93.28%	\$108,854	\$7,066	\$6,221	(\$845)	(\$28,914,937)
100,000-125,000	58,784	2,488,183	95.53%	\$127,882	\$8,398	\$7,401	(\$997)	(\$58,606,578)
125,000-150,000	34,240	2,522,423	96.85%	\$156,690	\$10,414	\$9,187	(\$1,228)	(\$42,027,540)
150,000-175,000	21,573	2,543,996	97.68%	\$185,511	\$12,432	\$10,974	(\$1,459)	(\$31,453,581)
175,000-200,000	13,934	2,557,930	98.21%	\$214,422	\$14,455	\$12,766	(\$1,690)	(\$23,538,754)
200,000-250,000	16,286	2,574,216	98.84%	\$255,169	\$17,308	\$15,292	(\$2,016)	(\$32,820,326)
250,000-300,000	9,126	2,583,342	99.19%	\$312,961	\$21,353	\$18,875	(\$2,478)	(\$22,610,059)
300,000-400,000	8,985	2,592,326	99.53%	\$393,773	\$27,010	\$23,886	(\$3,125)	(\$28,069,242)
400,000-500,000	4,240	2,596,566	99.69%	\$510,942	\$35,212	\$31,150	(\$4,062)	(\$17,219,826)
500,000- \$1M	5,796	2,602,362	99.92%	\$764,664	\$52,972	\$46,881	(\$6,092)	(\$35,302,226)
\$1 M +	2,155	2,604,517	100.00%	\$2,705,378	\$188,822	\$167,205	(\$21,617)	(\$46,582,177)
Total	2,604,517			\$35,319	\$1,918	\$1,662	(\$256)	(\$694,406,000)

2023 Current Tax Brackets	0.00% \$0 to 3,260	Proposed Tax Brackets	0.00% \$0 to 3,260
	3.00% \$3,260 to 6,520		2.20% \$3,260 to 6,520
	4.00% \$6,520 to 9,780		3.20% \$6,520 to 9,780
	5.00% \$9,780 to 13,040		4.20% \$9,780 to 13,040
	6.00% \$13,040 to 16,300		5.20% \$13,040 to 16,300
	7.00% Over \$16,300		6.20% Over \$16,300

Columns may not add to totals due to rounding

/a 2018 Base Year Grown by 1.8% per year.

/b 2018 Base Year Taxable Income Grown by 5.25% for '19, 4.5% thereafter.

ESTIMATED TAX YEAR 2024 INDIVIDUAL INCOME TAX IMPACT

Proposal: 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 (\$ 907,321,000).

Estimated Taxable Income Range	Current Tax Structure					Estimate of Tax Year Impact		
	Projected # of Returns 2024	Cumulative # of Returns	Cumulative % of Returns	Projected Average Taxable Income 2024	Average Tax Liability 2024	Proposed Average Tax Liability 2024	Average Tax Increase/ (Decrease) 2024	Total Dollar Increase/ (Decrease) 2024
0	946,525	946,525	35.70%	\$0	\$0	\$0	\$0	\$0
1-5,000	250,699	1,197,224	45.15%	\$2,675	\$0	\$0	\$0	(\$1,169,631)
5,000-10,000	185,579	1,382,803	52.15%	\$8,754	\$184	\$129	(\$55)	(\$10,066,597)
10,000-20,000	293,360	1,676,163	63.22%	\$17,353	\$649	\$508	(\$141)	(\$41,136,397)
20,000-30,000	217,075	1,893,238	71.41%	\$29,162	\$1,475	\$1,217	(\$259)	(\$56,074,915)
30,000-40,000	161,029	2,054,267	77.48%	\$40,959	\$2,301	\$1,925	(\$377)	(\$60,594,133)
40,000-50,000	120,106	2,174,373	82.01%	\$52,756	\$3,127	\$2,633	(\$495)	(\$59,363,153)
50,000-60,000	90,926	2,265,299	85.44%	\$64,584	\$3,955	\$3,342	(\$613)	(\$55,696,052)
60,000-70,000	71,366	2,336,666	88.13%	\$76,383	\$4,781	\$4,050	(\$731)	(\$52,134,972)
70,000-80,000	56,811	2,393,476	90.27%	\$88,142	\$5,604	\$4,756	(\$849)	(\$48,182,493)
80,000-90,000	44,806	2,438,283	91.96%	\$99,933	\$6,429	\$5,463	(\$967)	(\$43,284,376)
90,000-100,000	34,845	2,473,128	93.28%	\$111,741	\$7,256	\$6,172	(\$1,085)	(\$37,775,874)
100,000-125,000	59,843	2,532,970	95.53%	\$131,273	\$8,623	\$7,344	(\$1,280)	(\$76,564,694)
125,000-150,000	34,856	2,567,827	96.85%	\$160,846	\$10,693	\$9,118	(\$1,576)	(\$54,904,213)
150,000-175,000	21,961	2,589,788	97.68%	\$190,431	\$12,764	\$10,893	(\$1,872)	(\$41,089,856)
175,000-200,000	14,185	2,603,973	98.21%	\$220,109	\$14,841	\$12,674	(\$2,168)	(\$30,749,833)
200,000-250,000	16,579	2,620,552	98.84%	\$261,937	\$17,770	\$15,183	(\$2,587)	(\$42,874,281)
250,000-300,000	9,290	2,629,842	99.19%	\$321,261	\$21,922	\$18,743	(\$3,180)	(\$29,535,919)
300,000-400,000	9,146	2,638,988	99.53%	\$404,217	\$27,729	\$23,720	(\$4,009)	(\$36,666,953)
400,000-500,000	4,316	2,643,304	99.69%	\$524,494	\$36,148	\$30,937	(\$5,212)	(\$22,494,109)
500,000- \$1M	5,900	2,649,204	99.92%	\$784,945	\$54,380	\$46,564	(\$7,817)	(\$46,114,504)
\$1 M +	2,194	2,651,398	100.00%	\$2,777,131	\$193,833	\$166,095	(\$27,739)	(\$60,848,331)
Total	2,651,398			\$36,256	\$1,972	\$1,643	(\$329)	(\$907,321,000)

2024 Current Tax Brackets	0.00% \$0 to 3,330	Proposed Tax Brackets	0.00% \$0 to 3,330
	3.00% \$3,330 to 6,660		2.00% \$3,330 to 6,660
	4.00% \$6,660 to 9,990		3.00% \$6,660 to 9,990
	5.00% \$9,990 to 13,320		4.00% \$9,990 to 13,320
	6.00% \$13,320 to 16,650		5.00% \$13,320 to 16,650
	7.00% Over \$16,650		6.00% Over \$16,650

Columns may not add to totals due to rounding

/a 2018 Base Year Grown by 1.8% per year.

/b 2018 Base Year Taxable Income Grown by 5.25% for '19, 4.5% thereafter.



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

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

FRANK A. RAINWATER
Executive Director

November 13, 2019

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 2020. This proposal allows an individual taxpayer under age 65 who has military retirement income to deduct an equal amount of South Carolina earned income from taxable income. This proposal allows further that a taxpayer 65 and older who has military retirement income may deduct any military retirement income that is included in South Carolina taxable income.

Presently, 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 for tax year 2020. 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 deductions were phased-in beginning in tax year 2016 over a five-year period through tax year 2020. The estimated revenue impact in FY 2020-21 for these deductions totals \$19,563,645. The BEA revenue forecast for that fiscal year will reflect this reduction in General Fund individual income tax revenue.

The first row of the table below 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 2020. We estimate that the individual income tax revenue impact of a fully implemented military retirement income deduction in FY 2020-21 will total \$17,935,130 for the estimated 19,625 taxpayers under age 65. The BEA has included a \$10,042,255 reduction in the individual income tax revenue forecast to implement Act 272 of 2016 through FY 2020-21. Therefore, the proposed complete deduction of the remaining military retirement for taxpayers under age 65 will reduce individual income tax revenue by an additional \$7,892,875 in FY 2020-21.

The Honorable Henry McMaster

November 13, 2019

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The second row of the table below 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 2020. We estimate that the individual income tax revenue impact of the fully implemented military retirement income deduction in FY 2020-21 will total \$10,810,130 for the estimated 18,906 eligible taxpayers. For these taxpayers age 65 and older, the BEA has included a \$9,521,390 reduction in the individual income tax revenue forecast to implement Act 272 of 2016 through FY 2020-21. Therefore, the proposed complete deduction of the remaining military retirement for taxpayers age 65 and older will reduce individual income tax revenue by an additional \$1,288,740 in FY 2020-21.

Combining the revenue impacts of the retirement income tax deduction for all military retirees results in an estimated total reduction in General Fund individual income tax revenue of \$28,745,260 in FY 2020-21 for the estimated 38,531 taxpayers. Of this total, the BEA has included a \$19,563,645 reduction in the individual income tax revenue forecast to implement Act 272 of 2016 through FY 2020-21. Therefore, the proposed complete deduction of all remaining military retirement income beginning in tax year 2020 will reduce General Fund individual income tax revenue by an additional \$9,181,615 in FY 2020-21.

**Estimated Number and Tax Revenue Reduction for
Military Retirees FY 2020-21**

Age of Military Retirees	Total Estimated Number of Active Duty Military Retirees	Total Tax Revenue Reduction from Full Deduction	Total Revenue Reduction from Act 272 of 2016	Additional Revenue Reduction from Full Military Retirement Deduction
Under Age 65	19,625	(\$17,935,130)	(\$10,042,255)	(\$7,892,875)
Age 65 and Older	18,906	(\$10,810,130)	(\$9,521,390)	(\$1,288,740)
Total	38,531	(\$28,745,260)	(\$19,563,645)	(\$9,181,615)

If we may be of further assistance, please advise.

Sincerely,



Frank A. Rainwater
Executive Director

FAR/gos

cc: Mr. Kevin Etheridge, Executive Budget Office



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

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

FRANK A. RAINWATER
Executive Director

November 14, 2019

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 comprehensive deduction of police officers, peace officers, and firefighters' retirement income from individual income tax beginning in tax year 2020.

This analysis is based on data from the South Carolina Police Officers Retirement System (PORS). Membership in PORS includes police officers, peace officers, firefighters, 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 revenue estimate includes all members of PORS, because the Public Employee Benefit Authority (PEBA) is unable to differentiate retirees by their previous occupations. Therefore, the estimated revenue impact may be over inclusive to your original request. In addition, this revenue estimate includes otherwise eligible police officers, peace officers, and firefighters' retirement income earned in other states and retirement income of South Carolina retirees who do not participate in PORS.

We estimate that this proposal would reduce General Fund individual income tax revenue by \$9,351,000 in FY 2020-21.

The following is a detailed revenue impact analysis of the proposed protective services 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 of up to \$3,000 per year.

The latest available year of PORS data is for FY 2017-18. From this data, we estimate the number of retirees and their retirement benefits for tax year 2020, or FY 2020-21, by applying a growth rate of approximately 5.3% per year to the FY 2017-18 data, as advised by the PORS consulting actuary. 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 number of retirees and retirement benefits reported 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 reduction 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 consultant estimates 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 age 65, age 65 and older, and in total. For example, we expect that 11,000 protective service retirees under age 65 in FY 2020-21 will have \$263,812,000 in retirement income. This represents approximately \$23,993 in average annual retirement income. Current law allows these retirees to deduct up to \$3,000 of retirement income. We estimate that the remaining \$230,812,000 in taxable retirement benefits at an average tax rate of 3.5 percent would generate \$8,078,000 in individual income tax in FY 2020-21.

For eligible protective services retirees age 65 and older, we expect that 10,800 retirees in FY 2020-21 will have \$205,022,000 in retirement income. This represents approximately \$18,990 in average annual retirement income. Current law allows these retirees to deduct up to \$15,000 of retirement income. We estimate that the remaining \$43,022,000 in taxable retirement benefits at an average tax rate of 2.96 percent would generate \$1,273,000 in individual income tax in FY 2020-21.

Combining the revenue impacts of the proposed protective services retirement income deduction for both age groups results in an estimated reduction in General Fund individual income tax revenue of \$9,351,000 in FY 2020-21.

The Honorable Henry McMaster

November 14, 2019

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If we may be of further assistance, please advise.

Sincerely,



Frank A. Rainwater
Executive Director

FAR/gos

Enclosure: 1

cc: Mr. Kevin Etheridge, Executive Budget Office

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

Estimated Protective Services Retirement Benefit Payments	Estimated Number of Retirees	Estimated Annual Protective Services Retirement Benefits	Estimated Average Protective Services Retirement Benefit	Estimated Annual Protective Services Retirement Benefits Deducted Under Current Law, Maximum \$3,000	Estimated Remaining Protective Services Retirement Income	Estimated Tax on Remaining Protective Service Retirement Income
FY 2015-16	9,746	\$216,630,000	\$22,229	\$29,236,616	\$187,393,384	\$6,558,768
FY 2016-17	9,887	\$222,518,000	\$22,506	\$29,660,525	\$192,857,475	\$6,750,012
FY 2017-18	9,912	\$226,792,000	\$22,880	\$29,737,000	\$197,055,000	\$6,897,000
FY 2018-19e	10,260	\$240,582,000	\$23,446	\$30,780,000	\$209,802,000	\$7,343,000
FY 2019-20e	10,620	\$252,188,000	\$23,742	\$31,860,000	\$220,328,000	\$7,711,000
FY 2020-21e	11,000	\$263,812,000	\$23,993	\$33,000,000	\$230,812,000	\$8,078,000

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

Estimated Protective Services Retirement Benefit Payments	Estimated Number of Retirees	Estimated Annual Protective Services Retirement Benefits	Estimated Average Protective Services Retirement Benefit	Estimated Annual Protective Services Retirement Benefits Deducted Under Current Law, Maximum \$3,000	Estimated Remaining Protective Services Retirement Income	Estimated Tax on Remaining Protective Service 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 2017-18	9,730	\$176,252,451	\$18,109	\$145,950,000	\$30,302,451	\$897,000
FY 2018-19e	10,080	\$186,970,000	\$18,557	\$151,200,000	\$35,770,000	\$1,059,000
FY 2019-20e	10,430	\$195,989,000	\$18,792	\$156,450,000	\$39,539,000	\$1,170,000
FY 2020-21e	10,800	\$205,022,000	\$18,990	\$162,000,000	\$43,022,000	\$1,273,000

Estimated Total Number of Retirees Eligible for the Proposed Retirement Deduction

Estimated Protective Services Retirement Benefit Payments	Estimated Number of Retirees	Estimated Annual Protective Services Retirement Benefits	Estimated Average Protective Services Retirement Benefit	Estimated Annual Protective Services Retirement Benefits Deducted Under Current Law, Maximum \$3,000	Estimated Remaining Protective Services Retirement Income	Estimated Tax on Remaining Protective Service Retirement Income
FY 2015-16	18,367	367,463,719	\$20,007	158,559,373	208,904,347	7,195,493
FY 2016-17	19,003	384,511,685	\$20,234	166,409,579	218,102,106	7,497,253
FY 2017-18	19,642	403,044,451	\$20,519	175,687,000	227,357,451	7,794,000
FY 2018-19e	20,340	427,552,000	\$21,020	181,980,000	245,572,000	8,402,000
FY 2019-20e	21,050	448,177,000	\$21,291	188,310,000	259,867,000	8,881,000
FY 2020-21e	21,800	468,834,000	\$21,506	195,000,000	273,834,000	9,351,000

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.