



Fast Facts

South Carolina Policy Council

1323 Pendleton St., Columbia, SC 29201 • 803-779-5022 • scpolicycouncil.com

Games Legislators Play:

Tricks, gimmicks, and fuzzy accounting in the 2011-2012 budget

- **Using money that's only available for one year to fund ongoing functions of government**

Legislators are taking \$150 million from various earmarked/restricted funds to pay for ongoing obligations at the Department of Education and the Department of Health and Human Services (Medicaid).

- **Using millions in “anticipated” revenue to fund pet projects**

\$80 million is supposed to come from stepped-up enforcement of tax collections (so-called [Maybank Money](#)). In addition to funding education (\$20 million) and Medicaid (\$28 million), this proviso would use that money on a laundry list of pet projects – \$2 million for colon cancer screenings, \$1.5 million for home and community-based services run out of the lieutenant governor's office, \$500,000 for the Agriculture Department's “economic development” endeavors, *etc., etc.*

- **Poor oversight over nonprofit grants**

\$5 million to several regional economic development organizations, some of which feature [lawmakers on their boards](#). Other nonprofits receiving funding in the state budget include the Greenwood Genetic Center.

- **Raiding earmarked and restricted funds**

As in years past, legislators have inserted [flexibility provisos](#) that allow agencies to use Other Funds revenue to supplement General Fund budget cuts. The budget also allows legislators to take money from restricted funds to support unrelated activities.

→ For example, legislators cut ETV funding entirely, but recouped the funding by using revenue dedicated to a statewide public safety communications system. Another proviso cuts off funding for lobbying, but allows agencies to use Other Funds to keep paying for it.

- **Failing to account for “leftover” balances**

Many provisos dedicate unspecified amounts of taxpayer money to all sorts of activities by allowing “carryover” balances from one pot to another – effectively hiding the spending items from public view.

- **Protected funding for special programs**

Lawmakers micromanage the budget through the budget process. Several provisos guarantee funding for specific programs and staffing levels – for example: \$200,000 for a head lice program and guaranteed staffing levels at the State House Gift Shop and the Santee Welcome Center.