



# Policy Analysis

## South Carolina Policy Council

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### ‘Clear as mud’

*The South Carolina state budget is a mystery. What can be done about it?*

In South Carolina, the law requires the governor to submit the state budget to the legislature at the beginning of each legislative session. Yet what happens in practice, as SCPC [reported recently](#), is that legislators spend the entire six-month session cobbling together a massive, incoherent hodgepodge of spending items.

The result? It’s virtually impossible for a normal person to figure out (a) how large the budget actually is, (b) what the budget actually funds, and (c) where the money comes from. There are ways of making the budget more transparent. Here are three:

- (1) Start with the obvious: There should be *one* document showing the exact amount lawmakers appropriated in a given year.**

*The total amount of money appropriated is not in any publicly available document.* To figure out what’s actually in the budget, the average citizen would *first* have to read through 300 pages of budget “provisos” – about 100,000 words, well over the size of an average novel – and manually calculate all the hidden earmarks. (Take a look at the beast [here](#).) *Then* he would have to telephone a state official to verify that all programs had been counted, and none had been double-counted. And *then* he would have to consult *three* separate documents from the General Assembly, the Office of State Budget, and the Comptroller General.

*Do you have time for that?*

- (2) Next, the budget should list every program each agency is running, how much that program is receiving, and a description of the program.**

South Carolina is one of only 7 states that do not have program descriptions in its budget. This is why, for example, the General Assembly can pass a budget that appropriates nearly a million dollars to the Department of Commerce for “Community & Rural Development” without describing what that means.

“Community & Rural Development” includes funding for such things as the “Governor’s Rural Summit” and “South Carolina’s Economic Developer’s School.” But there isn’t a word about these items in the state budget – far less what they’re supposed to accomplish. *Simply put, it’s far too easy to hide things in our state budget.*

**(3) Finally, the budget should reveal where all money is coming from.**

State lawmakers are experts at hiding the funding sources for programs. This is especially true when it comes to a massive section of the budget called “Other Funds,” taken from fines and fees.

One example: the Coordinating Council for Economic Development, an entity run by the Department of Commerce. The Council receives money collected by private electric power wholesalers and uses that money to fund economic development projects. Should taxpayers pay higher electricity bills in order to fund economic development? The state budget doesn’t tell you where the Council’s funding comes from, so the average citizen wouldn’t even know to ask the question.

**It’s time for some clarity in South Carolina’s budget. Taxpayers shouldn’t have to read hieroglyphics to figure out how *their* government is spending *their* money.**