**South Carolina General Assembly**

118th Session, 2009-2010

**S. 1**

**STATUS INFORMATION**

Joint Resolution

Sponsors: Senators McConnell, Peeler, Leatherman, Sheheen, Rose, Courson, Elliott, Massey, Hayes, Davis, Bright, Campsen, Campbell, L. Martin, Knotts, Alexander, S. Martin, Shoopman, Rankin and Cromer

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Companion/Similar bill(s): 3037

Introduced in the Senate on January 13, 2009

Last Amended on March 25, 2010

Currently residing in the Senate

Summary: State appropriations

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/10/2008 Senate Prefiled

12/10/2008 Senate Referred to Committee on **Judiciary**

1/13/2009 Senate Introduced and read first time [SJ](file:///h:\SJ%20Archive\2009\01-13-09.docx)‑72

1/13/2009 Senate Referred to Committee on **Judiciary** [SJ](file:///h:\SJ%20Archive\2009\01-13-09.docx)‑72

1/28/2009 Senate Committee report: Favorable **Judiciary** [SJ](file:///h:\SJ%20Archive\2009\01-28-09.docx)‑12

1/29/2009 Scrivener's error corrected

1/28/2010 Senate Read second time [SJ](file:///h:\SJ%20Archive\2010\01-28-10.docx)‑19

3/25/2010 Senate Amended [SJ](file:///h:\SJ%20Archive\2010\03-25-10.docx)‑280

3/25/2010 Senate Debate adjourned [SJ](file:///h:\SJ%20Archive\2010\03-25-10.docx)‑284

3/30/2010 Senate Failed to Receive Third Reading [SJ](file:///h:\SJ%20Archive\2010\03-30-10.docx)‑24

3/30/2010 Senate Vote to Receive Third Reading Reconsidered [SJ](file:///h:\SJ%20Archive\2010\03-30-10.docx)‑24

3/30/2010 Senate Debate adjourned [SJ](file:///h:\SJ%20Archive\2010\03-30-10.docx)‑26

**VERSIONS OF THIS BILL**

[12/10/2008](file:///p:\pprever\2009-10\1_20081210.docx)

[1/28/2009](file:///p:\pprever\2009-10\1_20090128.docx)

[1/29/2009](file:///p:\pprever\2009-10\1_20090129.docx)

[3/25/2010](file:///p:\pprever\2009-10\1_20100325.docx)

~~Indicates Matter Stricken~~

Indicates New Matter

AMENDED

March 25, 2010

**S. 1**

Introduced by Senators McConnell, Peeler, Leatherman, Sheheen, Rose, Courson, Elliott, Massey, Hayes, Davis, Bright, Campsen, Campbell, L. Martin and Knotts

S. Printed 3/25/10--S.

Read the first time January 13, 2009.

**A** **JOINT RESOLUTION**

PROPOSING AN AMENDMENT TO SECTION 7, ARTICLE X OF THE CONSTITUTION OF SOUTH CAROLINA, 1895, RELATING TO THE REQUIREMENT FOR THE STATE AND ITS POLITICAL SUBDIVISIONS TO HAVE BUDGET PROCESSES DESIGNED TO KEEP REVENUES AND EXPENDITURES IN BALANCE, THE LIMITATION ON STATE APPROPRIATIONS, AND THE LIMITATIONS ON STATE EMPLOYEES, SO AS TO DELETE THE EXISTING STATE SPENDING LIMITATION AND REQUIRE THE GENERAL ASSEMBLY TO REPLACE IT BY A LAW IMPOSING AN ANNUAL LIMIT ON THE APPROPRIATION OF STATE GENERAL FUND REVENUES BY ADJUSTING SUCH REVENUES BY A ROLLING TEN‑YEAR AVERAGE IN ANNUAL CHANGES IN GENERAL FUND REVENUES; TO ALLOW THE CREATION OF A BUDGET STABILIZATION FUND IN THE STATE TREASURY TO WHICH MUST BE CREDITED ALL GENERAL FUND REVENUES IN EXCESS OF THE ANNUAL LIMIT; AND TO PROVIDE BY GENERAL LAW FOR THE APPROPRIATIONS TO WHICH THE LIMIT APPLIES, THE METHOD OF AND SOURCES FOR CALCULATING THE LIMIT; AND TO PROVIDE FOR THE DISBURSEMENTS FROM THE BUDGET STABILIZATION FUND.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. It is proposed that Section 7(c), Article X of the Constitution of this State be amended to read:

“(c) ~~The General Assembly shall prescribe by law a spending limitation on appropriations for the operation of state government which shall provide that annual increases in such appropriations may not exceed the average growth rate of the economy of the State as measured by a process provided for by the law which prescribes the limitations on appropriations; provided, however, the limitation may be suspended for any one fiscal year by a special vote as provided in this subsection.~~

~~During the regular session of the General Assembly in 1990 and during every fifth annual regular session thereafter, the General Assembly shall conduct and complete a review of the law implementing this subsection. During such session, only a vote of two‑thirds of the members of each branch present and voting shall be required to change the existing limitation on appropriation. Unless that is done, the existing limitations shall remain unchanged.~~

(1) The General Assembly by law shall prescribe a limitation on general fund appropriations providing that general fund revenue available for appropriations for a fiscal year must not exceed a base year amount plus seventy-five percent of an increase in recurring general fund revenues. The base year amount shall be defined by statute. The law implementing the limit must specify the revenues and sources of revenue to which this limit applies, specify the method and agency responsible for calculating the limit, and the sources that must be used in obtaining the information required for the calculation,provide for enacted revenue adjustments that affect the limit, and provide for emergencies and other extraordinary economic and fiscal circumstances that would require an adjustment to the limit and may be implemented as provided in general law. The law shall establish and provide for the funding of the Budget Stabilization Fund from the appropriate revenues that exceed the limitation. The law shall provide for the withdrawal of funds from the Budget Stabilization Fund in accordance with the limit. Any withdrawal from the Budget Stabilization Fund other than for revenue stabilization, declared emergencies, or for use of balances greater than fifteen percent of the prior year’s actual general fund revenue collections shall be by affirmative vote in each branch of the General Assembly by two‑thirds of the members present and voting, but not less than three-fifths of the total membership in each branch.

(2) Upon implementation of the provisions of this subsection by law, such law may not be amended or repealed except by the special vote as provided in this subsection.

(3) The special vote referred to in this subsection means an affirmative vote in each branch of the General Assembly by two‑thirds of the members present and voting, but not less than three‑fifths of the total membership in each branch.”

SECTION 2. The proposed amendment must be submitted to the qualified electors at the next general election for representatives. Ballots must be provided at the various voting precincts with the following words printed or written on the ballot:

“Must Section 7, Article X of the Constitution of this State be amended, relating to the requirement for the State and its political subdivisions to have budget processes designed to keep revenues and expenditures in balance and the limitation on state appropriations, so as to amend the existing state spending limitation and require the General Assembly to replace it by general law to provide a limit on general fund appropriations so that general fund revenue available for appropriations for a fiscal year must not exceed a base year amount plus seventy-five percent of an increase in recurring general fund revenues; provide for the definition and calculation of the base year; provide for the creation of a Budget Stabilization Fund; provide for the funding of the Budget Stabilization Fund from the appropriate available revenues; provide for the specification of revenues and sources of revenue to which the limit shall apply; provide for enacted revenue adjustments that affect the calculation; provide for emergencies and other extraordinary economic and fiscal conditions that would require an adjustment to the limit; provide for procedures to implement; and provide for the conditions that authorize withdrawal of funds from the Budget Stabilization Fund?

The proposed amendment must be submitted to the qualified electors at the next general election for representatives. Ballots must be provided at the various voting precincts with the following words printed or written on the ballot:

Yes 

No 

Those voting in favor of the question shall deposit a ballot with a check or cross mark in the square after the word ‘Yes’, and those voting against the question shall deposit a ballot with a check or cross mark in the square after the word ‘No’.”

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