COMMITTEE REPORT

March 19, 2009

**S. 388**

Introduced by Senator Leatherman

S. Printed 3/19/09--S.

Read the first time February 5, 2009.

**THE COMMITTEE ON FINANCE**

To whom was referred a Joint Resolution (S. 388) to direct the State Treasurer’s Office to provide financing arrangements through the Master Lease Program for any agency that has not paid in full for its South Carolina, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

HUGH K. LEATHERMAN, SR. for Committee.

**A** **JOINT RESOLUTION**

TO DIRECT THE STATE TREASURER’S OFFICE TO PROVIDE FINANCING ARRANGEMENTS THROUGH THE MASTER LEASE PROGRAM FOR ANY AGENCY THAT HAS NOT PAID IN FULL FOR ITS SOUTH CAROLINA ENTERPRISE INFORMATION SYSTEM (SCEIS) IMPLEMENTATION COSTS AND HAS NOT UTILIZED THE AGENCY’S SET-ASIDE ACCOUNT TO MEET ITS OBLIGATIONS, TO PROVIDE THAT THE AMOUNTS AND TIMING OF LEASE PAYMENTS BY AN AGENCY SHALL BE DETERMINED BY THE STATE TREASURER’S OFFICE IN COOPERATION WITH THE SCEIS EXECUTIVE OVERSIGHT COMMITTEE, TO REQUIRE AN AGENCY TO MEET ALL OF ITS SCEIS FINANCIAL OBLIGATIONS, AND TO PROVIDE WHEN AN AGENCY MAY WITHDRAW FUNDS FROM ITS SCEIS SET-ASIDE ACCOUNT.

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

SECTION 1. (A) The State Treasurer’s Office shall provide financing arrangements through the State Treasurer’s Master Lease Program for any agency that has not paid in full for its South Carolina Enterprise Information System (SCEIS) implementation costs and has not utilized the agency’s set‑aside account, pursuant to Section 11‑53‑10 of the 1976 Code, to meet its obligations. The amounts and timing of lease payments by an agency shall be determined by the State Treasurer’s Office in cooperation with the SCEIS Executive Oversight Committee, in accordance with the SCEIS implementation plan. An agency will be provided a lease payment schedule based upon the agency’s implementation share plus any interest or costs associated with the lease. During the lease period, each agency must establish and deposit funds sufficient to support lease payments when due into the agency’s SCEIS set‑side account. The Treasurer’s Office is authorized to transfer funds for lease payments from an agency’s SCEIS set‑side account in accordance with the lease payment schedule. Should the funds contained in the agency’s SCEIS set‑aside account not be sufficient to make the required lease payments, the Treasurer’s Office is authorized to transfer funds from any other funds of the respective agency to satisfy the required lease payments.

(B) An agency must meet all of its SCEIS financial obligations, including making all payments required by its Master Lease obligation. However, any agency may withdraw funds in the agency’s set‑aside account, pursuant to Section 11‑53‑10, that have been deposited by the respective agency prior to February 1, 2009, to be used to off‑set mid‑year budget reductions if:

(1) the agency provides written justification to the Office of State Budget;

(2) the justification shows how the withdrawal of funds will be used to directly impact the life and safety role of the agency as to its clients, service recipients, or the public;

(3) the agency certifies that it will meet all of its SCEIS financial obligations, including making all payments required by its master lease obligation; and

(4) the agency has not implemented the finance and procurement components of SCEIS prior to February 1, 2009.

An agency is determined to have met all of its SCEIS financial obligations if it enters into a financing agreement with the State Treasurer, pursuant to subsection (A), and it makes all payments required by its master lease obligation.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

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