



\$4.9B Budget to the Governor's Desk

Following an eventful week of uncertainty of budget passage, the Senate and House of Representatives adopted the Budget Conference Report yesterday, the final day of regular statewide session.

Wednesday

After no budget action on Tuesday, the House took up the Conference Report Wednesday morning. House Ways and Means Chairman Dan Cooper gave the overview and started out stating, "There are things in here that I do not like and things in here the Senate does not like. We had to reach an agreement between the two bodies that we can pass."

Chairman Cooper noted the budget is down to \$4.96 billion dollars, which is a 25.5% reduction from FY 2007-2008 and that the budget is back to 1998 levels. Under Conference Report, the court system gets \$21 million, and \$11 million was moved from the Department of Public Safety, which will still allow the state to keep the troopers on the road that we already have. Cooper said the House conferees agreed to that to help the Senate get some votes and allow the Senate to pass the budget. He reminded the House that the Conferees had \$124 million less to deal with than the House had when they originally debated the budget in March. Regarding provisos, Conferees deleted all the fees that were added in the Senate (Department of Motor Vehicles, \$6 fee when registering vehicles, which would have helped fund law enforcement), and the TERI program remains intact. A major sticking point was State Health Plan coverage of abortions, and the Conference Report contains the Senate version (coverage in cases of rape, incest or major medical condition affecting the mother) which complies with the Hyde amendment under Federal Law. Cooper explained the Senate version was adopted in order to bring the Conference Report forward. Regarding the Index of Taxpaying Ability, the 2009 language was added back per the insistence of the House Conferees.

Roll call was ordered, and the House refused to adopt the Conference Report by a vote of 47-69. The Senate did not consider the Report on Wednesday while waiting for the House to reach a consensus on passage. Senate President Pro Tempore Glenn McConnell offered an amendment to the Sine Die Resolution which would have added language allowing the General Assembly to remain in session after 5:00 p.m. on Thursday for the purpose of appropriations bill consideration in case the House could not pass the Conference Report. McConnell said, "The reality is, you have to get the votes in both Houses to pass the Conference Report. This Senate has not even had a chance to debate it. At this particular hour (4:00 p.m.), we cannot leave Columbia and

tie our hands with no budget.” The amendment passed the Senate and was walked across the lobby to the House; however, members of the House refused to adopt the amended version of the Resolution and insisted that the General Assembly finish its business on time. Both chambers adjourned on Wednesday with passage of the budget in limbo.

Thursday - House

Thursday when the House convened, Majority Leader Kenny Bingham immediately requested a 45 minute recess, and Speaker of the House Bobby Harrell announced a Republican Caucus meeting. When the House met quorum around 1:00 p.m., Chairman Cooper again took the podium to ask for passage of the Conference Report. He informed the House that nothing in the Report has changed since yesterday. There were many questions and comments from several House Democratic members, and then Minority Leader Harry Ott took the podium to speak on the Report. Ott said he wanted to tell the people in the chamber and people watching at home the reason why Democrats find themselves in a position where they cannot support this budget.

Going back in time, according to Ott, Democrats unanimously voted against this budget (when the House considered the bill in March) at that point in time. “It should not be surprising to anyone that Democrats have taken the position that this is not a responsible budget,” said Ott. He said their number one priority should be our children, as base student funding is going back to 1995 levels with this budget costing 2,100 to 3,800 education jobs and 1,400 to 2,800 teaching jobs. There are going to be 64,000 days that our teachers will not be in the classroom teaching our children, according to Ott. He also addressed reductions in healthcare and people who have no where else to turn, as well as the elderly. Ott said, “I cannot in good conscious vote for this budget, and I ask you to search your hearts for your decision.”

The House adopted the Conference Report by a vote of 64 to 54.

Senate

The Senate took up consideration of the Conference Report mid-afternoon on Thursday. Senate Finance Committee Chairman Hugh Leatherman gave the overview and said the Conferees were determined to give Chief Justice Jean Toal as much as they could to operate her courts. Regarding the Department of Public Safety, the Chairman noted the Conferees were told what the amount they allocated to the Department will keep the current level of troopers plus the 44 new troopers graduating from the academy now.

The Chairman said Conferees struggled with the deletion of \$18 million to restore TANF funds to the Department of Social Services and said, “There was no way under the sun that we could figure out how to do that.” He noted the money was taken out for the Smoking Prevention and Cessation program under the Department of Health and Environmental Control because of the recent passage of the cigarette tax bill. The

reduced allocation to the Best Chance Network, which provides screenings for uninsured women, “really bothered” all of the Conferees, and they felt it was important to make sure to allocate \$1 million to that program, as well as \$1 million for colorectal cancer screenings. Chairman Leatherman said it was amazing how much was locked in budget that they could do nothing about.

After considering several Points of Order regarding the budget possibly changing permanent law, the Senate refused to adopt the Conference Report by a vote of 20 to 20.

Additional motions were considered, and the Senate ultimately adopted the Conference Report by a vote of 22 to 16 with only seven minutes remaining before Sine Die adjournment at 5:00 p.m.

Sine Die Resolution

Per the Sine Die Resolution, the Senate and House will reconvene on Tuesday, June 15th at noon to consider vetoes and other matters specifically included in the bill’s language. As the appropriations bill (H.4657) was ratified on Thursday, Governor Sanford has until midnight next Wednesday, June 9th to issue vetoes.

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