



## State of South Carolina Office of the Governor

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### **FACT SHEET: 2010-2011 Executive Budget**

***Fiscal Responsibility:***

Gov. Sanford's FY 2010-11 Executive Budget is a balanced, \$5.84 billion spending plan that includes \$500,000 for a Sunset Commission that would eliminate archaic and oftentimes expensive laws which no longer serve their original purpose.

***Job Creation:***

Similar to last year, the Governor's budget includes a recommendation to eliminate the state's corporate income tax, taking the rate from 5 percent to zero. This would potentially move South Carolina's overall business climate ranking from 25<sup>th</sup> to 6<sup>th</sup>, or in fact higher. The Executive Budget also sends \$4 million to the Commerce Department's closing fund to help attract capital investment and quality jobs, and restores half of the 50 percent cut made to that agency last year.

***Savings:***

Gov. Sanford's FY 2010-11 Executive Budget proposes \$255 million in specific cost savings and reinvests those funds in priority areas of education, job creation, healthcare and public safety. Those savings include things like not forcing law enforcement to provide state universities game-day traffic control free of charge, consolidating fragmented local school systems, better organizing custodial services in state buildings, enacting state employee furloughs, phasing out excess car repair facilities owned by the state in Columbia, and eliminating funding for state-paid lobbyists.

***Restructuring:***

As part of the overall cost savings, Gov. Sanford's budget recommends agency and higher education realignment resulting in \$17 million in savings.

***Education:***

Understanding that South Carolina ranks 3<sup>rd</sup> in the Southeast in per pupil K-12 spending, and 1<sup>st</sup> in the Southeast in average tuition and fees at public higher ed institutions, there are difficult decisions to be made with regard to education funding. Still, the Governor's budget serves students of all ages by providing more than \$218 million to college scholarships and need-based grants, \$34 million to First Steps and \$3.3 million to charter schools. This budget also provides roughly \$4 million for USC-Lancaster, Salkehatchie and Union, and pays for South Carolinians to take the GED practice test.

***Law Enforcement:***

To improve public safety and ensure quality of life, the Executive Budget includes more than \$75 million to eliminate deficits at Corrections and Juvenile Justice – helping the latter agency stay out from under federal court order. As well, this budget sends \$58.3 million to DPS for increased highway traffic enforcement, and \$2 million recurring to help enforce South Carolina's Illegal Immigration law.

***Healthcare:***

The Governor's budget fully funds the state employee health plan and the state's Medicaid Maintenance of Effort of \$348 million, and supports Medicaid-fraud enforcement because every dollar we spend on enforcement we recoup seven dollars in Medicaid costs.

***Quality of Life:***

The Executive Budget also provides \$2 million for the Meals on Wheels program to make sure the homebound and needy are served, and sends \$200,000 to the Military Base Task Force to protect the state's 142,000 military-related jobs and over \$7 billion in annual economic impact.

***Natural Resources:***

Gov. Sanford's budget provides almost \$11 million to support the state's water quality maintenance efforts, and ensures that the Conservation Land Bank has enough funding to avoid shutting their doors.