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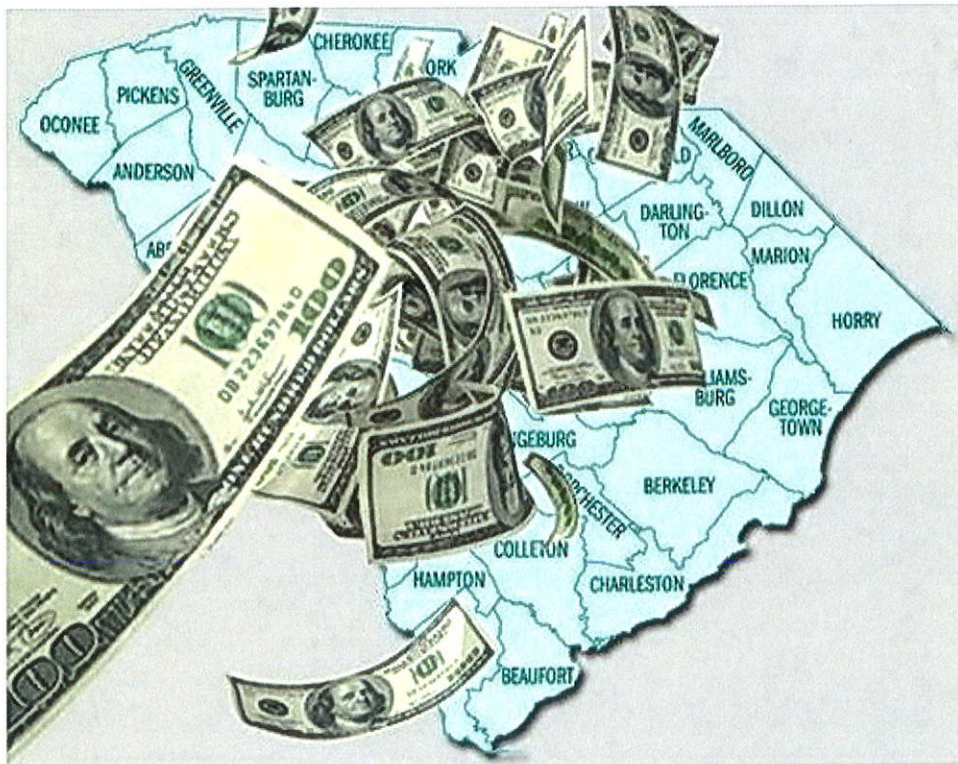
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SC local governments receive one-time money

By CASSIE COPE

ccope@thestate.com August 20, 2014

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- One-time money

Since state revenues for the fiscal year that ended June 30 exceeded estimates, items in the state budget that were contingent on that surplus will be funded. Some of those programs are:

Local government fund — \$25 million

S.C. technical colleges — \$14.7 million

County transportation funds — \$13.5 million

African American History Museum — \$5 million

Teacher technology training — \$4 million

State colleges efficiency studies and improvements — \$3.2 million

Caregivers of the elderly — \$2 million

SOURCE: S.C. Budget

Local governments and technical colleges will get \$40 million in one-time money from the state.

That money had been contingent on the state finishing its fiscal year that ended June 30 with a large-enough surplus, and it did, S.C. Comptroller General Richard Eckstrom said Wednesday.

The \$25 million keeps the local government fund — money the state gives counties and cities — at the same level as the past two years. The fund will distribute about \$213 million to cities and counties.

But that is \$74.5 million less than it should give out, based on a formula set in state law. Tim Winslow, assistant general counsel for the S.C. Association of Counties, said not giving local governments the full amount set by that formula puts pressure on local governments to increase taxes.

"They're really forcing county governments' hand," Winslow said.

In addition, because the \$25 million is one-time money, it is not guaranteed for next year. "We have to come in and really beg on behalf of county taxpayers for this funding to be recurring," Winslow said.

S.C. technical colleges also will benefit from the one-time money with \$14.7 million going to technical and community colleges statewide.

For example, Midlands Technical College will get \$1.5 million for a "Quick Jobs" training program and building space for science, technology, engineering and math classes.

Jimmie Williamson, president of the S.C. Technical College System, said the added money "will assist us in providing the necessary education and training to meet critical workforce needs across the state."

The Comptroller General's Office also said the state's general fund revenues — which come primarily from sales taxes, and personal and corporate income taxes — increased by 2.5 percent in the just-completed fiscal year compared to 9.1 percent growth in the previous year, "indicating that while the state's economic growth has continued, the rate of growth has slowed."

However, Frank Rainwater, chief economist for the Board of Economic Advisors, said other factors, besides the economy, can affect revenue growth.

Some of lower growth can be attributed to changes in state law, such as the transfer of about \$50 million that previously had gone into the general fund to the Department of Transportation to pay for road repairs, Rainwater said.

He also said the fiscal year just ended was a down year for the purchase of some insurance licenses, which are purchased for a two-year period.

Overall, Rainwater said he expects the state economy to continue its modest growth.

Reach Cope at (803) 771-8657.

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