



# The Republican Caucus

COMMUNICATIONS OFFICE

Phone: (803) 734-3139 • Fax: (803) 734-9953 • [www.schousegop.com](http://www.schousegop.com) • e-mail: [info@schousegop.com](mailto:info@schousegop.com)

**Kenneth A. Bingham**  
Majority Leader

**Bruce W. Bannister**  
Assistant Majority Leader

**Charles M. Cannon**  
Executive Director

**Jason C. Zacher**  
Communications Director

May 2, 2012  
FOR IMMEDIATE RELEASE

For More Information  
Majority Leader Kenny Bingham  
(803) 734-3139

## House Unveils Sweeping Government Restructuring

*90% of old B&CB is moved to Department of Administration*

COLUMBIA – The House Republicans unveiled sweeping government reforms that eliminate the Budget and Control Board, cut the size of state government, and makes your state government more accountable.

“I’m happy to see real government reform nearly complete after five years of debate,” said Rep. Garry Smith, R-Simpsonville, the bill’s primary sponsor. “This has been a major goal of mine since I was first elected to the House, and it’s satisfying to see sweeping changes that will make our government more efficient and accountable.”

The highlights of the bill include:

- Completely eliminating the Budget and Control Board,
- Cutting the size of government by slashing 10 percent of the full-time equivalent positions (FTEs) at the old Budget and Control Board,
- Giving the Governor’s Office more executive authority by transferring 90 percent of the current Board budget and 82 percent of the current FTEs into the new Department of Administration,
  - Protecting the state’s AAA credit rating by creating two independent agencies with broader decision making structures to ensure secure management of the state’s fiduciary responsibilities:
    - Moving 3 percent of funds and 7 percent of FTEs into “Contracts & Accountability Authority”,
    - Moving 3 percent of funds and 5 percent of FTEs into “Revenue & Fiscal Affairs Office”,
- Moving a final 4 percent of funds and 6 percent of FTEs to strengthen services in existing agencies.

“We are the only state in the union that has a Budget and Control Board, and the Republican Caucus has worked with two different governors to consolidate our state’s administrative functions in the governor’s office,” said House Majority Leader Kenny Bingham. “Our previous versions gave the governor everything he or she asked for, but the Senate took our original bill a step further, and this amendment finishes the job.”

The House plan streamlines the proposal made by the Senate, which proposed splitting the Budget and Control Board into 10 different agencies. The bill will be amended on the House floor today.

“The House has worked long and hard to assure that the executive branch actually runs the administration of the state,” said Rep. Jim Harrison, Chairman of the House Judiciary Committee. “These changes are long overdue, and I applaud all of the members whose hard work went into this proposal.”

# Department of Administration

*Executive Director, Appointed by the Governor*

**\$299M (90%) Total Funds**

**1,158 FTEs (82%)**

- Office of Executive Policy and Programs
- General Services
- Information Technology
- Human Resources
- Executive Budget Office
  - Executive Functions of the current Office of State Budget
- Procurement
- Employee Health Insurance Program
  - Administrative Functions Only
- State Retirement Systems
  - Administrative Functions Only
- Confederate Relic Room

## State Contracts & Accountability Authority

*7 Member Authority - Governor, Lt. Governor, Comptroller General, State Treasurer, Attorney General, Speaker (appointment), President Pro Tempore (appointment)*

**\$10.6M (3%) Total Funds**

**101 (7%) FTEs**

- Employee Health Insurance Plan Benefits
- Annual Retirement Assumptions
- Bond Authority
- Insurance Services, including the Insurance Reserve Fund
- Office of Accountability and Auditing
  - Will house the State Auditor and the Inspector General
- Procurement Review Panel (PRP)
  - The PRP will continue to operate as it currently exists; however, the appointments will now be made by the members of the Authority.

## Revenue & Fiscal Affairs Office

*Oversight by the 3 BEA Appointments made by Governor, Chairman Ways and Means, and Chairman Senate Finance*

**\$8.6M (3%) Total Funds**

**70 FTEs (5%)**

- Office of State Budget
- Budget Development Functions of the current Office of State Budget
- Fiscal Impact/Revenue Impact Statements
- Board of Economic Advisors

The amendment will also delete 147 vacant FTEs.

*Note: The remaining \$13.9M (4%) of Total Funds and 90 (6%) FTEs of the current Budget and Control Board will be reassigned to existing state agencies as provided for in the amendment.*