

From: Soura, Christian
To: Veldran, Katherine <KatherineVeldran@gov.sc.gov>
Pitts, Ted <TedPitts@gov.sc.gov>
Date: 5/9/2013 12:17:17 PM
Subject: RE: question

See my other email from a minute ago. On the other questions...

I would treat the agency's requests (available through the link in the other email) as their wish lists. The Executive Budget varies from those requests in many respects. Agencies – including non-cabinet agencies – requested over \$1 billion in new recurring or non-recurring money in FY 2013-14. Naturally, we didn't honor a great many of those requests. Sometimes because the money's not available...sometimes because we just don't agree with the priorities.

Even for cabinet agencies, the Executive Budget may not necessarily match what the agency's original "wish list" request was. Sometimes, there are items they've requested that we just can't afford within the available resources. That said, the Executive Budget is the definitive and overarching statement of what the administration is seeking for cabinet agencies. So we don't have endorsement letters from them because frankly, they're within the chain of command, and therefore don't really have any ability to walk away from the Executive Budget. Sometimes, we get letters of thanks from non-cabinet agencies (like DDSN). But those letters don't typically say anything like, "I want the Executive Budget exactly, and nothing more." They're generally letters of appreciation for what we've proposed, but are couched in terms that leave the door open for them to try to get more money later.

Still on the non-cabinet agencies...sometimes they're happy with what's in the Executive Budget...other times, they're going to want more money than we proposed. We have no meaningful ability to control those additional requests, and we don't claim to speak for those agencies...we just make our recommendations as to what we think they ought to receive, and present that within the confines of a balanced budget proposal each year.

Remember that they prepare their budget requests in August and September. By the time the Senate's holding budget hearings in March, the revenue estimate has typically been raised, and so non-cabinet agencies are often holding their hands out, trying to get more money than we requested. Also, the original agency request is often all that we get in writing. Non-cabinet agencies may essentially modify their requests verbally once they get into a Ways & Means or a Finance Committee room, by talking about new priorities or initiatives that they'd like money for.

CLS

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From: Veldran, Katherine
Sent: Thursday, May 09, 2013 11:54 AM
To: Soura, Christian; Pitts, Ted
Subject: Fw: question

From: Paul Thurmond [<mailto:PThurmond@tktylawfirm.com>]
Sent: Thursday, May 09, 2013 08:13 AM
To: Veldran, Katherine
Subject: question

Katherine,

It is fair to say that the executive budget is what the departments originally asked for or were comfortable with? Do we have correspondence regarding their desire to have specific amounts that now are greatly increased? Since we can't line item those expenditures that are not newly created and have some merit, I think it would be ideal to go at the senate finance drafters with specific correspondence that indicated a willingness and appreciation for the executive budget. Please educate me on whether my position is accurate and whether or not that correspondence exist.

Thank you, PT

Paul R. Thurmond

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