



# South Carolina House of Representatives Legislative Oversight Committee

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May 31, 2023

### **VIA EMAIL: Brian.Gaines@admin.sc.gov**

Brian Gaines, Director  
South Carolina Department of Administration  
Executive Budget Office  
Edgar A. Brown Building, Suite 529  
Columbia, South Carolina 29201

### **RE: Annual Budget Submissions from the South Carolina Jobs-Economic Development Authority**

Dear Mr. Gaines,

The Economic Development, Natural Resources, and Transportation Subcommittee of House Legislative Oversight Committee is currently conducting a study of the South Carolina Jobs-Economic Development Authority ("JEDA"). The Subcommittee seeks input on the question of whether JEDA is required to submit a budget to the Executive Budget Office ("EBO") annually.

Section 2-7-65 of the South Carolina Code requires state agencies to justify the amount of requested annual appropriations. Specifically, that section provides, in part, as follows:

The Governor shall, prior to making annual recommendations to the General Assembly of the amounts to be appropriated to the various state agencies . . . as required by § 2-7-60 of the 1976 Code, require them to justify the entire amount of money they are requesting. It is the intent of this section that each state agency . . . shall be required

to justify its recurring expenses, as well as any new or additional expenses.

S.C. Code Ann. § 2-7-65 (Supp. 2022).

At JEDAs Tuesday, May 23, 2023 hearing, JEDAs Executive Director, Harry A. Huntley, maintained that section 41-43-280 of the Code exempts JEDA from the requirement of submitting an annual budget to the EBO. That section provides, in part, that JEDA “shall continue to be an ‘agency’ or ‘state agency’ for purposes of Chapter 78 of Title 15, *but the authority is not considered an ‘agency’ or ‘state agency’ or any other form of state institution for purposes of Sections 2-7-65 and 2-57-60.*”<sup>1</sup> (Emphasis added).

Director Huntley testified further that although he prepares and presents a budget for JEDA to the EBO each year, JEDA is a self-funded agency that neither requests nor receives annual state appropriations. Moreover, according to Director Huntley, in 2005 and 2013, the EBO requested that JEDA be removed from the budget process, although no action has been taken on the matter.

Please provide answers to the following questions:

1. Based on EBOs understanding of JEDA as a state agency, and considering the statutory provisions set forth above, is JEDA required and expected to submit a budget to EBO annually?
2. The 2022-2023 General Appropriations Bill provides data regarding JEDAs funding (e.g., salaries, employer contributions, etc.). Does this budget govern and reflect the agency’s activities? If not, please explain what the budget data reflects.

Thank you for your assistance. Please provide a written response by Wednesday, June 7, 2023.

Sincerely,



Travis A. Moore  
Subcommittee Chair

cc: Economic Development, Natural Resources, and Transportation Subcommittee  
The Honorable Jeffrey E. Johnson  
Marcia Adams, Executive Director, S.C. Department of Administration  
Sally F. Foster, Director of Governmental Affairs, S.C. Department of Administration

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<sup>1</sup> The General Assembly repealed section 2-57-60 in 1995.