

SOUTH CAROLINA RURAL INFRASTRUCTURE AUTHORITY

HOUSE LEGISLATIVE OVERSIGHT COMMITTEE

**Economic Development, Transportation and
Natural Resources Subcommittee**

SEPTEMBER 9, 2019

RIA



AGENCY RECOMMENDATIONS AND CLARIFICATIONS



Summary of Law Recommendations

Clarifications to RIA's organizational structure and responsibilities are needed to better reflect current and emerging issues.

- Integrate transferred responsibilities more clearly into RIA's enabling legislation.
- Update RIA's enabling legislation to establish clear links to other Authorities while incorporating the responsibilities of programs added.

Law Change #1

Law Summary

SECTION 1-11-20.

Transfers divisions and other entities of the former State Budget and Control Board to RIA:

- Division of Local Government
- Water Resources Coordinating Council
- Division of Regional Development

Recommendation

Eliminate:

- Water Resources Coordinating Council
- Division of Regional Development

Law Change #2

Law Summary	Recommendation
<p>SECTION 1-11-25.</p> <p>Establishes a Local Government Division within RIA and outlines the division's grant responsibilities.</p>	<p>Repeal.</p>

Law Change #3

Law Summary	Recommendation
<p>SECTION 1-11-26.</p> <p>Directs the deposits and disbursements of the Division of Local Government grant funds.</p>	<p>Repeal.</p>

Law Change #4

Law Summary	Recommendation
<p>SECTION 11-37-200. Transfers membership on the Water Resources Coordinating Council to RIA.</p>	<p>Repealed by Section 11-37-280 but later amended.</p>

Law Change #5

Law Summary

SECTIONS 11-42-10 to 11-42-50.

Establishes duties of Division of Regional Development.

Recommendation

Repeal and modify RIA's duties in its enabling legislation (Law Change #6).

Division of Regional Development (DRD)

DRD Duties compared to RIA Current Services

SC Comprehensive Infrastructure Development Act Section 11-42-50: Responsibilities

- Create a state infrastructure plan
- Coordinate state programs and resources that impact infrastructure development
- Coordinate regional infrastructure development plans
- Provide training and technical assistance
- Advocate and seek support within state government for infrastructure
- Coordinate public funds in support of infrastructure development

RIA Customer Services

- Identify infrastructure funding and other resources
- Provide training on how to access RIA funding
- Conduct outreach and technical assistance to identify infrastructure solutions
- Coordinate other infrastructure funding to maximize resources and solve problems
- Promote sustainable infrastructure solutions

Law Change #6

Law Summary

SECTION 11-50-30.

Creates the **Rural Infrastructure Authority** and establishes its governance, purpose and the Rural Infrastructure Fund.

Recommendation

- Add authorization to coordinate state programs and resources that impact or affect infrastructure development and provide other types of assistance in support of regional and local infrastructure development.
- Add authorization for Local Government staff support for SC Infrastructure Facilities Authority and SC Water Quality Revolving Fund Authority.

Law Change #6: Additional Duties Proposed

Activities to be Authorized

- Coordinate programs and resources impacting infrastructure development.
- Other assistance in support of regional and local infrastructure development.

Possible Examples

- ✓ Coordinate funding at state level, as needed.
- ✓ Conduct infrastructure needs assessments - local, regional or state.
- ✓ Develop plans for future infrastructure needs.
- ✓ Support technical and financial studies to assess local sustainability.
- ✓ Identify sustainability alternatives.
- ✓ Identify and support incentives for regional approaches.

Law Change #6

Law Summary

SECTION 11-50-30.

Creates the **Rural Infrastructure Authority** and establishes its governance, purpose and the Rural Infrastructure Fund.

Recommendation

- Add authorization to coordinate state programs and resources that impact or affect infrastructure development and provide other types of assistance in support of regional and local infrastructure development.
- Add authorization for Local Government staff support for SC Infrastructure Facilities Authority and SC Water Quality Revolving Fund Authority.

Law Change #7

Law Summary	Recommendation
<p>Proviso 54.1.</p> <p>Provides carry forward of funds appropriated to the Rural Infrastructure Fund.</p>	<p>Codify.</p>

Law Change #8

Law Summary	Recommendation
<p>Proviso 54.5.</p> <p>Provides that RIA shall use funds allocated for the Statewide Water and Sewer Fund to assist with projects and requires use of same procedures and guidelines as the Rural Infrastructure Fund. Also provides for carry forward.</p>	<p>Codify.</p>

Summary of Clarifications

RIA financial programs are authorized to carry out similar types of infrastructure projects.

- Board Authority
- Project Eligibility

Agency Boards

Executive Director is responsive to:

Rural Infrastructure Authority Board

- Rural Infrastructure Fund Grants
- Statewide Water and Sewer Fund Grants
- Customer Assistance Programs

State Fiscal Accountability Authority Board

- SC Water Quality Revolving Fund Authority (SRF)
- SC Infrastructure Facilities Authority (SIRF)

Project Eligibility Under Existing State Law

Two Authorities/Two State Programs:

- **Rural Infrastructure Authority**
 - Administers the Rural Infrastructure Fund and Statewide Water and Sewer Fund Grant Programs
 - SC Rural Infrastructure Act and Proviso 54.5
- **Infrastructure Facilities Authority**
 - Administers State Infrastructure Revolving Fund (SIRF)
 - SC Infrastructure Facilities Authority Act
- **Project Definitions Essentially The Same**

Project Eligibility Under Existing State Law

Rural Infrastructure Authority Act (RIA Grant Programs)

Section 11-50-40 Definitions (4), (5) and (13)

- **"Eligible project"** means rural infrastructure project.
- **"Eligible entity"** means a municipality, county, special purpose or public service district, and public works commission. The term "eligible project" also includes a not-for-profit water company.
- **"Rural infrastructure project"** means the acquisition, construction, installation, modification, renovation, repair, extension, renewal, replacement, or rehabilitation of land, interest in land, buildings, structures, facilities, or other improvements and the acquisition, installation, modification, renovation, repair, extension, renewal, replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, furniture, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement, for the essential public purpose of providing environmental facilities and services to meet public health and environmental standards and to aid the development of trade, commerce, industry, agriculture, aquaculture, and employment opportunities, all of which must be primarily located in a county designated as distressed or least developed pursuant to Section 12-6-3360 for 2009 or located in a county with a project that otherwise meets the requirements of this item. A rural infrastructure project also includes water supply and aquaculture projects.

Project Eligibility Under Existing State Law

SC Infrastructure Facilities Authority Act (SIRF)

Section 11-40-10 Definitions (6) and (14) (a)(b)

- **"Infrastructure facilities" or "environmental facilities"** means any publicly-owned projects, structures, and other real or personal property acquired, rehabilitated, constructed, or planned for the purposes of water supply, treatment, storage and distribution; sewerage collection treatment and disposal; or solid waste collection, treatment and disposal.
- **"Project" or "infrastructure project"** means:
 - (a) the acquisition, construction, installation, modification, renovation, repair, extension, renewal, replacement, or rehabilitation of land, interest in land, buildings, structures, facilities, or other improvements and the acquisition, installation, modification, renovation, repair, extension, renewal, replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, furniture, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement, for the essential public purpose of providing environmental facilities and services to meet public health and environmental standards and to aid the development of trade, commerce, industry, agriculture, and employment opportunities; and
 - (b) management programs or other programs or plans authorized to be established under federal programs, including, but not limited to, developing and implementing conservation and management plans and such other projects as the authority determines are permissible uses of funds.

Project Eligibility Under Existing State Law

Eligible SRF and RIA grant projects must:

- **Be publicly-owned**
- **For essential public purpose of water & sewer**
 - *To meet public health and environmental standards*
 - *Aid the development of trade, commerce, industry, agriculture, and employment*

Project Eligibility Language Clean Up

- Amend “Rural Infrastructure Project” Definition (Section 11-50-40(13))

"Rural infrastructure project" . . . must be primarily located in a county designated as distressed or least developed pursuant to Section 12-6-3360 ~~for 2009~~ or located in a county with a project that otherwise meets the requirements of this item. . . .”

- Add “Environmental Facilities” Definition to Rural Infrastructure Act

“Environmental facilities” means any publicly-owned projects, structures, and other real or personal property acquired, rehabilitated, constructed, or planned for the purposes of water supply, treatment, storage and distribution; sewerage collection treatment and disposal; or solid waste collection, treatment and disposal.



SC Rural Infrastructure Authority

*We're here to help improve
SC communities*