



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** S. 0259 Amended by Senate Agriculture and Natural Resources on February 28, 2019  
**Author:** Goldfinch  
**Subject:** S.C. Resilience Revolving Fund Act  
**Requestor:** Senate Agriculture and Natural Resources  
**RFA Analyst(s):** Shuford  
**Impact Date:** March 6, 2019

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### **Fiscal Impact Summary**

This bill requires that in the annual general appropriations act for FY 2019-20, the General Assembly will appropriate \$2,000,000 to establish the South Carolina Resilience Revolving Fund (Fund).

This bill will increase Other Funds expenditures by the Department of Administration's Disaster Recovery Office (Admin) by \$781,584 in FY 2019-20. Of this total, salary and employer fringe benefit expenditures will increase by \$283,500 and 3.00 FTEs and other operating expenditures will increase by \$498,084 in FY 2019-20 to establish and administer the Fund. These administration and project management expenditures by Admin may be reimbursed from the Fund.

The Other Funds revenue impact for public and private donations to the Fund is undetermined as we are unable to estimate the potential amount of donations the Fund may receive.

### **Explanation of Fiscal Impact**

#### **Amended by Senate Agriculture and Natural Resources on February 28, 2019**

#### **State Expenditure**

This bill creates the South Carolina Resilience Revolving Fund governed by Admin. The Fund is established to make and service below-market interest rate loans and grants to eligible recipients for the purchase of flooded properties and land to complete floodplain restorations. Administration and project management activities of Admin may be reimbursed from the Fund.

The bill requires that in the annual general appropriations act for FY 2019-20, the General Assembly will appropriate \$2,000,000 to establish the Fund. Admin is directed to seek out additional funding to expand the capabilities of the Fund.

Admin indicates that this bill will increase Other Funds expenditures by \$781,584 and 3.00 FTEs in FY 2019-20. Of this total, \$283,500 will be for the salary and employer fringe benefit costs for a Program Manager I, an Accountant/Fiscal Manager I, and an Attorney IV to provide administrative, accounting, and legal oversight of the Fund. Other operating expenses of \$498,084 include expenditures for contract engineering and environmental services, computer equipment, and travel expenses for staff. Expenditures for contractual engineering and environmental services represent \$485,000 of the other operating expenses estimate.

**State Revenue**

While states in recent years have received donations from the federal government and private sector, we are unable to estimate the potential amount of donations the Fund may receive. Therefore, the Other Funds revenue impact for public and private donations to the Fund is undetermined.

**Local Expenditure**

N/A

**Local Revenue**

N/A

**Updated for Additional Agency Response on February 8, 2019  
Introduced on January 8, 2019****State Expenditure**

This bill creates the South Carolina Resilience Revolving Fund governed by the Department of Natural Resources (DNR) Flood Mitigation Office. The Fund is established to make and service below-market interest rate loans and grants to eligible recipients for the purchase of flooded properties and land to complete floodplain restorations. Administration and project management activities of DNR may be reimbursed from the Fund.

The bill requires that in the annual general appropriations act for FY 2019-20, the General Assembly will appropriate \$2,000,000 to establish the Fund. DNR is directed to seek out additional funding to expand the capabilities of the Fund.

DNR indicates that this bill will increase recurring Other Funds expenditures by \$1,796,987 and 9.00 FTEs in FY 2019-20. Of this total, \$560,016 will be for the salary and employer fringe benefit costs of the positions in the table below. Other operating expenses of \$1,236,971 include expenditures for contract engineering and environment services, office rent and supplies, computer equipment, and travel expenses for staff. Expenditures for contractual engineering and environmental services represent \$1,000,000 of the total other operating expenses estimate and is based on the cost of similar undertakings by the Federal Emergency Management Agency Flood Mitigation Program.

This bill will increase non-recurring Other Funds expenditures by \$202,000 in FY 2019-20 for vehicles, office furniture, and computer equipment. In summary, this bill will increase total Other Funds expenditures by \$1,998,987 in FY 2019-20. These administration and project management expenditures by DNR may be reimbursed from the Fund. This fiscal impact statement has been updated based on a response by DNR.

## Personnel Services and Employer Fringe Costs

Position Class Title	General Duties	Total Personnel Services
Program Manager II	Oversight of program	\$81,051
Attorney III	Oversight of legal aspects	\$66,612
Admin. Assistant	Support to Program Manager and Attorney	\$43,107
Public Information Coordinator	Outreach and promotion of the program	\$44,988
Administrative Manager I	Manages Financial/Accounting staff	\$70,297
Administrative Coordinator I	Executes accounting and procurement processes	\$56,922
Accounting/Fiscal Manager II	CPA/Auditor	\$81,051
Accounting/Fiscal Analyst II	Loan originator	\$49,376
Grants Admin II	Assures compliance with grant requirements; research of additional funding sources	\$66,612
<b>Total</b>		<b>\$560,016</b>

### State Revenue

While states in recent years have received donations from the federal government and private sector, we are unable to estimate the potential amount of donations the Fund may receive. Therefore, the Other Funds revenue impact for public and private donations to the Fund is undetermined.

### Local Expenditure

N/A

### Local Revenue

N/A

### Introduced on January 8, 2019

#### State Expenditure

This bill creates the South Carolina Resilience Revolving Fund (Fund) governed by the Department of Natural Resources (DNR) Flood Mitigation Office. The Fund is established to make and service below-market interest rate loans and grants to eligible recipients for the purchase of flooded properties and land to complete floodplain restorations. Administration and project management activities of DNR may be reimbursed from the Fund.

The bill requires that in the annual general appropriations act for FY 2019-20, the General Assembly will appropriate \$2,000,000 to establish the Fund. DNR is directed to seek out additional funding to expand the capabilities of the Fund.

The expenditure impact of this bill on the General Fund, Other Funds, and Federal Funds of DNR is pending, contingent upon a response from the agency.

**State Revenue**

While states in recent years have received donations from the federal government and private sector, we are unable to estimate the potential amount of donations the Fund may receive. Therefore, the Other Funds revenue impact for public and private donations to the Fund is undetermined.

**Local Expenditure and Revenue**

N/A



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Frank A. Rainwater, Executive Director