



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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*This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.*

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<b>Bill Number:</b>	H. 4985	Introduced on February 16, 2022
<b>Author:</b>	Hosey	
<b>Subject:</b>	I-95 Corridor Authority Act	
<b>Requestor:</b>	House Ways and Means	
<b>RFA Analyst(s):</b>	Tipton	
<b>Impact Date:</b>	March 29, 2022	

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### **Fiscal Impact Summary**

This bill establishes the I-95 Corridor Authority (Authority) as a state agency for the purpose of carrying out economic development, health, and educational improvement activities to improve the economic conditions in its member counties.

The expenditure impact of the Authority is undetermined, as funding for the agency is contingent upon appropriations by the General Assembly.

This bill will have no impact on the State Treasurer's Office, the Office of Comptroller General, or the Office of State Auditor, as this bill's requirements of these agencies will take place under normal business operations.

### **Explanation of Fiscal Impact**

#### **Introduced on February 16, 2022**

#### **State Expenditure**

This bill establishes the I-95 Corridor Authority as a state agency for the purpose of carrying out economic development, health, and educational improvement activities to improve the economic conditions in its member counties or adjacent census tract. This bill requires the Authority to annually report to the General Assembly on progress made as well as guidance on statutory changes that would allow the Authority to better fulfill its stated purpose. This bill further allows the Authority to adopt bylaws and procedures for operation in a manner consistent with the establishment of a state agency.

The bill specifies that member counties of the Authority must meet the definition of persistent poverty as defined by the Congressional Research Service (CRS). According to CRS, persistent poverty counties are those that have experienced poverty rates of 20 percent or greater for at least thirty years. Based on a study conducted by CRS in 2021, the counties of Allendale, Bamberg, Barnwell, Clarendon, Colleton, Darlington, Dillon, Hampton, Lee, Marion, Marlboro, Orangeburg, and Williamsburg meet the definition of persistent poverty in South Carolina and will make up the member counties of the Authority.

Under the provisions of the bill, the Authority will be governed by a board of directors composed of the following thirteen members:

- Four members appointed by the Senators whose districts include member counties,
- Four members appointed by the Representatives whose districts include member counties, and
- Five members appointed by the Governor, one of whom is designated as chairperson.

This bill prohibits two board members from residing in the same county and requires that each member have sufficient experience in the fields of education, economic development, healthcare or business management. The bill further establishes term limits and requirements for the board in its governance of the Authority. The bill specifies that members of the board will serve without mileage, per diem, or subsistence. As a result, this section of the bill will have no expenditure impact.

Under the provisions of this bill, the Authority will receive state funds as appropriated by the General Assembly in addition to donations, grants, gifts, and Federal Funds that may be available. The Authority must distribute funds as loans or grants pursuant to its stated purpose of carrying out economic development, health, and educational improvement activities to improve the economic conditions of its member counties. Because funding is contingent upon appropriations by the General Assembly, the fiscal impact of the Authority is undetermined.

**State Treasurer's Office.** This bill requires the State Treasurer's Office to establish the I-95 Corridor Authority Fund to contain any funds received by the Authority and work with the Comptroller General to facilitate disbursements. The Treasurer indicates that this will take place under normal business operation and have no expenditure impact.

**Office of Comptroller General.** Disbursements from the I-95 Corridor Authority Fund may only be made upon the signature of the chairman of the Authority's board of directors, upon written warrants of the Comptroller General. The Office of Comptroller General reports that this requirement will take place under normal business operation and have no expenditure impact.

**Office of State Auditor.** This bill requires the State Auditor or an independent certified public accounting firm approved by the State Auditor to perform an annual audit of the Authority. The Office of State Auditor indicates that this requirement will take place under normal business operation and have no expenditure impact.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director