

## SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACTS (803)734 3780 - PEA SC COV/IMPACTS

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**Bill Number:** H. 5042 Introduced on February 6, 2024

Author: B.L. Cox

Subject: Robert Smalls Monument

Requestor: House Medical, Military, Public, and Municipal Affairs

RFA Analyst(s): Tipton

Impact Date: February 22, 2024

## **Fiscal Impact Summary**

This bill provides for a monument dedicated to Robert Smalls to be erected on the grounds of the State House and establishes the Robert Smalls Monument Commission for the purposes of determining the monument's design and location, with final approval required by the General Assembly. The commission is empowered to raise private funds and receive gifts and grants to carry out its purpose and also has the power to create a tax-exempt nonprofit corporation to receive and disburse these funds for the construction of the monument. The Department of Administration (Admin) is required to assist with the preparation and maintenance of financial records, which must be made public except for the names of anonymous donors. The Robert Smalls Monument Commission will be composed of the South Carolina Confederate Relic Room and Military Museum (CRR) Chairman or his designee, five members appointed by the Speaker of the House of Representatives, and five members appointed by the President of the Senate.

The expenditure impact related to the construction of the Robert Smalls Monument is undetermined, as we anticipate that the monument's scope and size will be contingent upon the amount of private funding received by the commission. For information, funding to construct the most recent State House monuments, adjusted for 2023 inflation, ranges from \$489,000 to \$2,788,000.

This bill will likely have no expenditure impact for the House of Representatives and the Senate, as each legislative body anticipates being able to manage the additional expenses within existing appropriations. Pursuant to the FY 2023-24 General Appropriations Act, for each meeting of the commission, members are entitled to per diem of \$50, subsistence of at least \$42, and mileage reimbursement at the rate set by the Internal Revenue Service (IRS) of 67 cents per mile. The expense related to the commission for the House of Representatives and the Senate will depend upon the members of the commission, the number of meetings, and the mileage reimbursement amounts.

This bill will have no impact on CRR or Admin, as the requirements of each agency will be managed with existing staff and resources.

## **Explanation of Fiscal Impact**

## **Introduced on February 6, 2024 State Expenditure**

This bill provides for a monument dedicated to Robert Smalls to be erected on the grounds of the State House and establishes the Robert Smalls Monument Commission for the purposes of determining the monument's design and location, with final approval required by the General Assembly. The commission is empowered to raise private funds and receive gifts and grants to carry out its purpose and also has the power to create a tax-exempt nonprofit corporation to receive and disburse these funds for the monument. The commission will be composed of the CRR Chairman or his designee, five members appointed by the Speaker of the House of Representatives, and five members appointed by the President of the Senate. The bill sets the dissolution date of the commission for January 15, 2028, and its powers, duties, and responsibilities will be transferred to the State House Committee if the Robert Smalls Monument has not been dedicated by the dissolution date.

**Robert Smalls Monument.** The bill tasks the commission with determining the specific features of the monument, including its location on the Statehouse grounds, the type of monument and its approximate size, and the materials that will be used. Therefore, the total cost of the monument proposed by the bill is undetermined, as we anticipate that the monument's scope and size will be contingent upon the private funding received by the commission.

For reference, based on information available through Historic Columbia, archived reports of the General Assembly, and information provided by Admin, as follows are the four most recent monuments or memorials erected on Statehouse grounds as well as associated costs and funding sources.

Monument or Memorial	Year Constructed	Total Project Funding	Funding Source
Strom Thurmond Monument	1999	\$850,000	Private donations
African American History Monument	2001	\$1,200,000	Private donations
Armed Forces Monument	2005	\$250,000	General Assembly Appropriation
SC Law Enforcement Memorial	2006	\$500,000	General Assembly Appropriation

These monuments vary in size and materials used. The African American History Monument incorporates a plaza-style design with granite walls inlayed with large bronze sculptures along with an obelisk and pedestal. Similarly, the Armed Forces Monument and the SC Law Enforcement Memorial are plaza-style monuments constructed primarily using granite. The

Strom Thurmond Monument includes a bronze sculpted statue measuring nine feet tall on an eight-foot granite base.

The cost of construction materials increased by a cumulative 84.1 percent since the last monument was erected in 2006, according to the Bureau of Labor Statistics (BLS). The BLS producer price index for Brass Metals and Metal Products increased by 39.2 percent since 2006, and the BLS producer price index for Nonmetallic Mineral Products, including granite, increased by 70.2 percent since 2012, the earliest year in which data is available.

The following table contains the approximate amount of funding, adjusted for inflation, that would be required to erect each of the four most recent monuments in 2023. For the purposes of this illustration, we have used the increase in the producer price index for all construction materials to account for materials not included in Brass Metals and Metal Products or Nonmetallic Mineral Products, as well as the increase in the cost of construction labor, sculpting or artistic labor, and transportation.

Monument or Memorial	Funding Required to Construct in 2023	
Strom Thurmond Monument	\$1,975,000	
African American History Monument	\$2,788,000	
Armed Forces Monument	\$489,000	
SC Law Enforcement Memorial	\$921,000	

House of Representatives and Senate. This bill requires the Speaker of the House of Representatives and the President of the Senate to each appoint five members to the Robert Smalls Monument Commission, and each legislative body is expected to incur the per diem, subsistence, and mileage expenses for their respective appointments. Pursuant to the FY 2023-24 General Appropriations Act, for each meeting of the commission, members who are not state employees or members of the General Assembly are entitled to per diem of \$50, subsistence of \$42, and the mileage reimbursement rate set by the IRS of 67 cents per mile. Appointees to the commission who are members of the General Assembly are entitled to per diem of \$50, subsistence of \$231.73, and 67 cents per mile reimbursement per commission meeting on days that the General Assembly is not already in session. The expense for each legislative body related to meetings of the commission will vary, depending on the members of the commission, number of commission meetings, and total mileage reimbursements. Both legislative bodies anticipate managing the added expenses using existing General Fund appropriations.

**Confederate Relic Room.** The bill requires the Robert Smalls Monument Commission to consult with CRR to determine and confirm the historical accuracy of the monument's engravings and requires the CRR Chairman or his designee to serve on the commission. CRR indicates that these responsibilities, along with the other requirements of the CRR Chairman or

his designee as chairman of the monument commission will be managed with existing staff and resources. Therefore, this bill will have no expenditure impact on CRR.

**Department of Administration.** The bill requires Admin to assist the commission with the preparation and maintenance of financial records, and that these records must be made public except for the names of anonymous donors. Admin indicates that these duties will be managed with existing staff and appropriations, and therefore, this bill will have no expenditure impact on the agency.

**State Revenue** 

N/A

**Local Expenditure** 

N/A

**Local Revenue** 

N/A

Frank A. Rainwater, Executive Director