

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

<u>www.rfa.sc.gov</u> • (803)734-3793

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.

Bill Number: H. 3926 Introduced on February 6, 2025

Subject: Government Efficiency Requestor: House Ways and Means

RFA Analyst(s): Tipton

Impact Date: March 19, 2025

Fiscal Impact Summary

This joint resolution establishes the Commission on Fiscal Restraint and Government Efficiency to conduct a survey to determine how to modernize and increase the efficiency of state government. The commission will be comprised of nine voting members who are not entitled to compensation or reimbursement for mileage, subsistence, or per diem, with the Director of the Department of Administration (Admin) serving as the nonvoting chair. The commission must report its findings to the General Assembly and the Governor no later than October 1, 2025, and subsequently on October 1, 2026. This joint resolution is repealed on October 2, 2026.

This joint resolution is not expected to have an impact on Admin, the House of Representatives, the Senate, or the Governor's Office, as these entities indicate the appointment of commission members and providing the commission with staff support required by the resolution will be managed with existing resources. Admin notes that additional funds would be required if third-party consultants were utilized by the commission and that this expense could not be absorbed by the agency.

Explanation of Fiscal Impact

Introduced on February 6, 2025 State Expenditure

This joint resolution establishes the Commission on Fiscal Restraint and Government Efficiency, to be comprised of three members appointed by the President of the Senate, three members appointed by the Speaker of the House of Representatives, and three members appointed by the Governor from the state at-large. The commission will be chaired by the Director of Admin or her designee as a nonvoting member. The joint resolution tasks the commission with conducting a survey to determine how to modernize and increase the efficiency of state government. The resolution states that commissioners will serve without compensation and without reimbursement for mileage, subsistence, or per diem, and that the commission will utilize staff from the General Assembly and the executive branch to fulfill its duties. The commission may also engage third-party consultants or other experts in related fields to fulfill its duties and obligations.

The commission shall report findings on its review of appropriations in the state budget to the President of the Senate, Chairman of the Senate Finance Committee, Speaker of the House of Representatives, the Chairman of the House Ways and Means Committee, and the Governor no

later than October 1, 2025, and the report must be published on the Governor's website. A subsequent report on the commission's remaining duties and obligations must be made by October 1, 2026. The joint resolution is repealed on October 2, 2026.

Admin indicates that the requirements of the Director as well as staff support for the commission will be managed with existing resources and will have no impact. The agency notes that additional funds would be required if third-party consultants or other experts were to be utilized by the commission and that this expense could not be absorbed by the agency.

This joint resolution will have no impact on the House of Representative, the Senate, or the Governor's Office, as these entities indicate that the appointment of commission members and providing the commission with staff support required by the resolution will be managed with existing resources.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director