



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0259	Introduced on January 8, 2019
Author:	Goldfinch	
Subject:	S.C. Resilience Revolving Fund Act	
Requestor:	Senate Agriculture and Natural Resources	
RFA Analyst(s):	Shuford	
Impact Date:	February 8, 2019 Updated for Additional Agency Response	

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 Natural Resources (DNR) Flood Mitigation Office by \$1,998,987 in FY 2019-20. Of this total, recurring Other Funds expenditures will increase by \$1,796,987 and 9.00 FTEs and non-recurring Other Funds expenditures will increase by \$202,000 in FY 2019-20 to establish and administer the Fund. These administration and project management expenditures by DNR 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. This fiscal impact statement has been updated based on a response by DNR.

Explanation of Fiscal Impact

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
Total		\$560,016

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



Frank A. Rainwater, Executive Director