



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.

Bill Number: H. 3786 Introduced on January 24, 2023
Author: Lowe
Subject: SC Conservation Enhancement Act
Requestor: House Ways and Means
RFA Analyst(s): Jolliff and Wren
Impact Date: March 27, 2023

Fiscal Impact Summary

This bill, the South Carolina Conservation Enhancement Act, amends Section 12-24-90(B) to credit \$0.25 of each \$1.30 collected from deed recording fees to the South Carolina Conservation Bank Trust Fund and decrease the amount credited to the General Fund from \$1.00 to \$0.75. Further, this bill increases the number of board members governing the South Carolina Conservation Bank from fourteen to seventeen. The three additional members will include the Commissioner of Agriculture, the Secretary of Commerce, and the Secretary of Transportation, or their designees.

The South Carolina Conservation Bank and the Department of Agriculture indicate they will be able to manage the responsibilities in the bill with existing staff and resources. Based on previous responses, we anticipate that the Department of Commerce and the Department of Transportation will be able to fulfill the requirements of this bill using existing appropriations. Therefore, this bill is not expected to have an expenditure impact on the South Carolina Conservation Bank, the Department of Agriculture, the Department of Commerce, or the Department of Transportation.

Based upon the Board of Economic Advisors' General Fund forecast as of February 15, 2023, this bill is estimated to decrease recurring General Fund deed recording fee revenue by an estimated \$29,511,000 and increase South Carolina Conservation Bank Trust Fund revenue by a corresponding \$29,511,000 in FY 2023-24.

Explanation of Fiscal Impact

Introduced on January 24, 2023

State Expenditure

This bill, the South Carolina Conservation Enhancement Act, amends Section 12-24-90(B) to credit \$0.25 of each \$1.30 collected from deed recording fees to the South Carolina Conservation Bank Trust Fund and decrease the amount credited to the General Fund from \$1.00 to \$0.75. Further, this bill increases the number of board members governing the South Carolina Conservation Bank from fourteen to seventeen. The three additional members include the Commissioner of Agriculture, the Secretary of Commerce, and the Secretary of Transportation, or their designees. They will serve in ex officio and without voting privileges.

The South Carolina Conservation Bank indicates they will be able to manage any additional funds using existing staff and resources. The Department of Agriculture reports they will be able to fulfill the requirements of this bill using existing appropriations. Based on previous responses, we anticipate that the Department of Commerce and Department of Transportation will be able to fulfill the requirements of this bill using existing appropriations as well. Therefore, this bill is not expected to have an expenditure impact on the South Carolina Conservation Bank, the Department of Agriculture, the Department of Commerce, or the Department of Transportation.

State Revenue

This bill, the South Carolina Conservation Enhancement Act, amends Section 12-24-90(B) to credit \$0.25 of each \$1.30 collected from deed recording fees to the South Carolina Conservation Bank Trust Fund and decrease the amount credited to the General Fund from \$1.00 to \$0.75.

The Board of Economic Advisor's current General Fund forecast as of February 15, 2023, anticipates General Fund deed recording fees will total \$118,042,000 in FY 2023-24. Accounting for the amended apportionment of deed recording fee revenue, this bill is estimated to decrease recurring General Fund revenue by approximately \$29,511,000 and increase South Carolina Conservation Bank Trust Fund revenue by a corresponding \$29,511,000 in FY 2023-24.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director