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|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |



Fiscal Year 2019-20 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS
(FORM B1)**

| | |
|---|---|
| For FY 2019-20, my agency is (mark "X"): | |
| <input checked="" type="checkbox"/> | Requesting General Fund Appropriations. |
| <input checked="" type="checkbox"/> | Requesting Federal/Other Authorization. |
| <input type="checkbox"/> | Not requesting any changes. |

**NON-RECURRING
REQUESTS
(FORM B2)**

| | |
|---|---|
| For FY 2019-20, my agency is (mark "X"): | |
| <input checked="" type="checkbox"/> | Requesting Non-Recurring Appropriations. |
| <input type="checkbox"/> | Requesting Non-Recurring Federal/Other Authorization. |
| <input type="checkbox"/> | Not requesting any changes. |

**CAPITAL
REQUESTS
(FORM C)**

| | |
|---|--|
| For FY 2019-20, my agency is (mark "X"): | |
| <input type="checkbox"/> | Requesting funding for Capital Projects. |
| <input checked="" type="checkbox"/> | Not requesting any changes. |


**PROVISOS
(FORM D)**

| | |
|---|---|
| For FY 2019-20, my agency is (mark "X"): | |
| <input checked="" type="checkbox"/> | Requesting a new proviso and/or substantive changes to existing provisos. |
| <input checked="" type="checkbox"/> | Only requesting technical proviso changes (such as date references). |
| <input type="checkbox"/> | Not requesting any proviso changes. |

Please identify your agency's preferred contacts for this year's budget process.

| | <i>Name</i> | <i>Phone</i> | <i>Email</i> |
|---------------------------|-------------------|--------------|--------------------------|
| PRIMARY CONTACT: | Chris Huffman | 803-737-0462 | chuffman@scommerce.com |
| SECONDARY CONTACT: | Michael McInerney | 803-737-3949 | mmcinerney@scommerce.com |

I have reviewed and approved the enclosed FY 2019-20 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

| | | |
|-------------------------|---|----------------------------------|
| SIGN/DATE: | <i>Agency Director</i> | <i>Board or Commission Chair</i> |
| |  | |
| TYPE/PRINT NAME: | Robert M. Hitt III | |

This form must be signed by the agency head – not a delegate.

Fiscal Year 2019-20 Budget Request Executive Summary

Agency Code: P320
 Agency Name: Department Of Commerce
 Section: 50

| BUDGET REQUESTS | | | FUNDING | | | | | FTES | | | | |
|-----------------------|--------------------|------------------------------------|-----------|---------|-----------|------------|-----------|-------|---------|-----------|------------|-------|
| Priority | Request Type | Request Title | State | Federal | Earmarked | Restricted | Total | State | Federal | Earmarked | Restricted | Total |
| 1 | B1 - Recurring | Closing Fund | 3,700,000 | | | | 3,700,000 | | | | | 0.00 |
| 2 | B2 - Non-Recurring | LocateSC | 4,000,000 | | | | 4,000,000 | | | | | 0.00 |
| 3 | B1 - Recurring | Innovation | 1,500,000 | | | | 1,500,000 | | | | | 0.00 |
| 4 | B1 - Recurring | Small Business/Existing Industries | 400,000 | | | | 400,000 | 2.00 | | | | 2.00 |
| 5 | B1 - Recurring | Military Base Task Force | 275,000 | | | | 275,000 | 2.00 | | | | 2.00 |
| 6 | B1 - Recurring | Employer Contribution Increases | | | 58,000 | 12,000 | 70,000 | | | | | 0.00 |
| 7 | | | | | | | 0 | | | | | 0.00 |
| 8 | | | | | | | 0 | | | | | 0.00 |
| 9 | | | | | | | 0 | | | | | 0.00 |
| 10 | | | | | | | 0 | | | | | 0.00 |
| 11 | | | | | | | 0 | | | | | 0.00 |
| 12 | | | | | | | 0 | | | | | 0.00 |
| 13 | | | | | | | 0 | | | | | 0.00 |
| 14 | | | | | | | 0 | | | | | 0.00 |
| 15 | | | | | | | 0 | | | | | 0.00 |
| 16 | | | | | | | 0 | | | | | 0.00 |
| 17 | | | | | | | 0 | | | | | 0.00 |
| 18 | | | | | | | 0 | | | | | 0.00 |
| 19 | | | | | | | 0 | | | | | 0.00 |
| 20 | | | | | | | 0 | | | | | 0.00 |
| 21 | | | | | | | 0 | | | | | 0.00 |
| 22 | | | | | | | 0 | | | | | 0.00 |
| 23 | | | | | | | 0 | | | | | 0.00 |
| 24 | | | | | | | 0 | | | | | 0.00 |
| 25 | | | | | | | 0 | | | | | 0.00 |
| 26 | | | | | | | 0 | | | | | 0.00 |
| 27 | | | | | | | 0 | | | | | 0.00 |
| 28 | | | | | | | 0 | | | | | 0.00 |
| 29 | | | | | | | 0 | | | | | 0.00 |
| 30 | | | | | | | 0 | | | | | 0.00 |
| TOTAL BUDGET REQUESTS | | | 9,875,000 | 0 | 58,000 | 12,000 | 9,945,000 | 4.00 | 0.00 | 0.00 | 0.00 | 4.00 |

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|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

FORM B1 – RECURRING OPERATING REQUEST

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|------------------------|------------------------|
| AGENCY PRIORITY | 1 – Form #14484 |
|------------------------|------------------------|

Provide the Agency Priority Ranking from the Executive Summary.

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|--------------|---------------------|
| TITLE | Closing Fund |
|--------------|---------------------|

Provide a brief, descriptive title for this request.

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|---------------|--|
| AMOUNT | General: \$3,700,000 Federal: Other: Total: \$3,700,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|-------------|
| NEW POSITIONS | None |
|----------------------|-------------|

Please provide the total number of new positions needed for this request.

| | |
|---|---|
| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: |
| | <input checked="" type="checkbox"/> Change in cost of providing current services to existing program audience |
| | <input type="checkbox"/> Change in case load/enrollment under existing program guidelines |
| | <input type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program |
| | <input type="checkbox"/> Non-mandated program change in service levels or areas |
| | <input type="checkbox"/> Proposed establishment of a new program or initiative |
| | <input type="checkbox"/> Loss of federal or other external financial support for existing program |
| | <input type="checkbox"/> Exhaustion of fund balances previously used to support program |
| | <input type="checkbox"/> IT Technology/Security related |
| | <input type="checkbox"/> Consulted DTO during development |
| <input type="checkbox"/> Related to a Non-Recurring request – If so, Priority # _____ | |

| | |
|--|--|
| STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |
| | <input type="checkbox"/> Education, Training, and Human Development |
| | <input type="checkbox"/> Healthy and Safe Families |
| | <input type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> Public Infrastructure and Economic Development |
| <input type="checkbox"/> Government and Citizens | |

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|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
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|--------------------------------|---|
| ACCOUNTABILITY OF FUNDS | <p>1.1, 1.2. Increase the number of new/retained jobs and capital investment recruited into South Carolina.</p> |
|--------------------------------|---|

What specific strategy, as outlined in the FY 2018-19 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

| | |
|----------------------------|--|
| RECIPIENTS OF FUNDS | <p>The purpose of the Closing Fund is to assist companies in locating or expanding in South Carolina. This program provides funding necessary to encourage competitive projects to locate or expand in South Carolina.</p> |
|----------------------------|--|

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

| | |
|---------------------------------|---|
| JUSTIFICATION OF REQUEST | <p>The SC Department of Commerce is requesting \$3,700,000 in funding for the closing fund. These funds will be used to recruit new jobs and new investments to South Carolina. The Closing Fund offers greater flexibility than other incentive resources.</p> |
|---------------------------------|---|

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
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FORM B1 – RECURRING OPERATING REQUEST

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|------------------------|------------------------|
| AGENCY PRIORITY | 3 – Form #14486 |
|------------------------|------------------------|

Provide the Agency Priority Ranking from the Executive Summary.

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|--------------|-------------------|
| TITLE | Innovation |
|--------------|-------------------|

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: \$1,500,000 Federal: Other: Total: \$1,500,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|-------------|
| NEW POSITIONS | None |
|----------------------|-------------|

Please provide the total number of new positions needed for this request.

| | | |
|--|--|---|
| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: | |
| | <input type="checkbox"/> | Change in cost of providing current services to existing program audience |
| | <input type="checkbox"/> | Change in case load/enrollment under existing program guidelines |
| | <input type="checkbox"/> | Non-mandated change in eligibility/enrollment for existing program |
| | <input type="checkbox"/> | Non-mandated program change in service levels or areas |
| | <input type="checkbox"/> | Proposed establishment of a new program or initiative |
| | <input type="checkbox"/> | Loss of federal or other external financial support for existing program |
| | <input checked="" type="checkbox"/> | Exhaustion of fund balances previously used to support program |
| | <input type="checkbox"/> | IT Technology/Security related |
| | <input type="checkbox"/> | Consulted DTO during development |
| <input type="checkbox"/> | Related to a Non-Recurring request – If so, Priority # _____ | |

| | | |
|--|--|--|
| STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: | |
| | <input type="checkbox"/> | Education, Training, and Human Development |
| | <input type="checkbox"/> | Healthy and Safe Families |
| | <input type="checkbox"/> | Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> | Public Infrastructure and Economic Development |
| <input type="checkbox"/> | Government and Citizens | |

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| ACCOUNTABILITY OF FUNDS | <p>2.3. This appropriation will strengthen the state innovative and emerging industries in the state.</p> |
|--------------------------------|---|

What specific strategy, as outlined in the FY 2018-19 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

| | |
|----------------------------|--|
| RECIPIENTS OF FUNDS | <p>Grantees and potentially the creation of assets that can be used by the entire state.</p> |
|----------------------------|--|

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

| | |
|---------------------------------|---|
| JUSTIFICATION OF REQUEST | <p>Funding that will help support the growth of the state's high-tech and applied research and development business community under the goals of the SC Innovation Plan. This funding would be used as grants to create new resources that address the needs of innovation, small business development, and emerging industries in the State.</p> |
|---------------------------------|---|

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B1 – RECURRING OPERATING REQUEST

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| AGENCY PRIORITY | 4 – Form #14487 <i>Provide the Agency Priority Ranking from the Executive Summary.</i> |
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| TITLE | Small Business/Existing Industries <i>Provide a brief, descriptive title for this request.</i> |
|--------------|--|

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|---------------|--|
| AMOUNT | General: \$400,000 Federal: Other: Total: \$400,000 <i>What is the net change in requested appropriations for FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.</i> |
|---------------|--|

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|----------------------|--|
| NEW POSITIONS | 2 new positions <i>Please provide the total number of new positions needed for this request.</i> |
|----------------------|--|

| | |
|---|--|
| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: |
| | <input type="checkbox"/> Change in cost of providing current services to existing program audience |
| | <input checked="" type="checkbox"/> Change in case load/enrollment under existing program guidelines |
| | <input type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program |
| | <input type="checkbox"/> Non-mandated program change in service levels or areas |
| | <input type="checkbox"/> Proposed establishment of a new program or initiative |
| | <input type="checkbox"/> Loss of federal or other external financial support for existing program |
| | <input type="checkbox"/> Exhaustion of fund balances previously used to support program |
| | <input type="checkbox"/> IT Technology/Security related |
| | <input type="checkbox"/> Consulted DTO during development |
| <input type="checkbox"/> Related to a Non-Recurring request – If so, Priority # | |

| | |
|--|--|
| STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |
| | <input type="checkbox"/> Education, Training, and Human Development |
| | <input type="checkbox"/> Healthy and Safe Families |
| | <input type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> Public Infrastructure and Economic Development |
| <input type="checkbox"/> Government and Citizens | |

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| ACCOUNTABILITY OF FUNDS | <p>2.1. This appropriation will build on the strengths of the state’s existing industries</p> |
|--------------------------------|---|

What specific strategy, as outlined in the FY 2018-19 Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

| | |
|----------------------------|--|
| RECIPIENTS OF FUNDS | <p>Employees and typical costs to operate a program.</p> |
|----------------------------|--|

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

| | |
|---------------------------------|---|
| JUSTIFICATION OF REQUEST | <p>With 4% unemployment, it is imperative that Commerce have a robust small and existing business component especially in the rural areas of South Carolina. Over the past several years, Commerce has increased resources to these programs. These resources include (1) SourceSC – a supply chain resource that assists our small and medium sized business to gain exposure to more companies across the state. (2) B2B Matchmaker platform allows companies to arrange individual meetings with suppliers to help grow their business, gain exposure to opportunities and nurture business relationships. (3) Existing Industry Visitation Program -Commerce has hired five part-time professional to visit existing industries around the state to access any potential or pending issue that impede their growth. Lately, these program have focused on several of our rural communities since the health of only a few companies can make a significant impact on that community. Commerce has utilized non-recurring funds for these increased resources, but is seeking recurring dollars to continue these programs into the future. Commerce needs available resources to be flexible and address real problems today when the need arises..</p> |
|---------------------------------|---|

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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|---------------------|---------------------------|-----------------|----|
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FORM B1 – RECURRING OPERATING REQUEST

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| AGENCY PRIORITY | 5 – Form #14488 <i>Provide the Agency Priority Ranking from the Executive Summary.</i> |
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|--------------|--|
| TITLE | Military Base Task Force <i>Provide a brief, descriptive title for this request.</i> |
|--------------|--|

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| AMOUNT | General: \$275,000 Federal: Other: Total: \$275,000 <i>What is the net change in requested appropriations for FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.</i> |
|---------------|--|

| | |
|----------------------|--|
| NEW POSITIONS | 2 new positions <i>Please provide the total number of new positions needed for this request.</i> |
|----------------------|--|

| | | |
|--|--|---|
| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: | |
| | <input type="checkbox"/> | Change in cost of providing current services to existing program audience |
| | <input type="checkbox"/> | Change in case load/enrollment under existing program guidelines |
| | <input type="checkbox"/> | Non-mandated change in eligibility/enrollment for existing program |
| | <input type="checkbox"/> | Non-mandated program change in service levels or areas |
| | <input type="checkbox"/> | Proposed establishment of a new program or initiative |
| | <input type="checkbox"/> | Loss of federal or other external financial support for existing program |
| | <input checked="" type="checkbox"/> | Exhaustion of fund balances previously used to support program |
| | <input type="checkbox"/> | IT Technology/Security related |
| | <input type="checkbox"/> | Consulted DTO during development |
| <input type="checkbox"/> | Related to a Non-Recurring request – If so, Priority # _____ | |

| | | |
|--|--|--|
| STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: | |
| | <input type="checkbox"/> | Education, Training, and Human Development |
| | <input type="checkbox"/> | Healthy and Safe Families |
| | <input type="checkbox"/> | Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> | Public Infrastructure and Economic Development |
| <input type="checkbox"/> | Government and Citizens | |

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|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
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| ACCOUNTABILITY OF FUNDS | <p>3.1 – Maintain positive business and community relations with our existing military bases</p> |
|--------------------------------|--|

What specific strategy, as outlined in the FY 2018-19 Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

| | |
|----------------------------|--|
| RECIPIENTS OF FUNDS | <p>Employees and typical costs to operate a program.</p> |
|----------------------------|--|

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

| | |
|---------------------------------|--|
| JUSTIFICATION OF REQUEST | <p>The Military Base Task Force has been funded with non-recurring appropriation over the last few years. These recurring funds will be used to address military related economic development opportunities and assist the military base communities of South Carolina in dealing with the issues related to future potential and present conditions. This request provides a stable and predictable funding stream into the future.</p> |
|---------------------------------|--|

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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| AGENCY NAME: | SC Department of Commerce | | |
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FORM B1 – RECURRING OPERATING REQUEST

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|------------------------|---|
| AGENCY PRIORITY | 6 – Form #14489 <i>Provide the Agency Priority Ranking from the Executive Summary.</i> |
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| TITLE | Employer Contribution Increases <i>Provide a brief, descriptive title for this request.</i> |
|--------------|---|

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|---------------|--|
| AMOUNT | General: Federal: Other: \$70,000 Total: \$70,000 <i>What is the net change in requested appropriations for FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.</i> |
|---------------|--|

| | |
|----------------------|---|
| NEW POSITIONS | N/A <i>Please provide the total number of new positions needed for this request.</i> |
|----------------------|---|

| | |
|---|---|
| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: |
| | <input checked="" type="checkbox"/> Change in cost of providing current services to existing program audience |
| | <input type="checkbox"/> Change in case load/enrollment under existing program guidelines |
| | <input type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program |
| | <input type="checkbox"/> Non-mandated program change in service levels or areas |
| | <input type="checkbox"/> Proposed establishment of a new program or initiative |
| | <input type="checkbox"/> Loss of federal or other external financial support for existing program |
| | <input type="checkbox"/> Exhaustion of fund balances previously used to support program |
| | <input type="checkbox"/> IT Technology/Security related |
| | <input type="checkbox"/> Consulted DTO during development |
| <input type="checkbox"/> Related to a Non-Recurring request – If so, Priority # _____ | |

| | |
|--|--|
| STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |
| | <input type="checkbox"/> Education, Training, and Human Development |
| | <input type="checkbox"/> Healthy and Safe Families |
| | <input type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> Public Infrastructure and Economic Development |
| <input type="checkbox"/> Government and Citizens | |

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| ACCOUNTABILITY OF FUNDS | All |
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What specific strategy, as outlined in the FY 2018-19 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

| | |
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| RECIPIENTS OF FUNDS | Existing or anticipated increases in employer contributions |
|----------------------------|---|

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

| | |
|---------------------------------|---|
| JUSTIFICATION OF REQUEST | Increase spending authority for past and upcoming employer contribution increase. |
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Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B2 – NON-RECURRING OPERATING REQUEST

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|------------------------|------------------------|
| AGENCY PRIORITY | 2 – Form #14485 |
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Provide the Agency Priority Ranking from the Executive Summary.

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| TITLE | Locate-SC |
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Provide a brief, descriptive title for this request.

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| AMOUNT | \$4,000,000 |
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What is the net change in requested appropriations for FY 2019-20? This amount should correspond to the total for all funding sources on the Executive Summary.

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| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: |
| | <input type="checkbox"/> Change in cost of providing current services to existing program audience |
| | <input type="checkbox"/> Change in case load/enrollment under existing program guidelines |
| | <input type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program |
| | <input type="checkbox"/> Non-mandated program change in service levels or areas |
| | <input type="checkbox"/> Proposed establishment of a new program or initiative |
| | <input type="checkbox"/> Loss of federal or other external financial support for existing program |
| | <input type="checkbox"/> Exhaustion of fund balances previously used to support program |
| | <input type="checkbox"/> IT Technology/Security related |
| | <input type="checkbox"/> Consulted DTO during development |
| | <input checked="" type="checkbox"/> Request for Non-Recurring Appropriations |
| <input type="checkbox"/> Request for Federal/Other Authorization to spend existing funding | |
| <input type="checkbox"/> Related to a Recurring request – If so, Priority # | |

| | |
|--|--|
| STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES | Mark “X” for primary applicable Statewide Enterprise Strategic Objective: |
| | <input type="checkbox"/> Education, Training, and Human Development |
| | <input type="checkbox"/> Healthy and Safe Families |
| | <input type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input checked="" type="checkbox"/> Public Infrastructure and Economic Development |
| <input type="checkbox"/> Government and Citizens | |

| | |
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| ACCOUNTABILITY OF FUNDS | 3.1.1. Assist with the improvements of available inventory of sites and building. |
|--------------------------------|---|

What specific strategy, as outlined in the FY 2018-19 Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

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| RECIPIENTS OF FUNDS | These funds will be awarded as grants to local governments or ally groups. |
|----------------------------|--|

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

| | |
|---------------------------------|--|
| JUSTIFICATION OF REQUEST | Locate SC Site Inventory - funding that will allow the state to be proactive in preparing sites into suitable inventory for potential prospects. |
|---------------------------------|--|

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

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|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

FORM D – PROVISIO REVISION REQUEST

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|---------------|--------------|
| NUMBER | 50.13 |
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Cite the proviso according to the renumbered list for FY 2019-20 (or mark "NEW").

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| TITLE | CMRC: Regional Economic Development Organizations |
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Provide the title from the FY 2018-19 Appropriations Act or suggest a short title for any new request.

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| BUDGET PROGRAM | N/A |
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Identify the associated budget program(s) by name and budget section.

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| RELATED BUDGET REQUEST | N/A |
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Is this request associated with a budget request you have submitted for FY 2019-20? If so, cite it here.

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|-------------------------|-------|
| REQUESTED ACTION | Amend |
|-------------------------|-------|

Choose from: Add, Delete, Amend, or Codify.

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| OTHER AGENCIES AFFECTED | None |
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Which other agencies would be affected by the recommended action? How?

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| SUMMARY & EXPLANATION | <p>Year change and adding the amount allotted to two counties who recently have joined an alliance to that alliance's total.</p> |
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

| | | | |
|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

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| FISCAL IMPACT | None |
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Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

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|--|---|----------------------|-------------|--|-------------|---|-------------|--|-------------|-------------------|--------------------------------|--------------------------------------|-------------|--------------------------------|------------------------------------|--------------------------------|-------------|--------------------------------|------------------------|----------------|---------------------------------|-----------------------|--|
| PROPOSED PROVISO TEXT | <p>50.13. (CMRC: Regional Economic Development Organizations) The Department of Commerce shall utilize \$5,000,000 appropriated in Fiscal Year 2018-19 <i>the current year</i> for Regional Economic Development Organizations to provide funds to the following economic development organizations and must be disbursed as follows:</p> <table style="margin-left: 40px;"> <tr><td>(1) Upstate Alliance</td><td style="text-align: right;">\$ 750,000;</td></tr> <tr><td>(2) Central SC Economic Development Alliance</td><td style="text-align: right;">\$ 750,000;</td></tr> <tr><td>(3) North Eastern Strategic Alliance (NESA)</td><td style="text-align: right;">\$ 745,000;</td></tr> <tr><td>(4) Charleston Regional Development Alliance</td><td style="text-align: right;">\$ 660,000;</td></tr> <tr><td>(5) I-77 Alliance</td><td style="text-align: right;">\$ 600,000660,000;</td></tr> <tr><td>(6) Economic Development Partnership</td><td style="text-align: right;">\$ 450,000;</td></tr> <tr><td>(7) Southern Carolina Alliance</td><td style="text-align: right;">\$ 460,000600,000; and</td></tr> <tr><td>(8) The LINK Economic Alliance</td><td style="text-align: right;">\$ 385,000.</td></tr> </table> <p>Each dollar of state funds must be matched with one dollar of private funds. The organization receiving state funds must certify that the private funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development. No funds appropriated in this proviso may be used for routine operating costs of the organization as defined by the Department of Commerce.</p> <p>The remaining \$200,000 shall be provided to counties as follows, provided they meet the requirements established above:</p> <table style="margin-left: 40px;"> <tr><td>(1) Beaufort County</td><td style="text-align: right;">\$ 140,000;</td><td style="text-align: right;">and</td></tr> <tr><td>(2) Lancaster County</td><td style="text-align: right;">\$ 60,000.</td><td></td></tr> </table> <p>Upon receipt of the request for the funds and certification of the matching funds, the Department of Commerce shall disburse the funds to the requesting organization.</p> <p>Funds recipients shall provide an annual report by November first, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee and the Secretary of Commerce on the expenditure of the funds and on the outcome measures.</p> <p>Any unexpended, unallocated, or undistributed funds appropriated in prior fiscal years for Regional Economic Development Organizations shall first be made available to Regional Economic Development Organizations and any remainder shall be transferred to the Rural Infrastructure Fund at the Department of Commerce. If more than one alliance applies for the same funds, the funds will be distributed pro-rata.</p> | (1) Upstate Alliance | \$ 750,000; | (2) Central SC Economic Development Alliance | \$ 750,000; | (3) North Eastern Strategic Alliance (NESA) | \$ 745,000; | (4) Charleston Regional Development Alliance | \$ 660,000; | (5) I-77 Alliance | \$ 600,000 660,000; | (6) Economic Development Partnership | \$ 450,000; | (7) Southern Carolina Alliance | \$ 460,000 600,000; and | (8) The LINK Economic Alliance | \$ 385,000. | (1) Beaufort County | \$ 140,000; | and | (2) Lancaster County | \$ 60,000. | |
| (1) Upstate Alliance | \$ 750,000; | | | | | | | | | | | | | | | | | | | | | | |
| (2) Central SC Economic Development Alliance | \$ 750,000; | | | | | | | | | | | | | | | | | | | | | | |
| (3) North Eastern Strategic Alliance (NESA) | \$ 745,000; | | | | | | | | | | | | | | | | | | | | | | |
| (4) Charleston Regional Development Alliance | \$ 660,000; | | | | | | | | | | | | | | | | | | | | | | |
| (5) I-77 Alliance | \$ 600,000 660,000; | | | | | | | | | | | | | | | | | | | | | | |
| (6) Economic Development Partnership | \$ 450,000; | | | | | | | | | | | | | | | | | | | | | | |
| (7) Southern Carolina Alliance | \$ 460,000 600,000; and | | | | | | | | | | | | | | | | | | | | | | |
| (8) The LINK Economic Alliance | \$ 385,000. | | | | | | | | | | | | | | | | | | | | | | |
| (1) Beaufort County | \$ 140,000; | and | | | | | | | | | | | | | | | | | | | | | |
| (2) Lancaster County | \$ 60,000. | | | | | | | | | | | | | | | | | | | | | | |

Paste FY 2018-19 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

FORM D – PROVISIO REVISION REQUEST

| | |
|---------------|---------|
| NUMBER | 117.128 |
|---------------|---------|

Cite the proviso according to the renumbered list for FY 2019-20 (or mark "NEW").

| | |
|--------------|--------------------------------|
| TITLE | GP: Catastrophic Weather Event |
|--------------|--------------------------------|

Provide the title from the FY 2018-19 Appropriations Act or suggest a short title for any new request.

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|-----------------------|-----|
| BUDGET PROGRAM | N/A |
|-----------------------|-----|

Identify the associated budget program(s) by name and budget section.

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|-------------------------------|-----|
| RELATED BUDGET REQUEST | N/A |
|-------------------------------|-----|

Is this request associated with a budget request you have submitted for FY 2019-20? If so, cite it here.

| | |
|-------------------------|-------|
| REQUESTED ACTION | Amend |
|-------------------------|-------|

Choose from: Add, Delete, Amend, or Codify.

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| OTHER AGENCIES AFFECTED | None |
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Which other agencies would be affected by the recommended action? How?

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|----------------------------------|--|
| SUMMARY & EXPLANATION | Year Change and adding Hurricane Florence. |
|----------------------------------|--|

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

| | | | |
|---------------------|---------------------------|-----------------|----|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

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| FISCAL IMPACT | None |
|----------------------|------|

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

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| PROPOSED PROVISO TEXT | <p>117.134. (GP: Catastrophic Weather Event) Any improvements made to real property or personal property used as a residence, such as a mobile home or manufactured housing unit, damaged during the catastrophic weather event in October 2015, <u>Hurricane Florence 2018</u> or Hurricane Matthew of 2016, after the event and before June 30, 2019 <u>2020</u>, is not considered an improvement and does not require a re-appraisal. This provision only applies if as a result of the catastrophic weather event, the improvements made to the property were funded by the United States Department of Housing and Urban Development Block Grant - Disaster Recovery program. This provision also applies if, at the discretion of the county and using qualifications determined by the county, the improvements were made with the assistance of a volunteer organization active in disaster, or a similar volunteer organization.</p> <p>(B) During the current fiscal year, the property tax value of an eligible property shall remain the same unless an assessable transfer of interest occurs. No refund is allowed on account of values adjusted as provided in this provision.</p> |
|------------------------------|--|

Paste FY 2018-19 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

FORM D – PROVISIO REVISION REQUEST

| | |
|---------------|---------------|
| NUMBER | 50.NEW |
|---------------|---------------|

Cite the proviso according to the renumbered list for FY 2019-20 (or mark "NEW").

| | |
|--------------|---------------------------|
| TITLE | CMRC: CDBG-DR Flexibility |
|--------------|---------------------------|

Provide the title from the FY 2018-19 Appropriations Act or suggest a short title for any new request.

| | |
|-----------------------|---|
| BUDGET PROGRAM | II. PROGRAMS AND SERVICES/E. GRANT PROGRAMS/3. CDBG - DISASTER RECOVERY |
|-----------------------|---|

Identify the associated budget program(s) by name and budget section.

| | |
|-------------------------------|-----|
| RELATED BUDGET REQUEST | N/A |
|-------------------------------|-----|

Is this request associated with a budget request you have submitted for FY 2019-20? If so, cite it here.

| | |
|-------------------------|-----|
| REQUESTED ACTION | New |
|-------------------------|-----|

Choose from: Add, Delete, Amend, or Codify.

| | |
|--------------------------------|------|
| OTHER AGENCIES AFFECTED | None |
|--------------------------------|------|

Which other agencies would be affected by the recommended action? How?

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| SUMMARY & EXPLANATION | Provide flexibility to the Department of Commerce to use the previous appropriated funds to be used on any current and future Disaster Recovery program and not limit the funding to the 2015 Flood CDBG-DR program. |
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

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|---------------------|----------------------------------|-----------------|-----------|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

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| FISCAL IMPACT | <p>The Department of Commerce has received two CDBG-DR grants and will received two additional grants for Mitigation in early/mid 2019. The current state appropriation from Fiscal Year 2017-18 is limited to the 2015 Flood. Without this flexibility, the agency may need additional state funds to cover the current and future grants.</p> |
|----------------------|---|

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

| | |
|-------------------------------|---|
| PROPOSED PROVISIO TEXT | <p>50.13. (CMRC: CDBG-DR Flexibility) The funds previously appropriated to the Department of Commerce for 2015 Flood - Non-CDBG - Disaster Recovery may the utilized by any disaster recovery program managed by the agency.</p> |
|-------------------------------|---|

Paste FY 2018-19 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

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|---------------------|----------------------------------|-----------------|-----------|
| AGENCY NAME: | SC Department of Commerce | | |
| AGENCY CODE: | P320 | SECTION: | 50 |

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| SUMMARY | <p>A)Closing Fund- Commerce would have fewer funds on hand to assist companies in locating or expanding in South Carolina.</p> <p>b)Local Economic Development Organizations- LEDA would have fewer funds on hand to market the state, position their region competitively and to find and assist companies looking to locate and expand in South Carolina.</p> <p>c)LocateSC- Commerce would have fewer funds that will allow the state to be proactive in preparing sites into suitable inventory for potential prospects</p> <p>d)SC Manufacturing Extension Partnership- Fewer companies would benefit from the services SCMEP provide.</p> <p>e) Small Business Development Centers- Fewer small businesses would benefit from the services SCSBDC provide.</p> <p>f)Council on Competitiveness- Fewer funds available to continue our collaboration in aerospace and TDL.</p> <p>g)State Export Grant Program- Fewer small businesses would benefit from exporting assistance.</p> <p>h)Marketing Activities-Fewer funds available to make strategic investments into potential areas to market our state.</p> <p>i) Secretary’s Office, Administration, Global Business Development, Innovation, Research, Marketing, Workforce and Small and Existing Business – Commerce would need to re-evaluate future travel, hiring decisions, and other spending plans to determine if recurring resources are available.</p> |
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

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| AGENCY COST SAVINGS PLANS | <p>Commerce would need to re-evaluate future travel, hiring decisions, and other spending plans to implement a cost saving plan. Any saving from implementation of a re-evaluation would be either utilized in an investment into a new strategic initiative or carried forward into the next year.</p> |
|----------------------------------|---|

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?