

<b>AGENCY NAME:</b>	
<b>AGENCY CODE:</b>	<b>SECTION:</b>



**Fiscal Year 2025-26  
Agency Budget Plan**

**FORM A - BUDGET PLAN SUMMARY**

<b>OPERATING REQUESTS (FORM B1)</b>	<b>For FY 2025-26, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

<b>NON-RECURRING REQUESTS (FORM B2)</b>	<b>For FY 2025-26, my agency is (mark "X"):</b>	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

<b>CAPITAL REQUESTS (FORM C)</b>	<b>For FY 2025-26, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

<b>PROVISOS (FORM D)</b>	<b>For FY 2025-26, my agency is (mark "X"):</b>	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
<b>PRIMARY CONTACT:</b>	Patrick Jarvis	803-737-0462	pjarvis@scommerce.com
<b>SECONDARY CONTACT:</b>	Mark Hendrick	803-737-3949	mhendrick@scommerce.com

I have reviewed and approved the enclosed FY 2025-26 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

<b>SIGN/DATE:</b>	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	<i>[Signature]</i>	<i>[Signature]</i>
<b>TYPE/PRINT NAME:</b>	HARRY M. Lightsey, III	Secretary of Commerce

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

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

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Repay Intra-Agency Loan	5,000,000	0	0	0	5,000,000	0.00	0.00	0.00	0.00	0.00
2	B2 - Non-Recurring	Repay Intra-Agency Loan	20,000,000	0	0	0	20,000,000	0.00	0.00	0.00	0.00	0.00
3	B2 - Non-Recurring	LocateSC	150,000,000	0	0	0	150,000,000	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	LocateSC	4,500,000	0	0	0	4,500,000	0.00	0.00	0.00	0.00	0.00
5	B1 - Recurring	Closing Fund	3,700,000	0	0	0	3,700,000	0.00	0.00	0.00	0.00	0.00
6	B1 - Recurring	Recycling Market Development	400,000	0	0	0	400,000	0.00	0.00	0.00	0.00	0.00
7	B1 - Recurring	SC Opportunities for Promoting Exports (SCOPE)	175,000	0	0	0	175,000	0.00	0.00	0.00	0.00	0.00
8	B1 - Recurring	Business Development Marketing	500,000	0	0	0	500,000	0.00	0.00	0.00	0.00	0.00
9	B1 - Recurring	IT - Data Security and Infrastructure	350,000	0	0	0	350,000	0.00	0.00	0.00	0.00	0.00
10	B1 - Recurring	FTEs - Trade and International Relations	105,000	0	0	0	105,000	2.00	0.00	0.00	0.00	2.00
11	B1 - Recurring	Applied Research Centers	1,000,000	0	0	0	1,000,000	0.00	0.00	0.00	0.00	0.00
12	B1 - Recurring	Other/Federal Funds	0	222,000	641,500	28,500	892,000	0.00	0.00	0.00	0.00	0.00
TOTALS			185,730,000	222,000	641,500	28,500	186,622,000	2.00	0.00	0.00	0.00	2.00

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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>1</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Repay Intra-Agency Loan</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$5,000,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$5,000,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>0.00</b>
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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"/>	HR/Personnel Related
<input checked="" type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # 2	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>Increase the number of new/retained jobs and capital investment recruited to South Carolina.</p>
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	SC Department of Commerce
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**FUNDS**

*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**

In 2015, for the Navy Base Intermodal Facility (NBIF) project to continue moving forward on a timeline that would allow it to be open near the time of completion of the Hugh K. Leatherman Terminal, Commerce issued an intra-agency loan to Palmetto Railways in the amount of \$51 million as interim, interest free financing for permitting and preliminary construction costs. The intra-agency loan funds originate from committed, but unexpended grant funds of the South Carolina Coordinating Council for Economic Development, and accordingly, were loaned only on a temporary basis and must be repaid. Commerce is requesting \$5 million in recurring funding to repay this intra-agency loan.

*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.*

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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	4
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	LocateSC
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p><b>General: \$4,500,000</b></p> <p><b>Federal: \$0</b></p> <p><b>Other: \$0</b></p> <p><b>Total: \$4,500,000</b></p>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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"/>	HR/Personnel Related
	<input type="checkbox"/>	Consulted DTO during development
<input checked="" type="checkbox"/>	Related to a Non-Recurring request – If so, Priority # 3	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Assist with the improvements of available inventory of sites and buildings.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	These funds will be awarded as grants to local governments or ally groups.
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**FUNDS**

*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**

South Carolina’s historic economic success has significantly depleted our inventory of available properties and it has reached an all-time low. With each new company announcement, another piece of valuable real estate is absorbed. To sustain our momentum in attracting jobs and investment, it is essential for our State to continue investing in itself.

The LocateSC fund has successfully provided the Department of Commerce with resources to enhance promising properties statewide. However, the next phase of improvements requires larger-scale projects that our current funding cannot support alone. Therefore, SC Commerce is requesting an additional \$4.5 million of recurring funds to help support the state’s portfolio going forward and ensure our state remains competitive.

Experience has shown that the private sector cannot fill this gap. Private companies typically focus on profit and institutional-quality developments, often overlooking the types of businesses, job opportunities, and salaries that would best serve our communities. To ensure the Department of Commerce can provide high-quality options for all South Carolinians, we must maintain a robust portfolio of attractive sites for businesses to locate.

Funding for site readiness is critical to our economic development success. Over the last few years, our neighboring states have been making significant investments to enhance their competitiveness. In 2023, Kentucky proposed a \$200 million investment over two years for both mega sites and regional developments. Virginia announced \$90 million to support the development of sites exceeding 100 acres. North Carolina has allocated over \$100 million in recent years for mega site development, while Missouri committed \$75 million—\$50 million for mega sites and \$25 million for smaller sites. Georgia and Alabama have also made substantial investments in site readiness.

*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**

<b>AGENCY PRIORITY</b>	5
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	Closing Fund
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p><b>General: \$3,700,000</b></p> <p><b>Federal: \$0</b></p> <p><b>Other: \$0</b></p> <p><b>Total: \$3,700,000</b></p>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Increase the number of new/retained jobs and capital investment recruited into South Carolina.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	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.
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**FUNDS**

*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**

The SC Department of Commerce is requesting \$3,700,000 in recurring funding for the Closing Fund, bringing the total recurring amount to \$25 million. 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.

*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.*



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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>6</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Recycling Market Development</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$400,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$400,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>0.00</b>
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" 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"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>Attract Capital investment and job creation throughout South Carolina.</p> <p>Build on the strengths of the state's existing, small and emerging industries</p>
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	Agency Employees, Vendors, Contractors following the SC Procurement Code.
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*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**

Commerce’s Recycling Market Development team consists of 3 FTE’s. This request is for \$400,000 in salary and fringe for the 3 staff and the operating expenses in support of the Recycling Market Development Advisory Council activities.

In [SECTION 44-96-120](#) of the SC Code under the Solid Waste Policy Management Act, it establishes the Solid Waste Management Trust Fund that sets forth the initial funding for the supporting RMDAC staff. Funding from the Solid Waste Trust Fund has been provided to Commerce for the past 30 years via contracts between DES (formerly DHEC) and DOC and has incrementally increased to cover the costs of administering the program. The most recent contract between the former DHEC and DOC was in the amount of \$325,000 per year for the term 2019-2024. DES has elected to not renew the contract moving forward.

In [SECTION 13-1-380](#) of the SC Code it sets forth the Recycling Market Development Advisory Council under Commerce (former State Development Board) and sets forth that Solid Waste Trust Fund cover expenses of RMDAC once the Trust Fund has built up sufficient expenses.

Commerce’s Recycling Market Development staff at Commerce assists the Global Business Development team with the recruitment of recycling companies to SC; most notably, the recent Redwood Materials lithium-ion battery recycling facility made the state’s largest single investment with \$3.5 billion in Berkeley County in 2022. In 2023, recycling-related companies announced \$1,756,200,000 in capital investment, representing 2,178 new jobs. With an overall \$13.6 billion economic impact, the state’s recycling industry, with over 300 recycling companies, benefits our communities and the environment in South Carolina.

With \$3.8 billion from three major investments of Li-ion battery recyclers in SC in 2022-24, (Redwood \$3.5 billion 1500 jobs, Cirba Solutions \$300M, 300 jobs and Princeton NuEnergy \$11M; 42 jobs) and the more than 1800 jobs needed to fulfill these investments, Recycling Market Development is critical to help coordinate the state’s recycling market flow of Li-ion battery supply to meet the demand of these critical large investments that support our state’s EV auto industry battery supply chain.

Historical

- Annually staff surveys tire recycling processors
- Hosting jointly the SC Scrap Tire Sustainability Coalition to discuss market-based solutions and policy drivers for waste tires.
- Coordinated "Your Plastics Means Product" roadshow around recycling plastics to ensure SC’s plastics recyclers have materials to feed their recycling feedstock needs to make new products.
- Maintains an online Recycling Markets Directory and recycling Materials Exchange marketplace
- Over the past 5 years, Recycling staff have provided assistance to more than 750 companies requiring recycling assistance, assisting in the recycling of materials such as paper, plastic, metals, glass, and other commodity materials.

*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.*

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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	7
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>SC Opportunities for Promoting Exports (SCOPE)</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$175,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$175,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	South Carolina's ranking of states in exports per capita.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	Companies seeking export assistance, based on eligibility.
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**FUNDS**

*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**

South Carolina Opportunities for Promoting Export (SCOPE) is currently funded at \$125,000. The current level of support has supported 30 companies annually. This request will bring the total recurring appropriation to \$300,000. Funding at this level will allow SC Commerce to support a larger number of companies to increase the number of exports from SC into new or existing markets and increase the sales for SC companies. This increase in funding will allow Commerce to support up to 70 companies annually – a 133% increase compared to today's funding (30 companies annually to 70). SCOPE funding helps companies by allowing them to: participate in trade missions and trade shows geared to specific industry sectors, conduct product testing for international markets, internationalize their websites via translation and other enhancements, and receive topic-specific export training.

The SCOPE program is the state-funded partner to the State Trade Expansion Program (STEP), a federal program administered by SC Commerce. From 7/1/2023 – 08/08/2024, 42 companies have been funded through STEP and 30 companies through SCOPE.

Total amount funded: \$419,986

Average funding per company: \$5,833

Reported Sales: \$12,917,626

Return on Investment: For every dollar invested, SC receives \$31 back in export sales.

*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.*

Agency Name:	Department Of Commerce		
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## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	8
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Business Development Marketing</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$500,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$500,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Implement a targeted marketing strategy to promote new investment and job creation.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	Contractors and vendors
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**FUNDS**

*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**

Economic development is a fiercely competitive arena – one where states and countries alike vie to be the place that lands the companies that will provide the jobs of the future. As such, South Carolina must continually make its case for businesses to invest here, ensuring the state is attracting industry that will create economic opportunities for all South Carolinians for years to come.

Communicating what sets South Carolina apart from its competitors is key to achieving sustained economic success. After the General Assembly allocated \$5 million in non-recurring funds to S.C. Commerce for marketing efforts, the agency rebranded its work and what it means to do business in the state, as well deployed its first ever paid-media campaign delivering the new "Launch to Legacy" messaging through multiple marketing channels (tv and radio commercial, streaming services, digital ads, geo-fencing events, emails, print ads, and social media). Ads featured the CEOs of the BMW Plant Spartanburg, Sonoco, Nephron Pharmaceuticals and BFive40.

The campaign focused on brand awareness within the state, especially for existing industry, as well as raising awareness in key markets across the United States (AL, CA, MA, MI, NY, PA, TX, WA, and WI). The results of the campaign were tremendous. From Jan. 29, 2024, to June 23, 2024, the campaign drove 82,497 visits to [sclaunchtolegacy.com](http://sclaunchtolegacy.com), which introduces companies to doing business in the state. For that same time, the campaign drove 117,947 visits to [sc.commerce.com](http://sc.commerce.com), and of that number, 116,458 represent people who visited the site for the first time. From Jan. 29, 2024-Aug. 30, 2024, the campaign delivered 28.7 million digital impressions across various platforms. Additionally, the advertising successfully delivered +15% growth in likelihood to consider relocating or expanding business to South Carolina. With the remainder of non-recurring funds, S.C. Commerce will deploy a second paid media campaign related to "Launch to Legacy" during FY 25.

Beyond that, to ensure the state's competitive advantage, S.C. Commerce will need to deploy a regular media campaign, of lesser scale, to keep South Carolina's attractiveness as a business-friendly state top of mind for companies and executives looking to expand or establish operations here. Therefore, the agency is asking for a \$500,000 increase to the recurring amount of \$1 million allocated to S.C. Commerce for Business Development Marketing, bringing the total recurring amount to \$1.5 million.

*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.*

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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	9
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>IT - Data Security and Infrastructure</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$350,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$350,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input checked="" type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

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

<b>ACCOUNTABILITY OF FUNDS</b>	<p>This request supports all of the agency's strategies, as data security and IT capabilities are paramount to carrying out daily functions of the office.</p>
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	Contractors and vendors, following state procurement guidelines
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**FUNDS**

*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**

To enhance the agency's overall efficiency and system security we are proposing several hardware and software upgrades. Some of our existing infrastructure is no longer under warranty and poses both a security and business continuity risk. We are proposing a regular refresh of hardware and firewalls to mitigate these risks. Additionally, we are moving our on-premises data to the cloud to ensure simple, secure access to key data and systems that will improve business continuity. Finally, our agency is very data driven and needs to implement a modern data analytics environment. We are proposing a few data sources, analysis tools and infrastructure to support our data analytics needs.

*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.*



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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>10</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>FTEs - Trade and International Relations</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$105,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$105,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>2.00</b>
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>Build on the strengths of the state's existing, small, and emerging industries.</p> <p>Attract capital investment and job creation throughout South Carolina</p>
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	Agency Employees
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**FUNDS**

*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**

This request is for two FTE positions and appropriations for one. The positions are: Economic Development Officer II (requesting funding) and Economic Development Manager I (not requesting funding).

The Economic Development Officer II position is being requested due to expanding the trade effort with the UK and Ireland as a result of the post-Brexit MOU with the United Kingdom and the creation of the SC-Ireland Trade Commission.

The Economic Development Manager I position is being requested for succession planning efforts for the agency's protocol officer in addition to expanding services for the agency's landing pad program. The landing pad program is designed to assist international business with entry to the US market. The program targets companies that plan to hire fewer than 10 employees and invest less than \$1 million in their beginning stages.

*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.*

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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>11</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Applied Research Centers</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>General: \$1,000,000</b> <b>Federal: \$0</b> <b>Other: \$0</b> <b>Total: \$1,000,000</b>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	<b>0.00</b>
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Facilitate Applied Research by partnering SC institutes of Higher Education with Companies and Partners to collaborate and find real-time solutions for business.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF</b>	Higher Ed Institutions in South Carolina, based upon eligibility criteria.
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## FUNDS

*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

The funds currently appropriated to Commerce for Applied Research Centers are primarily used for applied research projects awarded through the SC Fraunhofer USA Alliance (SCFUSA), a collaborative effort between the SC Department of Commerce, SC Council on Competitiveness, and the Fraunhofer USA network. SCFUSA was created to advance applied research across SC by connecting SC companies with SC colleges and universities and the research expertise of the global Fraunhofer organization. SC Commerce, through SCFUSA provides eligible projects a minimum of 50% matching funds, depending on eligibility.

The SC Fraunhofer USA Alliance has worked with a wide range of companies, from global enterprise automotive OEM's to small, innovative SC life sciences startups. The Alliance connects these businesses with South Carolina's diverse educational institutions, including technical colleges like Trident Technical College, primarily undergraduate institutions such as Francis Marion University, and major research universities like Clemson and USC.

1. 27 - Total number of projects in progress or already completed
2. \$6.5M - Total dollars of all projects from 2017 to date
3. Companies served by county tier:
  - o Tier 1: 51%
  - o Tier 2: 29.6
  - o Tier 3: 18.5%

*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.*

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

## **FORM B1 – RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	12
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Other/Federal Funds</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p><b>General: \$0</b></p> <p><b>Federal: \$222,000</b></p> <p><b>Other: \$670,000</b></p> <p><b>Total: \$892,000</b></p>
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 checked="" 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"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>Regarding the portion of this request related to the FY25 General Increase, this request impacts all other and federally funded activities.</p> <p>Regarding the portion related to SCRC – Increase the knowledge and available infrastructure in South Carolina through workforce and community development.</p> <p>Regarding the Ireland Trade Commission – this request will support the activities of the Ireland Trade Commission, as defined in 39-79-100.</p>
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*What specific strategy, as outlined in the most recent 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?*

	Agency Employees, Vendors, Contractors following the SC Procurement Code.
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**RECIPIENTS OF FUNDS**

*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**

This request include 3 items: Other and Federal Fund Authority as relates to the General Increase and Health Insurance premium increase passed in the FY25 Appropriations Act, additional federal authority to carry out technical assistance according to grants awarded to SC Commerce by the Southeast Crescent Regional Commission (SCRC), and other funds authority related to donations received on behalf of the SC – Ireland Trade Commission.

Other/Federal Authority Relating to GI & Health Insurance Increase:

Other Salary: \$105,000

Other Fringe: \$65,000

Federal Salary: \$11,500

Federal Fringe: \$10,500

Total GI: \$192,000

Federal Authority Relating to SCRC:

Other Operating: \$200,000

Other Authority relating to SC – Ireland Trade Commission (Authority to spend donations received):

Other Operating: \$500,000

*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.*

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

## **FORM B2 – NON-RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	2
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	Repay Intra-Agency Loan
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	\$20,000,000
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 type="checkbox"/>	HR/Personnel Related
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding	
<input checked="" type="checkbox"/>	Related to a Recurring request – If so, Priority # Repay Intra-Agency Loan	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Increase the number of new/retained jobs and capital investment recruited to South Carolina.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF FUNDS</b>	SC Department of Commerce
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*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*

**JUSTIFICATION  
OF REQUEST**

In 2015, for the Navy Base Intermodal Facility (NBIF) project to continue moving forward on a timeline that would allow it to be open near the time of completion of the Hugh K. Leatherman Terminal, Commerce issued an intra-agency loan to Palmetto Railways in the amount of \$51 million as interim, interest free financing for permitting and preliminary construction costs. The intra-agency loan funds originate from committed, but unexpended grant funds of the South Carolina Coordinating Council for Economic Development, and accordingly, were loaned only on a temporary basis and must be repaid. Commerce is requesting \$20 million in nonrecurring funding to partially repay this intra-agency loan. The outstanding balance as of FY24-25 is \$43.5 million. This request, in conjunction with recurring request priority 1, will ensure that the loan is repaid in a timely manner.

*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.*



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

## **FORM B2 – NON-RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	3
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	LocateSC
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	\$150,000,000
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*What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<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 type="checkbox"/>	HR/Personnel Related
	<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 #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<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	

<b>ACCOUNTABILITY OF FUNDS</b>	Increase the number of available infrastructure necessary to attract future capital investment and job creation throughout South Carolina.
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*What specific strategy, as outlined in the most recent 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?*

<b>RECIPIENTS OF FUNDS</b>	These funds will be awarded as grants to bodies of local or state governments or ally groups.
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*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*

**JUSTIFICATION  
OF REQUEST**

South Carolina's historic economic success has significantly depleted our inventory of available properties and it has reached an all-time low. With each new company announcement, another piece of valuable real estate is absorbed. To sustain our momentum in attracting jobs and investment, it is essential for our State to continue investing in itself.

The LocateSC fund has successfully provided the Department of Commerce with resources to enhance promising properties statewide. However, the next phase of improvements requires larger-scale projects that our current funding cannot support alone. Therefore, SC Commerce is requesting **\$150 million** of non-recurring funds for the LocateSC fund to take decisive action in developing marketable industrial sites to ensure our state remains competitive.

Experience has shown that the private sector cannot fill this gap. Private companies typically focus on profit and institutional-quality developments, often overlooking the types of businesses, job opportunities, and salaries that would best serve our communities. To ensure the Department of Commerce can provide high-quality options for all South Carolinians, we must maintain a robust portfolio of attractive sites for businesses to locate.

Funding for site readiness is critical to our economic development success. Over the last few years, our neighboring states have been making significant investments to enhance their competitiveness. In 2023, Kentucky proposed a \$200 million investment over two years for both mega sites and regional developments. Virginia announced \$90 million to support the development of sites exceeding 100 acres. North Carolina has allocated over \$100 million in recent years for mega site development, while Missouri committed \$75 million—\$50 million for mega sites and \$25 million for smaller sites. Georgia and Alabama have also made substantial investments in site readiness.

*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.*

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

## **FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN**

<b>TITLE</b>	Agency Cost Savings and General Fund Reduction Contingency Plan
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<b>AMOUNT</b>	\$2,008,555
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*What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.*

<b>ASSOCIATED FTE REDUCTIONS</b>	Unknown at this time
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*How many FTEs would be reduced in association with this General Fund reduction?*

<b>PROGRAM / ACTIVITY IMPACT</b>	Closing Fund, Local Economic Development Organizations, LocateSC, SC Manufacturing Extension Partnership, Research (Applied Research Centers), Small Business Development Centers, Procurement Technical Assistance Program, Council on Competitiveness, State Export Grant Program, Procurement and Technical Assistance Program, Marketing, Secretary's Office, Administration, Innovation, Global Business Development, Small and Existing Business, SC Nexus.
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*What programs or activities are supported by the General Funds identified?*

<b>SUMMARY</b>	<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 regions 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 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 provides.</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, cyber and transportation, distribution and logistics.</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) Procurement Technical Assistance Program Fewer small businesses would benefit from governmental procurement assistance.</p> <p>j) Applied Research Funds fewer resources to assist in research projects with existing industries and universities.</p> <p>k) Secretary's Office, Administration, Global Business Development, Innovation, Research, Marketing, and Small and Existing Business, SC Nexus. Commerce would need to reevaluate 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.*

**AGENCY COST  
SAVINGS PLANS**

Commerce would need to reevaluate future travel, hiring decisions and other spending plans to implement a cost saving plan. Any saving from implementation of a reevaluation would be either utilized in an investment into a new strategic initiative or carried forward into the next year.

*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?*