



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 4727 Amended by House Ways and Means on February 14, 2018  
**Author:** White  
**Subject:** Act No. 200, Conservation Bank Trust Fund  
**Requestor:** House Ways and Means  
**RFA Analyst(s):** Wren and A. Martin  
**Impact Date:** March 5, 2018

**Estimate of Fiscal Impact**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	See Below	\$0
Other and Federal	See Below	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill will have no revenue impact on the General Fund, Federal Funds, or Other Funds. Proviso 53.1 of the FY 2017-18 Appropriations Act suspended the provisions of Section 12-24-95, which directs \$0.25 of the \$1.30 state deed recording fee to the Conservation Bank Trust Fund. Additionally, Section 12-24-95 was scheduled to be repealed July 1, 2018. The current General Fund forecast includes this revenue.

**Explanation of Fiscal Impact**

**Amended by House Ways and Means on February 14, 2018**

**State Expenditure**

This bill restructures the board of the Conservation Bank by including the Secretary of Commerce as a board member and provides that the Governor appoint two, instead of three members, from the state at large. In addition to this restructuring, the bill adds the Commissioner of Agriculture to the board. The bill also extends voting privileges to certain members and prohibits certain members from serving as chairman. The bill requires the Conservation Bank to develop a conservation prioritization map by July 1, 2018. Additionally, the bill prohibits the Conservation Bank from awarding a grant or loan unless the funds for the grant or loan are in the trust fund at the time of the award. Also, the conservation criteria must include the value of the proposal for access to the public and require certain access disclosures on a grant or loan application. The bill also prohibits the purchase of a conservation easement for more than \$1,000,000 unless the transaction is approved by the State Fiscal Accountability Authority.

The Conservation Bank indicates that this bill requires the department to perform activities within the normal course of agency business. Therefore, this bill will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

### **State Revenue**

This bill restructures the board of the Conservation Bank by including the Secretary of Commerce as a board member and provides that the Governor appoint two, instead of three members, from the state at large. In addition to this restructuring, the bill adds the Commissioner of Agriculture to the board. The bill also extends voting privileges to certain members and prohibits certain members from serving as chairman. The bill requires the Conservation Bank to develop a conservation prioritization map by July 1, 2018. Additionally, the bill prohibits the Conservation Bank from awarding a grant or loan unless the funds for the grant or loan are in the trust fund at the time of the award. Also, the conservation criteria must include the value of the proposal for access to the public and to require certain access disclosures on a grant or loan application. The bill also prohibits the purchase of a conservation easement for more than \$1,000,000 unless the transaction is approved by the State Fiscal Accountability Authority.

Additionally, the bill repeals Section 12-24-95, which directs \$0.25 of the \$1.30 state deed recording fee to the South Carolina Conservation Bank Trust Fund. Section 48-59-75, which places restrictions on the transfer of the deed recording fee into the trust fund, would also be repealed by this bill. Also, this bill repeals Section 7 of Act 200 of 2002, which relates to the requirement to periodically reauthorize the Conservation Bank Trust Fund.

Proviso 53.1 of the FY 2017-18 Appropriations Act suspended the provisions of Section 12-24-95, which directs \$0.25 of the \$1.30 state deed recording fee to the Conservation Bank Trust Fund. Additionally, Section 12-24-95 was scheduled to be repealed July 1, 2018. Based upon the November 2017 General Fund forecast by the Board of Economic Advisors, \$0.25 of the \$1.30 of the state deed recording fee will total approximately \$20,632,000 in FY 2018-19. The current General Fund forecast includes this revenue.

### **Local Expenditure**

N/A

### **Local Revenue**

N/A

### **Introduced on January 25, 2018**

#### **State Expenditure**

This bill restructures the fourteen-member board of the Conservation Bank by including the Secretary of Commerce as a board member and provides that the Governor appoint two, instead of three members, from the state at large. The bill also extends voting privileges to certain members and prohibits certain members from serving as chairman. The bill requires the Conservation Bank to develop a conservation prioritization map by July 1, 2018. Additionally, the bill prohibits the Conservation Bank from awarding a grant or loan unless the funds for the grant or loan are in the trust fund at the time of the award. Also, the conservation criteria must include the value of the proposal for access to the public and require certain access disclosures

on a grant or loan application. The bill also prohibits the purchase of a conservation easement for more than \$500,000.

The South Carolina Conservation Bank indicates that this bill requires the department to perform activities within the normal course of agency business. Therefore, the bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

### **State Revenue**

This bill restructures the fourteen-member board of the Conservation Bank by including the Secretary of Commerce as a board member and provides that the Governor appoint two, instead of three members from the state at large. The bill also extends voting privileges to certain members and prohibits certain members from serving as chairman. The bill requires the Conservation Bank to develop a conservation prioritization map by July 1, 2018. Additionally, the bill prohibits the Conservation Bank from awarding a grant or loan unless the funds for the grant or loan are in the trust fund at the time of the award. Also, the conservation criteria must include the value of the proposal for access to the public and to require certain access disclosures on a grant or loan application. The bill also prohibits the purchase of a conservation easement for more than \$500,000.

Additionally, the bill repeals Section 12-24-95, which directs \$0.25 of the \$1.30 state deed recording fee to the South Carolina Conservation Bank Trust Fund. Also, this bill repeals Section 7 of Act 200 of 2002, which relates to the requirement to periodically reauthorize the Conservation Bank Trust Fund.

Proviso 53.1 of FY 2017-18 suspended the provisions of Section 12-24-95, which directs \$0.25 of the \$1.30 state deed recording fee to the Conservation Bank Trust Fund. Additionally, Section 12-24-95 was scheduled to be repealed July 1, 2018. Based upon the November 2017 General Fund forecast by the Board of Economic Advisors, \$0.25 of the \$1.30 of the state deed recording fee will total approximately \$20,632,000 in FY 2018-19. The current General Fund forecast includes this revenue.

### **Local Expenditure**

N/A

### **Local Revenue**

N/A



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Frank A. Rainwater, Executive Director