



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	H. 3438	Signed by Governor on April 26, 2019
Author:	Pitts	
Subject:	Veterans Affairs	
Requestor:	House of Representatives	
RFA Analyst(s):	Gallagher	
Impact Date:	May 24, 2019	

Fiscal Impact Summary

This bill will have an undetermined fiscal impact on the Department of Veterans' Affairs as a result of a newly imposed salary for the Secretary of the department, which will be determined by the Agency Head Salary Commission.

This bill will have no expenditure impact on the Department of Administration's (Admin) or the Governor's Office's General Fund, Other Funds, or Federal Funds. Admin can absorb the administrative costs associated with transferring the Division of Veterans' Affairs within existing appropriations. Further, this bill codifies existing executive order 2013-4. Since Admin and the Governor's Office are currently complying with the requirements of this executive order, this provision will not have an expenditure impact on either agency.

Explanation of Fiscal Impact

Signed by Governor on April 26, 2019

State Expenditure

This bill restructures the Division of Veterans' Affairs within the Department of Administration as a standalone Department of Veterans' Affairs. The employees, funds, authorized appropriations, property, assets, liabilities, and all contractual rights and obligations associated with the Division of Veterans' Affairs will be transferred to and incorporated in the Department of Veterans' Affairs. Based upon FY 2018-19 appropriations, this will result in a transfer of \$1,703,090 total recurring funds, including \$1,158,090 recurring General Funds, from the Department of Administration to the Department of Veterans' Affairs. Admin has indicated it can absorb the administrative costs associated with transferring the division within existing appropriations. Therefore, the transfer will not have an expenditure impact on the department.

This bill stipulates that the Secretary of the Department of Veterans' Affairs must be appointed by the Governor, with the advice and consent of the Senate. The Secretary's salary will be determined by the Agency Head Salary Commission. As the Secretary's salary will be determined by the Commission, the creation of this position will have an undetermined fiscal impact on the Department of Veterans Affairs.

Further, this bill codifies existing executive order 2013-4, which created the South Carolina Military Base Task Force. Since Admin and the Governor's Office are currently complying with the requirements of executive order 2013-4, this provision will not have an expenditure impact on either agency.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director