



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S. 0202	Signed by Governor on June 17, 2022
Author:	Hembree	
Subject:	Inspector General, Definitions	
Requestor:	Senate	
RFA Analyst(s):	Bryant	
Impact Date:	July 6, 2022	

Fiscal Impact Summary

This bill makes changes to certain investigations performed by the State Inspector General. The bill allows the State Inspector General to initiate, supervise, and coordinate any investigation of a public school, public school district, public charter school, public charter school authorizer, or voluntary association that establishes and enforces bylaws or rules for interscholastic sports competition for public secondary schools under certain conditions. The bill also adds public schools, public school districts, public charter schools, public charter school authorizers, and any voluntary association that establishes and enforces bylaws or rules for interscholastic sports competition for public secondary schools to the current definition of ‘agency’ as they relate to investigations by the Office of the Inspector General.

The overall expenditure impact of the bill on the Office of the Inspector General is undetermined as the number of additional investigations that may be requested for voluntary associations that establish and enforce bylaws or rules for interscholastic sports competition for public secondary schools is unknown. However, the Office of the Inspector General received approximately \$730,000 in recurring funds in the FY 2022-23 Appropriations Act to support the hiring of 6.5 FTEs for additional auditing responsibilities. The agency anticipates being able to manage any new investigations for the public schools, public school districts, public charter schools, and public charter school authorizers with this additional funding.

The bill will have no expenditure impact on the State Department of Education (SCDE) since the requirements of the bill can be accomplished within the normal course of agency business.

Further, the bill will have no expenditure impact on local school districts since the requirements of the bill can be accomplished within the normal course of business for local school district boards.

Explanation of Fiscal Impact

Signed by Governor on June 17, 2022

State Expenditure

The bill allows the State Inspector General to initiate, supervise, and coordinate any investigation of a public school, public school district, public charter school, public charter school authorizer,

or voluntary association that establishes and enforces bylaws or rules for interscholastic sports competition for public secondary schools under the following conditions:

- Upon the request of the Governor;
- Upon the request of the State Superintendent of Education; or
- By a majority vote of the membership of the legislative delegation of the county in which the subject of the investigation is located.

The bill also adds public schools, public school districts, public charter schools, public charter school authorizers, and any voluntary association that establishes and enforces bylaws or rules for interscholastic sports competition for public secondary schools to the current definition of ‘agency’ as they relate to investigations by the Office of the Inspector General. Additionally, the bill also specifies that ‘agency’ does not include political subdivisions, unless otherwise provided herein. Further, the Inspector General must report certain information regarding investigations to the General Assembly by December 31 annually.

Office of the Inspector General. The Office of the Inspector General indicates that the bill allows the agency to initiate, supervise, and coordinate an investigation of a public school, public school district, public charter school, public charter school authorizer, or voluntary association that establishes and enforces bylaws or rules for interscholastic sports competition for public secondary schools upon the request of the Governor, upon the request of the State Superintendent of Education, or by a majority vote of the legislative delegation of the county in which the subject of the investigation is located. This will expand the agency’s jurisdiction beyond the current 106 statewide executive branch agencies to include the regular public school districts and the charter school districts. This will open the opportunity for additional investigations at the local school district level. The agency anticipates the potential new investigations could have a significant impact on its caseload. The number of new investigations is unknown.

The overall expenditure impact of the bill on the Office of the Inspector General is undetermined as the number of additional investigations that may be requested for voluntary associations that establish and enforce bylaws or rules for interscholastic sports competition for public secondary schools is unknown. However, the Office of the Inspector General received approximately \$730,000 in recurring funds in the FY 2022-23 Appropriations Act to support the hiring of 6.5 FTEs for additional auditing responsibilities. The agency anticipates being able to manage any new investigations for the public schools, public school districts, public charter schools, public charter school authorizers, and voluntary associations that establish and enforce bylaws or rules for interscholastic sports competition for public secondary schools with this additional funding.

State Department of Education. SCDE indicates that the requirements of the bill can be accomplished within the normal course of business. Therefore, the bill is not expected to have an expenditure impact on the agency.

State Revenue

N/A

Local Expenditure

The bill allows the State Inspector General to initiate, supervise, and coordinate any investigation of a public school, public school district, public charter school, public charter school authorizer, or voluntary association that establishes and enforces bylaws or rules for interscholastic sports competition for public secondary schools under certain conditions.

SCDE indicates that any expenses can be accomplished within the normal course of business for local school district boards. Therefore, the bill is not expected to have an expenditure impact on local school districts.

Local Revenue

N/A



Frank A. Rainwater, Executive Director