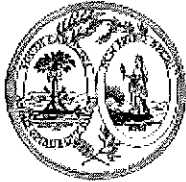


Agency Name: Department Of Commerce
 Agency Code: P320 Section: 50



**Fiscal Year FY 2021-2022
 Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

| | | |
|---|---|---|
| OPERATING REQUESTS (FORM B1) | For FY 2021-2022, my agency is (mark "X"): | |
| | <input checked="" type="checkbox"/> | Requesting General Fund Appropriations. |
| | <input type="checkbox"/> | Requesting Federal/Other Authorization. |
| | <input type="checkbox"/> | Not requesting any changes. |

| | | |
|---|---|---|
| NON-RECURRING REQUESTS (FORM B2) | For FY 2021-2022, 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 2021-2022, 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 2021-2022, my agency is (mark "X"): | |
| | <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> |
|---------------------------|-------------------|----------------|--------------------------|
| PRIMARY CONTACT: | Chris Huffman | (803) 737-0462 | chuffman@secommerce.com |
| SECONDARY CONTACT: | Michael McInerney | (803) 737-3949 | mmeinerney@scommerce.com |

I have reviewed and approved the enclosed FY 2021-2022 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

| | | |
|--|------------------------|----------------------------------|
| SIGN/DATE: TYPE/PRINT NAME: | <u>Agency Director</u> | <u>Board or Commission Chair</u> |
| | ROBERT M HITT | |

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 | Closing Fund | 3,700,000 | 0 | 0 | 0 | 3,700,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | B2 - Non-Recurring | Locate-SC | 4,000,000 | 0 | 0 | 0 | 4,000,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | B1 - Recurring | Rural Initiative | 250,000 | 0 | 0 | 0 | 250,000 | 2.00 | 0.00 | 0.00 | 0.00 | 2.00 |
| 4 | B1 - Recurring | Procurement Technical Assistance Program (PTAP) | 170,000 | 0 | 0 | 0 | 170,000 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTALS | | | 8,120,000 | 0 | 0 | 0 | 8,120,000 | 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

| | |
|------------------------|----------|
| AGENCY PRIORITY | 1 |
|------------------------|----------|

Provide the Agency Priority Ranking from the Executive Summary.

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

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: \$3,700,000 Federal: \$0 Other: \$0 Total: \$3,700,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2021-2022? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|-------------|
| NEW POSITIONS | 0.00 |
|----------------------|-------------|

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 | |

| | |
|--------------------------------|---|
| ACCOUNTABILITY OF FUNDS | <p>Increase the number of new/retained jobs and capital investment recruited into South Carolina.</p> |
|--------------------------------|---|

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?

| | |
|----------------------|--|
| RECIPIENTS OF | <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> |
|----------------------|--|

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 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.

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

| | |
|------------------------|---|
| AGENCY PRIORITY | 3 |
|------------------------|---|

Provide the Agency Priority Ranking from the Executive Summary.

| | |
|--------------|-------------------------|
| TITLE | Rural Initiative |
|--------------|-------------------------|

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: \$250,000 Federal: \$0 Other: \$0 Total: \$250,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2021-2022? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|------|
| NEW POSITIONS | 2.00 |
|----------------------|------|

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 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 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 | |

| | |
|--------------------------------|---|
| ACCOUNTABILITY OF FUNDS | Assist rural communities eligible for the funding to increase their economic opportunities. |
|--------------------------------|---|

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?

| | |
|----------------------|---|
| RECIPIENTS OF | Employees and typical costs to operate a program. |
|----------------------|---|

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 \$250,000 in funding to provide the operating funds for the Rural School District and Economic Development Closing Fund. In Fiscal Year 2019-20, the General Assembly appropriated \$65 million in funding for this program. Commerce is requesting recurring funds to manage this program. It is expected that this program will take several years to fully implement and longer if additional resources are devoted to the program.

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

| | |
|------------------------|---|
| AGENCY PRIORITY | 4 |
|------------------------|---|

Provide the Agency Priority Ranking from the Executive Summary.

| | |
|--------------|--|
| TITLE | Procurement Technical Assistance Program (PTAP) |
|--------------|--|

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: \$170,000 Federal: \$0 Other: \$0 Total: \$170,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2021-2022? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|------|
| NEW POSITIONS | 0.00 |
|----------------------|------|

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 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 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 | |

| | |
|--------------------------------|--|
| ACCOUNTABILITY OF FUNDS | Assist small businesses with federal procurement opportunities |
|--------------------------------|--|

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?

| | |
|----------------------|------------------------------|
| RECIPIENTS OF | University of South Carolina |
|----------------------|------------------------------|

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 Procurement Technical Assistance Program is a program that provides dedicated procurement professionals working to help local businesses compete successfully in the government marketplace. Currently, South Carolina does not have a service provider that provides statewide assistance under this program. The Department is assisting the University of South Carolina who received the award for this program and must have sustained resources to support this program in future years. Two dollars of state match will provide for three dollars of federal match.

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

| | |
|------------------------|---|
| AGENCY PRIORITY | 2 |
|------------------------|---|

Provide the Agency Priority Ranking from the Executive Summary.

| | |
|--------------|-----------|
| TITLE | Locate-SC |
|--------------|-----------|

Provide a brief, descriptive title for this request.

| | |
|---------------|-------------|
| AMOUNT | \$4,000,000 |
|---------------|-------------|

What is the net change in requested appropriations for FY 2021-2022? This amount should correspond to the total for all funding sources on the Executive Summary.

| | | |
|--|---|---|
| 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 | |

| | |
|--------------------------------|--|
| ACCOUNTABILITY OF FUNDS | <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Assist with the improvements of available inventory of sites and building.</div> |
|--------------------------------|--|

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?

| | |
|----------------------------|--|
| 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?

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

**JUSTIFICATION
OF REQUEST**

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

| | |
|--------------|---|
| TITLE | Agency Cost Savings and General Fund Reduction Contingency Plan |
|--------------|---|

| | |
|---------------|-------------|
| AMOUNT | \$1,597,487 |
|---------------|-------------|

What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

| | |
|----------------------------------|----------------------|
| ASSOCIATED FTE REDUCTIONS | Unknown at this time |
|----------------------------------|----------------------|

How many FTEs would be reduced in association with this General Fund reduction?

| | |
|----------------------------------|---|
| PROGRAM / ACTIVITY IMPACT | Closing Fund, Local Economic Development Organizations, LocateSC, SC Manufacturing Extension Partnership, Research (Applied Research Centers), Small Business Development Centers, Council on Competitiveness, State Export Grant Program, Marketing, Secretary’s Office, Administration, Innovation, Global Business Development, Workforce and Small and Existing Business. |
|----------------------------------|---|

What programs or activities are supported by the General Funds identified?

| | |
|----------------|---|
| 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 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) 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> |
|----------------|---|

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 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.

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?