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| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |



**Fiscal Year 2020-21
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

| | | |
|---|---|---|
| OPERATING REQUESTS (FORM B1) | For FY 2020-21, 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 2020-21, 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. |

| | | |
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| CAPITAL REQUESTS (FORM C) | For FY 2020-21, 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 2020-21, 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: | Aaron Wood | 803-734-2182 | awood@scda.sc.gov |
| SECONDARY CONTACT: | Louis Anderson | 803-734-2195 | lhanderson@scda.sc.gov |

I have reviewed and approved the enclosed FY 2020-21 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

| | <u>Agency Director</u> | <u>Board or Commission Chair</u> |
|-------------------------|------------------------|----------------------------------|
| SIGN/DATE: | | N/A |
| TYPE/PRINT NAME: | Hugh E. Weathers | N/A |

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

Fiscal Year 2020-21 Budget Request Executive Summary

Agency Code: P160
 Agency Name: Department Of Agriculture
 Section: 44

| BUDGET REQUESTS | | | FUNDING | | | | | FTES | | | | |
|-----------------------|--------------------|---|-----------|---------|-----------|------------|-----------|-------|---------|-----------|------------|-------|
| Priority | Request Type | Request Title | State | Federal | Earmarked | Restricted | Total | State | Federal | Earmarked | Restricted | Total |
| 1 | B1 - Recurring | Operational Overhead Costs | 850,000 | | | | 850,000 | | | | | 0.00 |
| 2 | B1 - Recurring | Consumer Protection Inspectors | | | | | 0 | 5.00 | | | | 5.00 |
| 3 | B2 - Non-Recurring | Hemp Testing Laboratory Equipment | 630,000 | | | | 630,000 | | | | | 0.00 |
| 4 | B2 - Non-Recurring | Hemp Industry Development | 500,000 | | | | 500,000 | | | | | 0.00 |
| 5 | B1 - Recurring | Marketing | 400,000 | | | | 400,000 | | | | | 0.00 |
| 6 | B2 - Non-Recurring | Back-Up Generator and Water Purification System | 325,000 | | | | 325,000 | | | | | 0.00 |
| 7 | B2 - Non-Recurring | Farmland Conservation Study | 150,000 | | | | 150,000 | | | | | 0.00 |
| 8 | | | | | | | 0 | | | | | 0.00 |
| 9 | | | | | | | 0 | | | | | 0.00 |
| 10 | | | | | | | 0 | | | | | 0.00 |
| 11 | | | | | | | 0 | | | | | 0.00 |
| 12 | | | | | | | 0 | | | | | 0.00 |
| 13 | | | | | | | 0 | | | | | 0.00 |
| 14 | | | | | | | 0 | | | | | 0.00 |
| 15 | | | | | | | 0 | | | | | 0.00 |
| 16 | | | | | | | 0 | | | | | 0.00 |
| 17 | | | | | | | 0 | | | | | 0.00 |
| 18 | | | | | | | 0 | | | | | 0.00 |
| 19 | | | | | | | 0 | | | | | 0.00 |
| 20 | | | | | | | 0 | | | | | 0.00 |
| 21 | | | | | | | 0 | | | | | 0.00 |
| 22 | | | | | | | 0 | | | | | 0.00 |
| 23 | | | | | | | 0 | | | | | 0.00 |
| 24 | | | | | | | 0 | | | | | 0.00 |
| 25 | | | | | | | 0 | | | | | 0.00 |
| 26 | | | | | | | 0 | | | | | 0.00 |
| 27 | | | | | | | 0 | | | | | 0.00 |
| 28 | | | | | | | 0 | | | | | 0.00 |
| 29 | | | | | | | 0 | | | | | 0.00 |
| 30 | | | | | | | 0 | | | | | 0.00 |
| TOTAL BUDGET REQUESTS | | | 2,855,000 | 0 | 0 | 0 | 2,855,000 | 5.00 | 0.00 | 0.00 | 0.00 | 5.00 |

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| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

FORM B1 – RECURRING OPERATING REQUEST

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

Provide the Agency Priority Ranking from the Executive Summary.

| | |
|--------------|-----------------------------------|
| TITLE | Operational Overhead Costs |
|--------------|-----------------------------------|

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: \$850,000 Federal: Other: Total: \$850,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
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| NEW POSITIONS | 0 |
|----------------------|----------|

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 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 type="checkbox"/> | Consulted DTO during development |
| <input type="checkbox"/> | Related to a Non-Recurring request – If so, Priority # _____ | |

| | | |
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| 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 type="checkbox"/> | Public Infrastructure and Economic Development |
| <input checked="" type="checkbox"/> | Government and Citizens | |

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|---------------------|---|-----------------|-----------|
| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

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|--------------------------------|-----------------------------------|
| ACCOUNTABILITY OF FUNDS | 1.1, 1.2, 1.3, 2.1, 2.2, 3.1, 3.2 |
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What specific strategy, as outlined in the FY 2019-20 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?

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| RECIPIENTS OF FUNDS | Department of Administration, vendors and contractors - through competitive bidding process managed by state procurement office - and one employee (Attorney III). |
|----------------------------|--|

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?

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|---------------------------------|--|
| JUSTIFICATION OF REQUEST | Agency operational costs increase on an annual basis and, when examined collectively over a given time-period, are substantial. The agency must use funding allocated by the Governor and Legislature for programmatic functions to pay these expenses, at the detriment of both the regulatory and agribusiness development sides of SCDA's mission. Although the average target rate of inflation is about 2%, costs have escalated faster than that. For example, long-term lease rates to State Fleet for similarly equipped vehicles increased 29% from 2015 to 2018. SCDA was notified that insurance premiums charged by the Insurance Reserve Fund (IRF) would go up about 20% on 1 July. Since 2016, Worker's Compensation premiums have increased 68%; the cost of scientific laboratory supplies has surged 173%; natural gas has gone up 13%; and electrical power costs 3 % more. Services rendered by the Department of Administration have some of the largest dollar increases from 2016 to 2019: \$54,305 more for rental of the Wade Hampton Building 5 th Floor; \$97,200 more for Division of Technology (DTO) services; and \$120,000 more to State Fleet. Another significant cost was bringing an attorney in-house to help navigate the ambiguous legal parameters of the new legislatively mandated industrial hemp farming program. |
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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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| AGENCY NAME: | South Carolina Department of Agriculture | | |
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FORM B1 – RECURRING OPERATING REQUEST

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

Provide the Agency Priority Ranking from the Executive Summary.

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|--------------|---------------------------------------|
| TITLE | Consumer Protection Inspectors |
|--------------|---------------------------------------|

Provide a brief, descriptive title for this request.

| | |
|---------------|--|
| AMOUNT | General: Federal: Other: Total: \$0 |
|---------------|--|

What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|---|
| NEW POSITIONS | 5 |
|----------------------|---|

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 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 type="checkbox"/> | Consulted DTO during development |
| <input type="checkbox"/> | Related to a Non-Recurring request – If so, Priority # | |

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| 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 checked="" type="checkbox"/> | Maintaining Safety, Integrity, and Security |
| | <input type="checkbox"/> | Public Infrastructure and Economic Development |
| <input type="checkbox"/> | Government and Citizens | |

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|---------------------|---|-----------------|-----------|
| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

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|--------------------------------|----------|
| ACCOUNTABILITY OF FUNDS | 2.1, 2.2 |
|--------------------------------|----------|

What specific strategy, as outlined in the FY 2019-20 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 | N/A |
|----------------------------|-----|

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 | <p>SCDA requests the following Full-Time Equivalent (FTE) Positions to carry out legislatively mandated responsibilities:</p> <p>Two (2) Field Specialist II (LA 75, Band 04)</p> <p>Three (3) Environmental Health Manager I (JB 40, Band 05)</p> <p>Updated state and federal food and feed safety laws are more time consuming for inspectors. As the state's population continues to grow, so does the agency's clientele.</p> |
|---------------------------------|--|

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: | South Carolina Department of Agriculture | | |
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FORM B1 – RECURRING OPERATING REQUEST

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|------------------------|----------|
| AGENCY PRIORITY | 5 |
|------------------------|----------|

Provide the Agency Priority Ranking from the Executive Summary.

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|--------------|-------------------------------|
| TITLE | Agricultural Marketing |
|--------------|-------------------------------|

Provide a brief, descriptive title for this request.

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|---------------|--|
| AMOUNT | General: \$400,000 Federal: Other: Total: \$400,000 |
|---------------|--|

What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

| | |
|----------------------|----------|
| NEW POSITIONS | 0 |
|----------------------|----------|

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 checked="" 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 | |

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|---------------------|---|-----------------|-----------|
| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

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|--------------------------------|----------|
| ACCOUNTABILITY OF FUNDS | 3.1, 3.2 |
|--------------------------------|----------|

What specific strategy, as outlined in the FY 2019-20 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 | Vendors and contractors, through competitive bidding, existing state contract, or other state procurement regulations. |
|----------------------------|--|

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 | <p>Additional funding would give the SC Department of Agriculture the ability to market the Certified SC Grown brand and its products more aggressively, through additional television commercials. Because the commercial spots were previously produced, there are no additional expenses for production.</p> <p>Increased demand and sales for South Carolina produce will further help support and grow South Carolina's farmers and their rural communities.</p> |
|---------------------------------|---|

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: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

FORM B2 – NON-RECURRING OPERATING REQUEST

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

Provide the Agency Priority Ranking from the Executive Summary.

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|--------------|--|
| TITLE | Hemp Testing Laboratory Equipment |
|--------------|--|

Provide a brief, descriptive title for this request.

| | |
|---------------|------------------|
| AMOUNT | \$630,000 |
|---------------|------------------|

What is the net change in requested appropriations for FY 2020-21? 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 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 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 checked="" type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input type="checkbox"/> Public Infrastructure and Economic Development |
| <input type="checkbox"/> Government and Citizens | |

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|--------------------------------|----------|
| ACCOUNTABILITY OF FUNDS | 2.1, 2.2 |
|--------------------------------|----------|

What specific strategy, as outlined in the FY 2019-20 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?

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|---------------------|---|-----------------|-----------|
| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

| | |
|----------------------------|--|
| RECIPIENTS OF FUNDS | Equipment vendors, through competitive bidding, existing state contract, or other state procurement regulations. |
|----------------------------|--|

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 | <p>The following lab equipment will be used to support and enforce the State Hemp Farming Program.</p> <p>To analyze hemp seed, flower, and finished hemp products for THC and CBD the use of a High -Performance Liquid Chromatography with Ultra Violet detection (HPLC-UV). To provide a service type analysis for growers and processors, a Gas Chromatograph with Mass Selective Detector (GC-MS) and an Inductively Coupled Plasma Mass Spectrometer (ICP-MS) will be used to analyze hemp and hemp products for residual solvents (adulterants) and heavy metals (toxins). Dedicated germinators for hemp are required to ensure no cross contamination with other seeds. The purchase of “field test kits” to allow our inspectors to sample hemp in the field to test for THC levels prior to harvest.</p> |
|---------------------------------|---|

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. Does this non-recurring appropriation request create an annualization or need for recurring funds?

| | | | |
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| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

FORM B2 – NON-RECURRING OPERATING REQUEST

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

Provide the Agency Priority Ranking from the Executive Summary.

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|--------------|----------------------------------|
| TITLE | Hemp Industry Development |
|--------------|----------------------------------|

Provide a brief, descriptive title for this request.

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|---------------|------------------|
| AMOUNT | \$500,000 |
|---------------|------------------|

What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

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|---|--|
| 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 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 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 # | |

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| 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 | |

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| ACCOUNTABILITY OF FUNDS | 3.2 |
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What specific strategy, as outlined in the FY 2019-20 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?

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| AGENCY NAME: | South Carolina Department of Agriculture | | |
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| RECIPIENTS OF FUNDS | Vendors, contractors, and grantees, through competitive bidding, existing state contract, or other state procurement regulations. |
|----------------------------|---|

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?

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| JUSTIFICATION OF REQUEST | <p>The leadership of South Carolina has made clear the desire to develop industrial hemp commerce in our state. A foundation of SCDA’s strategy is to establish a block chain data system for capturing all information from seed to shelf within the entire South Carolina hemp industry. Creating a template for the seed development, cultivation, and processing of industrial hemp to maintain full compliance with all regulations will help establish a national reputation for quality and traceability.</p> <p>The hemp industry development strategy also includes a thorough analysis and potential research of the uses of industrial hemp in the manufacturing sector of South Carolina. This would involve collaboration with the leading manufacturers and research universities in our state. SCDA would assume the leadership role in this collaboration.</p> <p>A third component is public education as to the nature and potential economic impact of industrial hemp. The consuming public in South Carolina should understand what hemp is and what it is not.</p> |
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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. Does this non-recurring appropriation request create an annualization or need for recurring funds?

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FORM B2 – NON-RECURRING OPERATING REQUEST

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|------------------------|---|
| AGENCY PRIORITY | 6 |
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Provide the Agency Priority Ranking from the Executive Summary.

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| TITLE | Back Up Generator and Water Purification System |
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Provide a brief, descriptive title for this request.

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| AMOUNT | \$325,000 |
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

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| 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 checked="" type="checkbox"/> Maintaining Safety, Integrity, and Security |
| | <input type="checkbox"/> Public Infrastructure and Economic Development |
| <input type="checkbox"/> Government and Citizens | |

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| ACCOUNTABILITY OF FUNDS | 2.1, 2.2 |
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What specific strategy, as outlined in the FY 2019-20 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?

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| AGENCY NAME: | South Carolina Department of Agriculture | | |
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| RECIPIENTS OF FUNDS | Equipment vendors, through competitive bidding, existing state contract, or other state procurement regulations. |
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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?

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| JUSTIFICATION OF REQUEST | <p>A back up generator is needed to protect and maintain power service to six different laboratories in two buildings during outages (\$300,000). This will protect tens of millions of dollars' worth of equipment from improper power surges, shut-down, and data loss. Keeping laboratories operational will allow SCDA continuity of state-mandated inspection and testing, such as food, feed, and fuel, during disaster response and recovery.</p> <p>A new water purification system is needed to create deionized and distilled water for testing analyses in the main consumer protection laboratory facility (\$25,000).</p> |
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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. Does this non-recurring appropriation request create an annualization or need for recurring funds?

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FORM B2 – NON-RECURRING OPERATING REQUEST

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| AGENCY PRIORITY | 7 |
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Provide the Agency Priority Ranking from the Executive Summary.

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| TITLE | Farmland Conservation Study |
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Provide a brief, descriptive title for this request.

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| AMOUNT | \$150,000 |
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What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

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| 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 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 # | |

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| 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 | |

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| ACCOUNTABILITY OF FUNDS | 3.1, 3.2 |
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What specific strategy, as outlined in the FY 2019-20 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?

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| AGENCY NAME: | South Carolina Department of Agriculture | | |
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| RECIPIENTS OF FUNDS | Agribusiness Center for Research and Entrepreneurship (ACRE) |
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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?

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| JUSTIFICATION OF REQUEST | <p>The national farm economy at its lowest point in decades. Rapid population growth and urbanization is occurring in South Carolina, and there is growing awareness of environmental sustainability. Production agriculture and forestry is one the best ways to conserve natural resources and support rural communities. SCDA will to evaluate the details of tools available to conserve working farm and forest land, program participation by landowners, and see what barriers may be limiting usage of existing programs. These include state and federal tax incentives for conservation easements, the federal Agricultural Conservation Easement Program (ACEP), South Carolina’s Conservation Bank, and estate planning options. SCDA will also evaluate what every other state is doing to conserve farm and forest land, what works, and what is not. A report will recommend ways to leverage existing programs and guide future farmland conservation initiatives.</p> |
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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. Does this non-recurring appropriation request create an annualization or need for recurring funds?

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

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| TITLE | Agency Cost Savings and General Fund Reduction Contingency Plan |
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| AMOUNT | \$422,439 <i>What is the General Fund 3% reduction amount (minimum based on the FY 2019-20 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.</i> |
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| ASSOCIATED FTE REDUCTIONS | 0 <i>How many FTEs would be reduced in association with this General Fund reduction?</i> |
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| PROGRAM/ACTIVITY IMPACT | III. Marketing Services; A. Marketing & Promotions III. Marketing Services; E. Agricultural Center for Research & Entrepreneurship (ACRE) III. Marketing Services; F. Infrastructure Grants |
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What programs or activities are supported by the General Funds identified?

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| SUMMARY | <p>A 3% reduction in appropriated funds would be absorbed equally by Marketing and Promotions, ACRE, and Infrastructure Grant awards. The agency would reduce the promotion of the Certified SC program, which helps consumers identify agricultural products grown and/or produced in South Carolina and encourages them to purchase those products. This would negatively affect SCDA’s ability to drive market demand and brand recognition, and subsequently hurt producers throughout the state. SCDA would reduce grant funding available for agribusiness research and development, and reduce matching grants to counties for agribusiness-specific projects.</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.

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| AGENCY COST SAVINGS PLANS | <p>N/A (\$50,000 / measure)</p> |
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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?

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| AGENCY NAME: | South Carolina Department of Agriculture | | |
| AGENCY CODE: | P160 | SECTION: | 44 |

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

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| TITLE | South Carolina Egg Law Revision; SC Code Title 39, Chapter 39 |
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Provide a brief, descriptive title for this request.

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| EXPECTED SAVINGS TO BUSINESSES AND CITIZENS | \$2,000 |
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What is the expected savings to South Carolina’s businesses and citizens that is generated by this proposal? The savings could be related to time or money.

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| FACTORS ASSOCIATED WITH THE REQUEST | Mark “X” for all that apply: | |
| | <input checked="" type="checkbox"/> | Repeal or revision of regulations. |
| | <input checked="" type="checkbox"/> | Reduction of agency fees or fines to businesses or citizens. |
| | <input type="checkbox"/> | Greater efficiency in agency services or reduction in compliance burden. |
| | <input type="checkbox"/> | Other |

| | |
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| METHOD OF CALCULATION | 200 small egg producers @ \$10 each |
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

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| REDUCTION OF FEES OR FINES | Eliminate license fees for certain egg producers |
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

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| REDUCTION OF REGULATION | SC Code of Laws 39-39-10 through 39-39-180 SC Code of Regulations 5-210 through 5-235 |
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

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SUMMARY

Proposed changes to the egg law include: exempting USDA Graded facilities from having to also obtain a state license; add an exemption for small back-yard producers; allow for off-farm sale of eggs from small producers direct to consumers; and allow the sale of quail eggs in the state.

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?