Legislative Oversight Committee

South Carolina Senate



Report on

South Carolina Department of Transportation

Subcommittee Report February 28, 2024

Adopted by Full Committee June 25, 2024

I. Agency at a Glance

Mission

According to SC Code \$57-1-30, the South Carolina Department of Transportation (SCDOT) is responsible for ". . . the systematic planning, construction, maintenance, and operation of the state highway system and the development of a statewide intermodal and freight system that is consistent with the needs and desires of the public . . . The goal of the department is to provide adequate, safe, and efficient transportation services for the movement of people and goods."

Governing Authority

The SCDOT Commission has nine members who provide the administrative and governing authority of SCDOT. The commission is composed of one member from each congressional district and two at-large members. The district members are appointed by the Governor, subject to the approval of the legislative delegations of their respective districts. The at-large members are appointed by the Governor, subject to approval by a separate confirmation vote in both the Senate and the House of Representatives. The table below contains the commission members with their appointment dates and expiration dates. Both at-large seats are currently vacant.

Pos	sition	Position Title	Current Members	Appointed by	Appointed Date	Expiration Date
1 st Cor	ngressional	Member	Johnson, Thomas J.	Governor	4/26/2023	2/15/2024
District				McMaster		
2 nd Cor	ngressional	Member	Dukes, William B.	Governor	5/17/2022	2/15/2026
District	-			McMaster		
3 rd Cor	ngressional	Member	Christopher, Pamela L.	Governor	10/13/2020	2/15/2024
District			Chair	McMaster		
4 th Cor	ngressional	Member	Metcalf, Maxson K.	Governor	5/17/2022	2/15/2026
District			Vice Chair	McMaster		
5 th Cor	ngressional	Member	Branham, David E. Sr.	Governor	6/24/2020	2/15/2024
District	-			McMaster		
6 th Cor	ngressional	Member	Fishburne, John Barnwell	Governor	5/17/2022	2/15/2026
District				McMaster		
7 th Cor	ngressional	Member	Cox, Tony K.	Governor	4/26/2021	2/15/2025
District	-		-	McMaster		
At-Large	•	Member				
At-Large	;	Member				

The Secretary of Transportation is appointed by the commission with the advice and consent of the Senate. The secretary is charged with the affirmative duty to carry out the policies of the commission and to oversee all divisions and all employees of SCDOT. The agency's Chief Internal Auditor reports to the State Auditor rather than the Secretary of Transportation or the commission.

Operations/Programs

The department is organized into three major divisions: Engineering, Finance and Administration, and Planning. Each division has established directives, policies, and manuals to govern operations.

Engineering

The Engineering division is the agency's largest and includes departments such as preconstruction, construction, maintenance, environmental services, and emergency operations. In addition to SCDOT's headquarters in Columbia, the agency has seven district engineering offices that deliver services in local areas.

Finance and Administration

The Finance and Administration division includes budget, accounting, and procurement. The information technology, facilities, and local government services department are also included within this division.

Planning

This division is referred to as Intermodal Planning, and it focuses on business and engineering practices for resource allocation and utilization with the objective of better decision-making based on quality information and well-defined objectives. The work of this division includes "increasing available options and enhancing the integration and connectivity of the transportation system across and between modes for people and freight."

Finance

SCDOT is funded largely through federal reimbursements from the Federal Highway Administration (FHWA) as well as state gas tax funds, infrastructure maintenance fees, SCDMV fees and fines, and state general funds.

The table below shows revenues and expenses by fund for the last three completed fiscal years. A more in-depth discussion of SCDOT's finances follows in Section II of this report.

	SCDOT Revenues and Expen	ditures		
	(In Thousands)			
Revenues		FY 20-21	FY 21-22	FY 22-23
Motor Fuel Use	r Fees	829,587	946,924	1,021,559
Federal Grants,	FHWA, FTA, FEMA, Other	714,649	885,167	865,847
Infrastructure M	aintenance Fees (replaced sales tax)	347,407	327,508	353,403
Participation Ag	reement/Project Revenues	78,821	75,768	129,868
Other, Taxes		263,764	177,974	184,907
State Appropria	tions	57	102,507	506,243
Interest/Investm	ent Income (Loss)	6,754	(84,748)	27,820
TOTAL Revenue	25	2,241,039	2,431,100	3,089,647
Expenditures				
Current:	Highway Maintenance	881,055	897,408	1,093,840
	Gen. Admin., Engineering, Toll Facil., Public Trans.	168,036	161,753	172,104
	County Transportation Committees	130,329	173,902	307,387
Capital Outlay:	Construction in Progress, Road & Bridge Network	602,200	638,787	794,928
	Rights-of-Way Land	46,063	82,274	52,521
	Other, Equip. & Furniture, Vehicles	23,210	13,815	13,914
Debt Service:	Defeasance Deposit with Escrow Agent	0	116,197	0
	Principal, Interest and Fiscal Charges	62,858	25,082	16,840
Allocations to C	Other Entities:			
	Transportation Infrastructure Bank, Dept. of Rev.	31,281	28,214	27,824
TOTAL Expend	itures	1,945,032	2,137,432	2,479,358
Excess of Revo	enues Over (Under) Expenditures	296,007	293,668	610,289
Source: SCDOT a	udited financial statements			· · · · ·

Budget Request

SCDOT's FY 24–25 budget request includes five (5) recurring budget items, as show in the graphic below. SCDOT's first two priorities are to increase authorization of other funds for IMTF and engineering and construction, respectively, because of changes in the cost of providing current services to existing program audiences. SCDOT's third priority is to reduce authorization for Act 176 funds based on forecasted revenue and planned project expenditures in FY 25.

BUDGET	REQUEST	S	FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	81 - Recurring	Infrastructure Maintenance Trust Fund	0	0	0	7,000,000	7,000,000	0.00	0.00	0.00	0.00	0_00
2	B1 - Recurring	Engineering and Construction / Highway Fund	0	0	0	42,684,870	42,684,870	0.00	0.00	0.00	0.00	0 00
3	B1 - Recurring	Act 176	0	0	0	-413,000	-413,000	0_00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Litter : Off- Interstate	6,000,000	0	0	0	6,000,000	0.00	0.00	0.00	0.00	0.00
5	B1 - Recurring	Bridge Modernization	200,000,000	0	0	0	200,000,000	0.00	0 00	0.00	0.00	0.00
TOTALS			206,000,000	0	0	49,271,870	255,271,870	0,00	0.00	0.00	0.00	0.00

Source: SCDOT, House Ways and Means Subcommittee presentation (Jan. 17, 2024)

SCDOT's fourth priority is litter pick-up on interstate roadways for which the agency requested an additional \$6 million in recurring general funds. Additional details about this program are discussed in Section II. G below.

SCDOT's final priority request is for \$200 million in recurring general funds to accelerate the replacement and rehabilitation of interstate, primary, and secondary bridges. The agency intends to use \$100 million of the recurring funds for primary and interstate facilities and the other \$100 million of the recurring funds for secondary facilities. Of the 1,778 bridges on the interstate and primary network, 63%, or 1,125 bridges, are in need of repair or replacement.

SCDOT also discussed, without submitting a specific request for funding, future funding needs for lost gas tax revenue resulting from increased use of hybrid and electric vehicles in the state. This topic is further discussed in Section II.F below.

Finally, SCDOT requested that the General Assembly codify four provisos, as shown below.

	Transportation and Regulatory Subcommittee Proviso Request Summary						
	Renumbered FY of Proviso						
FY 23-24	FY 24-25			Introduction/ # of	Recommended		
Proviso #	Proviso #	Proviso Title	Short Summary	years in budget	Action	Proviso Language	
			Authorizes ability to set up with the State Treasurer				
			such special funds as may be deemed advisable for				
84.2		Special Fund Authorization	proper accounting purposes		CODIFY		
			Employees shall receive equal compensation				
			increases, health insurance benefits and employee				
			bonuses provided in this act for employees of the				
84.4		Benefits	State generally.		CODIFY		
			Authorizes to establish an appropriate schedule of				
			fees to be charged for copies of records, lists,				
			bidder's proposals, plans, maps, etc. based upon				
			approximate actual costs and handling costs of				
			producing such copies, lists, bidder's proposals,				
84.5		Document Fees	plans, maps, etc.		CODIFY		
			Fund established in Act 176 of 2005 may be used for				
			repairs, maintenance, and improvements to the				
84.16		Non-Federal Aid Highway Fund	existing transportation system.		CODIFY		

Source: SCDOT, House Ways and Means Subcommittee presentation (Jan. 17, 2024)

Staffing

As of January 1, 2024, SCDOT had the following authorized, filled, and vacant full-time equivalent (FTE) positions:

Organizational Unit	Authorized FTEs	Filled FTEs	Vacant FTEs	
General Administration	310	283	43	
Engineering Admin./Project Management	1,300	1,163	313	
Highway Maintenance	2,827	2,256.75	405	
Toll Operations	-	-	-	
Intermodal/Mass Transit	69	56.50	17	
Total	4,506	3,759.25	778	
Source: FY 24-25 Budget Submittal				

Leadership Changes

On January 17, 2024, the current Secretary of Transportation, Christy A. Hall, P.E., announced her retirement effective March 31, 2024. Hall has served as Secretary of Transportation for approximately 10 years since she was appointed by Governor Nikki Haley. Hall is highly regarded for her work ethic and leadership at SCDOT in responding to natural disasters and implementing transformative infrastructure projects.

On January 18, 2024, the SCDOT Commission appointed Justin P. Powell, MPA, to serve as the next Secretary of Transportation. Mr. Powell currently serves as the Chief Operating Officer at SCDOT. On January 30, 2024, pursuant to SC Code §57-1-410, Powell's appointment was submitted to the Senate for confirmation and referred to the Committee on Transportation. The full Senate Transportation Committee met on February 7, 2024 to consider the statewide appointment of Powell. The full Senate Transportation Committee forwarded Powell's appointment to the full Senate for consideration and confirmation.

Powell joined SCDOT in 2019 as Deputy Secretary for Finance and Administration. In 2022, he was promoted to Chief of Staff, serving as the senior advisor to the Secretary of Transportation, and he led numerous strategic initiatives on the Secretary's behalf. Before working for SCDOT, Powell served as Assistant County Administrator in Horry County, where he provided financial leadership to the County's \$500 million roads sales

tax program, managed a project to restore freight rail service to a three-county region, and supported the county's response to numerous disasters and subsequent resiliency efforts. Powell has also worked at other local government agencies, including Dorchester County, the City of Greenville, and Fairfax County, VA.

II. Issues

On July 1, 2017, SCDOT launched a 10-year plan (2018-2027) upon the General Assembly's passage of the SC Infrastructure and Economic Development Reform Act (Act 40 of 2017), which created an increased and sustainable revenue stream. SCDOT's 10-year plan identified four main areas of focus: rural road safety, paving and road resurfacing, bridges, and interstate widening. SCDOT is in the seventh year of the 10-year plan. The status of SCDOT's 10-year plan is referenced throughout this report.

A. Road Safety

South Carolina has the worst rural road fatality record in the nation. According to the SCDOT FY 23 annual report, nearly 30% of the rural fatal and serious injury crashes occur on just over 5% of the rural roads. In response, the SCDOT Commission has dedicated funding to improve road and driver safety on 1,250 miles of those rural roads. The rural road safety improvements look to keep a driver in his lane and provide opportunities for the driver to recover back into his lane if the driver moves out of his lane. To date, 965 miles of the 1,250 miles of rural road safety projects have been completed. Estimates from initially-completed projects indicate a 24% reduction in fatal and serious injury crashes. Source: SCDOT, House Ways and Means Subcommittee presentation (Jan. 17, 2024); SCDOT Presentation SCDOT Highway Safety Program (July 2023)

SCDOT officials discussed the need for work zone safety improvements. Initially, SCDOT officials recommended rear-facing blue lights on state-owned equipment as a method to enhance work zone safety. After discussions with law enforcement, however, SCDOT withdrew its request for blue lights on SCDOT equipment or work zone traffic management. Law enforcement indicated to SCDOT their opposition to non-law enforcement equipment operating blue lights in South Carolina due to the potential confusion that could arise if a motorist or citizen were in distress. An alternative option may be to secure law enforcement personnel dedicated to work zones. Source: SCDOT, Senate Oversight Presentations (May 5, 2022 & Mar. 9, 2023)

It was also discussed that lack of compliance with work zone safety signs may occur when a driver does not see evidence of current construction activity. SCDOT officials explained SCDOT work zone safety signs are installed when the contractor is ready to mobilize an area. If a contractor is working on a project primarily at night, the work zone area may show little construction activity during the day. While other states employ automated work zone speed enforcement units, SCDOT recognized that South Carolina has little appetite for such units. Source: SCDOT, Senate Oversight presentation (May 2, 2022).

B. Road Work, Paving and Road Resurfacing

Paving and Road Improvements

SCDOT is responsible for approximately 41,000 miles of roads across the state. SCDOT defines paving programs to include the road resurfacing programs. Source: SCDOT, Senate Oversight presentation (Jan. 31, 2024). Paving accounts for SCDOT's largest single area of investment. Since the inception of the 10-year plan, SCDOT has accomplished 7,700 miles of paving projects, either through completed projects or projects under contract, in all 46 counties. Source: SCDOT, House Ways and Means Subcommittee presentation (Jan. 17, 2024).

SCDOT assesses all roads every two years as part of its Pavement Improvement Program to develop a two-year candidate paving list for rehabilitation and reconstruction projects on primary, farm-to-market secondary, and neighborhood streets. SCDOT's 2023-24 Pavement Improvement Program selected projects after a ranking process that relied on objective and measurable criteria aligning with the department's 10-year plan. Source: SCDOT website, 2023-2024 Pavement Improvement Project (Accessed Feb. 13, 2024). SCDOT provides an interactive online map of the pavement improvement programs: 2024 Pavement Improvement Program (arcgis.com).



The paving list includes 800–1000 miles of priority resurfacing and is approved by the Commission. SCDOT contracts for the majority of road resurfacing and spends an estimated \$700-800 million per year on the resurfacing programs. SCDOT also allocates funding to counties based on their relative share of lane miles in the system. Counties may not use more than 10% of the county allocation for preservation of good roads. Counties must use the majority of funds for reconstruction and rehabilitation of major roads or to rebuild decaying roads. Counties also have maintenance budgets to address potholes, mowing, draining, and other maintenance items. Source: SCDOT, Senate Oversight presentation (Jan. 31, 2024).

Road work in South Carolina has greatly increased since 2009. Per SCDOT, there was \$1.0 billion in road work in 2009 compared to \$4.4 billion under contract in early 2023. Generally speaking, SCDOT believes road contractors are doing good work in the state with expanded operations. However, paving costs have trended up, some areas seeing a 67% increase just between early 2022 and early 2023. SCDOT does not believe that oil price volatility has contributed to the cost increase. Source: SCDOT, Senate Oversight Presentation (Mar. 9, 2023)

Pothole Repair Requests

Potholes develop in roadways across the state and increase in frequency during colder weather seasons. SCDOT receives requests for pothole repairs though a website portal and receives telephone calls to a customer service number listed on its website. Calls requesting pothole repairs are often received at local county offices and are documented in the same system as other requests. SCDOT provided information about the number of pothole repair requests received and processed and the number and amount of damage claims paid. The chart below shows the number of pothole requests received and processed since fiscal year 2017.

Fiscal Year	Pothole Requests Received & Processed*			
2017	12,421			
2018	18,338			
2019	34,808**			
2020	27,709			
2021	28,812			
2022	24,925			
2023	25,838			
Source: SCDOT Annual Report, SFY 22, and SCDOT, Senate Oversight presentation (Jan. 31, 2024) All values are approximate.				
* Previous Annual Report data reported on the number of potholes filled; this data captures citizen's request to patch potholes.				
request to patch potho ** Pothole Blitz Janua				

As noted in the table above, in January 2019, a "Pothole Blitz" was held to repair potholes that had resulted from an unprecedented amount of rainfall. The near-constant wet conditions caused increased pavement deterioration, resulting in an extraordinary number of potholes across much of the state. District administrators were "authorized to redirect resources from routine maintenance activities, with the exception of safety-sensitive items, to perform pothole patching due to the increased numbers."

Methods for Repairing Potholes

SCDOT acknowledged that pothole repair is a frequent request around the state. SCDOT outlined four common methods to repair potholes, used by SCDOT's crews and contractor partners, at the oversight subcommittee meeting held on April 28, 2023. These methods are described in the following chart.

Method	Description
Cold-Mix Asphalt	Cold-mix asphalt is stored in bulk at SCDOT maintenance facilities and is available
Patching	for immediate use in all weather conditions. This patching material is widely used
	since it remains workable within all temperature ranges experienced in SC. The
	survivability of patches is more dependent on proper compaction effort than other
	methods.
Water-Activated	The cost of the materials for this method is significant when compared to other
Cold-Mix Patching	patching materials. When properly installed, patches utilizing water-activated cold-
	mix materials can be a semi-permanent solution to most pavement surface defects
	with good overall results. Due to the cost of these materials, use is typically limited
	to higher-volume routes, areas with turning movements within the patch area, and
	areas where habitual failures of other patching materials have been noted.
Hot-Mix Asphalt	Standard HMA asphalt mixtures are plant-produced by one of SCDOT's contractor
(HMA) Patching	partners and are typically only readily available to SCDOT maintenance divisions
	during the SC paving season months of March through November. Asphalt production
	plants may not be in close proximity to all SCDOT maintenance facilities. Therefore,
	HMA use is not as feasible in some areas of the state. Once the HMA is obtained from
	a contractor plant, it is either used immediately or placed into an insulated/heated
	truck or trailer called a "hot box," where it remains at a workable temperature for no
	longer than one workday. HMA materials generally perform very well in all
	installations but are not always the most feasible option due to the availability and
	temperature-control dependency.

Injection Patchers	These are self-contained units (either truck or trailer) that allow aggregate and heated
(also known as Spot	asphalt emulsion to be injected into the pothole in an on-demand continuous mixing
Pavers)	operation. The aggregate and asphalt emulsion can be stockpiled at SCDOT
	maintenance facilities. These machines take time to slowly heat the emulsion to a
	point where it can be efficiently applied, but once the mixture is at temperature, this
	operation can begin and be sustained for an entire workday or until materials are
	depleted. When properly installed, patches utilizing an injection patcher can be a
	semi-permanent solution to most pavement surface defects with good overall results.
	It should be noted that, due to the nature of how these machines operate, it is often a
	heavy effort to keep them operating efficiently and the equipment downtime can be a
	burden to daily operations.
Source: SCDOT	

The cold mix and water-activated cold mix are easier to use but provide less-permanent repairs. The hot mix patching and injection patching provide more permanent results, but use of these products can be weather-dependent, and these methods require that raw materials are on site and asphalt from a plant be kept in a hot box so that it remains hot for proper installation. Other factors beyond the workmanship can affect the performance of a patch. The condition of the surrounding pavement and subgrade of a patched area will often determine the survivability of a patch. Heavy truck traffic and weather patterns also play a role in all pavement distress. Many patches are not completely watertight, and this allows heavy rains and freeze/thaw cycles to deteriorate the bond with the substrate. Injection patcher machines, also called spot paver machines, as described above, are widely used by SCDOT to make repairs.

SCDOT recognizes that additional spot pavers to use around the state will help to address deficient pavement in places that are too large for pothole repair and too early to consider resurfacing the entire roadway.

Damage Claims

The state's Tort Claims Act (SC Code §15-78-10 *et seq.*) allows an individual to file a claim against SCDOT for damages caused by a pothole or road condition on a state-maintained road. FY 23–24 Proviso 84.11 (DOT: Reimbursement for Vehicle Damage) requires SCDOT to develop and make publicly accessible on its website a process by which the public can submit and seek reimbursement for vehicle damage caused by poor road conditions. This website is available at <u>https://www.scdot.org/travel/travel-DamageClaims.aspx</u>. This proviso has existed in some form since at least the FY 20–21 budget.

According to information furnished by SCDOT, claims are received and processed as follows:

SCDOT receives damage claims either through the new online web submission portal located on the agency's website or by hardcopy, which is routed to the Customer Service Center at headquarters in Columbia for processing. Claims are screened for completeness and then entered into an internal tracking system. From there, they are sent to the SCDOT county office where the damage occurred for a site investigation and recommendation for approval or denial. The claim is then sent back to the Claims Office in headquarters for final review and decision. If the claim involves personal injury and/or is more than \$1,500.00, it is forwarded to the Insurance Reserve Fund for review and final determination.

On January 14, 2021, the SC Office of the State Auditor issued an internal audit report titled "Efficiency Assessment: SCDOT Damage Claims Management" that included recommendations for SCDOT to improve its internal damage claim process. Source: SC Office of the State Auditor, <u>SCDOT Damage Claims Management</u>

(Jan. 14, 2021). At the January 31, 2024 oversight subcommittee meeting, SCDOT also reported that it recently restructured the damage claims process by repositioning the Customer Call Center to focus on claims management and established a Statewide Risk Manager to provide oversight to claims generally. This restructuring is consistent with recommendations provided in the 2021 State Auditor report.

SCDOT reports that, for the calendar year 2023, pothole claims made up 69% of all damage claims against the agency. The chart below shows the number of claims received and paid since calendar year 2017 as reported in SCDOT's Annual Report on state fiscal year 2022 and updated by SCDOT in its January 31, 2024 presentation to the Oversight Subcommittee. The "Amount Paid" column shows the amount the agency paid that calendar year but could include amounts paid to claims approved in other calendar years. Thus, in the chart below, the reviewer cannot simply divide the "Amount Paid" by the "Total Number of Claims" to extrapolate the average claim amount paid during that calendar year.

Calendar	Total Number of	
Year	Claims	Amount Paid
2017	2,295	\$397,961
2018	1,085	\$135,568
2019	3,541	\$702,689
2020	3,161	\$700,135
2021	2,911	\$457,022
2022	2,672	\$447,274
2023	3,476	\$531,136
Source: SCDOT Annual 2024)	Report, SFY 22 & SCDOT, Senate O	versight presentation (Jan. 31,

Since 2017, the number of claims paid has fluctuated. The number of claims may fluctuate due to changing weather and seasonal conditions. SCDOT officials also explained that a change in internal process to review appealed claims may have contributed to the increase in number of claims paid. For example, if a damage occurred in an active construction/work zone, the claimant is instructed to contact the construction contractor director, as explained in the SCDOT Departmental Directive 21A "Damage Claims against the Department under the Tort Claims Act." See Appendix A. According to the directive, the complainant may appeal a contractor's denial of a damage claim to SCDOT's Chief Counsel. On appeal, SCDOT's Chief Counsel may uphold the contractor's decision to deny the claim and SCDOT may pay the claim, or the Chief Counsel may uphold the contractor's decision to deny the claim. SCDOT officials also explained that, if SCDOT ultimately pays a claim denied by a contractor, SCDOT may seek reimbursement or indemnity from the contractor on the back end. The total number of claims paid in the table above excludes SCDOT denied claims but includes claims by SCDOT even if SCDOT ultimately sought reimbursement from the contractor for these claims resulting from damages incurred in an active construction zone.

Interstate Sign Repairs and Replacements

During the oversight process, SCDOT was asked to describe the procedures used to repair or replace signs along the state's interstates. According to SCDOT officials, two contractors are used, one in the upstate and one in the lower part of the state. These contractors are given ninety days to complete a project once the request is sent to

them. On SCDOT's website, the public can use a work request to ask that a sign be added to a location, or request a repair to a damaged sign. If there is an SCDOT crews are sent to assess the situation. SCDOT has sign shop in Columbia that can be used for common signs stop, yield, or speed limit signs. The contractors have experienced supply chain delays, especially with "sign which span across interstates and support several signs.



maintenance they can emergency, one small such as a recently bridges,"

At the January 31, 2024 meeting, SCDOT reported that it has identified areas for improvement with the sign repair and replacement process and implemented new protocols to address those areas. For example, under SCDOT's prior protocol, SCDOT often waited to notify the contractor until several signs in the same area needed repair or replacement. SCDOT changed its internal protocol to now immediately notify the contractor if a single interstate sign needs repair or replacement. SCDOT has also improved tracking of interstate signs in need of repair or replacement.

C. Interstate Resurfacing and Expansion

SCDOT prioritized interstate widening in its 10-year plan. The map and accompanying chart below include interstate pavement projects that are currently under contract and in various stages of construction as of January 2024. Some projects may be approaching completion while some are under contract and their asphalt work has yet to begin. Some sections of interstate highways are concrete while the majority are asphalt. While concrete lasts longer than asphalt, the cost to SCDOT is higher to rehabilitate concrete roadways.

Interstate Pavement Projects



1	Interstate Pavement Projects			
Interstate	Mile Markers			
I-95	171-193 NB	Under Contract		
I-20	23-37 EB	Under Contract		
1-95	86-99	Under Contract		
I-526	10-16,27-29	Under Contract		
I-20	37-50 WB	Under Contract		
I-26	125-136	Under Contract		
I-20	84-94	Under Contract		
1-95	134-147	Under Contract		
I-26	182-187	Under Contract		
I-26	0-18	Under Contract		
I-20	70-76	Under Contract		
1-385	23-31	Under Contract		
I-85	43-49, 53-56, 67-69	Under Contract		
I-26	74-85	Under Contract		
I-26	149-172	Under Contract		
1-95	33-68	Unde <mark>r C</mark> ontract		
1-95	68-86	Under Contract		
I-85	0-19	Jan 2024 Letting		

Source: SCDOT

Below is a map of interstate widening projects with timelines that extend into the 2030s. The current status of each project (completed, in construction, or planned) is indicated by color.



Source: SCDOT

"South Carolina's highway system interconnects ports with major cities and commerce hubs while promoting the efficient transfer of both goods and people within the state and across interstate corridors." Source: SCDOT, 2022 Annual Report, p. 3. SCDOT recognized the need to incorporate projects into its 10-year plan to deal with growth and economic development needs of the state and to prioritize interstate projects to move cargo and freight across the state. For example, SCDOT identified the need for improvements at the Longpoint Road Interchange at the Wando-Welch Terminal in Charleston. These improvements would include dedicated lanes in and out of the terminal to reduce the mix of port and residential traffic. Source: SCDOT, Senate Oversight presentation (Mar. 9, 2023); <u>https://www.scdot.org/business/LongPointRoad.aspx. (dated Feb. 17, 2022)</u>. Additionally, in 2018, the SCDOT Commission established a freight-centric interstate widening program to target primarily the rural sections of the interstate system including the I-26 and I-95 corridors.

SCDOT officials also indicated that they work side-by-side with the South Carolina Department of Commerce in the recruitment phases of new economic development initiatives. This partnership includes SCDOT reviewing site layouts, recommending transportation improvements, and reviewing traffic patterns in the vicinity of a proposed economic development site. The Secretary of Transportation serves on the Coordinating Council for Economic Development with the Department of Commerce.

Subcommittee members expressed the need for the state to consider the impact on the entire transportation system and the proposed project's downstream impacts when evaluating new economic development initiatives. Oftentimes, during the early phase of recruiting a proposed economic development project, the company is able to identify whether it plans to ship items via rail or trucks and general details, but it may not know the intricate details regarding time of day, routing of traffic flows, or other logistical details. As a matter of policy, and once the details of the planned traffic and freight movements in and around a proposed economic development project become known, the state should consider and evaluate the transportation of goods from the port to the proposed economic development site.

D. Bridges

SCDOT prioritized bridge rehabilitation and replacement in its 10-year plan. South Carolina has approximately 9,500 publicly-owned bridges. SCDOT owns and maintains over 8,400 of those bridges across the state. Around 2,700 of the state's bridges are sixty years old or older. The age of a bridge is calculated based on when the bridge was brought into the system, as reflected in the graphic below.



Source: SCDOT, Senate Oversight presentation (Jan. 31, 2024).

At the January 31, 2024 presentation to the Oversight subcommittee, SCDOT provided an update on the status of bridge construction and emphasized that it was the Department's continued priority to open closed bridges and to remove load-restricted postings on bridges across the state. Load posting is an engineering determination based on the condition and design of the bridge indicating the type and weight of vehicles that can safely transverse the bridge without significant damage to the bridge.

SCDOT categorizes roads and bridges in three main classes: primary, secondary, and interstate. According to SCDOT, the primary network of bridges includes many roads, such as SC 28, SC 276, and US 17, which were built in the 1920s. When built, those primary network bridges were typically designed to last 75 years. Secondary roads are a farm-to-market network of roads and bridges that connect rural communities and other areas. As communities developed over time, some farm-to-market roads, such as Harbison Boulevard in Columbia and Roper Mountain Road in Greenville, became more urban. Secondary bridges were typically designed for a 60-year life span. Interstate roads make up approximately 881 miles of road but receive 30% of the state's traffic. Many of these interstate bridges are the original bridges that were built during the construction of the interstate. Source: SCDOT, House Ways and Means Subcommittee presentation (Jan. 17, 2024).

At any given time, approximately 670–680 bridges are load posted, meaning that the bridge may not carry the full legal load of 90,000 pounds. This load limit impacts the ability of certain vehicles, such as school buses, 18-wheelers, and fire trucks, to cross the bridge, causing disruption and inconvenience to citizens and commerce in the state. In addition, an average of 60–70 bridges across the state are closed at any given time. An SCDOT official indicated the current rate of bridge closure is around once per week. Source: SCDOT, House Ways and Means Subcommittee presentation (Jan. 17, 2024).

As part of SCDOT's initial 10-year plan, SCDOT sought to replace or rehabilitate 500 bridges across the state, with a goal to repair or rehabilitate 50 bridges per year. The graphic below shows the status of SCDOT's efforts to replace or rehabilitate 500 bridges across the State by 2027.



Source: SCDOT, Senate Oversight presentation (Jan. 31, 2024)

To accelerate the replacement and rehabilitation of bridges, SCDOT requested \$200 million (\$100 million for primary and interstate bridges and \$100 million for secondary bridges) in recurring funds for bridge modernization as part of its FY 24–25 budget request. SCDOT states that "the funding will be used ... to take a comprehensive, corridor-specific approach to put these dollars toward the bridge needs in each high-priority corridor to ensure the long-term mobility and free movement of freight starting with a focus on the existing Interstate system." Of the 1,778 bridges on the Interstate and Primary Network, 1,125 (63%) are in need of repair or replacement. Source: SCDOT, FY 24-25 SCDOT Agency Budget Plan. SCDOT says that its focus with this recurring funding request would be on the primary and secondary system.

SCDOT's request for additional bridge funding is pending with the General Assembly. SCDOT also continues to seek federal grants to supplement funding for particular projects, such as the I-95 Lake Marion Bridges replacement. The I-95 Lake Marion Bridges do not currently need replacement but they will likely need replacing in less than 10 years. SCDOT awaits work on the award for \$175 Million in BIP construction grant for I-95 Lake Marion Bridges.

E. I-95 Toll Study

In April 2023, SCDOT updated an I-95 Toll Feasibility Study that was first published on April 17, 2019. The original study was conducted at the request of several members of the SC General Assembly to determine the following:

to ascertain if tolls are an option for implementation and if the proposed revenues would be sufficient to support the estimated \$3.5 Billion (in 2018 dollars) in improvements and upgrades needed for the 199 mile long I-95 corridor through South Carolina.

According to the 2019 study, it would be "... viable to institute tolls along the corridor as part of a series of strategically located bridge replacement projects." The potential scenario was based on four bridges: the Great Pee Dee River bridges, Lake Marion bridges, the bridge over SC Highway 64, and the bridges over County Road 241. At the time, the total cost to replace all four bridges was \$500 million, and it was estimated that 35 years of toll collections would be needed to fully fund the widening of all 199 miles of I-95 through South Carolina.

Updated Analysis, April 2023

Since the 2019 study, SCDOT has initiated preliminary planning activities for the replacement of the bridges over the Great Pee Dee River and Lake Marion. The US Department of Transportation has awarded federal grant funding dedicated specifically to the bridges over the Great Pee Dee River, which was not presented to them as a tolling project. In addition, SCDOT has initiated work to widen significant portions of the lower segment of I-95, which includes the bridges over SC Highway 64 as well as the bridges over County Road 241. Adding tolls to those two bridges would be problematic because tolling has not been included in any of the environmental and public engagement work conducted for that segment.

According to SCDOT, the Lake Marion bridge is the only viable bridge to consider for tolling at this time. The agency has already spent what it describes as a "de minimis amount" on replacing the Lake Marion bridge, which may make this project ineligible for tolling. Further study with the Federal Highway Administration to determine if tolling would be permissible is necessary for this project.

SCDOT's Feasibility Analysis of Lake Marion Bridge Toll

According to SCDOT's updated study, the current federal surface transportation act allows for the tolling of bridge replacement projects, including previously "free" lanes. The toll at the bridge site would provide for repayment of the costs of construction of the bridge and surplus toll revenues would fund widening projects along the I-95 corridor. Construction costs for the Lake Marion bridge project would need to be updated from 2018 estimates. The prior study estimated the project at approximately \$210 million, but 2022 cost estimates would likely be in the \$300 to \$350 million range.

Based on 2022 traffic data compiled by SCDOT, the estimated non-resident, non-commercial through traffic on I-95 over the Lake Marion bridge would be 12,500 vehicles per day. The toll would need to be set to cover the bridge replacement project as well as an electronic tolling system. In addition, the toll would have to generate enough surplus revenues to aid in the widening of I-95 in today's pricing for road and bridge work. According to SCDOT's updated study, a toll of \$20 would provide surplus revenues after five years to begin widening a 55-mile-long corridor, which would take an estimated 25 years to complete. The actual value of the toll and duration of implementing the improvements would need to vary over time in order to remain in-sync with cost fluctuations. The General Assembly would have to consider if there would be any form of discounts for SC residents or

commercial vehicles. Other states such as New Jersey, New York, and Florida offer discounts to residents in particular areas but do not fully eliminate the toll.

Statutory Changes Needed

According to SCDOT's updated toll study, the following statutes would need to be amended by the General Assembly if tolling was to be considered for the Lake Marion bridge project.

1) SC Code §57-3-615 limits toll projects to less than \$150 million. This project cap would need to be raised given the estimated cost of the Lake Marion bridge project.

2) SC Code §57-3-615 prohibits existing interstates from being tolled. Specific legislation would need to be enacted to permit tolling for this project.

3) SC Code §57-3-615 limits toll revenues to be used only for the construction and maintenance of a specific project.

4) Modernize toll statutes to align with best practices in the tolling industry.

Potential Negative Impacts to Tolling

Imposing tolls on South Carolina roads would have potential negative socio-economic impacts as well as impacts on freight haulers, existing businesses, manufacturing facilities, and industrial recruitment. The General Assembly would need to consider many issues surrounding the benefits verses the negative impacts of instituting tolls along the I-95 corridor. As discussed earlier, further study with the Federal Highway Administration would also be required to determine if tolling would be permissible. In short, there are many different aspects to the I-95 tolling issue about which the General Assembly would need to have substantial study and debate.

F. Funding

Funding Overview

SCDOT's revenues for FY 22–23 were over \$3 billion, consisting of a mix of federal and state funds. Funding from the Federal Highway Administration (FHWA) under the federal-aid highway program totals approximately \$1 billion per year. These funds are reauthorized about every five years; the current funding bill was signed in November 2021 as the Infrastructure Investment and Jobs Act (IIJA). These funds are derived from the federal motor fuel user fees and require a 10-20% match of state funds. These funds also have the most restrictions and are generally allocated to more complex projects.

State funding consists of state gas tax revenue, SCDMV registrations and licenses, car sales tax, and general fund appropriations. SCDOT has historically been an "other funds" agency in the state budget process. However, during the FY 22–23 budget adoption, the General Assembly allocated \$120 million in recurring funding to match new federal dollars anticipated from IIJA and maintained this funding for the FY 23–24 budget.

Act 40 of 2017 Increased SCDOT Funding

In 2017, the General Assembly passed the South Carolina Infrastructure and Economic Development Reform Act (Act 40 of 2017) to provide ". . . a comprehensive approach to address the effect that the deteriorating transportation infrastructure system has on our State and its residents, tourists, and economy" The Act

contained additional revenues that would provide SCDOT with the resources "... to effectively and immediately address the highway, road, and bridge maintenance and construction needs" Act 40 of 2017 created the Infrastructure Maintenance Trust Fund (IMTF) to receive the increased revenue from the motor fuel user fee, also referred to as the "gas tax," as well as other taxes and fees. Beginning on July 1, 2017, the gas tax was raised 2 cents per year for six years, ending July 1, 2022, with the new rate set at 28.75 cents per gallon. By statute, the IMTF "must be used exclusively for the repairs, maintenance, and improvements to the existing transportation system."

Gas Tax Distribution

Funds included in the newly-created IMTF consist of the increased gas taxes, increased car sales taxes, and a variety of DMV fees. Prior to Act 40 of 2017, the most recent increase to the state's gas tax was in 1987, at which time the tax increased to 16.75 cents per gallon. SCDOT does not receive the total amount collected for its projects and operations because some funds are distributed to SCDNR and to county "C" funds. The distribution of the gas tax to SCDOT and other entities is complex and governed by multiple statutes. The SC Revenue and Fiscal Affairs Office created a table that outlines the distribution of the state's gas tax with governing statutes listed. Source: RFA, Motor Fuel User Fee (July 1, 2023). The current gas tax is levied on both gasoline and diesel fuel and is 28.75 cents per gallon. Included in this amount is 0.75 cents for an "environmental and inspection fee," of which 0.25 cents is the inspection fee (for inspecting, testing, and analyzing petroleum products) and is allocated to the State Non-Federal Aid Highway Fund of SCDOT and 0.50 cents is the environmental impact fee and is allocated to DHEC.

Act 40 Diversified SCDOT's Revenues

In addition to the increase in the gas tax, Act 40 also imposed other fees that are required to be credited to the IMTF. These sources of revenue other than the gas tax increase serve to diversify the revenue sources of SCDOT and provide protection against a downturn in one area. An Infrastructure Maintenance Fee, which effectively increased the vehicle sales tax cap from \$300 to \$500 per vehicle, was enacted. Vehicle registration fees were also raised by \$16. These fees are imposed every other year for drivers and must also be credited to the IMTF. Prior to December 31, 2022, an Infrastructure Maintenance Fee of \$250 for vehicles being registered from out-of-state was credited to the Safety Maintenance Account, but after this date the fee is now credited to the IMTF. Motor carrier road use fees in excess of 16 cents a gallon must also be credited to the IMTF. Hybrid and electric vehicles are charged biennial fees of \$60 and \$120, respectively, and these fees must also be credited to the IMTF.

The table below outlines the fees that are credited to the IMTF, as well as deductions from the fund for several items as explained in the table.

	Infrastructure Maintenance Trust Fund				
#	Name of Fee	Description			
1	Motor Fuel Tax ("Gas	The gas tax was raised 2 cents per year beginning July 1, 2017 and ending			
	Tax") Increase	July 1, 2022, resulting in a cumulative 12 cent state gas tax at the end of			
		the six years. This incremental amount is added to the IMTF.			
2	Infrastructure	The Infrastructure Maintenance Fee increased the vehicle sales tax cap			
	Maintenance Fee	from \$300 to \$500 per vehicle; the \$200 difference is credited to the			
		IMTF.			
3	Registration Fee	Of regular, private passenger biennial registration and license fees			
	Increase of \$16	collected, \$16 must be credited to the IMTF.			

4	Hybrid/Alternative	Act 40 created the biennial fees of \$60 for hybrid vehicles and \$120 for
	Fuel Vehicle Fees	electric vehicles, which must be credited to the IMTF.
5	Motor Carrier Road	The South Carolina Department of Motor Vehicles (SCDMV) assesses an
	Use Fee	annual road use fee on large commercial motor vehicles and buses based
		on a statutory formula that includes an average millage calculated by the
		Department of Revenue in consultation with the Revenue and Fiscal
		Affairs Office (RFA).
6	Safety Maintenance Fee	If an owner first registers a vehicle in another state, and subsequently
		registers the vehicle in this state, a fee equal to \$250 is due. According to
		56-3-627(D)(1), after December 31, 2022, the revenue collected pursuant
		to this subsection must be credited to the IMTF.
7	Refundable Income Tax	Resident taxpayers are allowed a refundable income tax credit for
	Credit	preventative maintenance on private passenger motor vehicles that is a
		deduction from the IMTF. This tax credit sunsets at the end of 2022. See
		\$12-6-3780(C).
8	CTC Donor Bonus	A "donor county" means a county that contributes to the "C" fund an
		amount in excess of what it receives under the allocation formula. This is
		a deduction to the IMTF.
9	Sales Tax on Aircraft,	Section 12-36-2110(A) was amended to read: (A)(1) The maximum tax
	Boats, and Trailers	imposed by this chapter is three hundred dollars for each sale.
10	Trailer Registration Fee	Section 12-37-2865 states that the "remaining twenty-five percent [of the
		one-time fees in §12-37-2860(D)] must be credited to the [IMTF] to be
		used to finance expansion and improvements to existing mainline
		interstates."
11	Investment Earnings	Section 57-11-20(A)(1) states that "(I)nterest income from the
		Infrastructure Maintenance Trust Fund must be deposited to the credit of
		the Infrastructure Maintenance Trust Fund."

SCDOT maintains a monthly account statement of the IMTF on its website showing monthly, fiscal year-to-date, and cumulative totals. The statement through December 31, 2023 shows funding since July 1, 2017, when Act 40 became effective. To simplify the presentation of this statement, the table below shows significant balances from the IMTF statement as well as the cash balance in the fund to date of over \$1.41 billion. The full statement is available on the SCDOT website. Source: <u>SCDOT</u>, <u>New Gas Tax Trust Fund</u> (Dec. 31, 2023). This cash balance will fund the pending vendor payments totaling over \$1.41 billion.

Infrastructure Maintenance Trust Fund Monthly Account Statement Through December 31, 2023			
Cumulative Since DescriptionCumulative Since July 1, 2017			
	\$		
Total Deposits (Revenues) Received to Date	3,846,020,578.47		
Less: Statutory Required Payments	(192,884,753.31)		
Net Amount Available for Road Projects	3,653,135,825.16		
Total Project Commitments Made to Date	3,971,335,278.56		
Vendor Payments Made for Completed Work	(2,270,384,645.36)		
Pending Vendor Payments*	(1,700,950,633.20)		

Trust Fund Cash Balance:	
Total Revenues Received Since July 1, 2017	3,846,020,578.47
Total Payments Made Since July 1, 2017	(2,463,269,398.67)
Cash Balance to Fund Pending Vendor Payments*	1,382,751,179.80
Source: Summarized version of SCDOT, New Gas Tax	Trust Fund (Dec. 31, 202)

Allocation of State Funding to Counties

SCDOT allocates funds to counties under two primary programs, the Pavement Improvement Program (PIP) and the County Transportation Fund ("C" Program). While PIP funds are overseen by SCDOT, the "C" Program spending is largely determined by county transportation committees made up of local representatives appointed by the legislative delegation or county council.

As of June 30, 2023, there are 27 County Transportation Committees (CTCs) that are self-administered and 19 administered by SCDOT. The "C" Program Statewide Annual Report, which compiles reports from each CTC, is submitted to the General Assembly by the second Tuesday of January of each year in accordance with SC Code §12-28-2740. SCDOT timely submitted the most recent report on January 8, 2024. This report is also available on the SCDOT website and the SC Legislature state agency report website. Sources: SCDOT, <u>The C Program</u>, (2022-23).

Pavement Improvement Program

As a result of the increased and sustainable revenue stream provided by the General Assembly in the 2017 Roads Bill, SCDOT implemented a strategic 10-year plan. Under this plan, the agency promises to make significant improvements in the condition of pavements across the state that are in poor condition due to years of deferred maintenance. The overwhelming majority, or nearly 83%, of funding commitments for new gas tax trust fund, is to be spent on paving projects. The remaining commitments are for rural road safety, interstate widening, and bridge projects. The table below shows the committed projects for new gas tax trust funds as of December 31, 2023.

New Gas Tax Trust Funds Project Commitments As of December 31, 2023				
Committed Projects	Development	Construction	Total	Percentage
	\$	\$	\$	
Paving	437,797,518.31	2,865,508,571.98	3,303,306,090.29	83.2%
Rural Road Safety	64,690,668.74	283,244,413.63	347.935.082.37	8.8%
Interstate Widening	0	291,931,744.09	291,931,744.09	7.4%
Additional Bridge Projects	19,439,938.32	8,722,423.49	28,162,361.81	0.7.%
Total Project				
Commitments Made				
to Date	545,002,965.26	3,276,906,548.68	3,821,909,513.94	100%

At its meeting held on May 18, 2023, the SCDOT Commission approved the agency's FY 23–24 Pavement Improvement Program (PIP) by adding \$775 million to the previously-invested \$2.8 billion in pavement improvements across the state. An accelerated pavement improvement program was implemented to remedy the poor condition of pavement resulting from 30 years of deferred maintenance. This program provides funding for the preservation, rehabilitation, and reconstruction of the state's road systems, including the categories of roads listed in the table below.

Category	Carries What Percentage of State's Traffic?	# of Centerline Miles	# of Lane Miles	% of Pavement Rated "Good" for FY 22
Interstate	29%	851	3,866	81%
Primaries/Major Roads	47%	9,475	24,192	42%
Farm-to-Market Secondaries	17%	10,388	21,399	29%
Neighborhood Streets	7%	20,581	41,271	19%
Source: SCDOT Commission Agenda Package dated May 18, 2023.				

For each category, with the exception of the interstates, funding is provided using a county-by-county allocation process based on each county's' relative share of lane miles for each of these systems. The State Fiscal Year 2023–2024 Pavement Improvement Program Allocation by County shows the allocation percentage for each county for major roads, farm-to-market roads, and neighborhood streets. For these three types of roads, a total of \$562 million was allocated for FY 23–24. Additionally, \$213 million was allocated under the PIP to interstates using a statewide allocation process. Source: SCDOT, <u>Pavement Improvement Process</u>, page 14 (2023).

According to an SCDOT official, PIP reports are presented each year to the commission at the May or June meeting, and the contracts to perform the paving are signed in the fall and the next spring, spacing the contracts out over the year to promote good competition and pricing. The interstate paving projects are particularly expensive and use a mix of state dollars from the new gas tax trust funds as well as federal funding. SCDOT will optimize federal and state money to leverage taxpayer dollars and repave interstates.

SCDOT's County Transportation Fund

According to SCDOT's FY 20–21 Annual Report, the County Transportation Fund, or "C" Program, dates back "to the 1940's when the General Assembly adopted a measure to divide the state highway system into primary and secondary roads." Since that time, the "C" Program has been amended several times and is overseen by county transportation committees (CTCs), which are appointed by the legislative delegation or county council. The county council can, alternatively, serve as the CTC. The CTCs have considerable responsibility to determine where best to place the funds for transportation improvements in their communities and must prepare a county transportation plan and select and prioritize transportation improvement projects. Funds provided to the "C" Program include gas taxes, donor bonus funding, and one-time funding, as explained below. A comprehensive overview of "C" funds for FY 22–23 is shown below.

FY 22-23 "C" Funds Comprehensive Overview			
Gas Tax (3.99 cents per gallon)	\$110,565,000		
Donor Bonus	\$20,093,398		
One Time Funding	\$250,000,000		
Total "C" Program	\$380,658,398		
Source: SCDOT website			

Act 40 Provides Additional "C" Program Funding

Act 40 of 2017 provided additional funding for the "C" Program through the gas tax increase, which was phased in over four years, and changes were made to the minimum amount of "C" funds that must be spent on the state highway system. The donor bonus allocation was increased from an annual \$9.5 million transfer from SCDOT to a base amount of \$17 million. Prior to Act 40, 2.66 cents per gallon of the state gas tax went toward the "C" Program. Following Act 40, an additional 0.3325 cents per gallon was added to this amount each year for four years, totaling 3.99 cents per gallon. The table below shows the growth in gas taxes allocated to "C" funds from FY 17–18 through a forecasted amount for FY 23–24.

Gas Tax Allocated to "C" Funds			
Fiscal Year	Amount		
FY 17-18	\$75,328,000		
FY 18-19	\$86,220,200		
FY 19-20	\$96,480,700		
FY 20-21	\$104,150,400		
FY 21-22	\$110,188,800		
FY 22-23	\$110,565,000		
FY 23-24*	\$114,987,600		
* Forecasted			
Source: SCDOT			
website			

In addition to funding from gas taxes, the "C" Program has received several one-time funding amounts through the state appropriations process. The table below shows the most recent one-time funding.

One-Time Funding to "C" Program			
Fiscal Year	Amount		
FY 16-17	\$50,000,000		
FY 21-22	\$50,000,000		
FY 22-23	\$250,000,000		
FY 23-24	\$20,000,000		
Source: SCDOT			

These funds are distributed to the counties based on a three-part formula. The formula allocates one-third of the "C" funds based on each of the following criteria:

- 1) The ratio of the land area of the county to the land area of the state.
- 2) The ratio of the county population to the state population.
- 3) The ratio of the rural road mileage in the county to the rural road mileage in the state.

Source: SCDOT, Office of Local Government Services presentation, page 14 (2023).

Donor Bonus Allocation

A "donor" county is defined as a county in which the 3.99 cents per gallon of gasoline tax that is collected in the county exceeds the amount that that county receives back in "C" funds. As of July 2023, there were 15 donor counties. The excess contributions are paid back to the donor counties under a "donor bonus allocation" process.

SCDOT currently transfers \$17 million annually to the "C" Program under the donor bonus allocation, compared to the \$9.5 million annual transfer rate prior to Act 40 of 2017. Under this allocation, the \$17 million is allocated among the donor counties to pay back the excess contributions. SCDOT must then transfer up to an additional \$3.5 million among the donor counties in an effort to increase each donor county's total allocation to the amount that county contributed to the "C" Program through gasoline sales. These funds are distributed up to a cap of \$20.5 million collectively to donor counties. No donor county is to receive more than they contributed to the "C" Program. The forecasted "C" Program distributions to counties for FY 23-24 includes a one-time non-recurring distribution of \$20 million made available in Proviso 118.19. Source: SCDOT, Forecasted Total Distributions – FY 23-24 (2023).

Federal Funds Received by SCDOT Following the COVID Pandemic

At the May 5, 2022 meeting of the legislative oversight subcommittee on SCDOT, a request was made for SCDOT to provide a summary of the federal funds received since the start of the pandemic. SCDOT provided a narrative that outlined the series of federal acts that supplied funds to the State of South Carolina and SCDOT. The table below outlines the sources and amounts of those funds and how the funds were used by SCDOT based on the narrative provided by the agency.

Federal Funds Received by SCDOT Following the COVID Pandemic

Coronavirus Aid, Relief, and Economic Security Act (CARES) Total Funds Received: \$48 million

CARES was an expansive economic stimulus bill adopted on March 27, 2020. There were two elements that impacted SCDOT:

1) Transit Funds = \$44.8 million

SCDOT administers transit funding for rural providers. The CARES Act provided funding for SCDOT to pass through for rural providers, as well as intercity bus services.

2) Coronavirus Response Measures = \$2.7 million

SCDOT incurred expenses related to mitigating the spread of the coronavirus. The bulk of the funds were spent on obtaining hand sanitizer for the benefit of state and local agencies.

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) Total Funds Received: \$166 million

The CRRSAA was the omnibus spending bill for federal FY 21 and also added \$900 billion in additional coronavirus relief. There were two provisions that affected SCDOT:

1) Transportation Supplemental Funding = \$166 million

SCDOT received these funds to mitigate the impacts of COVID-19 on transportation revenues. Of this amount, \$149.4 million was allocated for statewide purposes and \$16.6 million was to be spent at the discretion of the six Transportation Management Areas (TMAs). The statewide allocation was ultimately used to pay off the agency's remaining debt service. The TMAs used part of their funds to assist in the payoff of the agency's debt.

2) Transit Funds = \$500,000

Additional funds for enhanced mobility of seniors and individuals with disabilities was allocated to rural and small urban transit providers that pass through SCDOT.

American Rescue Plan Act (ARPA) Total Funds Received: \$457 million

ARPA funds were part of an expansive bill that aimed to address the pandemic's economic and social impacts. There were two provisions that affected SCDOT:

1) Coronavirus State and Local Recovery Funds (CSLRF) = \$453 million

Under H.4408, the General Assembly allocated funds to SCDOT for use in a Transportation Infrastructure Acceleration Account. The SCDOT Commission has approved putting the bulk of the funds into two projects on I-26 that will allow SCDOT to accelerate the widening of I-26 between Columbia and Charleston by approximately six years.

2) Transit Funds = \$4 million
Additional funds were allocated for rural public providers, intercity transit providers, and for enhanced mobility of seniors and individuals with disabilities.
Source: SCDOT, May 2022

The chart below outlines the nonrecurring federal funding received since the start of the pandemic by SCDOT and the associated obligations as of February 9, 2024.

Nonrecurring Federal Funds Received by SCDOT since the start of the pandem	nic			
\$ millions	Date Made Available to SCDOT	Amount	Obligations	Remaining Amount
Coronavirus Aid, Relief, and Economic Security Act (CARES)	3/27/2020	48	45	3
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)	1/20/2021	166	166	-
American Rescue Plan Act (ARPA)	6/21/2022	457	150	307

As shown in the table above, CRRSAA funds have been spent and CARES funds have been substantially obligated with \$3 million remaining. SCDOT will use ARPA funds for the acceleration of the I-26 widening project as it is completed.

As discussed below, the IIJA increased federal formula highway funding to \$986 million for state FY 21–22, an increase of \$253 million, and to \$1.078 billion for state FY 22–23, an increase of \$92 million. These IIJA funds require state matching funds to fully draw down all funding available to South Carolina.

Federal Funds Received by SCDOT Unrelated to COVID

Infrastructure Investment and Jobs Act (IIJA) Total Funds Received: \$986 million (Federal FY 22) and \$1.078 billion (Federal FY 23)

The IIJA is a five-year transportation authorization that reauthorizes the surface transportation programs, as well as numerous other programs for infrastructure including broadband, passenger rail, water/sewer, and electric utilities. It has several provisions that will impact SCDOT in the coming years:

1) New Formula Funds = \$253 million

This act increases the formula highway funding from approximately \$733 million per year in FY 21 to \$986 million in FY 22, followed by modest anticipated increases until FY 26. This increase provides formula funding for existing programs and also establishes new formula programs for electric vehicles, bridges, and climate change/resiliency, among others. These new formula funds will require state matching funds in order to fully draw down the funds available to South Carolina.

2) Discretionary Grant Funds = \$ To Be Determined

The IIJA makes approximately \$100 billion available as discretionary grants to state and local governments. SCDOT will selectively identify grant opportunities to advance its mission. It is anticipated that local governments will seek funds for their own projects, projects that may or may not align with SCDOT's priorities. SCDOT received a Bridge Investment Program (BIP) grant of \$51.2 million to replace six bridges in Union County and \$720,000 for bridge planning along I-95 over the Great Pee Dee River. The agency awaits word on the award for a \$175 million BIP construction grant for the I-95 bridges over Lake Marion.

3) Transit Funds = \$30 million

An estimated 23% increase in transit funds will be directed to SCDOT for pass-through to rural public providers, intercity transit providers, and for enhanced mobility of seniors and individuals with disabilities. In addition to the \$30 million, SCDOT received \$15.4 million in transit special grant funds.

Source: SCDOT, May 2022, updated February 2024

As of October 1, 2022, SCDOT was officially debt-free. "SCDOT made the final payment on outstanding bonds, making SCDOT one of six state departments of transportation in the nation with no outstanding highway bonds or loans. This action saved SCDOT \$9.2 million in future principal and interest payments." Source: SCDOT, 2023 Annual Accountability Report. SCDOT directed \$149.4 million of the state allocated funds from CRRSAA toward paying off the agency's debt. Being debt free enables SCDOT to focus funds on large capital projects.

Hybrid/Electric Vehicle Fees

During the oversight process, SCDOT representatives explained that the gas tax is the single largest revenue source for SCDOT. The increase in hybrid and electric vehicle used by SC residents and persons who travel through SC is impacting, and will continue to impact, SCDOT's revenue stream. Hybrid and electric vehicles currently make up only 2.8% of the private passenger fleet, but their presence is rapidly growing (269% in the past six years). Within Act 40 of 2017, SC authorized a hybrid and electric vehicle fee of \$60 every two years (\$30 annually) or \$120 every two years (or \$60 annualized), respectively.

To offset future lost gas tax revenue from increased hybrid and electric vehicle use, SCDOT officials discussed alternative fee approaches taken in other states: electric charging station taxes, revenue diversification, vehicle miles traveled, and flat registration fees. In this context, vehicle miles traveled means tracking the miles traveled by a vehicle and then assessing a fee per mile. Some states track vehicle miles traveled by installing a tracking device or through self-reporting. The University of Tennessee estimated that the total loss in state and federal rule-related gasoline levies from the use of electric vehicles in Tennessee is \$274.35, \$155.74 per vehicle, of which is from gas tax revenue specifically. Source: University of Tennessee, <u>Memo re: Revenue Parity of Electric Vehicles</u> (Jan. 30, 2023).

The below graphic shows the southeastern state electric vehicle fees as of January 2024. On average, most states' electric vehicle fees average around \$200 per year, which is similar to SCDOT estimates for the average gas tax paid per vehicle per year in SC.



Source: SCDOT

In view of the expanded use of hybrid and electric vehicles, SCDOT encourages the General Assembly to review data and determine what adjustments should be made in South Carolina to avoid significant future lost state gas tax revenue.

Mass Transit Procurement

Section 11-35-710(A)(1) of the South Carolina Procement Code grants SCDOT certain exemptions from the procurement code. During the oversight process, SCDOT requested the General Assembly consider modernizing SCDOT's procurement exemptions to include mass transit and provide additional clarifications. As part of SCDOT's mission, SCDOT is responsible for building roads and bridges and overseeing mass transit. However, SCDOT does not have authority for mass transit procurement. Source: SCDOT, Senate Oversight presentation (Mar. 9, 2023). H.3750 (2023) would amend SCDOT's procurement code exemptions and is currently pending in the Senate Finance Committee.

G. Litter Pickup

Litter Pickup Overview

Historically, SCDOT's employees, contract crews, and crews of inmates from the SC Department of Corrections (SCDC) picked up litter along South Carolina's interstate highways and other roads that are part of the stateowned highway system. In the 2021–22 appropriations act, the General Assembly provided a one-time appropriation of \$8 million to SCDOT for litter pickup on non-interstate roads. In the 2023–24 appropriations act, SCDOT received \$2 million in recurring funds and \$6 million in nonrecurring funds for off-interstate litter pickup. In addition to this funding, PalmettoPride sponsors the Adopt-a-Highway Program in coordination with SCDOT, utilizing community volunteers to pick up litter on designated stretches of primary and secondary highways.

Assistance from SC Department of Corrections Stopped During COVID-19



In 1995, SCDOT joined forces with the SC Department of Corrections (SCDC) under a memorandum of understanding wherein SCDC would select and screen non-violent inmates from minimum-security facilities to assist with litter pickup. These inmate crews picked up litter on interstate routes and were transported and supervised by correctional officers from SCDC. This program was stopped in early 2020 due to COVID-19, when SCDC limited the introduction of the virus into its institutions by limiting the movement of inmates in the community. Senate

oversight staff contacted SCDOT on August 9, 2023 to determine the status of this program. An official responded by email stating "At this time, the SCDC inmate litter crews have not been restarted. Currently, there are no plans to restart the program."

Inmates can assist SCDOT with litter pickup under the Inmate Labor Agreement. The agreement began on July 1, 2022 and ended June 30, 2023 but can be extended for three additional one-year terms. Under this agreement, SCDOT employees pick up crews of inmates from corrections facilities to supplement SCDOT's workforce. These inmates are supervised by SCDOT employees and perform labor-intensive activities such as vegetation management and litter removal.

SCDOT says it uses inmate labor when necessary to supplement contract labor or hit hotspots that need quick clearing. However, SCDOT states that inmate labor has been inconsistent and often not available for use when needed. The agency says it tries to use inmate labor when it can but has better results with contracted crews.

Interstate Litter Contracts

In 2019, SCDOT began intensifying its efforts to have litter picked up on interstates by contract crews in conjunction with the mowing of right-of-way areas performed by contract crews. According to an SCDOT official, in 2019 SCDOT began contracting for six cycles annually for litter pickup to be completed prior to mowing. These mowing cycles are specified by date in the solicitation agreement and are scheduled during the months of March through October. The district engineering administrator or a designee is responsible for ensuring that the contract crews complete the litter/debris removal activities in compliance with the solicitation agreement.

In 2020, the litter pickup was increased to monthly and paid for through the maintenance operating budget. A solicitation for litter and debris pickup was advertised beginning June 29, 2020, and ten contracts were awarded. Under these contracts, contractors pick up litter and dispose of it in approved local landfills. Work zone traffic control operations and devices must be in place and in compliance with SCDOT's specifications as required by the contract. For FY 22–23, contract crews picked up 856 tons of litter along 855 centerline miles at a cost of approximately \$1.9 million. In addition to these interstate contracts, SCDOT employees respond to requests in cases where debris has fallen from vehicles onto roads or situations that involve what is considered "hazardous debris," such as an animal carcass, that could cause an accident. These events are handled on a daily basis by SCDOT.

Non-Interstate Litter Pickup



funds and \$6 million in nonrecurring funds.

After SCDOT received a one-time appropriation of \$8 million for non-interstate litter pickup in FY 21– 22, a pilot program was developed by SCDOT initially for District 7 (including Aiken, Allendale, Bamberg, Barnwell, Clarendon, Calhoun, Hampton and Orangeburg counties) using fixed price, multivendor contracts to pick up litter. This program was expected to be duplicated in other districts after the pilot program was completed and was initially intended to allocate \$1 million to each district. SCDOT received additional funding for offinterstate litter pickup in the 2023-24 appropriations act totaling \$2 million in recurring

A solicitation for fixed-price bids for the pilot program was posted through the procurement process at the State Fiscal Accountability Authority (SFAA) on June 29, 2022. After the bidding process was completed, SFAA's website listed nine contract awards with terms beginning on August 9, 2022 and extending through August 8, 2023. According to an official at SCDOT, this program is overseen by local maintenance units in close coordination with counties and municipalities or regional litter offices. These include code enforcement personnel, solid waste managers, local litter control managers, and others who were identified by their respective county administrations as the preferred point of contact in each area. They submit a list of requested roads for pickup to the agency's maintenance units. The agency then vets the list and contacts contractors to schedule the work. The agency issues purchase orders and pays the invoices.

At the Oversight Subcommittee meeting held April 28, 2023, SCDOT officials stated that SCDOT spends approximately \$2 million per year on interstate litter pickup and operates the statewide pilot to perform offinterstate pickup with the one-time \$8 million appropriation. In comparison, the Departments of Transportation in neighboring states of North Carolina and Georgia spend \$22 million and \$17 million, respectively. SCDOT officials also stated that the use of contractors is the best way to collect litter routinely, as the South Carolina Department of Corrections has staffing limitations and volunteer organizations are not suited to high-speed roads.

SCDOT provided an update to the subcommittee on January 31, 2024 and indicated that SCDOT continues to spend approximately \$2 million per year on interstate litter pick-up and \$8 million per year in off-interstate litter pick-up. Over 26,000 miles of roadway had at least one contract pick-up in FY 24, collecting approximately 3.5 million pounds of litter. Due to the success of the pilot project for off-interstate litter pick-up, SCDOT requested

the recurring \$6 million for off-interstate litter pick-up for FY 25. SCDOT has rolled out this program statewide and operates the program in all districts.

Adopt-A-Highway Program with PalmettoPride and SCDOT

PalmettoPride is a non-profit organization that "... fight(s) litter in South Carolina addressing prevention through education, supporting enforcement, connecting community groups to resources, and mobilizing volunteers." This organization was created as a legislative initiative in the late 1990s and became codified in 2008 with a board of directors whose members are appointed by the Governor, the President of the Senate, and the Speaker of the House. PalmettoPride is funded through donations, grants, and the receipt of 13.61% of municipal court assessments on fines under SC Code §14-1-208.

PalmettoPride operates the Adopt-A-Highway program with the help of SCDOT. Under this program, volunteer groups choose a two-mile section of a primary or secondary highway with relatively little traffic, and a recognition sign is placed on the highway by SCDOT identifying the group. The volunteer groups schedule litter pickup along the stretch of highway, and bags and safety vests are provided by PalmettoPride. After the pickup event, SCDOT removes the collected litter the following week.

H. Construction Delays Caused by Utility Relocation Issues

Utility relocations continue to be a challenge statewide and in other states to the on-time completion of road projects. Act 36 of 2019 brought changes allowing for utility relocations to be paid for by SCDOT for small public water and sewer utilities. However, this legislation will expire on July 1, 2026 unless extended by the General Assembly.

According to SCDOT, the agency originally requested legislative assistance with a pilot program that had two objectives:

1. Alleviate excessive delays in getting projects to construction by authorizing the department to divert gas tax funds to financially assist the small, cash-strapped, publicly-owned water and sewer providers that were unable to fund unexpected utility relocations due to highway projects; and

2. Effectively manage utility relocations during the construction phase by placing the utility relocation work and scheduling coordination into the highway contractor's scope of work. Because this was a pilot program, this legislation will expire on July 1, 2026 unless extended by the General Assembly.

SCDOT opined that the legislation has enabled projects to get to the construction phase, but there is questionable return on the investment when it comes to the actual construction phase, especially for the large utilities. Since the passage of Act 36, SCDOT has diverted nearly \$47 million in gas tax funding for utility relocation plus another \$16 million in traditional utility relocation costs due to prior rights.

During the oversight process, it was found that delays, caused in part by large utilities, postponed one Aiken County project, requiring 640 days to be added to the road contract duration. Additional delays from utility issues after the start of construction caused other projects to be delayed by many months. SCDOT recognizes that such delays are costly to taxpayers and an inconvenience to the traveling public. SCDOT is aware that the General Assembly desires significant progress and improvement on this issue. SCDOT plans to convene a working session on utility relocation issues with leadership from utility companies and SCDOT personnel to fully discuss all issues surrounding utility relocations and find appropriate solutions.



Act 36 of 2019 Brought Changes to Utility Relocation Process

Act 36 of 2019 added SC Code §57-5-880, which provided that the relocation of water and sewer lines of small and large public utilities be paid for by the entity undertaking the transportation improvement project. Prior to this legislation, utilities were responsible for moving utility lines or paying to have them moved unless they had "prior rights" in the process. Both before and following the passage of Act 36, a company may have "prior rights," meaning that the utility was present before the road was built. In these cases, SCDOT or the entity building the transportation project is responsible for relocation of the utility's lines. If a utility does not have "prior rights," it is considered an "encroachment" onto the road system right-of-way. In these cases, the utility would need an encroachment permit to build or relocate utility lines, and the utility would be responsible for paying for the relocation.

Under SC Code §57-5-880, a small public water or sewer utility is defined as having ten thousand or fewer taps or connections and serving a population of thirty thousand or less. All others are considered large public water or sewer utilities. According to SC Code §57-5-880(B)(2), "[t]o be eligible for payment of the relocation costs, the relocation must be placed under the control of the general contractor for the transportation improvement project." In addition, according to SC Code §57-5-880(E):

For a transportation improvement project that impacts both a large public utility and a small public utility, the entity undertaking the transportation improvement must pay all of the small public utility's relocation costs, without limitation. The entity must also pay up to four and one-half percent, minus the costs of the small public utility's relocation costs, of the original construction bid amount of the transportation improvement project toward the large public utility's relocation costs.

SCDOT provided the following chart illustrating 120 utility relocation projects that have invoked SC Code §57-5-880 since May 2019 through December 31, 2023.



Since May 2019, 81 small utility relocations and 52 large utility relocations were involved in 120 construction projects for a combined total of 133 utility relocations. Of the 120 construction projects shown in the graphic above, 29 have been completed. SCDOT provided the following data summary since the enactment of Act 36 of 2019, showing costs incurred, self-performed relocations, and in-contract relocations.

	YTD		Total	
	Small Utility	Large Utility		
Utility Company Total Cost	\$1,164,000	\$16,691,526	\$17,855,526	
SCDOT Cost (SC code 57-5-880)	\$33,922,303	\$28,056,367	\$61,978,670	
SCDOT Total Cast for Prior Rights	\$944,184	\$18,924,628	\$19,868,812	
Total Utility Relocation Cost to SCDOT	\$35,530,487	\$55,257,155	\$90,787,642	
Road Construction Cost	\$2,299,635,613	\$3,660,847,348	\$5,960,482,961	
Self-Performed(Utility)	9	19	28	
In-Contract(SCDOT)	77	33	110	
Total Utility Relocation Projects	69	51	120	

Source: SCDOT

More than \$61.9 million has been spent since the passage of Act 36 of 2019.

Sunset Provision in Act 36 of 2019

A sunset provision was included in Act 36 of 2019 that states that "the requirements of [§]57-5-880, as added by this act, expire on July 1, 2026 unless otherwise extended by the General Assembly." Officials at SCDOT should continue to monitor the utility relocation process and make recommendations to the General Assembly as to whether to extend this legislation, to let these amendments expire, or to make changes to the statute.

Projects with Delays Due to Utility Relocations Discussed During Oversight Process

During the oversight process, several specific projects involving construction delays relating to utility relocations were discussed. For one Aiken County project, according to information provided by SCDOT, "[a] total of 640 days were added to (the) contract as a result of the various utility delays." This project began prior to the passage of Act 36, and due to delays in relocation work by three utilities (two of them large utilities), the transportation construction contractor demobilized from the site in November 2016 and did not remobilize until January 2018 upon the resolution of most of the utility delay issues. The project was then completed in September 2019. The addition of 640 days (over 1.75 years) to the contract for utility relocation delays does not appear to be reasonable given the procedures followed by SCDOT.

At the January 31, 2024 subcommittee meeting, SCDOT provided an update on construction delays caused by utility relocation issues and offered solutions for utility coordination and accommodations.

SCDOT's Utility Coordination and Accommodation Process

A utility coordination and accommodation process is followed in order "to facilitate the avoidance, minimization and mitigation of Utility Conflicts" as outlined in SCDOT's Utility Accommodation Manual. The goals of the utility coordination process are as follows.

- 1) Facilitate advance coordination for identification and resolution of right-of-way (ROW), permitting, and utility issues on the project.
- 2) Promote cooperation through working relationships such that SCDOT and utilities can share mutual concerns and establish realistic objectives.
- 3) Promote efficiency through open collaboration and clear, concise communication throughout project development.
- 4) Commit to a mutual goal of eliminating unnecessary costs to the public.

According to this manual, during the coordination process and in the early phase of a project's development, SCDOT contacts utilities with facilities located on the project corridor to notify them of the upcoming project. Meetings are held between SCDOT staff and utility staff to plan for the necessary relocations. Ideally, any utility relocation plans and agreements are secured by SCDOT four to five months prior to the project bid opening for the road contractor. SCDOT and the utility companies have a mutual obligation to coordinate projects in an effort to eliminate unnecessary costs to the public, recognizing that the taxpayer is also the rate payer.

At the January 31, 2024 subcommittee meeting, SCDOT officials indicated their intent to review and revise the utilities accommodations manual for ways to reduce delays with utility relocation. One area of potential improvement is the timeline and coordination of required utility work before a construction contract is put into the marketplace. For example, SCDOT referenced the Kentucky Transportation Cabinet's Utility Relocation program, which encourages:

[The] avoidance of utility facilities by providing the design team with information, analysis, and subject matter expertise to avoid potential utility impacts. If those impacts are unavoidable, staff will work to relocate utility facilities within a project in an orderly and fiscally responsible manner. The process emphasizes communication among those whose work impacts utility coordination in transportation projects including communication between the Utilities and Rail Branch and utility owners to accurately identify and resolve issues with facilities that are affected by transportation projects as early as possible in the project life cycle.

Source: Kentucky Transportation Cabinet, Utility Coordination (Accessed Feb. 13, 2024).

Utility Coordination Staffing:

SCDOT divides the state into seven engineering districts. Five of the seven districts have a utility coordinator. During the oversight process, SCDOT expressed an intent to hire utility coordination staff for all seven of the utility districts. Utility coordinators in each district present an opportunity for SCDOT to set and communicate utility relocation priorities to utilities across the state and throughout the seven districts. SCDOT has authorized the hiring of a utility coordinator in the two districts that do not have that position.

Working Sessions to be Convened Going Forward

During the SCDOT oversight subcommittee held on April 27, 2023, the need for a meeting concerning delays caused by utility relocations between SCDOT personnel and utility representatives was discussed. After the April 2023 subcommittee meeting, SCDOT convened a working session on utility relocation issues with leadership of the utility companies and SCDOT personnel.

At a follow-up subcommittee meeting on January 31, 2024, SCDOT expressed its intent to engage in additional meetings with several key utilities (Dominion, Duke/PNG, and AT&T) with whom project delays have occurred.

SCDOT is aware that the General Assembly desires significant progress and improvement on this issue.

I. State HR Issues

Like many state agencies, SCDOT has experienced workforce staffing challenges in recent years. To address these challenges, SCDOT worked with the Division of Human Resources at the South Carolina Department of Administration (SCDOA) to adjust pay ranges for engineering-specific classifications to better reflect market conditions. For example, SCDOT has increased the pay rate for entry-level maintenance crews to \$20/hour. As a result of these efforts, SCDOT has seen an increase in both the number of applicants and the quality of the applicants. Thus, SCDOT hopes to maintain the positive trend and continue to increase maintenance staffing ratios statewide.

During the subcommittee process, SCDOT also expressed concerns about the length and complexity of the state employment application, especially for entry level positions. As of February 16, 2024, the Division of Human Resources at the SCDOA awarded a new contract for the state's e-recruitment and onboarding systems. The goal of the updated e-recruitment and onboarding system is to improve hiring across state government to make it faster and easier to connect qualified applicants with state agencies. The SCDOA hopes to have the process implemented this calendar year. SCDOA indicated they believe SCDOT's end goals regarding the hiring process can be accomplished with the new system. The new e-recruitment and onboarding system will offer a quick apply function that mirrors interest forms utilized by large employers at the onset of the recruitment process. Members of the Senate Oversight Committee also asked SCDOA to assist SCDOT with this issue.