

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

<u>www.rfa.sc.gov</u> • (803)734-3793

This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: S. 0279 Introduced on January 28, 2025

Subject: DEW Restructuring

Requestor: Senate Labor, Commerce, and Industry

RFA Analyst(s): Vesely

Impact Date: February 12, 2025

Fiscal Impact Summary

This bill changes the process of appointment of the Executive Director of the Department of Employment and Workforce (DEW) to direct appointment by the Governor with the advice and consent of the Senate.

Currently, the DEW Review Committee nominates three applicants that are qualified based on demographic factors, ability, personal virtue, and education to the Governor. The Governor then nominates an applicant, and they are confirmed or rejected by the Senate. This bill removes the DEW Review Committee stage of the nomination process, and the Executive Director applicant would instead be nominated directly by the Governor with the advice and consent of the Senate.

The DEW Review Committee continues to perform its other screening and oversight duties, and this bill would not substantially change other responsibilities in the agency. Therefore, there is no anticipated fiscal impact for DEW. The Governor's Office indicates that the proposed change will be managed within existing resources. Therefore, there is no anticipated fiscal impact for the Governor's Office.

Explanation of Fiscal Impact

Introduced on January 28, 2025 State Expenditure

This bill changes the process of appointment of the Executive Director of DEW to direct appointment by the Governor with the advice and consent of the Senate.

Currently, the DEW Review Committee nominates three applicants that are qualified based on demographic factors, ability, personal virtue, and education to the Governor. The Governor then nominates an applicant, and they are confirmed or rejected by the Senate. This bill removes the DEW Review Committee stage of the nomination process, and the Executive Director applicant would instead be nominated directly by the Governor with the advice and consent of the Senate.

The DEW Review Committee continues to perform its other screening and oversight duties, and this bill would not substantially change other responsibilities in the agency. Therefore, there is no anticipated fiscal impact for DEW. The Governor's Office indicates that the proposed change

will be managed within existing resources. Therefore, there is no anticipated fiscal impact for the Governor's Office.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director