



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

Bill Number: S. 0603 Introduced on March 7, 2023
Author: Climer
Subject: Grain and Cotton Producers Guaranty Fund
Requestor: Senate Agriculture and Natural Resources
RFA Analyst(s): Miller
Impact Date: March 16, 2023

Fiscal Impact Summary

This bill modifies the pro-rated determination for the payments made from the Grain and Cotton Producers Guaranty Fund when there are insufficient funds to cover all claims. This bill also adds cotton producers to the producers who may receive an exemption from participating in the fund.

The South Carolina Department of Agriculture (SCDA) anticipates being able to manage any additional expenses due to this bill with existing staff and within existing appropriations.

Also, as the modification of the pro-rata distribution does not change the total amount that may be distributed from the fund, this bill will have no Other Funds revenue impact.

Explanation of Fiscal Impact

Introduced on March 7, 2023

State Expenditure

This bill modifies the pro-rated determination for the payments made from the Grain and Cotton Producers Guaranty Fund when there are insufficient funds to cover all claims. Currently, the pro-rata determination is based on 100 percent of the total loss of each producer. This bill specifies that the pro-rata determination will be based on the total loss and the total number of exemptions granted to the producer. The more exemptions granted, the lower the share the producer will receive. Currently, the pro-rata distribution is based on the total loss of each producer. This bill also adds cotton producers to the producers who may receive an exemption from participating in the fund.

SCDA is currently issuing exemptions for cotton producers, upon request. Additionally, SCDA is collecting and maintaining data necessary to implement the pro-rata distribution if necessary. Therefore, SCDA anticipates being able to manage any additional expenses due to this bill with existing staff and within existing appropriations.

State Revenue

This bill modifies the pro-rated determination for the payments made from the Grain and Cotton Producers Guaranty Fund when there are insufficient funds to cover all claims. This bill also adds cotton producers to the producers who may receive an exemption from participating in the fund.

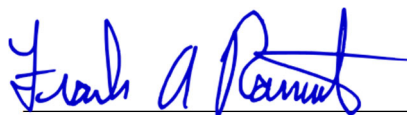
As the modification of the pro-rata distribution does not change the total amount that may be distributed from the fund and SCDA is currently issuing exemptions to cotton producers, this bill will have no Other Funds revenue impact.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director