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**SOUTH CAROLINA -
ECONOMY, FINANCES, & REDISTRICTING**

Presented To

MASC Municipal Association
of South Carolina™

**Annual Conference
July 24, 2021**

Presented by
Frank A. Rainwater

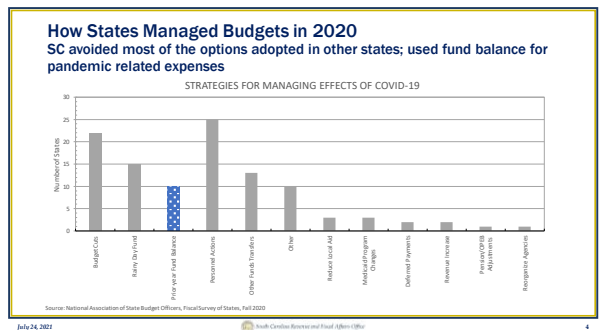
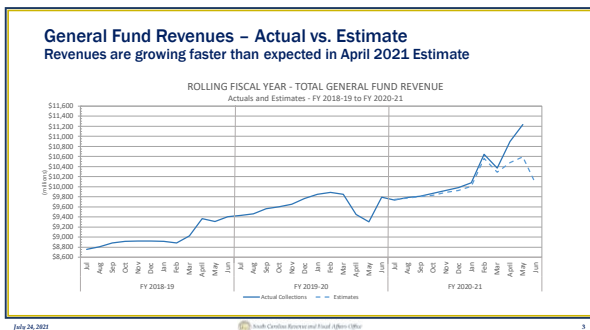
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Introduction

Economics is extremely useful as a form of employment for economists
- John Kenneth Galbraith

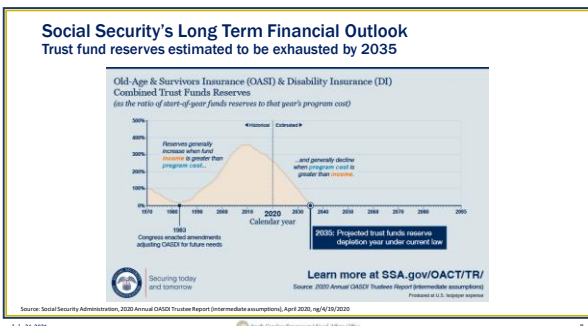
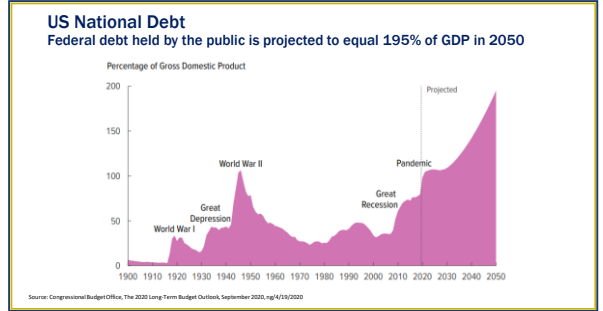
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Key Economic Measures

Blessed are the young, for they shall inherit the national debt
- Herbert Hoover

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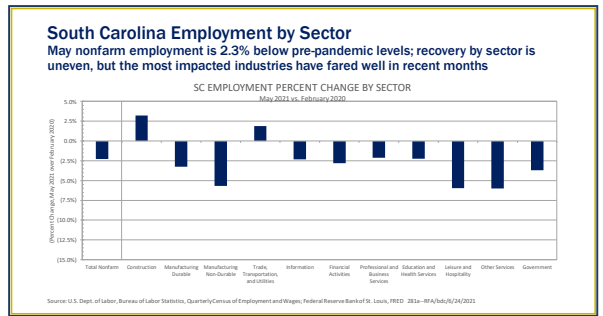
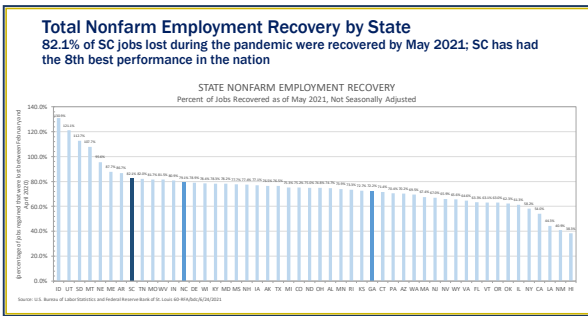
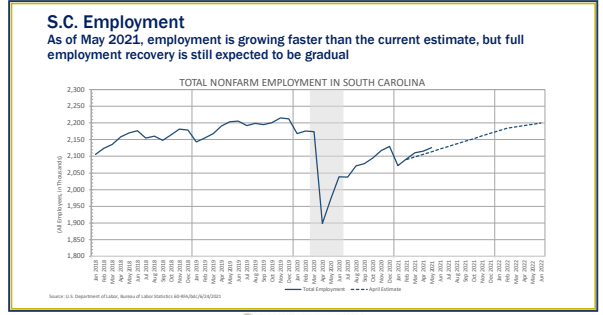
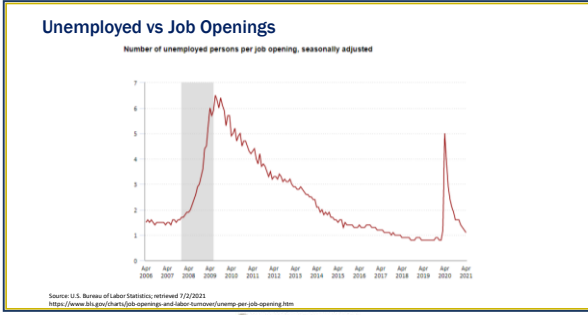


South Carolina Key Indicators

Economics has never been a science – and it is less now than a few years ago

– Paul A. Samuelson

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Federal Stimulus

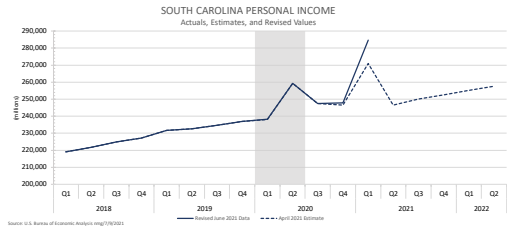
If you start me up.
If you start me up, I'll never stop.
- Mick Jagger, "Start Me Up"

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Personal Income - Actuals and Estimates FY 21 growth boosted by federal stimulus; FY 22 anticipates no stimulus and lower than normal growth in the wage base



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State Finances

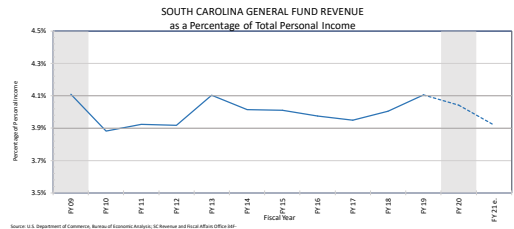
The only function of economic forecasting is to make astrology
look respectable
- John Kenneth Galbraith

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General Fund Revenue as a Percentage of Personal Income Apr. 2021 estimates reflect recent patterns

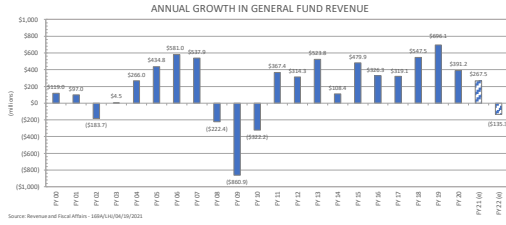


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General Fund Revenue Growth
 Despite pandemic FY 21 collections are expected to be \$267.5m above FY 20 but drop by \$135m in FY 22 with the end of federal stimulus

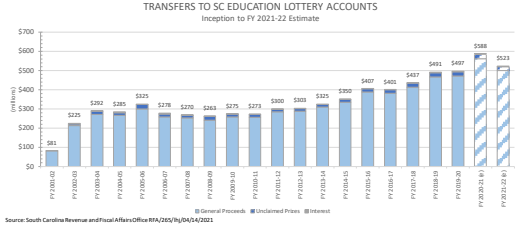


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SC Education Lottery
 FY 21 growth driven by federal stimulus, one huge jackpot, and lack of alternative entertainment options; FY 22 expected to return to normal levels

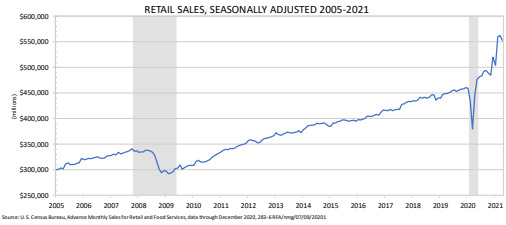


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U.S. Retail Sales
 Retail sales continue to show resiliency as consumers continue a shift in spending towards taxable goods

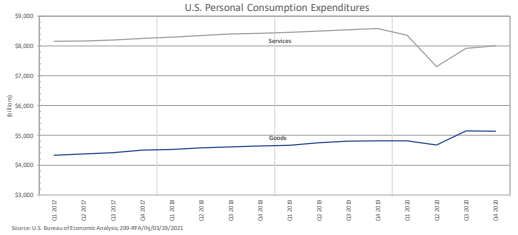


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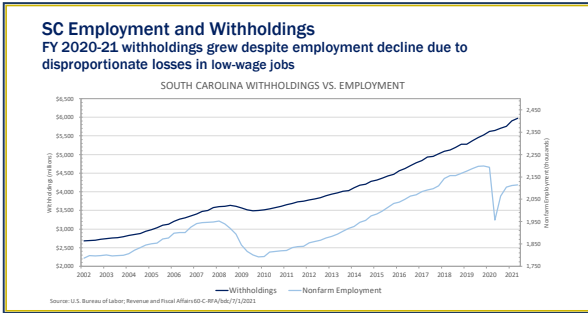
U.S. Consumer Spending
 Consumption of goods is above historical trends while spending on services is well below normal



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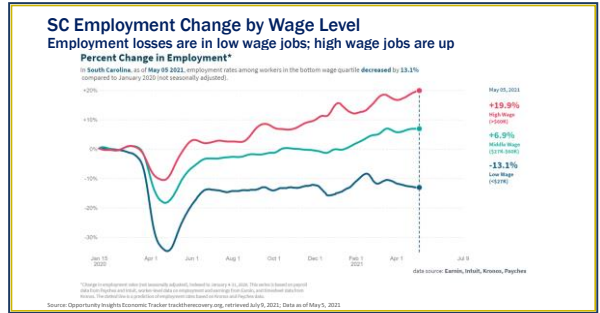
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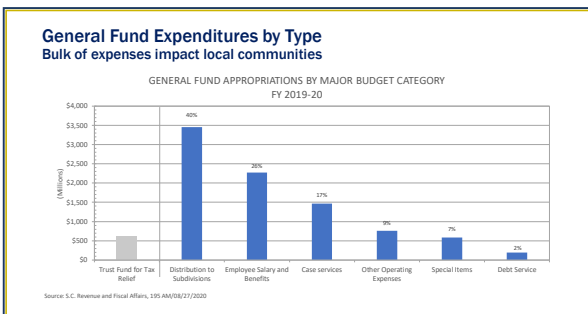
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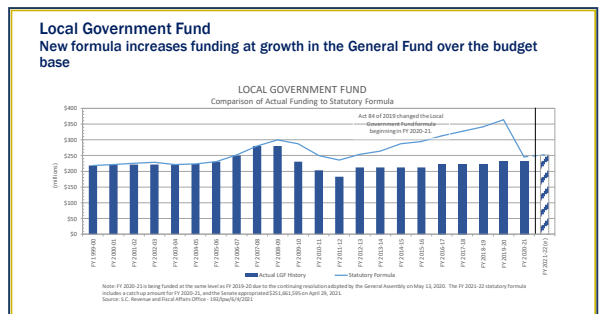
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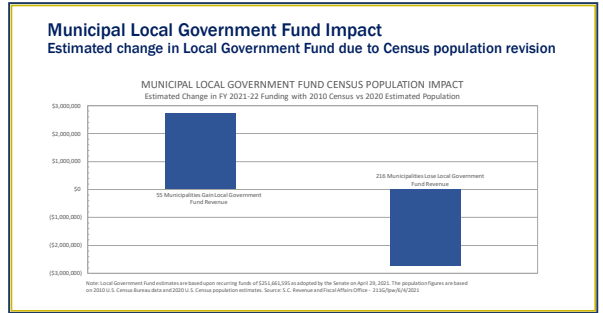
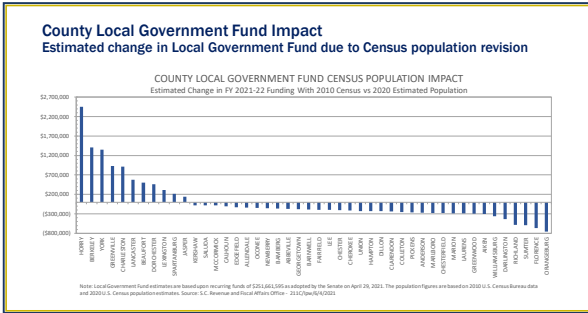
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Limitations on Increases in Property Tax Millage Rates

SC Code of Laws §6-1-320

	FY 2020-21	FY 2021-22
Inflation (all entities)	1.81%	1.23%
Population Change (County range)	0% to 3.18%	0% to 4.27%
Total	1.81% to 4.99%	1.23% to 5.50%

Notes

- If population declines, then growth rate is deemed to be 0%; applied to 18 counties in FY 21
- Annexation is not population growth
- Decennial Impact – Census to revise annual estimates to match Census

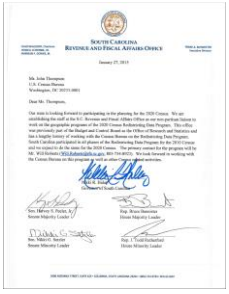
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Census Population and Redistricting

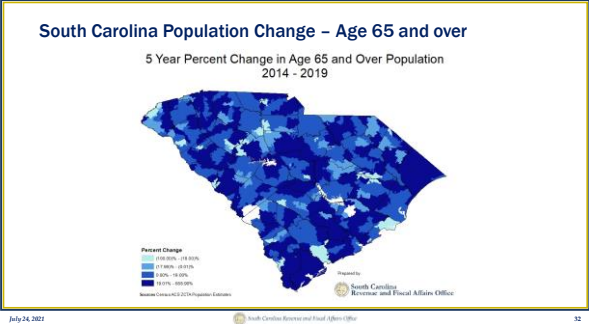
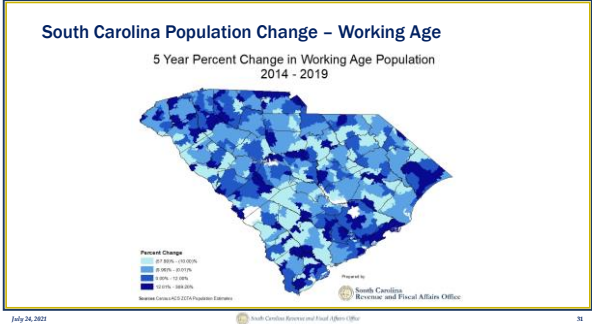
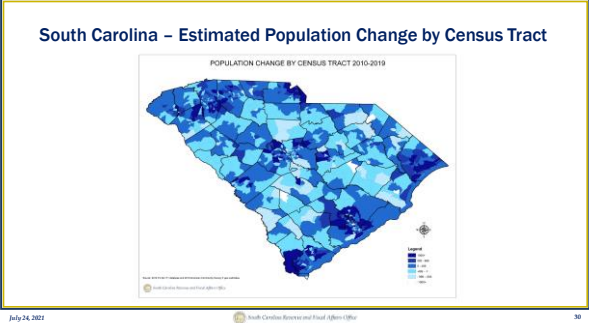
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- Official State Contact with Census
- Maintain official precinct maps (SC Code of Laws §7-7-30 et seq.)
- Coordination with other mapping programs
 - Jury Areas (SC Code of Laws §22-2-30)
 - Transportation Network Company (SC Code of Laws §58-23-1610)
 - Incorporation (SC Code of Regs 113-200(A))
- Prep Work
 - Local Update of Census Addresses (LUCA)
 - Boundary and Annexation Program
- Served as technical advisors to the Federal Courts
- Redistricting Services
 - Provide redistricting services in accordance with redistricting law and principles
 - RFA is not providing legal advice



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Redistricting

- Census data delayed until September 30, 2021
 - Question for municipal elections scheduled for Nov. 2021 – delay elections or redistrict for later election
- Lawsuits
 - Alabama v. U.S. Department of Commerce – “statistical noise”
- Estimates for congressional reapportionment number lower than expected
- Additional information available at <https://rfa.sc.gov/programs-services/precinct-demographics>

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Balancing the timing of redistricting with Census release

- French v. Boner, 963 F.2d 890, US Court of Appeals, Sixth Circuit, May 8, 1992
 - The city of Nashville did not have the constitutional duty to rerun elections held for council districts with four-year terms just after new decennial census data became available but before old apportionment plan could be changed
- Political Action Conference of Illinois v. Daley, 976 F.2d 335, US Court of Appeals, Seventh Circuit, September 24, 1992

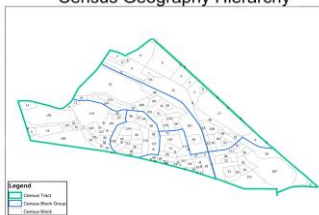
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Tools - Census Tract, Block Group, and Block

Census Geography Hierarchy



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Key Principles - One Person, One Vote

- 14th Amendment U.S. Constitution – Equal Protection
- Race cannot be used as the predominate factor
- Evenwel v. Abbott (2016) - Total population can be used for satisfying one person, one vote criteria.

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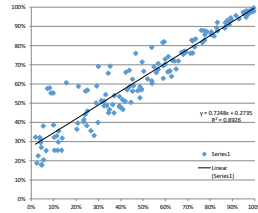
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Voting Rights Act – 3-Prong Test

- **Thornburg v. Gingles (1986) – 3 prong test for vote dilution claim.**

- Minority group must be large and geographically compact to draw a majority-minority district. Minority district must be able to be drawn at +50% minority VAP – *Bartlett v. Strickland*.
- The minority group must be “politically cohesive”.
- Block voting by the majority usually defeats the minority’s candidate of choice.



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Traditional Redistricting Principles

- **Contiguousness** – All parts of the districts must be touching. Point contiguity is acceptable.
- **Compactness** – Districts should be able to pass an “eye” test as well as can be measured by statistical models.
- **Constituent Consistency** – Preserving the core of existing districts and respecting incumbents.
- **Communities of Interest** – Examples are school districts or attendance zones, neighborhoods.
- **Voting Precincts** – Avoid splitting precincts. General Assembly has the authority to redraw voting precincts. Precincts are typically redrawn after redistricting has occurred or a large population change in one geographic area. RFA is responsible for maintaining office maps for voting precincts (§1-11-360).

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Key Goals – Resolutions

- Adhere to the court ordered constitutional requirement of one person, one vote
 - County Councils must adhere to a state law of population variance under 10%
- Adherence to the 1965 Voting Rights Act as amended and by controlling court decisions
 - A redistricting plan should not have either the purpose or the effect of diluting minority voting strength and should otherwise comply with the Voting Rights Act, the Fourteenth and Fifteenth Amendments to the U.S. Constitution, and the decisions of the U.S. Supreme Court.
- Ensure that parts of the districts are contiguous
 - All districts will be composed of contiguous geography. Contiguity by water is acceptable. Point-to-point contiguity is acceptable so long as adjacent districts do not use the same vertex as points of transversal.
- Attempt to keep compact districts.
- Attempt to maintain constituent consistency
 - Efforts will be made to preserve cores of existing districts.
- Respect Communities of Interest
 - Where practical, districts should attempt to preserve communities of interest.
- Avoid splitting voting precincts
- Solicit public input

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Key Steps – Be Proactive, Not Reactive

- Educate and prepare as soon as possible
- Look at timeline between release of data and next election and consider all the logistics (data release, drafting a plan, meeting schedule, public hearing, updating voter registration, filing periods) – **RELEASE SCHEDULED FOR SEPTEMBER 30, 2021.**
- Contact our office or other professional for assistance
- Help verify record of local boundary and election districts
- Notify other affected entities of process and timeline
 - County Elections Office (needs time to process changes)
 - School Board or other entities that may follow same district lines
- Draft necessary ordinances, help with scheduling timeline
- **Hold Public Hearing**
- Ensure proper documentation and retention of records
- Consider pending annexations

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Revenue and Fiscal Affairs Office

RFA is responsible for providing diverse sets of fiscal and statistical analyses, reports, and other services to the Governor, General Assembly, state and local government entities, the private sector, and the citizens of the state.

The agency has a staff of approximately seventy-five comprised of analysts, statisticians, epidemiologists, database administrators, web developers, GIS analysts, economists, surveyors, and project and program managers.

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RFA Public Dashboard

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Locate Me

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Conclusion & Questions

“Well, my friends, the time has come
To raise the roof and have some fun
Throw away the work to be done ...”
- Lionel Richie, “All Night Long”

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Questions?

Thank You!

For Further Information

www.rfa.sc.gov

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