
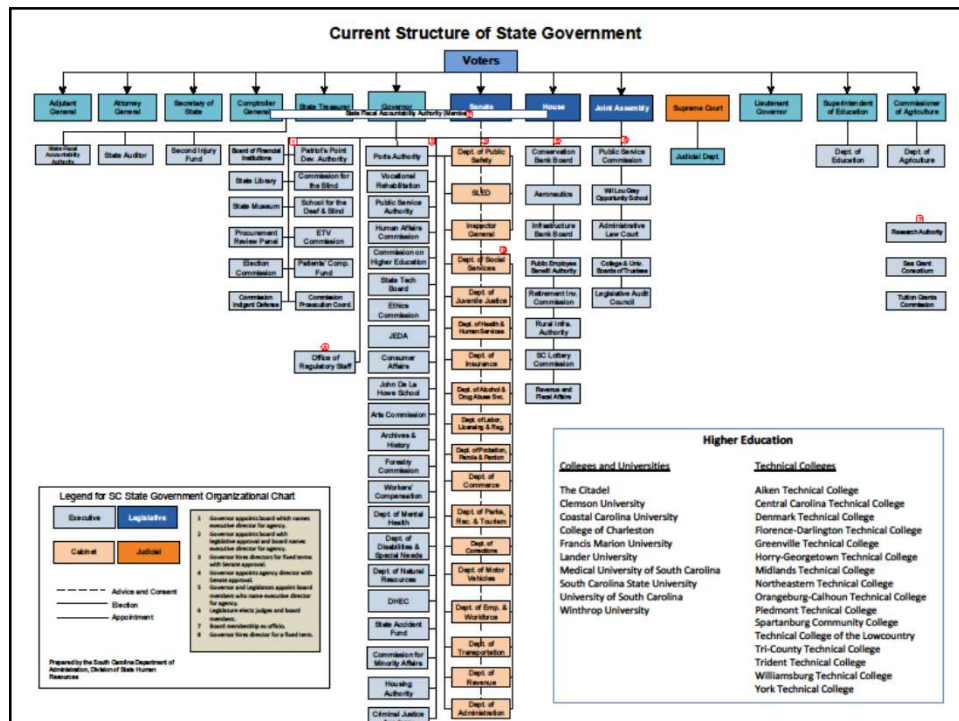


State Government in South Carolina

Municipal Clerks and Treasurers Institute
Year 1 | Session A

Charlie Barrineau
Municipal Association of SC
September 17, 2025

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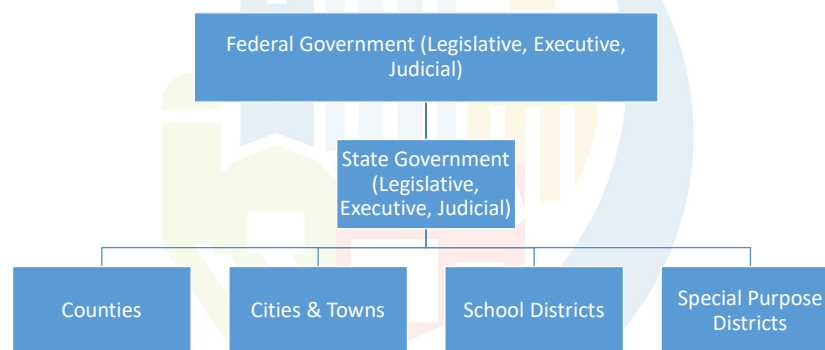
It's Complicated

- 1 Governor
- 8 other constitutional officers
- 46 Senators
- 124 House Members
- 46 counties
- 79 school districts (?)
- 271 municipalities
- 225 special purpose districts (?)
- 10 councils of government



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Basic Structure of Government



A note on autonomous....having the right or power of self-government.



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Federal Government: Enumerated Powers

- U.S. Constitution, Tenth Amendment: “The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.”
- What does this mean? The Federal Government has only “**enumerated powers**,” meaning those powers that are explicitly given by the U.S. Constitution. For example, to regulate commerce, coin money, establish post offices, declare war, and raise and support an Army and Navy.
- All other powers belong to the states.



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State Government: Plenary Power

- This means that the South Carolina state government has “**plenary power**,” or power to do all things appropriate for a government.
- Of course, the state government cannot do things that would violate the U.S. Constitution or valid laws of the United States. See Article VI, Paragraph 2 of the U.S. Constitution (the “Supremacy Clause”): “This Constitution, and the laws of the United States which shall be made in pursuance thereof ... shall be the supreme law of the land ... anything in the Constitution or laws of any State to the contrary notwithstanding.”



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State Full Time Equivalent (FTE)

Source & Context

HR Dashboards

PDF – “Employees
by Agency” SC
Admin (Sept 5,
2025)

FTE Count

Varies by month

61,655

Notes

Most current and
interactive;
updated monthly,
data as of previous
month.

Total count across
all listed agencies;
likely reflects FTE
staff.



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State Budget Last 10 Years

FISCAL YEAR	Recurring General Funds ¹	Nonrecurring General Funds ²	Capital Reserve Funds ³	TOTAL GENERAL FUNDS	FEDERAL FUNDS ⁴	OTHER FUNDS	TOTAL APPROPRIATIONS
2015-16	7,045,215,837	260,034,483	127,789,915	7,433,040,235	8,079,143,889	9,365,689,128	24,877,873,252
2016-17	7,579,528,892	442,934,603	131,047,797	8,153,511,292	8,359,343,259	9,824,573,849	26,337,428,400
2017-18	7,947,088,831	60,436,076	139,207,789	8,146,732,696	8,623,469,730	10,271,937,577	27,042,140,003
2018-19	8,218,823,693	88,419,942	145,127,535	8,452,371,170	8,754,806,772	10,774,346,489	27,981,524,431
2019-20	8,737,012,313	478,829,031	151,649,393	9,367,490,737	8,856,439,244	11,329,434,871	29,553,364,852
2020-21	8,750,622,051	240,524,350	-	8,991,146,401	8,809,788,162	11,287,475,871	29,088,410,434
2021-22	9,270,619,766	1,427,087,494	176,095,044	10,873,802,304	9,499,378,927	11,644,849,849	32,018,031,080
2022-23	10,341,341,675	5,467,592,480	183,584,490	15,992,518,645	11,434,958,560	12,920,550,365	40,348,027,570
2023-24	11,636,468,009	2,021,486,881	209,194,431	13,867,149,321	13,204,898,519	13,999,313,058	41,071,360,898
2024-25	12,420,375,425	1,642,010,770	390,131,763	14,452,517,958	13,633,911,409	14,173,719,040	42,260,148,407

Source: Appropriations Act and Capital Reserve Fund Bill

55%

Important note! Inflation around 37%.

52%



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State Population

Time Period	Population Change	% Growth
2010 → 2020	+496,400 (4.63 M → 5.13 M)	+10.7 %
2020 → 2024	+346,600	+6.75 %
2000 → 2024	+1.46 M	+36.15 %

South Carolina is the 23rd most populous state with an estimated **5,373,555 residents** as of **July 1, 2023**. This is 90,600 more people than the **2022** population of 5,282,955, making **South Carolina the fastest growing state by percent change**, and the 5th fastest by numeric change.

Source: South Carolina Revenue and Fiscal Affairs



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[Home](#) > [About](#) > U-Haul Growth States of 2024: South Carolina Tops List for First Time

U-Haul Growth States of 2024: South Carolina Tops List for First Time

States are ranked by their net gain or loss of one-way movers last year

PHOENIX, Ariz. (Jan. 2, 2025) — The trend of southern states netting larger numbers of one-way U-Haul® customers continued during 2024, with South Carolina topping the U-Haul Growth Index for the first time.

Texas, North Carolina, Florida and Tennessee round out the five leading growth states.



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General Fund Appropriations by Function (FY 25–26)

Function Area	Rounded Numbers	% of General Fund
K-12 Education and Cultural	\$4.637 billion	35 %
Higher Education	\$1.457 billion	11 %
Health & Social Services	\$3.445 billion	26 %
Public Safety & Criminal Justice	\$1.59 billion	12 %
General Government	\$1.325 billion	10 %
Economic Development & Natural Resources	\$397 million	3 %
Transportation	\$265 million	2 %
Regulatory	\$132 million	<1 %
Total General Fund	\$13.25 billion	100 %



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General Fund Appropriations by Function (FY 25–26)

Key Highlights:

- Over 46% of the General Fund is dedicated to education (combining K-12 and higher education).
- Functions such as economic development, transportation, and regulatory oversight account for modest shares.

Source: S.C. Governor's Office



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All Funding by Function (FY 25–26)

Function Area	Percentage of Total Funds
K-12 Education and Cultural	20.8 %
Higher Education	19.1 %
Health & Social Services	37.2 %
Public Safety & Criminal Justice	5.1 %
Transportation	7.7 %
General Government	6.6 %
Economic Development & Natural Resources	2.3 %
Regulatory	1.1 %
Total (All Funding Sources)	100 %

Source: S.C. Governor's Office



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S.C. Local Government Fund

Since the 1920s, the state collected on behalf of local governments a patchwork of 11 separate taxes, ranging from income tax to alcohol tax. Collectively, this process became known as **State Aid to Subdivisions**. Over the years...the state would often divert funding from the 11 taxes to state needs.



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S.C. Local Government Fund

By the 1980s, some of these revenue sources began to flatten out. In 1991, the General Assembly set out to simplify Aid to Subdivisions. Using suggestions from the SC Advisory Commission on Intergovernmental Relations, the legislature proposed establishing a **Local Government Fund**. With this new Local Government Fund, the revenue from seven tax sources: banks, beer, wine, gasoline, motor transport, alcohol (mini bottle) and income taxes.



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S.C. Local Government Fund

The legislature passed H3137 in 2019 requiring the Local Government Fund beginning in FY 2021 to increase or decrease by the same percentage as the state general fund is projected to increase or decrease, not to exceed 5% compared to the appropriation in the current fiscal year. Funding based on forward-looking revenue projections rather than the prior year's revenues should prove more reliable.



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S.C. Local Government Fund

- FY 2025-26 is \$305,896,242.
- This is roughly 2.32% of the state's \$13.25 billion general fund budget.
- Counties receive 83.278% of the LGF
- Municipalities receive 16.722% of the LGF
- www.masc.sc/local-government-fund
- Municipalities - \$51,151,970 (distributed based on latest ten year US Census count)
- Up \$2,435,808 over prior year (4.88%)



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Where Do Citizens Reside?

Category	Approximate Population	Percentage of Total
Incorporated Municipalities	~1.88 million	36.8 %
Unincorporated Areas	~3.24 million	63.2 %
Total (Statewide)	~5.12 million	100 %

Source: U.S. Census Data



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Home Rule

Navigating Local Government




Dillon's Rule


U.S. Constitution is silent on local governments, each state is in charge of granting broad or limited authority to each branch as it sees fit – counties, cities/towns/, school districts, SPDs, etc.

The Dillon Rule, or Dillon's Rule, named after Iowa Supreme Court Justice John F. Dillon:

Local governments are “creatures of the state,” and therefore have ONLY the powers expressly granted to them by the state (1868)



Justice John Forrest Dillon



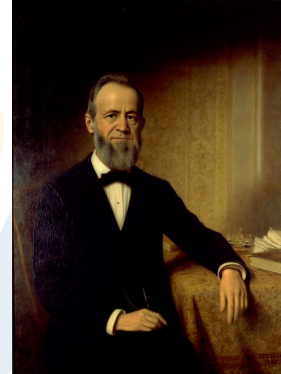
Home Rule

In response to Dillon's Rule, Chief Justice of the Michigan Supreme Court Thomas M. Cooley was a proponent of the Cooley Doctrine:

Local government is a matter of absolute right; and the state cannot take it away.

The Cooley Doctrine evolved into Home Rule:

Local government powers are implicitly allowed unless specifically denied by the state (1871)



Chief Justice Thomas M. Cooley



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Home Rule



Photo: 1964 Governor Donald Russell addressing General Assembly; South Carolina Political Collections, The University of South Carolina Libraries



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Home Rule

Home Rule Act of 1975

- Passed to implement the revised Article VIII of the state constitution adopted in 1973.
- Established standardized forms of city and county government. –
- Three forms of municipal government:
 - Mayor/Council, Council and Council-Manager
- Four forms of county government:
 - Council, Council-Supervisor, Council-Administrator, and Council-Manager



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Home Rule

Under home rule, local governments exercise powers:

- Delegated by state law
- Fairly implied from state law
- Not prohibited by state law
- Not inconsistent with the state constitution and state law



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Home Rule

Counties and municipalities are creatures of the State. Therefore their powers and authorities are found in the SC Constitution and, more specifically, the SC Code of Laws.

There are separate titles in the Code of Laws for municipalities (**Title 5**) and counties (**Title 4**).



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General Police Powers

Municipalities and counties have authority to enact regulations, resolutions, and ordinances (not inconsistent with the Constitution and general law of the State) as appears necessary and proper for the security and general welfare and convenience of the jurisdiction or for preserving health, peace, order, and good government in them. (Municipalities – 5-7-30)



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Specific Powers Municipalities

- Regulate roads, markets, law enforcement, health and order;
- Regulate any subject necessary for the security, general welfare and convenience of the municipality;
- Preserve health, peace, order and good government;



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Specific Powers Municipalities

- Levy and collect taxes, uniform service charges, assessments and business license taxes;
- Grant franchises for use of public streets and public beaches;
- Abate nuisances;
- Provide recreation, parks and playgrounds;
- Borrow in anticipation of taxes;
- Pledge revenues and full faith and credit;



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Specific Powers Municipalities

- Conduct advisory referenda;
- Fix fines and penalties up to \$500 and/or 30 days;
- Own, sell, and lease real and personal property;
- Acquire property for any corporate or public purpose by eminent domain;
- Furnish services outside corporate limits by contract;



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Specific Powers Municipalities

- Provide fire protection services and building inspections;
- Appoint police officers and contract police services to other cities;
- Adopt zoning and subdivision regulations;
- Establish a municipal court;
- Provide for municipal elections;
- Authorize street and sidewalk encroachments;



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Specific Powers Municipalities

- Establish off-street parking facilities;
- Own and operate water, sewer, gas and electric systems, and other public utilities;
- Contract for joint facilities;
- Engage in community development activities;
- Invest funds in approved obligations;



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Specific Powers Municipalities

- Create improvement districts, tax increment finance districts and redevelopment commissions;
- Establish a local housing authority; and
- Alter municipal boundaries through annexation.



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Funding Municipalities


Navigating Local Government



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Funding Municipalities

- S.C. local governments are “creatures” of the State
- Given clear grant of general police powers; provide broad range of services
- *Williams v. Town of Hilton Head Island* and *Brown v. Horry County* the S.C. Supreme Court ruled that municipalities and counties have significant latitude to raise the revenue necessary to fund these services
- But...



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Funding Municipalities

- Fiscal Authority Act of 1997 (Act No. 138) -
 - A local governing body may not impose a new tax after December 31, 1996, unless specifically authorized by the General Assembly
 - Defined the sources of revenue available to counties and municipalities
 - Fees and charges must be linked to a specific service and accounted for separately generate more than 5 of prior fiscal year budget



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Funding Municipalities

- Act 388
 - Beginning January 1, 2007, limited the millage rate increase to the percentage increase in the CPI over the previous year plus the percentage increase in the population of the entity over the previous year. (SC Code Sec. 6-1-320)
 - www.masc.sc/millage-caps
 - Zero millage and incorporation



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Public Service/Special Purpose Districts

Navigating Local Government



Public Service/Special Purpose District

S.C. Code of Laws §6-11-1610 defines a special purpose district as a district created by an Act of the General Assembly or pursuant to general law and which provides any governmental power or function including, but not limited to, fire protection, sewerage treatment, water or natural gas distribution or recreation. A special purpose district also means any rural community water district authorized or created under the provisions of Chapter 13 of Title 6 of the S.C. Code of Laws.



Public Service/Special Purpose District

- **Some examples:**

- James Island Public Service District – provide wastewater, solid waste and fire services in the James Island area in Charleston County
- Fripp Island Public Service District – provides water and sewer services to Fripp Island in Beaufort County
- Berea Fire Public Service District – provides fire protection and sewer service in a defined area of Greenville County

- SC Special Purpose District Assoc. - **www.scspd.com**



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Intergovernmental Relations

Navigating Local Government



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What is intergovernmental relations?

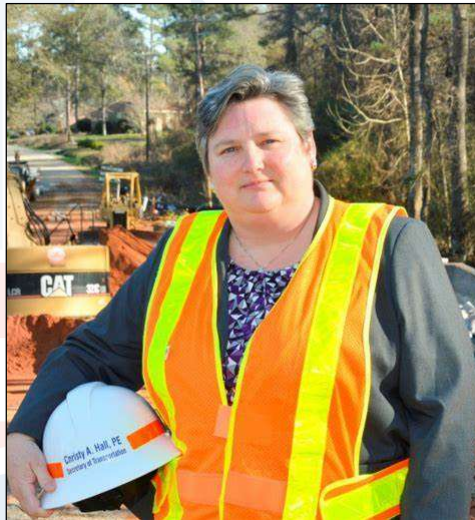
- Interaction between governmental entities
- Understanding the roles and responsibilities
- Developing effective working relationships
- For the purpose of collaborating and sharing resources



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A Simple Story

Christy Hall
Retired Secretary of Transportation
South Carolina
Department of Transportation



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Another Quick Story



Informal Gatherings

■ GREENWOOD

Discussing collaboration

City and county council
conduct joint meeting

By **CHRIS TRAINOR**
ctrainor@indexjournal.com



CHRIS TRAINOR | INDEX.JOURNAL
City of Greenwood and Greenwood
County officials gathered Tuesday for
a joint meeting at Greenwood County
Library.



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Informal Gatherings



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Promotion Is Key!



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Elected and Non-Elected Officials

- It's all about relationships. And, **trust** matters.
- Good communication skills
- Who is giving the message?
- A newly elected official's orientation is critical
- When having to work with difficult people, remain professional.



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