

Executive Order No. 2018-59

WHEREAS, the State of South Carolina has experienced several disasters in recent years, to include flooding in October of 2015, Hurricane Matthew in 2016, and Hurricane Florence in 2018, leading to widespread damage to homes across the state; and

WHEREAS, after each disaster the State requested assistance to recover from such damage through a variety of private and public sources including insurance proceeds, direct public assistance, and construction performed by charitable organizations has helped many South Carolinians recover from this damage; and

WHEREAS, disaster-related relief available after a disaster can include federal funds appropriated by the United States Congress, as well as grant funds allocated by the United States Department of Housing and Urban Development (HUD) and the Federal Emergency Management Agency (FEMA); and

WHEREAS, Executive Order 2016-13 established the South Carolina Disaster Recovery Office (SC DRO) within the South Carolina Department of Commerce (Commerce) as a temporary grant entity to place disaster-recovery grant funds in a single entity with experience in managing disaster relief; and

WHEREAS, the SC DRO has successfully managed the disaster recovery relief after each of the above-mentioned three disasters, managing federal funds allocated to the States' disaster relief, including the Community Development Block Grant-Disaster Recovery ("CBGD-DR") relief grant and FEMA federal funding, to address unmet needs of the State; and

WHEREAS, the SC DRO utilizes these funds to rebuild houses damaged by severe weather events in the most effective and efficient manner, to include utilization of volunteer groups; and

WHEREAS, Executive Order 2016-13 also established the South Carolina Community Development Block Grant Steering Committee ("Steering Committee") to advise Commerce on the development of the South Carolina State Action Plan (Plan), and set forth that the Steering Committee oversees the implementation and the disbursement of the Community Development Block Grant-Disaster Relief (CDBG-DR); and

WHEREAS, Commerce has developed the SC DRO into a proven vehicle to handle grant management for disaster recovery, and proven the need to maintain a temporary grant entity that can be utilized after an emergency; and

WHEREAS, the recent weather events made clear the continuing need exists to continue operations of the SC DRO temporary entity; and

WHEREAS, the SC DRO purpose fits more properly under the South Carolina Department of Administration (Admin) that houses the state Executive Budget Office and serves as the coordinating state agency for Emergency Support Function (ESF) 18, Donated Goods and Volunteer Services, under the South Carolina Emergency Operations Basic Plan.

NOW, THEREFORE, by virtue of the authority vested in me as Governor of the State of South Carolina and pursuant to the Constitution and Laws of this State and the powers conferred upon me therein, I do hereby direct the transfer of the SC DRO, a temporary grant entity, along with its personnel and operating functions, to Admin. I also direct that the South Carolina Community Development Block Grant Steering Committee ("Steering Committee") continue and transfer with the SC DRO. The SC DRO shall be a division of Admin and headed by a Program Management Director who shall report directly to the

chief of staff at Admin. Any changes in this title or current structure of the SC DRO must be approved by the Director of Admin as the SC DRO is part of the Admin. However, all decisions on use of the disaster recovery funds shall be made by the Steering Committee.

FURTHER, the transfer of the SC DRO to Admin requires the Executive Budget Office (EBO) transfer all permanent or temporary grant employees currently housed under the temporary grant entity of SC DRO and Palmetto Disaster Recovery (PDR) to Admin. Commerce shall also transfer the equipment, contracts, leases, office furniture, computers, printers, copiers, phones, vehicles technology hardware and software and supplies primarily utilized by the SC DRO to Admin.

FURTHER, the SC DRO audit and financial units that handle grant oversight shall continue this work as a function of the SC DRO, but oversight authority of this program is granted to Admin. The Director of Admin has the discretion to incorporate the audit and financial units into existing Admin functions subject to any grant restrictions.

FURTHER, all grants or accounts which the SC DRO currently operates, as well as present and future disaster-recovery grants such as the HUD CDBG-DR and FEMA disaster case management grants, shall be transferred with the temporary grant entity SC DRO. To ensure there are no problems with the transfer of the current grants with the SC DRO, the following grants the SC DRO is authorized to administer shall transfer with the SC DRO:

October 2015 Severe Storm and Flood Grant B-16-DL-45-0001
Hurricane Matthew 2016 Grant B-16-DH-45-0001

FEMA grant 4286-DR-SCAdditionally, the following pending grants or accounts that the SC DRO is authorized to administer shall transfer with the SC DRO:

HUD declared mitigation grant related to preceding disasters which has not yet been published in the Federal Register.

Pending FEMA grant for disaster case management for Hurricane Florence 2018.

All pre-award costs or expenses incurred for pending HUD CDBG-DR or FEMA grants.

The remaining funds appropriated for SC DRO by the General Assembly in 2017-18.

FURTHER, the Steering Committee shall continue with three members, consisting of the Director of Admin and two other persons informed by the Governor's Office that he or she are sitting members. The Steering Committee shall continue to act as set forth in Executive Order 2016-13 for all grants which SC DRO currently operates as well as present and future disaster recovery and case management grants and sets strategic direction related thereto. For ease, the Steering Committee rules are re-listed below and incorporated from the prior Executive Order:

1. The Committee shall convene within 30 days of the issuance of this order to organize and receive a briefing from the SC DRO on the current status of Plan formulation.
2. Prior to the submission of the initial Plan, the SC DRO shall receive advice and consent from the Committee regarding allowable activities, resource allocation, and individual eligibility criteria to be included in the Plan and investment strategies for CDBG-DR funds.
3. Once the initial Plan has been submitted to the United States Department of Housing and Urban Development (HUD), the Department shall not amend the Plan without the advice and consent of the Committee.

4. Following submission of the Plan to HUD, the Committee shall meet as needed, but not less than quarterly, to receive reports on the activities funded by the CDBG-DR program and to advise on policy and Plan amendments.

This order shall take effect immediately, with the SC DRO reporting immediately to Admin, and Admin and Commerce shall work to complete the transfer operationally as soon as possible.

**GIVEN UNDER MY HAND AND THE
GREAT SEAL OF THE STATE OF SOUTH
CAROLINA, THIS 4th DAY OF
DECEMBER 2018.**

HENRY MCMASTER
Governor