



Building Effective Intergovernmental Relations

**Institute of Government for County Officials
July 31, 2023**

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Federalism

- The United States has a federal system of government
- A federal system is composed of a national government and subnational units of government
- In the US this encompasses a national government with its nexus in Washington, DC and 50 states
- In its formal sense federalism views local governments as appendages of state governments

Basic Elements of Intergovernmental Relations

- “Encompasses all permutations and combinations of relations among the units of government in our system.” (including private and non-profit sectors)
- The human element is paramount
- Relations between officials, elected as well as appointed, are not characterized by one-time, formal agreements; are continuous, day to day
- All public officials are potential or actual IGR actors

Wright, Understanding Intergovernmental Relations

Intergovernmental Actors

- counties
- municipalities
- states
- national government
- special purpose districts
- school districts
- local government associations
- councils of governments **plus**
- private and non-profit sector officials

Why Worry About Intergovernmental Relations

- ✓ The sheer number of governmental units and players
- ✓ Our citizens increasingly expect us to cooperate
- ✓ Dollars and cents; meeting the needs (or expectations) of our citizens is increasingly costly
- ✓ We are expected to be more efficient
- ✓ Many of the problems we face do not respect jurisdictional boundaries
- ✓ State and federal mandates
- ✓ Fiscal stress

Local Governments in US

90,075 total

- Counties – 3,031
- Subcounty governments – 35,748
- Municipalities – 19,495
- Townships – 16,253
- Special district governments – 38,542
- School districts – 12,754

US Census Bureau, 2022

Local and State Government Employment

- 19.2 million employees
 - 5.3 million state employees
 - 13.9 million local government employees
- Total payroll -\$94.4 billion
 - \$26.8 billion state
 - \$80.8 billion local

Census of Governments, US Census Bureau, 2022

Types of Intergovernmental Relations

- Horizontal - between units at the same level
- Vertical - between units at different levels
- Both types can be complex, but vertical tends to more complex and diverse
- Models: Picket Fence or Marble Cake

The Critical Issue: The Distribution of Authority

- The power local government has is granted by the state
- The amount of freedom and power granted to local government varies from state to state
- Distribution of power is constantly in flux
- Mixed picture for local governments in SC
 - structure - personnel administration
 - functions - fiscal authority
 - legislative/regulatory
- Fiscal federalism - the “golden rule”

Federal Mandates

- Federal Unfunded Mandates Reform Act of 1995
 - Doesn't prohibit mandates
 - Requires Congressional Budget Office to analyze legislation and rules for potential cost to states and localities
 - Appears to be having some positive impact by slowing the number of mandates
 - **But** mandates continue to grow
 - Billions of dollars annually in unfunded mandates for the States and localities
 - Limits the ability of states and localities to use these funds on needs of states and local governments

State Mandates to Local Governments

- 3 types of mandates
 - Active – require local action
 - Restrictive – prohibit certain local actions
 - Traditional – do not exist in law but in practice
- Fiscal Impact Statement Law, 1983 required author of bills affecting local government to attach cost estimates (this proved inadequate)
- Local Government Fiscal Impact Statement Team (FIST) created in 1991 to solicit local government input on the cost of proposed legislation

State Mandates to Local Governments (cont)

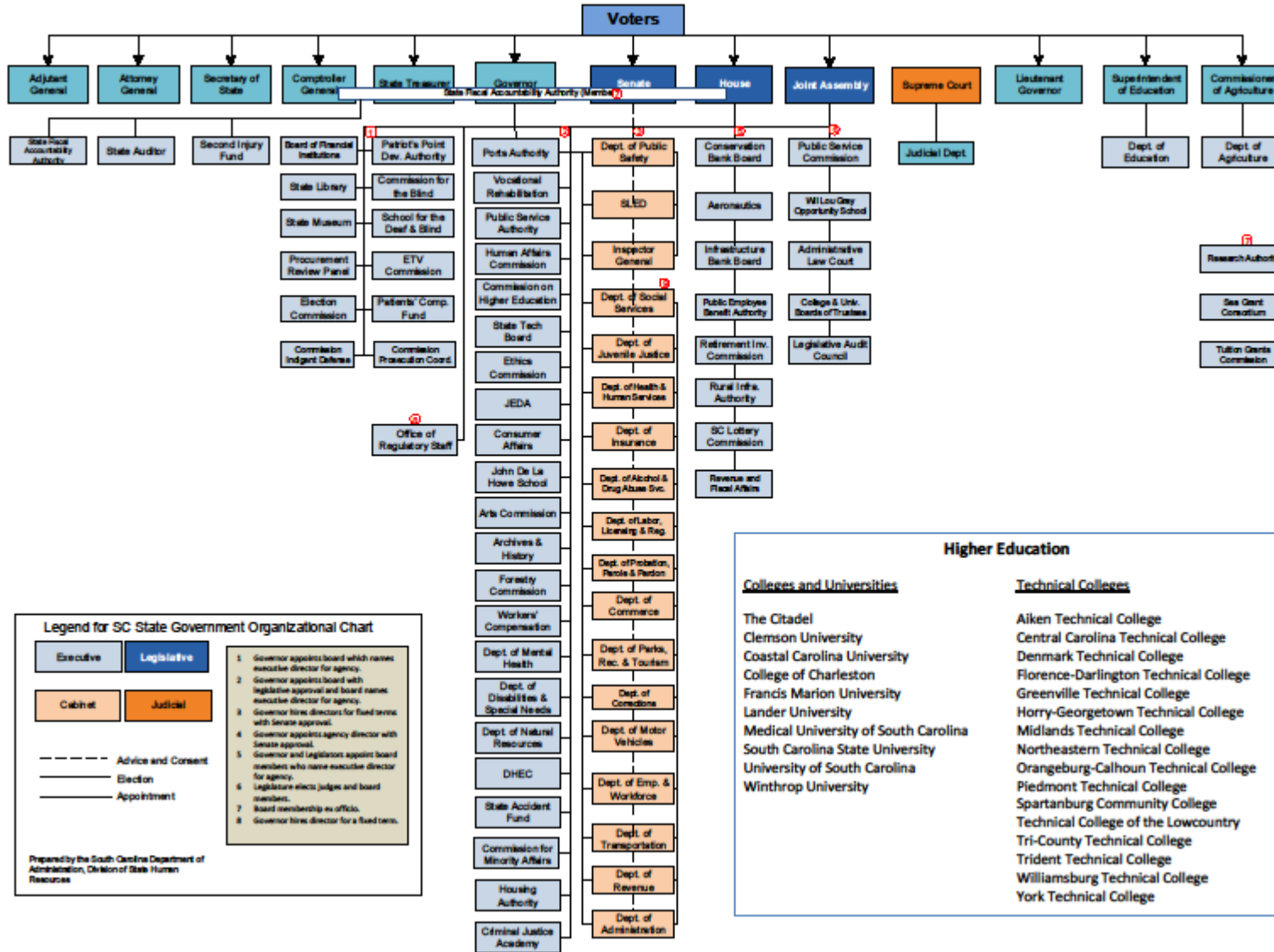
- Unfunded Mandates Act of 1993
 - Requires 2/3s vote of members voting in each house
 - General Assembly has to determine that the law fulfills a state interest
 - In general, provides that General Assembly must fund most mandates to local governments
 - Contains 9 different exceptions or cases
 - Provisions do not apply to mandates passed prior to enactment of the Act
- Unfunded Mandates Act was amended in 1997 to include budget provisos

State Government Structure

As a result of partial restructuring in 1993 we have a “hybrid” state organizational structure

- Constitutional offices
- Legislative branch
- Judicial branch
- Cabinet departments
- Independent agencies

Current Structure of State Government



Legend for SC State Government Organizational Chart

Executive	Legislative
Cabinet	Judicial

- - - - - Advice and Consent
 ————— Election
 ————— Appointment

- Governor appoints board which names executive director for agency.
- Governor appoints board with legislative approval and board names executive director for agency.
- Governor hires directors for fixed terms with Senate approval.
- Governor appoints agency director with Senate approval.
- Governor and legislators appoint board members who name executive director for agency.
- Legislature elects judges and board members.
- Board membership ex officio.
- Governor hires director for a fixed term.

Prepared by the South Carolina Department of Administration, Division of State Human Resources

Restructuring in the 2000s

- Department of Motor Vehicles
- Department of Transportation*
- Department of Employment and Workforce
- Public Employee Benefit Authority
- State Fiscal Accountability Board
- Department of Administration
- Governor & Lt. Governor run as ticket

Aid to Local Subdivisions

- The amount of dollars that the General Assembly appropriates to local governments is based on a formula
- Aid to local subdivisions is an important source of revenue for both municipalities and counties but more so for counties due to the services they support/provide that are really State functions
- The General Assembly failed to provide the full formula based funding on a consistent basis particularly beginning in 2008-09
- 2008-09 to 2020-21 actual funding was \$142,684,143 short of full formula funding
- Act 84 of 2019 changed the formula effective 2020-21 effectively bringing funding back below 2007-08 levels

South Carolina Local Governments

Types of Local Governments

- Counties – every South Carolinian lives in a county
- Municipalities – about 35% of South Carolinians live in a municipality
- School Districts – every South Carolinian lives in a school district
- Special Purpose Districts – a smaller number live in a special purpose district

Municipalities and Counties in SC

271 municipalities*

- Great variation in services delivered
- Most are very small (over 200 are less than 5,000 population)

*Town of Van Wyck newest municipality

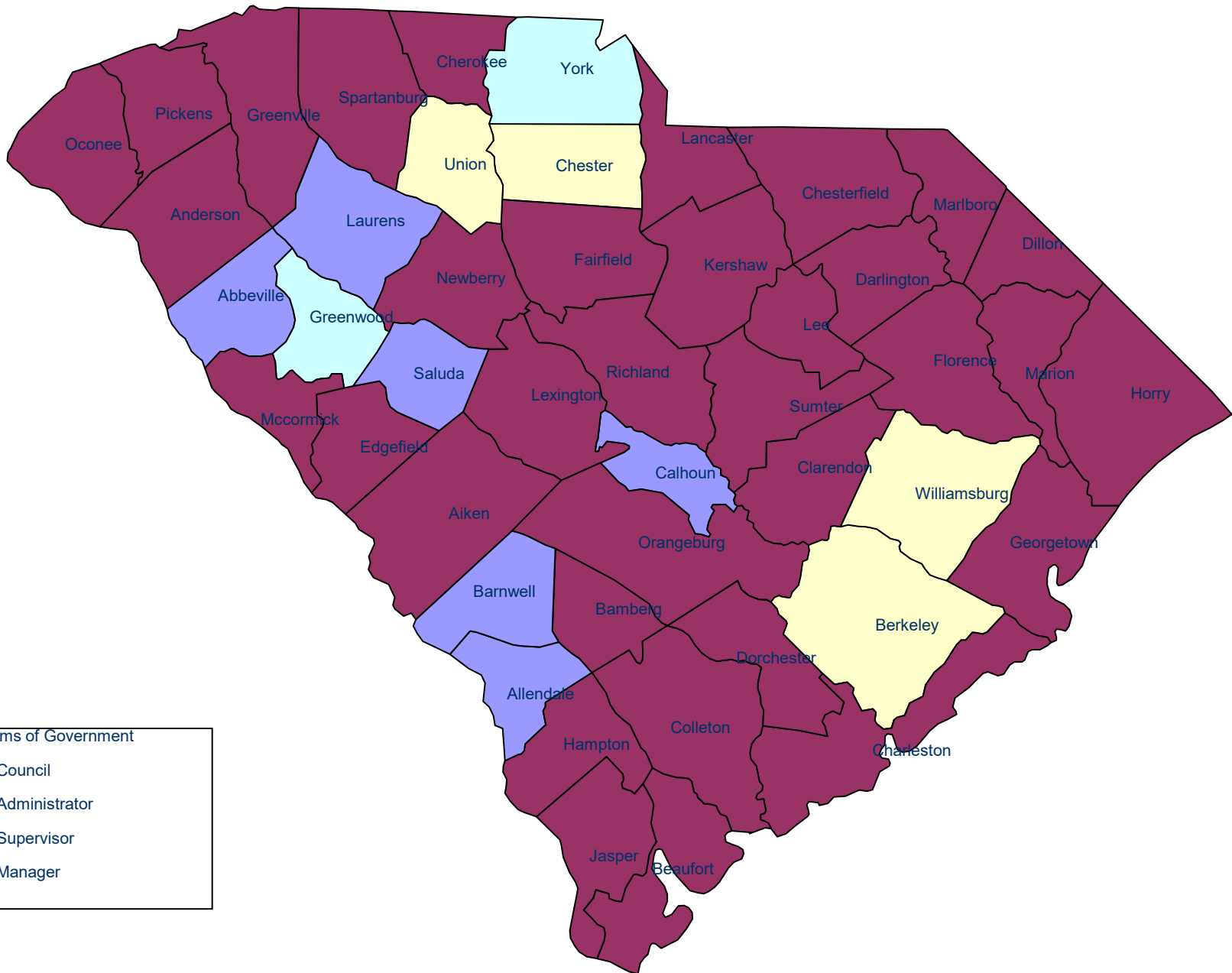
46 counties

- Some variation in services delivered
- Population varies greatly from the smallest (McCormick – 10,223) to the largest (Greenville – 451,225) 2020 Census

Forms of Government

Distinguishing feature of forms is where legislative and executive authority resides. There are provisions in the SC Code for changing the forms of government.

- Municipal forms of government
 - Council 82
 - Mayor/Council 157
 - Council/Manager 32
- County forms of government
 - Council 6
 - Council/Supervisor 4
 - Council/Administrator 34
 - Council/Manager 2



Powers and Authority of Municipalities and Counties

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).

General Police Powers

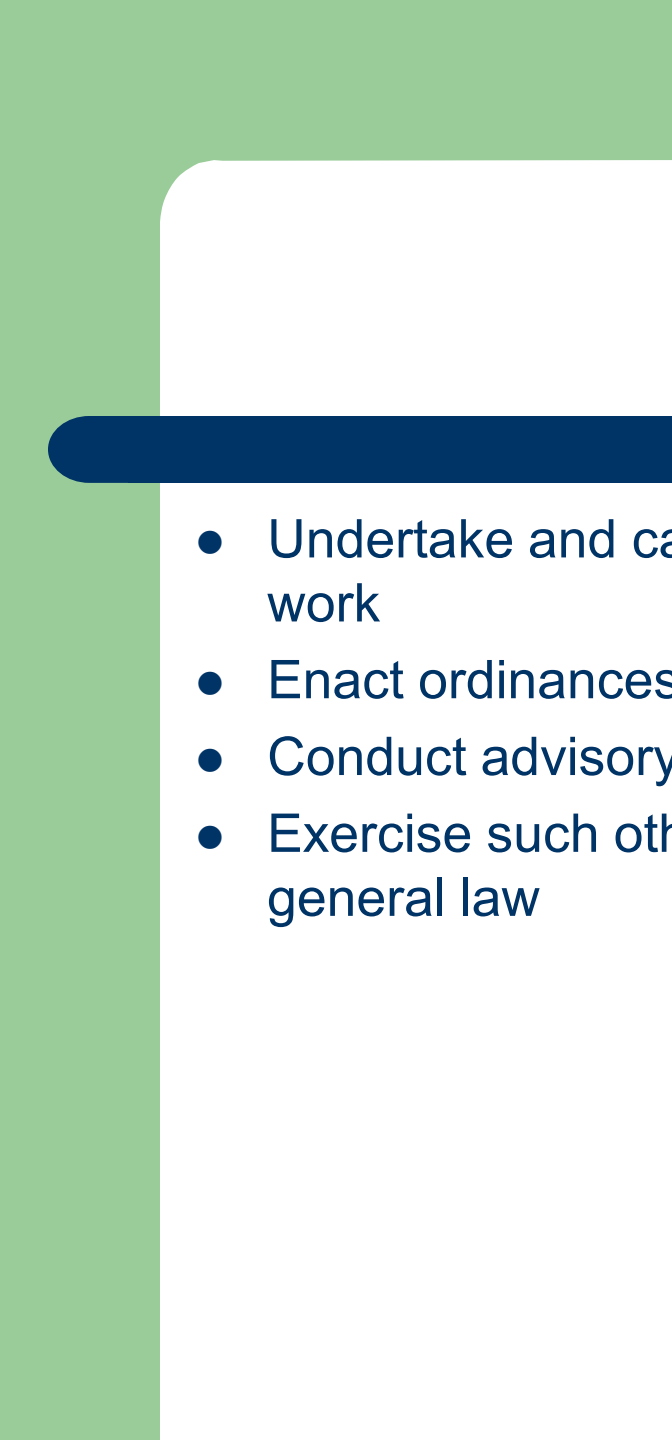
Municipalities and counties have authority to enact regulations, resolutions, and ordinances (**not inconsistent with the Constitution and general law of the State**) as appears necessary and proper for the security and general welfare and convenience of the jurisdiction or for preserving health, peace,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

Specific Powers

Specific powers for municipalities (Title 5) and counties (Title 4) may vary but in general both have these powers.

- Adopt, use and revise a corporate seal
- Acquire real property by purchase or gift
- Exercise powers of eminent domain
- Lease, sell or otherwise dispose of real and personal property
- Acquire tangible personal property and supplies
- Make and executive contracts
- Assess property and levy ad valorem property taxes and uniform service charges

- Create special tax districts
- Establish agencies, departments, boards, positions
- Develop personnel system policies and procedures
- Provide for an accounting and reporting system for funds received
- Provide for land use regulations consistent with State law
- Issue franchises (Counties in the areas outside the corporate limits of municipalities)
- Levy uniform business license taxes (counties outside corporate limits)
- Participate in multi-county projects and programs

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- A decorative graphic on the left side of the slide, consisting of a light green vertical bar and a dark blue horizontal bar with rounded ends.
- Undertake and carry out slum clearance and redevelopment work
 - Enact ordinances to implement and enforce these powers
 - Conduct advisory referenda
 - Exercise such other powers as may be authorized by the general law

Intergovernmental Powers/Authority

- South Carolina counties have the authority to enter into joint service agreements with the State, with each other and other political subdivisions
- This may take the form of:
 - a contract with another jurisdiction to provide or receive a particular service
 - service “swapping”
 - functional consolidation
- Multi-county industrial or business parks
- Political consolidation (Sections 4-8-10 through 4-8-150)
- Joint Agency Act (SPDs that provide natural gas)

Agreements or Contracts: Service Areas

(Pierce Surveys of Counties)

Library system

Detention

Fire services

EMS

Drainage

Landfill

911

Joint planning commission

Vehicle maintenance

Parking garages

Water and sewer

Business license collection

Animal shelter

Roads

Central dispatch

Law enforcement

Recreation

Election administration

Agreements or Contracts: Service Areas

(continued)

Vehicle maintenance and fueling
Election administration
Building code enforcement
Impact fee administration
HAZMAT program
Economic development
Recycling
Industrial parks
Tax Collection & Administration
Office space for state agencies
Human resource administration

School Districts

- 80 school districts (also 4 special districts)
- 766,819 students for the 2020-21 school year
- Vary greatly in terms of student population; Greenville – 74,094 to Barnwell 19 – 565
- Enjoy different levels of fiscal autonomy
 - Autonomous 13
 - Limited authority 37
 - No authority 35

*45 day average daily membership (SC Department of Education)

Special Purpose Districts

- Number – depends on the source (200-over 500)
- Created by the General Assembly prior to Home Rule to provide one or a very few services
- Were created to respond to demands for services that the counties could not constitutionally nor statutorily provide
- Impact of restrictive annexation laws and “county purpose doctrine” on proliferation

Most Common SPD Service Areas

- Fire
- Recreation
- Water and sewer
- Watershed and drainage

Relationships With Other Governments

Very
Good Good Fair Poor Don't
Know

- Counties
- Municipalities
- State agencies
- Federal gov't.
- SPDs
- Legislative delegation

Primary Barriers to Effective IGR

- ✓ Turf protection
- ✓ Fear of loss of control
- ✓ Lack of trust
- ✓ History
- ✓ Personality conflicts/egos
- ✓ Lack of communications
- ✓ Politics and can't look beyond present term of office
- ✓ Differing ideas and philosophies
- ✓ Mandates from federal and state government
- ✓ Competition for economic development
- ✓ Lack of shared vision and common goals
- ✓ Money

What Makes for Effective IGR

- ✓ Good communications
- ✓ Common vision and goals
- ✓ Willingness to work together
- ✓ Good personal relations
- ✓ Good leadership
- ✓ Trust
- ✓ Common sense
- ✓ Hard work over an extended period of time
- ✓ Level heads

Strategies for Enhancing Interlocal Cooperation

- ✓ Multi-jurisdictional/multi-sector forums
- ✓ Community-wide, broad-based retreats
- ✓ Multi-jurisdictional retreats
- ✓ Broad-based, community-wide strategic planning efforts
- ✓ Regular manager/administrator meetings
- ✓ Using the COGs as a forum or catalyst
- ✓ Regular multi-jurisdictional meetings of elected officials
- ✓ Interlocal agreements (formal and informal)

Strategies for Enhancing Interlocal Cooperation

- ✓ Agreements with state and federal government
- ✓ Partnerships and agreements with non-profit and private sectors
- ✓ Functional consolidation
- ✓ Political consolidation
- ✓ Merger of municipal governments
- ✓ “Tax equity” agreements
- ✓ Multi-county industrial or business parks and other multi-county/jurisdictional efforts

Advice or Lessons Learned

- ✓ Actively look for ways to work with other entities to better serve your citizens/customers
- ✓ Look for duplicative efforts. If one government is strong in one service area or expertise, consider letting them be the primary provider
- ✓ Think about how our citizens can best be served and at the least possible cost.
- ✓ If you do consolidate a service consider the impact on employees
- ✓ Educate your citizens on how the intergovernmental efforts will benefit them
- ✓ Remember, IGR is all about interpersonal relations