



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0528	Introduced on February 4, 2021
Author:	Jackson	
Subject:	Local Government Planning	
Requestor:	Senate Judiciary	
RFA Analyst(s):	Miller and Coomer	
Impact Date:	April 19, 2021	

Fiscal Impact Summary

This bill will have no expenditure impact on the Office of the State Fire Marshal (OSFM) or the Board of Architectural Examiners, which is regulated by the Department of Labor, Licensing and Regulation (LLR) because it does not materially alter the responsibilities of these agencies.

This bill will have an undetermined local expenditure impact to hire sufficient staff to handle plat approvals. This bill will also have an undetermined local revenue impact due to the limitation on taxes and fees on builder-owned properties.

Explanation of Fiscal Impact

Introduced on February 4, 2021

State Expenditure

This bill requires a city, town, or county to allow a builder to hire a certified third-party inspector to perform the duties of the local inspector of buildings as they relate to that builder. Currently, the duties of the local inspector of buildings for a city or town are assumed by the chief of the fire department or a local inspector of buildings appointed by the city or town. This bill will have no expenditure impact on OSFM because it does not materially impact the duties or responsibilities of the agency.

Additionally, this bill revises an exemption relating to architectural plans for single-family or two-family dwellings. Currently, detached single-family or two-family dwellings are exempt from having an architect prepare plans and specifications for the dwelling and apply his stamp to these plans. This bill provides that attached single-family and two-family dwellings, as defined in Group R3 of the Standard Building Code, may also qualify for this exemption. This bill will have no expenditure impact on LLR because it does not materially impact the duties or responsibilities of the agency or the Board of Architectural Examiners, which is regulated by LLR.

State Revenue

N/A

Local Expenditure

This bill creates the South Carolina Home Attainability Act. Among other requirements, this bill requires local government to study ways to increase the affordability of housing when adopting regulations and amending comprehensive plans. The implementation of any increased affordability of housing plans, however, is at the discretion of the local governing entity; therefore, this requirement will have no expenditure impact.

Additionally, this bill requires all plats to be approved by the municipal authority responsible for approving plats within 15 days after the date the plat is filed and, if required, approved by the governing body of the municipality within 30 days after the approval of the municipal authority's approval. Any plat that is not disapproved within this time period is presumed approved. The deadline for approval may be extended up to an additional 30 days, based on the written request of the applicant. Currently, there are varieties of time lines for approval of plats, based on local zoning ordinances and regulations. This bill will shorten the time line for approval of any local governing body whose current approval process exceeds the deadlines set forth in this bill. This may result in the disapproval of more plats as there may be insufficient time to work with the applicant in order to resolve any issues. This may also result in additional staff needed in order to review and process plats in the given timeline. Therefore, this requirement may have an undetermined local expenditure impact to hire additional staff to process plat applications within the time set forth in this bill.

Also, this bill allows a builder to hire a certified third-party inspector to perform the duties of the local inspector of buildings. Currently, the chief of the fire department or an appointed local inspector performs local building inspections. This bill provides an alternative option for inspections for builders. This will have no local revenue impact as the current inspector will still be required to perform inspection duties for other buildings not owned by builders and for those buildings where a builder does not choose to hire a certified third-party inspector.

Local Revenue

This bill creates the South Carolina Home Attainability Act. Among other requirements, this bill requires all fees and taxes charged to a builder or developer by any and all local governing bodies, not exceed 10 percent of the sales price of the home(s). Currently, there is no limitation on fees and taxes relative to the sales price of the property. This limitation will result in a reduction of local property taxes and fees collected on builder owned properties. Additionally, this reduction may result in an impact to a local entities ability to support bonded debt relative to water and sewer systems. Further, it is unclear who will implement and regulate this limitation. Therefore, this bill will result in reduction of local revenue. However, the amount of the reduction is undetermined.



Frank A. Rainwater, Executive Director