



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
(803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number:	S. 0163
Author:	Hembree
Subject:	Incorporation of municipalities
Requestor:	Senate Judiciary
RFA Analyst(s):	Wren and Kokolis
Impact Date:	January 27, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	Undetermined	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds. The expenditure impact on municipal governments is undetermined.

Explanation of Fiscal Impact

State Expenditure

This bill amends Section 5-1-26, which relates to the duties of the Joint Legislative Committee on Municipal Incorporation and provides the committee with additional duties related to the review of municipal certificates of incorporation. This bill also adds Article 3 to Chapter 1, Title 5, which provides that a municipality whose population drops below three hundred must show that it is maintaining municipal services at an adequate level to maintain its certificate of incorporation. Additionally, the review of a municipality's certificate of incorporation may be initiated by the county legislative delegation. Sections 5-1-10 through 5-1-110 are designated as the Municipal Incorporation Process. Based on data from the U.S. Census Bureau, fifty-four municipalities report population of three hundred or less and are subject to this legislation.

Secretary of State. The department indicates that this bill would have a minimal expenditure impact, which could be absorbed by current appropriations.

State Revenue

N/A

Local Expenditure

The Revenue and Fiscal Affairs Office contacted the Municipal Association of South Carolina regarding the expenditure impact of this bill. The Municipal Association indicates that this bill could have a significant expenditure impact on municipal governments, specifically, this bill would allow a legislative delegation to question a municipality's existence regardless of the three hundred population threshold. Therefore, the expenditure impact of this bill as written on municipal governments is undetermined.

Local Revenue

N/A



Frank A. Rainwater, Executive Director