

Bill Number:

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

S. 0190 Introduced on January 10, 2017

Author: Goldfinch

Subject: Revised Uniform Unincorporated Nonprofit Association Act

Requestor: Senate Labor, Commerce, and Industry

RFA Analyst(s): Kokolis

Impact Date: February 27, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
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	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will have no expenditure or revenue impact on the General Fund, Other Funds, Federal Funds, or local government.

Explanation of Fiscal Impact

Introduced on January 10, 2017 State Expenditure

This bill enacts the Revised Uniform Unincorporated Nonprofit Association Act (act) based on model legislation drafted by the National Conference of Commissioners on Uniform State Laws. The act defines the types of organizations that would be covered and addresses issues such as recognizing unincorporated nonprofit organizations (UNA) as legal entities and the implications resulting from that status; the contract and tort liability of an UNA and its members and managers; internal governance, fiduciary duties, and agency authority; dissolution and merger; and, the relation of the act to other laws.

Secretary of State. The agency indicates this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds. The agency would have to create a new form for an unincorporated nonprofit association to appoint a registered agent to receive service of process, and this can be accomplished without additional funding.

State Revenue

The act authorizes a UNA to file a statement appointing an agent to receive service of process with the Secretary of State. The statement is valid for 5 years unless cancelled or terminated earlier. An agent may resign by delivering a resignation to the Secretary of State for filing. The Secretary of State is authorized to collect a fee for filing a statement appointing an agent, or amending, cancelling, or resigning the agency. The Secretary of State is authorized to collect the amount charged for filing similar documents. Currently, nonprofit organizations are required by statue to pay a \$10 fee to file for a notice of change of registered office or registered agent or both. There is also \$5 fee for the resignation of the registered agent and discontinuance of the registered office. The Secretary of State anticipates the filing fee would be the same for unincorporated nonprofits. We anticipate the revenue generated from these fees would be minimal.

Local Expenditure

The act authorizes the transfer of an interest in real property by a person authorized to make such a transfer in a statement of authority. Statements of authority must be executed in the same manner as a deed and filed in the office of the county in which the transfer of the property would be filed. The Revenue and Fiscal Affairs Office expects local governments to accomplish the filing without additional expenditure.

Local Revenue

The act authorizes the transfer of an interest in real property by a person authorized to make such a transfer in a statement of authority. Statements of authority must be executed in the same manner as a deed and filed in the office of the county in which the transfer of the property would be filed. The act authorizes the filing office to collect a fee for filing the statement in the amount authorized for recording transfer of real property. The number of entities that may file statements of authority is unknown, but we anticipate the revenue impact for local government to be minimal.

Frank A. Rainwater, Executive Director