



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 279 Introduced on January 24, 2017
Author: Alexander
Subject: Appraisal Management Company Registration Act
Requestor: Senate Labor, Commerce, and Industry
RFA Analyst(s): Shuford, Gardner, and Heineman
Impact Date: February 14, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	Pending	\$0
Other and Federal	Undetermined	\$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 is expected to increase Other Fund expenditures of the South Carolina Real Estate Appraisers Board from the expanded licensure and regulatory duties mandated in the bill. However, the amount is undetermined since the number of additional licenses for appraisal management companies (AMC) and the amount of regulatory duties in regard to regulating AMCs are unknown. The expenditure impact on the Administrative Law Court for any increase in cases resulting from the bill's provisions is pending, contingent upon a response from the agency.

Explanation of Fiscal Impact

State Expenditure

This bill amends the regulations and requirements for appraisal management companies (AMC) by enacting the Appraisal Management Company Registration Act. The additions include requiring registration and fees for an entity acting as an AMC, adding definitions, specifying registration requirements, and expanding the Department of Labor, Licensing and Regulation's (LLR) regulatory activities for AMCs. The bill sets penalties and disciplinary actions for violations of the requirements for AMCs, including civil actions through the Administrative Law Court.

LLR indicates this legislation will increase Other Fund expenditures of the South Carolina Real Estate Appraisers Board from the licensure and regulation of AMCs. However, the amount of

increased expenditure is undetermined since the number of additional licenses for AMCs and the administrative, oversight, and regulatory duties in regard to AMCs are unknown.

State Revenue

Section 40-1-50 specifies that Professional and Occupational Licensing programs set fees to cover the operational expenses of their boards. Any necessary fee increase to offset the undetermined expenditures will increase Other Funds revenue by a corresponding amount. The bill may increase Administrative Law Court cases for violations of the provisions in the bill. The revenue impact to the Administrative Law Court is pending, contingent upon a response from the agency.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director