



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: H. 3262 Amended by the House of Representatives on February 24, 2021
Author: Fry
Subject: Candidate Qualifications
Requestor: Senate Judiciary
RFA Analyst(s): Miller
Impact Date: March 17, 2021

Fiscal Impact Summary

This bill will result in a non-recurring \$250,000 General Fund expenditure in FY 2021-22 for SEC to update the Voter Registration System and Election Management System and to update the poll manager training material.

Additionally, this bill will increase Other Fund revenue for SEC by approximately \$200,000 every other year in conjunction with statewide elections, dependent on the number of candidates filing for the election, beginning in FY 2021-22. Any revenue increase will be used to offset the cost of primary elections.

Further, RFA anticipates this bill will have no revenue impact for local counties' board of voter registration and elections because the authorization to collect a filing fee is granted to political parties.

Explanation of Fiscal Impact

Amended by the House of Representatives on February 24, 2021

State Expenditure

This bill requires any candidate from each political party to pay a filing fee, beginning July 1, 2021. Currently, filing fees may be collected but are not required. SEC anticipates it will need to update the Voter Registration System and the Election Management System for candidate filing data, in addition to updating the poll manager training material. SEC believes third party candidates will choose to participate in primaries as filing fees are used to offset the cost of primaries. Due to this expectation, SEC plans to update poll manager training to include third party participation in primaries. SEC estimates the total cost of updating the Election Management System and poll manager training materials will cost \$250,000. Therefore, this bill will result in a non-recurring General Fund expenditure of \$250,000 in FY 2021-22. Additionally, this bill will increase total amount of filing fees collected by SEC. SEC estimates Other Funds revenue will increase by approximately \$200,000 every other year in conjunction with the statewide elections. This increase of \$200,000 Other Fund revenue will be used to offset the cost of primary elections. SEC does not anticipate that the potential increase in the

number of candidates participating in primaries will result in an increase in the cost of the primaries. Therefore, this bill may result in General Fund expenditure savings of up to \$200,000 due to the offsetting Other Fund revenues, beginning in FY 2021-22. Revenue and Fiscal Affairs anticipates that any savings stemming from the increased collection of filing fees will be reallocated to other needs within the agency.

State Revenue

This bill requires any candidate from each political party to pay a filing fee, beginning July 1, 2021. Currently, a filing fee is set at 1 percent of the salary for the term of office or \$100, whichever is greater. Filing fees for candidates for the majority parties are ultimately submitted to SEC. These filing fees received are expended by SEC to offset the cost to conduct primary elections, pursuant to §7-13-15. This bill will result in third party candidates paying filing fees. The total revenue impact for each statewide election year will depend upon the number of third-party candidates that choose to file. SEC estimates that this may generate additional filing fees of approximately \$200,000 every other year in conjunction with the statewide elections. Therefore, this bill will result in an increase of Other Fund revenue of approximately \$200,000 every other year in conjunction with statewide elections, and dependent on the number of candidates filing for the election, beginning in FY 2021-22. Any revenue increase will be used to offset the cost of primary elections.

Local Expenditure

N/A

Local Revenue

This bill requires any candidate from each political party to pay a filing fee, beginning July 1, 2021. Additionally, this bill grants political parties the authority to charge a certification fee of no more than \$100 for each candidate seeking nomination. RFA anticipates this authorization will have no revenue impact for local counties' board of voter registration and elections.



Frank A. Rainwater, Executive Director