



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: S. 0147 Amended by Senate Judiciary on February 11, 2021
Author: Massey
Subject: COVID-19 Liability Safe Harbor
Requestor: Senate Judiciary
RFA Analyst(s): Miller
Impact Date: February 12, 2021

Fiscal Impact Summary

This bill will result in an undetermined expenditure savings for the Insurance Reserve Fund (IRF) within the State Fiscal Accountability Authority (SFAA) due to liability claims against state and local entities that may otherwise have succeeded without the creation of this safe harbor. Additionally, this bill as amended will have no expenditure impact for the Workers' Compensation Commission as any action brought arising under Title 42 is specifically excluded from the COVID-19 liability Safe Harbor.

This bill was amended to specify that actions arising under Title 42, Workers' Compensation are excluded from the COVID-19 liability Safe Harbor.

Explanation of Fiscal Impact

Amended by Senate Judiciary on February 11, 2021

State Expenditure

This bill establishes a safe harbor from coronavirus claims for businesses, governmental entities, health care facilities, and their employees. This safe harbor only applies if public health guidance is followed. This bill as amended specifies that the provisions of the safe harbor do not apply to and do not exclude or limit any actions or remedies available under Title 42, South Carolina Workers Compensation. This bill takes effect upon approval by the Governor and applies to all civil and administrative causes of action arising between March 13, 2020 and June 30, 2021 or 180 days after the final state of emergency is lifted for COVID-19 in this state, whichever is later.

State Fiscal Accountability Authority. This bill establishes a safe harbor from coronavirus claims for businesses, governmental entities, health care facilities, and their employees. SFAA anticipates the creation of a safe harbor may result in cost savings for the Insurance Reserve Fund (IRF) due to liability claims against state and local entities that may otherwise succeed. Because the number of COVID-19 related claims against state and local entities covered by the IRF that would have succeeded but for the creation of this safe harbor is unknown, the estimated potential cost savings to the IRF is undetermined.

Workers' Compensation Commission. This amended bill specifies that the provisions of the safe harbor do not apply to and do not exclude or limit to any actions or remedies available under Title 42, South Carolina Workers Compensation. Because COVID-19 is an unprecedented occurrence, the number of workers compensation actions that may arise due to COVID-19 is unknown. If this safer harbor was applicable to workers compensation actions, this could have resulted in fewer workers compensation actions brought due to COVID-19 related occurrences. However, because workers compensation actions are specifically excluded from the safe harbor, The Workers' Compensation Commission anticipates this bill will have no expenditure impact on the agency.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Introduced on January 12, 2021

State Expenditure

This bill establishes a safe harbor from coronavirus claims for businesses, governmental entities, health care facilities, and their employees. This safe harbor only applies if public health guidance is followed. This bill takes effect upon approval by the Governor and applies to all civil and administrative causes of action arising between March 13, 2020 and June 30, 2021 or 180 days after the final state of emergency is lifted for COVID-19 in this state, whichever is later.

SFAA anticipates the creation of a safe harbor may result in cost savings for the Insurance Reserve Fund (IRF) due to liability claims against state and local entities that may otherwise succeed. Because the number of COVID-19 related claims against state and local entities covered by the IRF that would have succeeded but for the creation of this safe harbor is unknown, the estimated potential cost savings to the IRF is undetermined.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director