

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

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**Bill Number:** S. 0174 Introduced on January 12, 2021

Author: Bennett

Subject: Campaign Practices Requestor: Senate Judiciary

RFA Analyst(s): Griffith

Impact Date: March 19, 2021

### **Fiscal Impact Summary**

This bill will increase General Fund expenditures of the State Ethics Commission (Commission) by \$237,535 in FY 2021-22 and by \$205,535 in each year thereafter to account for the increase in workload and complaints of alleged violations of the Ethics Reform Act related to election communications. The bill may increase General Fund revenue if complaint actions are found to be in violation of the State Ethics Act, but the amount is undetermined. The Commission indicates that any increase in revenue will be used to offset expenditures related to this bill.

### **Explanation of Fiscal Impact**

## Introduced on January 12, 2021 State Expenditure

This bill adds a list of disclosures that an independent expenditure committee must provide related to election communications. These disclosures must be filed with the State Ethics Commission on the same schedule as campaign reports pursuant to Code Section 8-13-1308. The Commission reports that in order to account for the increase in complaints of alleged violations of the Ethics Reform Act, it will need one Investigator III position to conduct criminal and administrative investigations and prosecution. Additionally, the Commission will require two new Administrative Assistant positions to account for the increase in campaign forms to review to ensure compliance with the Ethics Reform Act. These three new FTEs will have a combined salary (including fringe benefits) of \$165,535 per year. Office space, technology, one law enforcement vehicle lease, and other office supplies will increase recurring General Fund expenditures by \$40,000. Non-recurring General Fund expenditures will increase by \$32,000 in FY 2021-22 for law enforcement equipment, body armor, and office furniture.

In total, General Fund expenditures will increase by \$237,535 in FY 2021-22 and by \$205,535 in each year thereafter.

#### **State Revenue**

The State Ethics Commission reports that its General Fund revenue may increase if complaint actions are initiated and found to be in violation of the State Ethics Act. However, the number of violations is unknown, and therefore, the increase in revenue is undetermined. The Commission indicates that any revenue increase would be used to offset expenditures related to this bill.

**Local Expenditure** 

N/A

**Local Revenue** 

N/A

Frank A. Rainwater, Executive Director