



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. 3681	Introduced on January 12, 2023
Author:	West	
Subject:	Nicotine	
Requestor:	House Medical, Military, Public, and Municipal Affairs	
RFA Analyst(s):	Wren	
Impact Date:	February 7, 2023	

Fiscal Impact Summary

This bill prohibits political subdivisions in South Carolina from enacting laws, ordinances, or rules pertaining to ingredients, flavors, or licensing, beyond a general business license, for the sale of any nicotine products that can be ingested in the body by chewing, smoking, absorbing, dissolving, inhaling, or by any means.

This bill is not expected to have an expenditure impact on county or municipal governments since it requires local governments to perform activities that can be conducted within the normal course of business. The Revenue and Fiscal Affairs Office (RFA) contacted all counties and the Municipal Association of South Carolina (MASC). Two counties and the MASC responded that there would be no impact.

Explanation of Fiscal Impact

Introduced on January 12, 2023

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

This bill prohibits political subdivisions in South Carolina from enacting laws, ordinances, or rules pertaining to ingredients, flavors, or licensing, beyond a general business license, for the sale of the following:

- cigarettes;
- electronic smoking devices, e-liquid, vapor products, tobacco products, or alternative nicotine products; or
- any other product containing nicotine that can be ingested into the body by chewing, smoking, absorbing, dissolving, inhaling, or by any means.

Laws, ordinances, or rules enacted by political subdivisions prior to December 31, 2020, and municipal code amendments are exempt from the preemption imposed by this bill.

RFA contacted all forty-six county governments and MASC regarding the expenditure impact of this bill and received responses from two counties and the MASC. Both counties indicate that the bill will have no impact since it requires them to perform activities that will be conducted in the normal course of business. Likewise, the MASC indicates that the bill will have no impact on municipal governments. Therefore, we do not expect this bill will have an expenditure impact on local governments.

Local Revenue

N/A



Frank A. Rainwater, Executive Director