



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

*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.*

---

<b>Bill Number:</b>	H. 4248	Amended by House Judiciary on March 20, 2024
<b>Author:</b>	Rose	
<b>Subject:</b>	Conditional Discharge	
<b>Requestor:</b>	House Judiciary	
<b>RFA Analyst(s):</b>	Gardner and Vesely	
<b>Impact Date:</b>	March 25, 2024	

---

### **Fiscal Impact Summary**

This amended bill authorizes the court to grant a conditional discharge to a person who pleads guilty to or is found guilty of a first offense for selling beer, wine, or alcoholic liquors to an underaged person pursuant to Section 61-4-50 and Section 61-6-4080. Persons granted a conditional discharge may apply for expungement of their records but must pay a fee that will be used by the circuit courts for drug treatment court programs. The person must also complete a Department of Alcohol and Other Drug Abuse Services (DAODAS) approved merchant education program.

This bill will have no expenditure impact for Judicial as Judicial anticipates being able to manage any additional responsibilities within existing appropriations.

The Revenue and Fiscal Affairs Office (RFA) anticipates this bill will have no expenditure impact for DAODAS as completing a DAODAS approved merchant education program is currently required for individuals who violate the provisions of Section 61-4-50 or Section 61-6-4080.

This bill requires the court to provide a nonpublic record to the State Law Enforcement Division (SLED) for SLED to retain. This bill also requires the Office of the State Treasurer (STO) to collect the funds from the fee and transmit them to the Commission on Prosecution Coordination (CPC) to be distributed to the 16 judicial circuits for drug treatment court programs. STO may request the Office of the State Auditor (SAO) examine the financial records of a jurisdiction which he believes is not timely transmitting these funds. This bill will have no expenditure impact for STO nor SAO as each of these agencies can manage these additional responsibilities with existing staff and within existing appropriations. We also anticipate this bill will have no expenditure impact for CPC or SLED. We anticipate that each of these agencies can manage the additional responsibilities with existing staff and within existing appropriations. We will update this fiscal impact statement if either CPC or SLED provide information to the contrary.

This bill expands the number of offenses that are eligible for conditional discharge under Section 61-4-50 and Section 61-6-4080. Before a person may be discharged, a fee of \$350 if the person is in general sessions court or \$150 if the person is in a summary court, must be paid. Ultimately, these fees will be distributed to the 16 judicial circuits to be used for drug treatment court

programs. This bill will increase local revenue by an undetermined amount as the increase in conditional discharges due to this bill is unknown. For information, CPC report that during FY 2022-23 the total amount of fees collected for conditional discharges under Section 44-53-450 and Section 16-17-530 was approximately \$506,000.

## **Explanation of Fiscal Impact**

### **Amended by House Judiciary on March 20, 2024**

#### **State Expenditure**

This amended bill expands conditional discharge, which is currently permitted under Section 44-53-450 and Section 16-17-530, to cover two new offenses pertaining to the sale of beer, wine, or alcoholic liquors to underage persons under Section 61-4-50 and Section 61-6-4080. The court may only order the conditional discharge for a first offense; however, a person granted a conditional discharge under the provisions of the bill is not precluded from pursuing pre-trial diversion options provided by law. A nonpublic record must be forwarded to SLED to be stored and used solely by the court in determining whether a person has committed a subsequent offense.

A person granted a conditional discharge must complete a DAODAS approved merchant education program. The person may also petition the court for an expungement of his records related to this offense and must pay a fee of \$350 if the offense has been heard in general sessions court or a fee of \$150 if the offense has been heard in a municipal or magistrate court. Fees collected must be remitted by the local jurisdiction to STO who will then transmit the funds to CPC for per capita apportionment to the 16 judicial circuits. The funds may only be used for drug treatment court programs and must not supplant existing funds used for this purpose. The bill also authorizes the State Auditor to conduct examinations of the financial records of local jurisdictions.

**Judicial.** This bill will have no expenditure impact for Judicial as it anticipates being able to manage any increased caseload due to this bill with existing staff and within existing appropriations.

**Department of Alcohol and Other Drug Abuse Services.** RFA anticipates this bill will have no expenditure impact for DAODAS as completing a DAODAS approved merchant education program is currently required for individuals who violate the provisions of Section 61-4-50 or Section 61-6-4080.

**Office of the State Treasurer.** STO would collect the conditional discharge fee and transmit it to the CPC. The agency has indicated that this bill will require additional work in treasury management, as the new fee will need to be added to their systems. However, STO anticipates that this work can be managed with existing staff and resources. Therefore, this bill will have no expenditure impact for STO.

**Commission on Prosecution Coordination.** This bill requires CPC to distribute the funds collected to the 16 judicial circuits on a per capita basis equal to the population in that circuit

compared to the population of the State as a whole based on the most recent official United States census. We anticipate CPC can manage this distribution with existing staff and within existing appropriations. We will update this fiscal impact if information to the contrary is provided.

**Office of the State Auditor.** SAO is responsible for investigating if funds are not being transmitted in a timely manner if requested to do so by STO. SAO expects to manage the responsibilities of this bill with existing staff and resources in their State Audit. Therefore, there will be no expenditure impact to the agency. SAO noted that although they currently do not expect any expenditure impact, if the agency is overloaded with work and does need to make use of an outside accounting firm, it would cost approximately \$25,000. This would be approximately the same cost as 0.25 FTE for an audit manager within the agency.

**State Law Enforcement Division.** This bill requires the court to forward a nonpublic record of the offense for which the person is receiving a conditional discharge to SLED. SLED must retain this record to be solely used by the court to determine whether a person commits a subsequent offense under the section. We anticipate SLED can manage this responsibility with existing staff and within existing appropriations. We will update this fiscal impact statement if SLED provides information to the contrary.

#### **State Revenue**

N/A

#### **Local Expenditure**

N/A

#### **Local Revenue**

This bill expands the number of offenses that are eligible for conditional discharge to include first offenses under Section 61-4-50 and Section 61-6-4080. A person must pay a fee of \$350 or \$150, depending upon which court he is in before the dismissal of the case. The revenue from these fees will be distributed by CPC on a pro rata basis to the judicial circuits for drug treatment court programs. For information, CPC reports that the total amount of fees collected for conditional discharges under Section 44-53-450 and Section 16-17-530 in FY 2022-23 was approximately \$506,000. CPC anticipates the revenue generated due to this bill will be less than the amount generated by the currently allowed conditional discharges. However, as the number of conditional discharges that will be granted due to this bill is unknown, the potential increase in local revenue to be used for drug treatment court programs is undetermined.

#### **Introduced on April 4, 2023**

##### **State Expenditure**

This bill expands conditional discharge, which is currently permitted under Sections 44-53-450 and Section 16-17-530, to cover two new offenses pertaining to the sale of beer, wine, or alcoholic liquors to underage persons under Section 61-4-50 and Section 61-6-4080. The court may only order the conditional discharge for a first offense. A nonpublic record must be

forwarded to SLED to be stored and used solely by the court in determining whether a person has committed a subsequent offense.

A person granted a conditional discharge may petition the court for an expungement of his records related to this offense and must pay a fee of \$350 if the offense has been heard in general sessions court or a fee of \$150 if the offense has been heard in a municipal or magistrate court. Fees collected must be remitted by the local jurisdiction to STO who will then transmit the funds to CPC for per capita apportionment to the 16 judicial circuits. The funds may only be used for drug treatment court programs and must not supplant existing funds used for this purpose. The bill also authorizes the State Auditor to conduct examinations of the financial records of local jurisdictions.

**Judicial.** This bill will have no expenditure impact for Judicial as it anticipates being able to manage any increased caseload due to this bill with existing staff and within existing appropriations.

**Office of the State Treasurer.** STO would collect the conditional discharge fee and transmit it to the CPC. The agency has indicated that this bill will require additional work in treasury management, as the new fee will need to be added to their systems. However, STO anticipates that this work can be managed with existing staff and resources. Therefore, this bill will have no expenditure impact for STO.

**Commission on Prosecution Coordination.** This bill requires CPC to distribute the funds collected to the 16 judicial circuits on a per capita basis equal to the population in that circuit compared to the population of the State as a whole based on the most recent official United States census. We anticipate CPC can manage this distribution with existing staff and within existing appropriations. We will update this fiscal impact if information to the contrary is provided.

**Office of the State Auditor.** SAO is responsible for investigating if funds are not being transmitted in a timely manner if requested to do so by STO. SAO expects to manage the responsibilities of this bill with existing staff and resources in their State Audit. Therefore, there will be no expenditure impact to the agency. SAO noted that although they currently do not expect any expenditure impact, if the agency is overloaded with work and does need to make use of an outside accounting firm, it would cost approximately \$25,000. This would be approximately the same cost as 0.25 FTE for an audit manager within the agency.

**State Law Enforcement Division.** This bill requires the court to forward a nonpublic record of the offense for which the person is receiving a conditional discharge to SLED. SLED must retain this record to be solely used by the court to determine whether a person commits a subsequent offense under the section. We anticipate SLED can manage this responsibility with existing staff and within existing appropriations. We will update this fiscal impact statement if SLED provides information to the contrary.

## State Revenue

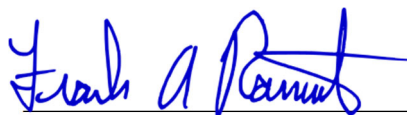
N/A

**Local Expenditure**

N/A

**Local Revenue**

This bill expands the number of offenses that are eligible for conditional discharge to include first offenses under Sections 61-4-50 and 61-6-4080. A person must pay a fee of \$350 or \$150, depending upon which court he is in before the dismissal of the case. The revenue from these fees will be distributed by CPC on a pro rata basis to the judicial circuits for drug treatment court programs. For information, CPC reports that the total amount of fees collected for conditional discharges under Sections 44-53-450 and 16-17-530 in FY 2022-23 was approximately \$506,000. CPC anticipates the revenue generated due to this bill will be less than the amount generated by the currently allowed conditional discharges. However, as the number of conditional discharges that will be granted due to this bill is unknown, the potential increase in local revenue to be used for drug treatment court programs is undetermined.



Frank A. Rainwater, Executive Director