



**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.*

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<b>Bill Number:</b>	H. 4649	Introduced on January 9, 2024
<b>Author:</b>	Bannister	
<b>Subject:</b>	Private Security Services in Public Schools	
<b>Requestor:</b>	House Education and Public Works	
<b>RFA Analyst(s):</b>	Bryant	
<b>Impact Date:</b>	March 7, 2024 - Updated for Additional Agency Response	

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### **Fiscal Impact Summary**

This bill provides that a public school district with more than 15,000 students may use security personnel who are armed or have been delegated arrest authority on the school premises if the district obtains a proprietary security business license from the State Law Enforcement Division (SLED). For reference, fifteen regular school districts and two charter school districts had more than 15,000 students in FY 2022-23.

This bill also requires SLED to implement certain training requirements for security personnel on school premises and specifies that school district security officers must be recertified every two years. The bill further specifies that school districts are not exempt from certain private security and investigative agency license requirements.

This bill will have no expenditure impact on the S.C. Department of Education (SCDE). The department indicates it will manage the provisions of the bill with existing appropriations.

The Governor's School for the Arts and Humanities, the Governor's School for Science and Mathematics, the School for the Deaf and Blind, and the Wil Lou Gray Opportunity School indicate that they can manage the provisions of the bill with existing appropriations. Based upon these responses, we do not anticipate that this bill will have an expenditure impact on the Governor's School for Agriculture at John de la Howe. We will update this impact statement if the agency provides a different response.

SLED indicates that this bill will increase the agency's expenses by \$108,800 in FY 2024-25. Of this amount, \$100,800 is for 2.0 additional FTEs to manage the increase in applications for proprietary security business licenses from qualifying school districts, and \$2,000 is for training and travel costs. The remaining \$6,000 is for one-time equipment costs for the new FTEs. Expenses will decrease to \$102,800 each year thereafter for the FTEs and training and travel costs. SLED reports that the agency will request a General Fund appropriation increase to fund the expenses.

This bill may increase Other Funds revenue of SLED by an undetermined amount due to the potential increase in proprietary security business license fees collected by the agency. SLED

reports that the cost of a proprietary security business license fee is \$350. The total amount will depend upon the number of districts that obtain a proprietary security business license.

The overall expenditure impact of this bill on the local school districts will vary. SCDE surveyed the seventy-three regular school districts and three charter school districts and received responses from twenty-two districts. Twenty of the responding districts indicate that the bill will have no expenditure impact. The remaining two districts indicate that if they choose to use security personnel who are armed or have been delegated arrest authority on the school premises, this will increase expenses by an amount ranging from \$2,735 to \$20,000 to obtain a proprietary security business license, hire security officers, provide for SLED training and recertification, and purchase equipment.

*This impact statement has been updated to include a response from SCDE.*

## **Explanation of Fiscal Impact**

**Updated for Additional Agency Response on March 7, 2024**

**Introduced on January 9, 2024**

### **State Expenditure**

This bill provides that a public school district with more than 15,000 students may use security personnel who are armed or have been delegated arrest authority on the school premises if the district obtains a proprietary security business license from SLED. For reference, fifteen regular school districts and two charter school districts had more than 15,000 students in FY 2022-23. School districts remain obligated to use school resource officers as otherwise provided by law.

This bill also requires SLED to implement certain training requirements for security personnel on school premises and specifies that school district security officers must be recertified every two years. The bill further specifies that school districts are not exempt from certain private security and investigative agency license requirements specified in Title 40, Chapter 18.

**S.C. Department of Education.** This bill will have no expenditure impact on SCDE. The department indicates it will manage the provisions of the bill with existing appropriations. *This section of the impact statement has been updated to include a response from SCDE.*

**State Agency Schools.** The Governor's School for the Arts and Humanities, the Governor's School for Science and Mathematics, the School for the Deaf and Blind, and the Wil Lou Gray Opportunity School indicate that they can manage the provisions of the bill with existing appropriations. Based upon these responses, we do not anticipate that this bill will have an expenditure impact on the Governor's School for Agriculture at John de la Howe. We will update this impact statement if the agency provides a different response.

**State Law Enforcement Division.** SLED indicates that this bill will increase the agency's expenses by \$108,800 in FY 2024-25. Of this amount, \$100,800 is for 2.0 additional FTEs to manage the increase in applications for proprietary security business licenses from qualifying school districts, and \$2,000 is for training and travel costs. The remaining \$6,000 is for one-time

equipment costs for the new FTEs. Expenses will decrease to \$102,800 each year thereafter for the FTEs and training and travel costs. SLED reports that the agency will request a General Fund appropriation increase to fund the expenses.

### **State Revenue**

This bill provides that a public school district with more than 15,000 students may use certain security personnel on the school premises if the district obtains a propriety security business license from SLED. The bill also requires school district security officers to be recertified by SLED every two years.

This bill may increase Other Funds revenue of SLED by an undetermined amount due to the potential increase in propriety security business license fees and security officer registration certificate fees collected by the agency. SLED reports that the cost of a propriety security business license fee is \$350. The total amount will depend upon the number of districts that obtain a proprietary security business license and the number of security officers requiring recertification each year.

### **Local Expenditure**

This bill provides that a public school district with more than 15,000 students may use security personnel who are armed or have been delegated arrest authority on the school premises if the district obtains a proprietary security business license from SLED. For reference, fifteen regular school districts and two charter school districts had more than 15,000 students in FY 2022-23.

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two years. The bill further specifies that school districts are not exempt from certain private security and investigative agency license requirements specified in Title 40, Chapter 18.

**S.C. Department of Education.** The expenditure impact of this bill on SCDE is pending, contingent upon a response.

**State Agency Schools.** The Governor’s School for the Arts and Humanities, the Governor’s School for Science and Mathematics, the School for the Deaf and Blind, and the Wil Lou Gray Opportunity School indicate that they can manage the provisions of the bill with existing appropriations. Based upon these responses, we do not anticipate that this bill will have an expenditure impact on the Governor’s School for Agriculture at John de la Howe. We will update this impact statement if the agency provides a different response.

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**Local Revenue**

N/A



Frank A. Rainwater, Executive Director