



**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>	S. 0576	Amended by Senate Judiciary on March 14, 2023
<b>Author:</b>	Massey	
<b>Subject:</b>	Alien Ownership of Real Property	
<b>Requestor:</b>	Senate Judiciary	
<b>RFA Analyst(s):</b>	Miller	
<b>Impact Date:</b>	March 20, 2023	

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### **Fiscal Impact Summary**

This amended bill establishes that no corporation controlled by a foreign adversary, as defined by this bill, may acquire any interest in real property within the state. This bill clarifies that the limitation does not apply to a citizen of a foreign adversary if this citizen is also a citizen of the United States or resides in the United States and possesses a valid green card and acquires no more than 5 acres for residential or recreational purposes or no more than five parcels of land that do not cumulatively exceed 25 acres for commercial use.

Commerce also anticipates this bill may impact economic development for the state for both future projects and existing companies. This bill may limit the potential growth of many existing companies and influence the decision of several prospective projects considering locating in the state.

The Revenue and Fiscal Affairs Office (RFA) anticipates this bill will have no expenditure impact on local governments, as this bill does not modify existing recording requirements for the record of deeds office.

### **Explanation of Fiscal Impact**

#### **Amended by Senate Judiciary on March 14, 2023**

##### **State Expenditure**

This amended bill establishes that no corporation controlled by a foreign adversary, as defined by this bill, may acquire any interest in real property within the state. This bill clarifies that the limitation does not apply to a citizen of a foreign adversary if this citizen is also a citizen of the United States or resides in the United States and possesses a valid green card and acquires no more than 5 acres for residential or recreational purposes or no more than five parcels of land that do not cumulatively exceed 25 acres for commercial use.

The Department of Commerce anticipates it will need to evaluate the ownership and control of companies seeking to invest in the state. Assuming Commerce evaluates one company per month, at an average cost of \$12,500, this bill will increase Other Fund expenditures for Commerce by \$150,000 beginning in FY 2023-24.

**State Revenue**

This bill specifies that no corporation controlled by a foreign adversary, as defined by this bill, may acquire any interest in real property within the state.

Commerce anticipates this bill may impact economic development for the state for both future projects and existing companies. This bill may limit the potential growth of many existing companies and influence the decision of several prospective projects considering locating in the state.

**Local Expenditure**

RFA anticipates this bill will have no expenditure impact on local governments, as this bill does not modify existing recording requirements for the record of deeds office.

**Local Revenue**

N/A

**Introduced on February 28, 2023****State Expenditure**

This bill limits the amount of property an alien or a corporation controlled by aliens can own in the state to 1,000 acres. Currently, the amount of property an alien or a corporation controlled by aliens can own in the state is limited to 500,000 acres. This limit will not apply to any land purchased prior to June 30, 2023.

Additionally, no corporation controlled by a foreign adversary, as defined by this bill, may acquire any interest in real property within the state.

The Department of Commerce anticipates it will need to evaluate the ownership and control of companies seeking to invest in the state. Assuming Commerce evaluates one company per month, at an average cost of \$12,500, this bill will increase Other Fund expenditures for Commerce by \$150,000 beginning in FY 2023-24.

**State Revenue**

This bill reduces the amount of property an alien or a corporation controlled by aliens can own in the state from 500,000 to 1,000 acres. Additionally, no corporation controlled by a foreign adversary, as defined by this bill, may acquire any interest in real property within the state. This limit will not apply to any land purchased prior to June 30, 2023.

Commerce anticipates this bill may impact economic development for the state for both future projects and existing companies. This bill may limit the potential growth of many existing companies and influence the decision of several prospective projects considering locating in the state.

**Local Expenditure**

RFA contacted all counties to determine the potential expenditure impact this bill may have on local governments. We received a response from the counties of Dorchester and Kershaw. Both

counties anticipate this bill will have no expenditure impact. Based on these responses, RFA anticipates this bill will have no expenditure impact on local governments.

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director