



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. 3408 Introduced on January 14, 2025
Subject: Foreign Ownership of Real Estate
Requestor: House Judiciary
RFA Analyst(s): Bryant
Impact Date: March 23, 2026

Fiscal Impact Summary

This bill provides that any company or development owned or controlled by a company that is owned, in whole or in part, or is a subsidiary of, a company that is owned by any United States-declared foreign adversary or whose principal place of business is located within a foreign adversary may not own, lease, possess, or exercise any control over any real estate in this State. The bill specifies that any acquisition of any interest in real estate in violation of this bill is void, and title to such interest is considered to be vested as of the date of the acquisition in the name of this State without any payment of consideration of any kind by the State. Additionally, if an interest in real estate has been acquired in violation of this bill, a county, city, or town attorney for the locality in which the real estate is located, the Attorney General, or any non-foreign adversary person that was a party to the void transaction or is a subsequent holder of such interest may file an action to eject the foreign adversary from possession, to quiet title to such property, or for any other appropriate action to ratify the nullification of the transaction.

This bill may result in an increase in the number of civil cases heard in court. However, the number of civil cases that will be filed as a result of the bill is unknown. Judicial anticipates that it will manage any increased expenditures related to the bill with existing appropriations, but if the bill results in a significant increase in expenditures, Judicial will request an increase in General Fund appropriations.

This bill will have no expenditure impact on the Department of Commerce (Commerce) or the Office of the Attorney General. The agencies indicate that they can manage the provisions of the bill with existing appropriations.

Commerce anticipates that this bill may impact economic development for the state, as there are existing companies in the state that may want to expand but may be limited by the bill. The provisions of the bill may also influence the decision of prospective projects considering locating in the state. However, Commerce indicates that any potential impact cannot be quantified and is, therefore, undetermined.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill provides that any company or development owned or controlled by a company that is owned, in whole or in part, or is a subsidiary of, a company that is owned by any United States-declared foreign adversary including, but not limited to, the People's Republic of China, the Chinese Communist Party, the Russian Federation, Iran, or North Korea, or whose principal place of business is located within a foreign adversary may not own, lease, possess, or exercise any control over any real estate in this State. The bill specifies that any acquisition of any interest in real estate in violation of this bill is void, and title to such interest is considered to be vested as of the date of the acquisition in the name of this State without any payment of consideration of any kind by the State. Additionally, if an interest in real estate has been acquired in violation of this bill, a county, city, or town attorney for the locality in which the real estate is located, the Attorney General, or any non-foreign adversary person that was a party to the void transaction or is a subsequent holder of such interest may file an action to eject the foreign adversary from possession, to quiet title to such property, or for any other appropriate action to ratify the nullification of the transaction.

Judicial. This bill may result in an increase in the number of civil cases heard in court. However, the number of civil cases that will be filed as a result of the bill is unknown. Judicial anticipates that it will manage any increased expenditures related to the bill with existing appropriations, but if the bill results in a significant increase in expenditures, Judicial will request an increase in General Fund appropriations.

Department of Commerce. This bill will have no expenditure impact on the Department of Commerce. The department indicates that it will manage the provisions of the bill with existing appropriations.

Office of the Attorney General. This bill will have no expenditure impact on the Office of the Attorney General. The Office of the Attorney General indicates that it will manage the provisions of the bill with existing appropriations.

State Revenue

This bill provides that any company or development owned or controlled by a company that is owned, in whole or in part, or is a subsidiary of, a company that is owned by any United States-declared foreign adversary or whose principal place of business is located within a foreign adversary may not own, lease, possess, or exercise any control over any real estate in this State.

Commerce anticipates that this bill may impact economic development for the state, as there are existing companies in the state that may want to expand but may be limited by the bill. The provisions of the bill may also influence the decision of prospective projects considering locating in the state. However, Commerce indicates that any potential impact cannot be quantified and is, therefore, undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director