



# 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. 3523	Introduced on January 14, 2025
<b>Subject:</b>	Organized Retail Crime	
<b>Requestor:</b>	House Judiciary	
<b>RFA Analyst(s):</b>	Vesely	
<b>Impact Date:</b>	January 29, 2025	

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### Fiscal Impact Summary

This bill adds the unlawful acquisition of merchandise credit to retail theft offenses, expands the existing penalty schedule for retail theft such that first offense penalties may now be felony offenses that are based on the value of the theft, modifies the penalty for a second or subsequent offense of retail theft, and creates a new offense for organized retail theft of an aggravated nature and establishes an associated penalty schedule.

This bill may result in an increase in the number of circuit court cases and potentially the number of incarcerations, which may increase the workload of the court system and the Commission of Indigent Defense, the Commission on Prosecution Coordination, the Department of Corrections, and the Department of Probation, Parole, and Pardon Services. The potential increase in expenses for each agency will depend upon the increase in the number of cases and number of incarcerations. These agencies anticipate that the potential increase in caseload can be managed within existing appropriations. For information, according to Corrections, in FY 2023-24, the annual total cost per inmate was \$40,429, of which \$36,553 was state funded.

As this bill creates new offenses, this may result in an increase of General Fund, Other Funds, and local fine revenue. However, as the number of such offenses and the resulting fines and fees that might occur in a given year is unknown, the revenue impact is undetermined.

### Explanation of Fiscal Impact

#### Introduced on January 14, 2025

#### State Expenditure

This bill provides that the following offenses are unlawful misdemeanor or felony offenses for retail theft:

- Committing theft of retail property (to now include merchandise credit) from a retail establishment in a value exceeding \$2,000, aggregated over a 90-day period when the offender has the intent to cause the property to be placed in the control of a retail property fence or other person for consideration; and

- Conspiring with another person to commit theft of retail property (to now include merchandise credit) from a retail establishment in a value exceeding \$2,000, aggregated over a 90-day period, when the offender has the intent to cause the property to be placed in the control of a retail property fence or other person for consideration; or illegally or fraudulently obtain confidential data or consumer personally identifiable information for the purpose of converting it into financial gain.

The bill also provides that any property, funds, or interest a person has acquired or maintained in violation of these provisions are subject to forfeiture and modifies the penalty schedules for retail theft including fines and imprisonment.

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#### **State Revenue**

This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, the Revenue and Fiscal Affairs Office (RFA) anticipates this bill may result a change to General Fund and Other Funds revenue due to the change in fines and fees collections in court.

#### **Local Expenditure**

N/A

#### **Local Revenue**

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Frank A. Rainwater, Executive Director