



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. 4641 Introduced on January 13, 2026
Subject: Kratom
Requestor: House Judiciary
RFA Analyst(s): Welsh
Impact Date: April 15, 2026

Fiscal Impact Summary

This bill classifies kratom as a Schedule I controlled substance under Section 44-53-190. Manufacturing, distributing, or possessing of a Schedule I controlled substance is a felony. This bill also repeals Article 20, Chapter 53, Title 44 titled the South Carolina Kratom Consumer Protection Act.

This bill will have no expenditure impact on the Department of Public Health (DPH) or the South Carolina Law Enforcement Division (SLED). DPH notes this bill will not fiscally or operationally impact the agency. Additionally SLED anticipates any additional responsibilities can be managed within existing appropriations.

This bill may result in an increase in the number of civil or criminal cases and potentially the number of incarcerations, due to the addition of kratom to the list of Schedule I controlled substances, which may increase the workload of the circuit court and the Commission of Indigent Defense (CID), the Department of Probation, Parole and Pardon Services (PPP), the Commission on Prosecution Coordination (CPC), and the Department of Corrections (Corrections). Judicial anticipates that the potential impact of the caseload in circuit court can be managed within existing appropriations. Additionally, 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. However, if the bill has an unanticipated impact on caseloads or downstream expenses, Judicial and these agencies will request an increase in General Fund appropriations. For information, according to Corrections, in FY 2024-25, the annual total cost per inmate was \$37,503, of which \$35,696 was state funded.

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, RFA anticipates this bill may result in a change to General Fund, Other Funds, and local revenue due to the change in fines and fees collections in court.

Explanation of Fiscal Impact

Introduced on January 13, 2026

State Expenditure

This bill classifies kratom as a Schedule I controlled substance under Section 44-53-190. Manufacturing, distributing, or possessing of a Schedule I controlled substance is a felony. This bill also repeals Article 20, Chapter 53, Title 44 titled the South Carolina Kratom Consumer Protection Act.

This bill will have no expenditure impact on DPH or SLED. DPH notes this bill will not fiscally or operationally impact the agency. Additionally SLED anticipates any additional responsibilities can be managed within existing appropriations.

This bill may result in an increase in the number of civil or criminal cases and potentially the number of incarcerations, due to the addition of kratom to the list of Schedule I controlled substances, which may increase the workload of the circuit court and the CID, PPP, CPC, and Corrections. Judicial anticipates that the potential impact of the caseload in circuit court can be managed within existing appropriations. Additionally, 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. However, if the bill has an unanticipated impact on caseloads or downstream expenses, Judicial and these agencies will request an increase in General Fund appropriations. For information, according to Corrections, in FY 2024-25, the annual total cost per inmate was \$37,503, of which \$35,696 was state funded.

State Revenue

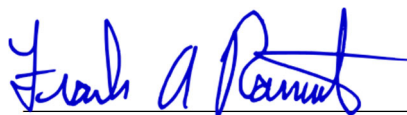
This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in a change to General Fund and Other Funds revenue due to the change in fines and fees collections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

Local Expenditure

N/A

Local Revenue

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, RFA anticipates this bill may result in change to local revenue due to the change in fines and fees collections in court.



Frank A. Rainwater, Executive Director