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. 5401	Introduced on March 24, 2026
Subject:	Electronic Monitoring	
Requestor:	House Judiciary	
RFA Analyst(s):	Gardner	
Impact Date:	April 13, 2026	

Fiscal Impact Summary

This bill creates new misdemeanor and felony penalties for the unlawful operation of an electronic monitoring company.

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 (CID), the Commission on Prosecution Coordination (CPC), the Department of Corrections (Corrections), and the Department of Probation, Parole and Pardon (PPP). However, there are no data available to determine the increase caseload and number of incarcerations. Judicial anticipates that the potential impact of the caseload in court can be managed within existing appropriations, unless this bill results in a significant increase in expense. Additionally, the potential increase in expenses for each agency will depend upon the increase in the number of cases and number of incarcerations. Judicial and these agencies indicate that if this bill results in a significant increase in the workload, then an increase in General Fund appropriations may be requested. 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, Revenue and Fiscal Affairs (RFA) anticipates this bill may result in a change to the General Fund, Other Funds, and local revenue due to the change in fines and fees collections in court.

Explanation of Fiscal Impact

Introduced on March 24, 2026
State Expenditure
This bill creates new misdemeanor and felony penalties for the unlawful operation of an electronic monitoring company. A person or entity that knowingly operates such company when it is not licensed by SLED is guilty of a misdemeanor, while a person or entity that knowingly misrepresents being SLED-certified whereby an economic benefit results is guilty of a misdemeanor for a first offense whereby the benefit received is not more than $10,000, a felony for a first offense whereby the benefit received is $10,000 or more but not more than $50,000, or a felony for a second or subsequent offense no matter the economic benefit received. A defendant who receives notice that he is not being electronically monitored by a SLED-certified

company must notify the court and obtain proof that he is being monitored by a SLED-certified company; failure to do so may subject the defendant to sanctions by the court. The bill also prohibits bondsmen and bonding companies from knowingly contracting with or using the services of a non-certified electronic monitoring company.

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 CID, CPC, Corrections, and PPP. However, there are no data available to determine the increase caseload and number of incarcerations. Judicial anticipates that the potential impact of the caseload in court can be managed within existing appropriations, unless this bill results in a significant increase in expense. Additionally, the potential increase in expenses for each agency will depend upon the increase in the number of cases and number of incarcerations. Judicial and these agencies indicate that if this bill results in a significant increase in the workload, then an increase in General Fund appropriations may be requested. 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 the 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 a change to local revenue due to the change in fines and fees collections in court.

Frank A Rainwater

Frank A. Rainwater, Executive Director