



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:	S. 0060	Introduced on January 14, 2025
Subject:	Local Entity Secured Deposits	
Requestor:	Senate Banking and Insurance	
RFA Analyst(s):	Vesely and Bryant	
Impact Date:	March 24, 2025	

Fiscal Impact Summary

This bill allows local entities, which include municipalities, counties, school districts, and other local government unit or political subdivisions, to deposit funds in credit unions so long as they are secured by the National Credit Union Share Insurance Fund or other deposit insurance. This bill also allows local entities that are currently only allowed to deposit funds in insured banks, savings and loans, savings banks, or chartered savings institutions, to now utilize credit unions.

The State Treasurer's Office (STO) indicates that this bill will have minimal to no impact on the agency since the provisions of the bill can be managed with existing staff and resources. Therefore, this bill will have no fiscal impact on STO.

The Revenue and Fiscal Affairs Office (RFA) contacted all forty-six counties and the Municipal Association of South Carolina (MASC) regarding the fiscal impact of this bill. Sumter County indicates that this bill will have no fiscal impact on the county. MASC indicates that this bill may lower expenditures for municipalities by allowing them to use a nearby credit union instead of travelling farther to one of the financial institutions that are currently allowed to carry local entity deposits. MASC additionally indicates that credit unions may offer more favorable terms to local entities than other financial institutions. However, the fiscal impact on municipal governments is undetermined as the amount of savings that may occur is unknown.

The South Carolina Department of Education (SCDE) surveyed the seventy-two regular school districts and the three charter school districts regarding the fiscal impact of this bill and received responses from fourteen districts. All fourteen responding districts indicate that the bill will have no impact on expenditures.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

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State Revenue

N/A

Local Expenditure

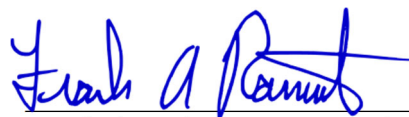
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Local Revenue

N/A



Frank A. Rainwater, Executive Director