



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

WWW.RFA.SC.GOV • (803)734-3793

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. 0106 Introduced on January 14, 2025
Subject: Limitation on Alien Land Ownership
Requestor: Senate Judiciary
RFA Analyst(s): Manic
Impact Date: February 11, 2025

Fiscal Impact Summary

This bill changes the limit on the amount of property an alien or a corporation controlled by aliens can own in the state from 500,000 to 100,000 acres.

The Department of Commerce (Commerce) indicates that the bill will have no expenditure impact on the agency. Commerce specifies that it has engaged the SC State Law Enforcement Division (SLED) to perform the due diligence on prospective foreign companies seeking incentives for economic activity in the state to determine whether they are owned by foreign adversaries at no charge.

SLED indicates that the bill will have no expenditure impact as the agency will be able to manage the additional workload with existing staff and appropriations.

Commerce anticipates this bill may impact economic development for the state for both future projects and existing companies. This bill may limit the potential growth of many existing companies and influence the decision of several prospective projects considering locating in the state, which may have an adverse effect on future tax revenues.

The Revenue and Fiscal Affairs Office (RFA) has previously contacted all counties to determine the potential expenditure impact similar legislation may have on local governments. We received a response from the counties of Dorchester and Kershaw. Both counties indicated this bill will have no expenditure impact. Based on these responses, RFA anticipates this bill will have no expenditure impact on local governments.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill changes the limit on the amount of property an alien or a corporation controlled by aliens can own in the state from 500,000 to 100,000 acres.

Commerce indicates that the bill will have no expenditure impact as the agency has engaged SLED free of charge to determine whether foreign companies seeking incentives for economic

activity in South Carolina are owned by foreign adversaries. Also, the agency indicates that it is not involved in the acquisition of land and that the bill does not specify that Commerce is required to provide due diligence on foreign companies acquiring an interest in real property or land.

SLED has confirmed that the bill will have no expenditure impact on the agency as it will be able to manage the additional workload with existing staff and appropriations.

State Revenue

This bill limits the amount of property an alien or a corporation controlled by aliens can own in the state to 100,000 acres. Commerce indicates that this bill may impact economic development for the state for both future projects and existing companies. This bill may limit the potential growth of many existing companies and influence the decision of several prospective projects considering locating in the state.

Local Expenditure

RFA has previously contacted all counties to determine the potential expenditure impact similar legislation may have on local governments. We received a response from the counties of Dorchester and Kershaw. Both counties indicated this bill will have no expenditure impact. Based on these responses, RFA anticipates this bill will have no expenditure impact on local governments.

Local Revenue

N/A



Frank A. Rainwater, Executive Director