



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. 0116 Introduced on January 14, 2025
Subject: Multi Family Dwellings
Requestor: Senate Judiciary
RFA Analyst(s): Welsh
Impact Date: April 13, 2026

Fiscal Impact Summary

This bill establishes the Multifamily Dwelling Safety Act. This bill requires the Department of Labor, Licensing, and Regulation (LLR) to promulgate regulations adopting a Multifamily Dwelling Balcony Code to set standards for balcony railings constructed of wood in certain dwellings within six months of the bill's effective date. This bill also establishes the process of inspecting balcony railings by enumerating the qualifications for individuals conducting inspections, requiring advance notice of inspections, and requiring notice of compliance or required corrections to deficiencies. Additionally, this bill creates a process for applying for waivers of applicability of the Multifamily Dwelling Balcony Code. Violations are punishable as a misdemeanor with each violation resulting in imprisonment not exceeding thirty days, a fine not exceeding \$500 for each day the violation exists, or both. Further, the bill directs LLR to charge a fee, set in regulation, to cover the cost of performing the inspection.

Judicial anticipates this bill may result in an increase in the number of cases in local courts, which may increase the workload of the court system and downstream expenses such as court interpreting. Judicial anticipates the increased expenses can be initially managed within existing appropriations. However, Judicial indicated that if the increase in the caseload and corresponding downstream expenses is significant, it will request additional General Fund appropriations.

The expenditure impact of this bill on LLR is pending, as the agency is continuing to analyze the impact of the bill.

The Revenue and Fiscal Affairs Office (RFA) contacted all counties in the state and the Municipal Association of South Carolina (MASC) to determine the potential expenditure impact this bill may have on local governments. We received a response from Charleston County, Clarendon County, Dorchester County, Florence County, Horry County, and MASC. Charleston, Clarendon, Dorchester, Florence, and Horry Counties indicate that the bill will have no expenditure impact. MASC anticipates this bill may have an expenditure impact on municipalities for training building code officials and for potential litigation costs due to the post-construction waiver process should a balcony collapse after a waiver is granted.

This bill may impact revenue collected by LLR for fees from inspections. However, as the number of inspections that will occur and the amount of the fee is unknown, the potential Other Funds revenue impact on LLR is undetermined.

This bill may result in an increase in the number of local court cases and potentially the number of incarcerations, which may increase the workload of the court system and local jails. The potential increase in expenses will depend upon the increase in the number of cases and number of incarcerations. Judicial anticipates that the potential increase in caseload can be managed within existing appropriations. The potential increase in expenses for local jails will depend upon the increase in the number of cases and number of incarcerations.

This bill may result in a change in the fines and fees collected in court due to the potential increase in the caseload 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 revenue, Other Funds revenue, and local revenue due to the change in fines and fees collections in court.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill establishes the Multifamily Dwelling Safety Act. This bill requires LLR to promulgate regulations adopting a Multifamily Dwelling Balcony Code to set standards for balcony railings constructed of wood in certain dwellings. The bill also specifies that such balcony railings must be inspected at least once every five years, beginning no later than ten years after the balcony is constructed, and initial inspections of balcony railings in existence on the effective date of this bill must be done within five years after the effective date of the bill. Additionally, this bill establishes the process of inspecting balcony railings by enumerating the qualifications for individuals conducting inspections, requiring advance notice of inspections, and requiring notice of compliance or required corrections to deficiencies. Further, this bill creates a process for applying for waivers of applicability of the Multifamily Dwelling Balcony Code. Violations are punishable as a misdemeanor with each violation resulting in imprisonment not exceeding thirty days, a fine not exceeding \$500 for each day the violation exists, or both.

Judicial anticipates this bill may result in an increase in the number of cases in local courts, which may increase the workload of the court system and downstream expenses such as court interpreting. Judicial anticipates the increased expenses can be initially managed within existing appropriations. However, Judicial indicated that if the increase in the caseload and corresponding downstream expenses is significant, it will request additional General Fund appropriations.

The expenditure impact of this bill on LLR is pending, as the agency is continuing to analyze the impact of the bill.

State Revenue

This bill allows LLR to charge a property owner a fee for inspections made to enforce the Multifamily Dwelling Balcony Code. The amount of the fee must be determined by LLR through regulation but must be sufficient to cover the cost of performing the inspection. Therefore, this bill may impact revenue collected by LLR for fees from inspections. However, as the number of

inspections that will occur and the amount of the fee is unknown, the potential impact on LLR's Other Funds revenue is undetermined.

This bill may result in a change in the fines and fees collected in court due to the potential increase in the caseload 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 revenue and Other Funds revenue due to the change in fines and fees collections in court.

Local Expenditure

This bill establishes the Multifamily Dwelling Safety Act. This bill requires LLR to promulgate regulations adopting a Multifamily Dwelling Balcony Code to set standards for balcony railings constructed of wood in certain dwellings. Additionally, the bill creates a new misdemeanor that is punishable by imprisonment not exceeding thirty days, a fine not exceeding \$500 for each day the violation exists, or both. RFA contacted all counties in the state and MASC to determine the potential expenditure impact this bill may have for local governments. We received a response from Charleston County, Clarendon County, Dorchester County, Florence County, Horry County, and MASC. Charleston, Clarendon, Dorchester, Florence, and Horry Counties indicate that the bill will have no expenditure impact. MASC anticipates this bill may have an expenditure impact on municipalities for training building code officials and for potential litigation costs due to the post-construction waiver process should a balcony collapse after a waiver is granted.

This bill may result in an increase in the number of local court cases and potentially the number of incarcerations, which may increase the workload of the court system and local jails. The potential increase in expenses will depend upon the increase in the number of cases and number of incarcerations. Judicial anticipates that the potential increase in caseload can be managed within existing appropriations. The potential increase in expenses for local jails will depend upon the increase in the number of cases and number of incarcerations.

Local Revenue

This bill may result in a change in the fines and fees collected in court due to the potential increase in the caseload 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, Executive Director