



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. 0347	Introduced on February 13, 2025
Subject:	Commercial Financing Disclosure	
Requestor:	Senate Labor, Commerce, and Industry	
RFA Analyst(s):	Vesely	
Impact Date:	March 24, 2025	

Fiscal Impact Summary

This bill requires a provider that consummates a commercial financing transaction to provide a written disclosure, with certain exceptions. This bill also makes advance broker fees and brokers making false or deceptive representation in their business relationships unlawful. The Attorney General (AG) is authorized to receive and act on complaints, take action designed to obtain voluntary compliance with the provisions of this chapter, and commence administrative or judicial proceedings to enforce compliance with this bill.

This bill will have no expenditure impact for the AG's Office as the agency anticipates that the responsibilities of this bill can be managed with existing staff and within existing appropriations.

This bill establishes fines for violations of the provisions of the bill. 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, the Revenue and Fiscal Affairs Office (RFA) anticipates this bill may result in a change to General Fund, Other Funds and local funds revenue due to the change in fines and fees collections in court.

Explanation of Fiscal Impact

Introduced on February 13, 2025

State Expenditure

This bill requires a provider that consummates a commercial financing transaction to provide a written disclosure, with certain exceptions. This bill also makes advance broker fees and brokers making false or deceptive representation in their business relationships unlawful. The AG is authorized to receive and act on complaints, take action designed to obtain voluntary compliance with the provisions of this chapter, and commence administrative or judicial proceedings to enforce compliance with this bill.

The AG's Office anticipates that the responsibilities of this bill can be managed with existing staff and within existing appropriations. Therefore, this bill will have no expenditure impact.

State Revenue

Violations of this chapter in transaction documentation or materials are punishable by a fine of \$500 for each incident not to exceed \$20,000 for all aggregated violations. Violations of this

chapter after receipt of written notice of a prior violation from the AG are punishable by a fine of up to \$1,000 for each incident to not exceed \$50,000 for all aggregated violations. 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 a change to local revenue due to the change in fines and fees collections in court.



Frank A. Rainwater, Executive Director