

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

<u>www.rfa.sc.gov</u> • (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. 0374 Introduced on February 25, 2025

Subject: Department of Juvenile Justice Requestor: Senate Corrections and Penology

RFA Analyst(s): Gardner

Impact Date: March 13, 2025

Fiscal Impact Summary

This bill requires the Department of Juvenile Justice (DJJ) to enter into intergovernmental agreements outlining per diem and invoice costs with counties and municipalities that use the agency's services for correctional institutional services for juveniles. DJJ may deny admission to youths from counties and municipalities that are delinquent in their payment of per diem rates. The bill also removes specific references to per diem amounts paid to DJJ by local governments in §63-19-1610 and §14-1-208(C)(11).

The fiscal impact of this bill is pending, contingent upon a response from the DJJ.

The Revenue and Fiscal Affairs Office (RFA) surveyed the counties and the Municipal Association of South Carolina (MASC) to determine the local fiscal impact of the bill. RFA received responses from MASC, Beaufort County, Dorchester County, and Horry County. MASC indicated that it is unclear how municipalities would house a juvenile until a resolution is reached with DJJ. MASC also expressed concern over other liability issues if a juvenile is not properly held in custody. Each responding county noted that if the new daily per diem amount exceeds the current rates, it will increase local expenses. Therefore, the local expenditure impact is undetermined as it will depend upon the new per diem rates, and admissions and demands.

Explanation of Fiscal Impact

Introduced on February 25, 2025 State Expenditure

This bill requires DJJ to enter into intergovernmental agreements outlining per diem costs and the invoice process with counties or municipalities who use the agency's detention services for the provision of correctional institutional services for juveniles. The bill also authorizes DJJ to deny admission to youths from counties and municipalities that are delinquent in their payment of per diem rates. The bill also removes specific references to per diem amounts paid to DJJ by local governments in §63-19-1610 and §14-1-208(C)(11).

The fiscal impact of this bill is pending, contingent upon a response from the DJJ.

State Revenue

This bill requires DJJ to enter into intergovernmental agreements outlining per diem costs and the invoice process with counties or municipalities who use the agency's detention services for the provision of correctional institutional services for juveniles.

The fiscal impact of this bill is pending, contingent upon a response from the DJJ.

Local Expenditure

This bill requires DJJ to enter into intergovernmental agreements outlining per diem costs and the invoice process with counties or municipalities who use the agency's detention services for the provision of correctional institutional services for juveniles.

RFA surveyed counties and MASC to determine the local fiscal impact that may result from passage of the bill. RFA received responses from MASC, Beaufort County, Dorchester County, and Horry County. MASC indicated that if a juvenile offender is released from custody due to rejection by DJJ over a per diem payment issue may result in other concerns for local governments. Beaufort County reported the bill may increase the amount the county pays in per diem to DJJ. Dorchester County and Horry County both noted that it currently pays \$50 per day to DJJ for detention of a juvenile offender. Dorchester County indicated this bill may increase the daily per diem amount, depending upon the agreement with DJJ. Horry County reported that in FY 23-24, the county spent a total of \$44,375 in DJJ per diem costs. Horry County also indicated that its per diem costs may increase due to the bill. However, the local expenditure impact will depend upon the negotiated per diem amount and the number of DJJ admission denials. Therefore, the local expenditure impact is undetermined as it will depend upon the new per diem rates and, admissions and demands.

Local Revenue

N/A

Frank A. Rainwater, Executive Director