



# 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.*

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**Bill Number:** S. 0695      Introduced on January 13, 2026  
**Subject:** Unauthorized Fees for Claim Assistance  
**Requestor:** Senate Family and Veterans Services  
**RFA Analyst(s):** Boggs  
**Impact Date:** February 5, 2026 - Updated for Additional Agency Response

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### Fiscal Impact Summary

This bill prohibits any person from receiving compensation for preparing, advising, presenting, or prosecuting a claim for any individual regarding any veterans' benefits matter, except as permitted under federal law, or receiving compensation for referring any individual to another person for those actions regarding any veterans' benefits matter.

The bill creates a new misdemeanor for violations punishable by a fine of not more than \$1,000, imprisonment for not more than 30 days, or both for each separate offense. Further, this bill allows any individuals who suffer any ascertainable loss of money or property as a result of a person violating these provisions to bring an action to recover under the South Carolina Unfair Trade Practices Act. The Attorney General (AG) is permitted to bring an action against a person believed to be in violation of the provisions in the bill. In these cases, the court may also award civil penalties, which shall be deposited into the State's Veterans Trust Fund.

This bill may result in an increase in the number of civil or criminal cases, due to the newly created offenses, which may increase the workload of the court system, the Commission on Prosecution Coordination (CPC), and the Commission on Indigent Defense (CID). The potential increase in expenses will depend upon the increase in the number of cases. CPC and CID anticipate that the potential increase in caseload can be managed within existing appropriations. Judicial anticipates that the potential impact of the caseload in circuit court can be managed within existing appropriations. However, if the bill has an unanticipated impact on caseloads or downstream expenses, Judicial, CPC, and CID will request an increase in General Fund appropriations.

This bill will have no expenditure impact on the AG or the Department of Veterans' Affairs (VA), as the provisions of this bill can be managed with existing staff and appropriations.

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

RFA contacted all forty-six counties and the Municipal Association of South Carolina (MASC) regarding this legislation and received responses from the counties of Beaufort, Charleston,

Dorchester, Florence, Horry, Lancaster, and MASC. These counties indicate that the bill will either have no expenditure impact or that the impact will be minimal, if any. MASC indicates that violations under this bill are not eligible for hearings in municipal court. Therefore, this bill will have no impact on municipalities.

*This fiscal impact statement has been updated to include a response from CID.*

## **Explanation of Fiscal Impact**

**Updated for Additional Agency Response on February 5, 2026**

**Introduced on January 13, 2026**

### **State Expenditure**

This bill prohibits any person from receiving compensation for preparing, advising, presenting, or prosecuting a claim for any individual regarding any veterans' benefits matter, except as permitted under federal law, or receiving compensation for referring any individual to another person for those actions regarding any veterans' benefits matter.

Under this bill, any person violating the provisions of this article shall be deemed guilty of a misdemeanor and upon conviction shall be fined not more than \$1,000, be imprisoned for not more than 30 days, or both for each separate offense. Further, this bill allows any individuals who suffer any ascertainable loss of money or property, real or personal, as a result of a person violating these provisions to bring an action to recover under the South Carolina Unfair Trade Practices Act.

Under this bill, if the AG has reasonable cause to believe that any person is violating the provisions of this article, and that proceedings would be in the public interest, he may bring an action in the name of the State against such person to restrain such activity by temporary restraining order, temporary injunction, or permanent injunction. In these cases, the court may also award civil penalties, which shall be deposited into the State's Veterans Trust Fund.

This bill may result in an increase in the number of civil or criminal cases, due to the newly created offenses, which may increase the workload of the court system, CPC, and CID. As these are new offenses, there is no data to determine the number of new cases that may be heard in circuit court. CPC and CID anticipate that the potential increase in caseload can be managed within existing appropriations. Judicial anticipates that the potential impact of the caseload in circuit court can be managed within existing appropriations. However, if the bill has an unanticipated impact on caseloads or expenses, Judicial, CPC, and CID will request an increase in General Fund appropriations.

This bill will have no expenditure impact on the AG or the VA, as the provisions of this bill can be managed with existing staff and appropriations.

*This fiscal impact statement has been updated to include a response from CID.*

### **State Revenue**

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

### **Local Expenditure**

RFA contacted all forty-six counties and MASC regarding this legislation and received responses from the counties of Beaufort, Charleston, Dorchester, Florence, Horry, and Lancaster, and MASC. The counties of Beaufort, Dorchester, Florence, Horry, and Lancaster indicate that the bill will have no expenditure impact. Charleston County indicates that prohibition of unaccredited claims assistance may redirect more veterans to the Charleston County Veterans' Affairs Office. However, the county anticipates that any increase in costs will be minimal. MASC indicates that violations under this bill are not eligible for hearings in municipal court. Therefore, this bill will have no impact on municipalities.

### **Local Revenue**

This bill may result in a change in the fines and fees collected in court due to an 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.

Charleston County also indicates potential for a slight increase in local revenue through court costs associated with misdemeanor prosecutions, though this impact is anticipated to be minimal.



Frank A. Rainwater, Executive Director