



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. 0720	Introduced on January 13, 2026
Subject:	South Carolina Humane Dog Breeding Act	
Requestor:	Senate Agriculture and Natural Resources	
RFA Analyst(s):	Daigle and Gardner	
Impact Date:	January 20, 2026	

Fiscal Impact Summary

This bill establishes the Humane Dog Breeding Act, which creates a mandatory professional dog breeder license and a new statutory process regarding professional dog breeders. The Department of Agriculture shall promulgate regulations necessary to implement the Humane Dog Breeding Act, including but not limited to, application and renewal procedures, inspection protocols, standards of care, enforcement, and civil penalties. The agency is also responsible for maintaining this information and other documentation on their website. In addition, before the Department of Agriculture may issue an initial professional dog breeder license, the chief law enforcement officer or inspection designee of each county where the applicant has a location shall perform an on-site inspection to determine whether the premises conforms to the provisions of the Humane Dog Breeding Act and any regulations promulgated by the department. Furthermore, this bill creates requirements for applicants, including filing with the Department of Agriculture the completed application form, application fee, annual license fee, a State Law Enforcement Division (SLED) or similar criminal history background check, and any on-site inspection report. The professional dog breeder license is valid for two years and may be renewed. This bill also states that the chief law enforcement officer of a county or municipality, or his designee, may seize any dog kept in violation of the Humane Dog Breeding Act, and seizures must be carried out consistent with the current procedures in Chapter 1 of Title 47 dealing with cruelty to animals. This bill makes it illegal for a person to violate the Humane Dog Breeding Act and for a person to operate as a professional dog breeder without a valid license. This bill creates a misdemeanor and corresponding penalties for violations, and the Department of Agriculture may impose additional civil penalties. Any civil penalties may be appealed to the Administrative Law Court (ALC).

This bill may result in an increase in the number of court cases, and potentially the number of incarcerations, which may increase the workload of the court system and the Commission of Indigent Defense, the Commission on Prosecution Coordination, the Department of Corrections (Corrections), and the Department of Probation, Parole, and Pardon Services (PPP). The potential increase in expenses for Judicial and each agency will depend upon the increase in the number of cases and number of incarcerations. Judicial and the agencies anticipate that the potential impact of the increased workload can be managed within existing appropriations. However, if this bill results in a significant increase in the workload, then Judicial and the agencies may request an increase in General Fund appropriations. For information, according to

Corrections, in FY 2024-25, the annual total cost per inmate was \$37,503, of which \$35,696 was state funded.

The ALC reports that the bill may result in additional civil penalty appeals or due process hearings that may affect its revenue or expenditures. However, as this is a new process, there are no data available to estimate the number of hearings or appeals that would be filed with the Court. As such, both the revenue and the expenditure impact of the bill is undetermined.

In order to administer the new professional breeder license and to promulgate regulations to implement the Humane Dog Breeding Act, including application and renewal procedures, inspection protocols, standards of care, enforcement, and civil penalties, the Department of Agriculture indicates that this bill will increase expenses by approximately \$2,259,500 beginning in FY 2026-27, including \$1,677,500 of recurring and \$582,000 of non-recurring expenses. Some expenses may be offset by fine and fee revenue; however, fee amounts are not set, and there are no data available to estimate the number of applications and licenses that will be issued. Therefore, the amount of expenses that may be offset by fees and civil fines is undetermined. The table below provides a detailed description of the expenses anticipated by the department.

RECURRING PERSONNEL EXPENSES		
Position Title	# of FTEs	Salary & Fringe
Program Manager	1.0	\$187,500
Veterinarian	1.0	\$175,000
Attorney	1.0	\$135,000
Deputy Program Manager	1.0	\$120,000
Training Officer	1.0	\$90,000
Finance / Accounts Receivable	1.0	\$90,000
Regional Compliance Officers	7.0	\$630,000
OPERATING EXPENSES		
Description of Expenses	Recurring Expenses	Non-Recurring Expenses
Electronic Licensure Database	\$100,000	\$225,000
Equipment, Computers/Tech		\$15,000
Administration	\$100,000	
Travel (in-state)	\$50,000	
Vehicles (9)		\$342,000

This bill may increase Other Fund revenue by an undetermined amount from license and application fees for the professional dog breeder license. The increase will depend upon the amount set for the licensing fee, the number of licenses issued, and whether the agency is authorized to use the revenue. Therefore, the amount of revenue that will be generated and any offset of expenditures due to this revenue is undetermined.

This bill creates a new statutory process regulating professional dog breeders. The Revenue and Fiscal Affairs Office (RFA) surveyed South Carolina counties and the Municipal Association of South Carolina (MASC) as to the potential fiscal impact of the bill, and received a response from MASC. The bill allows for the collection of inspection and reinspection fees. However, MASC notes that as the responsibilities of municipalities versus those of counties for inspection responsibilities is unclear, MASC cannot determine whether these fees would offset the cost of city employees conducting an inspection or reinspection. The bill also creates new offenses that, when committed by a first-time offender, may be heard in municipal courts and cause a nominal increase in caseloads. In addition, the bill allows dogs kept in violation of the bill's provisions to be seized by a county or municipality. This may cause municipalities to incur costs associated with conducting such seizures and caring for any dogs seized. Therefore, the potential increase in expenses for municipalities is undetermined.

In addition, this bill may increase the workload of the local court system and local jail population due to the new offenses and corresponding penalties. The potential increase in expenses will depend upon the increase in the number of cases and number of persons sentenced to jail time.

This bill may also result in a change in the fines and fees collected in court due to the new offenses established in this bill. 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 funds revenue due to the change in fines and fees collections in court.

Explanation of Fiscal Impact

Introduced on January 13, 2026

State Expenditure

This bill establishes the Humane Dog Breeding Act, which creates a mandatory professional dog breeder license. This bill also defines a professional dog breeder, chief law enforcement officer, and inspection designee, among other definitions. The Department of Agriculture must promulgate regulations necessary to implement the Humane Dog Breeding Act, including application and renewal procedures, inspection protocols, standards of care, enforcement, and civil penalties. The Department of Agriculture is responsible for furnishing the application forms as well as maintaining the application form, the implemented regulations, and other necessary forms on the department's website.

This bill creates requirements for applicants including filing with the Department of Agriculture the completed application form, application fee, annual license fee, a SLED or similar criminal history background check, and any on-site inspection report. The professional dog breeder license is valid for two years, is nontransferable, and is not valid at a location other than the licensed location. The license may be renewed upon submission of a renewal application, payment of renewal fee, and proof of compliance with the Humane Dog Breeding Act and regulations promulgated by the Department of Agriculture. A licensee whose license is suspended or revoked may not reapply for licensure for a period of two years from the date of suspension or revocation.

Pursuant to this bill, before the Department of Agriculture may issue an initial professional dog breeder license, the chief law enforcement officer or inspection designee of each county where the applicant has a location shall perform an on-site inspection to determine whether the premises conforms to the provisions of the Humane Dog Breeding Act and any regulations promulgated by the department. Additionally, an inspection request must be accompanied by payment for the inspection. Further, this bill states that the Department of Agriculture must determine that the applicant has not been convicted or pled nolo contendere to ill-treatment of animals, dog fighting, neglect, or other similar offenses for at least two years prior to the application date. This bill requires the Department of Agriculture to determine that the applicant provides a program of veterinary care, as evidenced by an affidavit signed by a veterinarian, and specifies requirements for the affidavit.

In addition, this bill sets specific standards of care for each dog in the possession of a professional breeder. This bill also requires that professional breeders maintain accurate records of each dog in his possession for at least five years, which must be available for inspection by the Department of Agriculture, the chief law enforcement officer, or inspection designee during specified business hours. This bill further requires professional dog breeders to provide the consumer with a written disclosure subject to requirements in the bill and a bill of sale, which must be maintained by the professional breeder for at least five years.

Furthermore, the chief law enforcement officer of a county or municipality, or his designee, may seize any dog kept in violation of the Humane Breeding Act and any seizure must be carried out consistent with the current procedures in Chapter 1 of Title 47 dealing with cruelty to animals. The costs of seizure, transportation, housing, feeding, and veterinary care must be borne by the licensee or owner of the dog. Dogs seized pursuant to this bill are subject to existing forfeiture proceedings in Chapter 1 of Title 47, and if the court orders forfeiture, then custody and ownership of the dogs must be vested in the releasing agency or other entity approved by the court.

This bill also creates new offenses dealing with professional dog breeding. A person who acts as a professional dog breeder without a valid professional dog breeder license is guilty of a misdemeanor and subject to a fine of not more than \$500 for a first offense, not more than \$1,000 for a second offense, and not more than \$3,000 for a third or subsequent offense. Moreover, each dog sold or offered for sale in violation of the professional dog breeder license requirement constitutes a separate offense. In addition, the Department of Agriculture may impose civil penalties of not more than \$500 per violation for a first offense and not more than \$1,000 per violation for a second or subsequent offense, and each day that a violation continues constitutes a separate violation.

This bill also makes it illegal for a person to violate the Humane Dog Breeding Act. A person who violates the Humane Dog Breeding Act must be fined not more than \$500 or imprisoned for not more than thirty days for a first offense, fined not more than \$1,000 or imprisoned for not more than ninety days for a second offense, and fined not more than \$3,000 or imprisoned for not more than six months for a third or subsequent offense. Further, each dog sold, offered for

sale, or kept in violation of this bill constitutes a separate offense, and each day a violation continues constitutes a separate offense. In addition, the Department of Agriculture may impose civil fines of not more than \$500 per violation for a first offense and not more than \$1,000 per violation for a second or subsequent offense. Any civil penalties may be appealed to the ALC.

Currently, there is no state-wide professional dog breeder licensing program in South Carolina. However, several counties require a pet breeder license, permit, or registration, including Beaufort, Greenville, Lexington, Richland, and Spartanburg counties. Further, kennel owners may register with the Department of Natural Resources (DNR) for a fee of \$20; however, based on conversations with DNR, kennel registration is not a requirement and is primarily associated with hunting dogs.

This bill may result in an increase in the number of court cases, and potentially the number of incarcerations, which may increase the workload of the court system and the Commission of Indigent Defense, the Commission on Prosecution Coordination, Corrections, and PPP. Judicial and the agencies anticipate that the potential impact of the workload can be managed within existing appropriations. However, the potential increase in expenses will depend upon the increase in the number of cases and number of incarcerations. Judicial and the agencies indicate that if this bill results in a significant increase in the workload, then an increase in General Fund appropriations may be requested. For information, according to Corrections, in FY 2024-25, the annual total cost per inmate was \$37,503, of which \$35,696 was state funded.

Administrative Law Court. Dogs kept by a person who unlawfully acts as a professional breeder may be seized and the unlawful breeder subject to civil penalties that may be appealed to the ALC. The Court reports that the provisions of the bill may result in other due process hearings in addition to the appeal of civil penalties; this possibility and potential civil penalty appeals may impact the Court's expenditures. However, as this is a new jurisdiction, there are no data available to estimate the number of hearings or appeals that would be filed with the Court. As such, the expenditure impact of the bill for the ALC is undetermined.

Department of Agriculture. This bill creates new responsibilities for the Department of Agriculture in order to administer the new professional breeder license and to promulgate regulations to implement the Humane Dog Breeding Act, including application and renewal procedures, inspection protocols, standards of care, enforcement, and civil penalties. The department indicates that establishing this program will require a Companion Animal Program, similarly to North Carolina and Georgia, which allows for appropriate staffing levels to satisfy administration, compliance, training, statewide education, and partnerships with local law enforcement agencies to ensure correct procedures for stop orders and administrative violation. Furthermore, the Department of Agriculture reports that in general, animal health programs have not traditionally been administered through the department, and thus, this bill creates various complexities for the department beyond additional expenditures. Therefore, the Department of Agriculture's estimate is based upon findings and information gathered on similar animal programs in North Carolina and Georgia. Some expenses may be offset by application fees, license fees, renewal fees, and civil fines; however, fee amounts are not set, and no data are available to estimate the number of applications and licenses that will be issued. Therefore, the

amount of expenses that may be offset is undetermined. The table below provides a detailed description of the recurring and non-recurring expenses anticipated by the department.

RECURRING PERSONNEL EXPENSES		
Position Title	# of FTEs	Salary & Fringe
Program Manager	1.0	\$187,500
Veterinarian	1.0	\$175,000
Attorney	1.0	\$135,000
Deputy Program Manager	1.0	\$120,000
Training Officer	1.0	\$90,000
Finance / Accounts Receivable	1.0	\$90,000
Regional Compliance Officers	7.0	\$630,000
OPERATING EXPENSES		
Description of Expenses	Recurring Expenses	Non-Recurring Expenses
Electronic Licensure Database	\$100,000	\$225,000
Equipment, Computers/Tech		\$15,000
Administration	\$100,000	
Travel (in-state)	\$50,000	
Vehicles (9)		\$342,000

To summarize, the Department of Agriculture anticipates the need for 13.0 FTEs and an increase of expenses by approximately \$2,259,500 in FY 2026-27, including \$1,677,500 of recurring expenses and \$582,000 of non-recurring expenses in order to create a new team within the department to administer the requirements in this bill, including any new regulations.

State Revenue

This bill may increase Other Fund revenue by an undetermined amount from license and application fees for the professional dog breeder license. The increase will depend upon the amount set for the licensing fee, the number of licenses issued, and whether the agency is authorized to use the revenue. Therefore, the amount of revenue that will be generated and any offset of expenditures due to this revenue is undetermined.

Furthermore, 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 that 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

This bill creates a new statutory process regulating professional dog breeders. RFA surveyed South Carolina counties and MASC as to the potential fiscal impact of the bill. RFA received a response from MASC indicating that the bill requires an inspection designee or chief law enforcement officer to conduct compliance inspections of applicants' premises. The bill allows for the collection of inspection and reinspection fees; however, MASC notes that definition for inspection designee does not clearly define a boundary between the responsibilities of

municipalities versus those of counties, therefore, MASC is unsure whether these fees would offset the cost of city employees conducting an inspection or reinspection. The bill also creates new offenses that, when committed by a first-time offender, may be heard in municipal courts and cause a nominal increase in caseloads. In addition, the bill allows dogs kept in violation of the bill's provisions to be seized by a county or municipality. This may cause municipalities to incur costs associated with conducting such seizures and caring for any dogs seized. However, the number of dogs that may be seized is unknown. Therefore, the expenditure impact of the bill for municipalities is undetermined.

This bill may also result in an increase in the number of local court cases and potentially the number of persons sentenced to jail time, 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 any increase in jail time. Therefore, the potential increase in local expenses is undetermined.

Local Revenue

This bill may result in a change in the fines and fees collected in court due to the new offenses. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates that 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