



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. 0737 Introduced on January 13, 2026
Subject: Dialysate and Dialysis Product Safety
Requestor: Senate Judiciary
RFA Analyst(s): Welsh
Impact Date: February 3, 2026

Fiscal Impact Summary

This bill classifies dialysate or dialysis products that have been manufactured in China or that contain aluminum is considered in a defective condition and unreasonably dangerous; thereby, subjecting the seller to liability for physical harm caused to the ultimate user or consumer. This bill also creates the offense of selling, prescribing, distributing, or using dialysate or dialysis products that have been manufactured in China or contain aluminum for individuals under the age of twenty-one and provides penalties for persons who are found guilty of the offense. Additionally, this bill requires the Department of Public Health (DPH) to promulgate regulations necessary to administer and enforce the provisions of this offense.

The expenditure impact on DPH is undetermined dependent upon the scope of administrative and enforcement actions required. DPH notes it does not typically promulgate regulations related to criminal offenses and while its Bureau of Drug Control program does employ inspectors who are licensed pharmacists and certified law enforcement officers, its police powers are currently limited to controlled substances. Additionally, DPH notes that while its licensing program conducts surveys and inspections of renal dialysis facilities participating in Medicare, the program does not employ law enforcement officers, and its duties do not involve oversight of retailers or wholesalers. Therefore, it is unclear how DPH would administer this provision.

This bill may result in an increase in the number of court cases and potentially the number of incarcerations, due to the newly created offenses and expansion of current offenses, which may increase the workload of the court system and the Commission of Indigent Defense (CID), the Department of Probation, Parole and Pardon Services (PPP), the Commission on Prosecution Coordination (CPC), and the Department of Corrections (Corrections). Judicial anticipates that the potential impact of the caseload in circuit court can be managed within existing appropriations. Additionally, the potential increase in expenses for each agency will depend upon the increase in the number of cases and number of incarcerations. These agencies anticipate that the potential increase in caseload can be managed within existing appropriations. However, if the bill has an unanticipated impact on caseloads or downstream expenses, Judicial and these agencies will 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 Revenue and Fiscal Affairs Office (RFA) also contacted all counties in South Carolina to determine the local expenditure impact of this bill. Responses received from the counties of Dorchester, Florence, and Lancaster indicate the local expenditure impact on these counties is expected to be minimal and managed within current resources.

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, Other Funds, and local 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 classifies dialysate or dialysis products that have been manufactured in China or contain aluminum is considered in a defective condition and unreasonably dangerous; thereby, subjecting the seller to liability for physical harm caused to the ultimate user or consumer. This bill also creates the offense of selling, prescribing, distributing, or using dialysate or dialysis products that have been manufactured in China or contain aluminum for individuals under the age of twenty-one and provides penalties for persons who are found guilty of the offense. This bill requires DPH to promulgate regulations to administer and enforce the provisions of this offense.

The expenditure impact on DPH is undetermined dependent upon the scope of administrative and enforcement actions required. DPH notes it does not typically promulgate regulations related to criminal offenses and while its Bureau of Drug Control program does employ inspectors who are licensed pharmacists and certified law enforcement officers, its police powers are currently limited to controlled substances. Additionally, DPH notes that while its licensing program conducts surveys and inspections of renal dialysis facilities participating in Medicare, the program does not employ law enforcement officers, and its duties do not involve oversight of retailers or wholesalers. Therefore, it is unclear how DPH would administer this provision.

This bill may result in an increase in the number of civil or criminal cases and potentially the number of incarcerations, due to the newly created offenses, which may increase the workload of the court system CID, PPP, CPC, Corrections. Judicial anticipates that the potential impact of the caseload in circuit court can be managed within existing appropriations. Additionally, the potential increase in expenses for each agency will depend upon the increase in the number of cases and number of incarcerations. These agencies anticipate that the potential increase in caseload can be managed within existing appropriations. However, if the bill has an unanticipated impact on caseloads or downstream expenses, Judicial and these agencies will 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.

State Revenue

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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 counties in South Carolina to determine the local expenditure impact of this bill. Responses received from the counties of Dorchester, Florence, and Lancaster indicate the local expenditure impact on these counties is expected to be minimal and managed within current resources.

Local Revenue

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Frank A. Rainwater, Executive Director