



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

(803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number: H. 3682
 Author: Finlay
 Requestor: Senate Judiciary
 Date: May 7, 2015
 Subject: Bad Faith Assertion of Patent Infringement Act
 RFA Analyst(s): Shealy

Estimate of Fiscal Impact

| | FY 2015-16 | FY 2016-17 |
|----------------------------------|-----------------------|------------|
| State Expenditure | | |
| General Fund | \$ 90,000 - \$150,000 | N/A |
| Other and Federal | N/A | N/A |
| Full-Time Equivalent Position(s) | 0.00 | 0.00 |
| State Revenue | | |
| General Fund | N/A | N/A |
| Other and Federal | N/A | N/A |
| Local Expenditure | N/A | N/A |
| Local Revenue | N/A | N/A |

Fiscal Impact Summary

There would be no impact on Federal or Other Funds. The fiscal impact to the General Fund would be between \$90,000- \$150,000 for staffing.

Explanation of Fiscal Impact

State Expenditure

This bill makes bad faith assertions of patent infringement an unlawful trade practice. This bill creates a new private cause of action and a new governmental cause of action that is enforced by the Attorney General. The expenditure impact to the Attorney General would be between \$90,000 - \$150,000 to hire a new civil attorney and a paralegal position. There is no data to determine the additional number of hearings or trials which may be initiated in Common Pleas court as a result of the proposed bill. It is anticipated that any impact to the General Fund would be absorbed by the Judicial Department. It is also anticipated that the passage of this bill could impact Circuit Court dockets due to additional hearings and trials conducted by the Common Pleas court. There would be no impact on Federal or Other Funds.

State Revenue

N/A

Local Expenditure and Local Revenue

N/A

Frank A. Rainwater, Executive Director