SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	H. 3722 As amended by the Senate on March 11, 2015
Author:	Lucas
Requestor:	Senate
Date:	March 12, 2015
Subject:	State Ethics Commission
RFA Analyst(s):	Fulmer and Shealy

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17
State Expenditure		
General Fund	$336,500	$246,500
Other and Federal	$0	$0
Full-Time Equivalent Position(s)	4.0	4.0
State Revenue		
General Fund	N/A	N/A
Other and Federal	Undeterminable	Undeterminable
Local Expenditure	N/A	N/A
Local Revenue	N/A	N/A

Fiscal Impact Summary
This bill requires an expenditure of $246,500 in recurring General Funds and $90,000 in non-recurring General Funds. There is no expenditure impact on Federal Funds. The Other Fund revenue collected from administrative fines and fees is undeterminable.

Explanation of Fiscal Impact

State Expenditure
This bill addresses the State Ethics Commission, judicial complaints and procedures, and ethics criminal penalties. It also specifies the functions of the Commission to initiate or receive complaints and make investigations of a public official, public member, or public employee. It spells out that all documents are to remain confidential and only may be released after a finding of probable cause. The bill delineates the hearing procedures and specifies that the commission may issue advisory opinions on cases as well as conduct an investigation into the complaint. The commission may refer the complaint and accompanying materials to the Attorney General if they find that there is probable cause to support the existence of criminal intent. The commission must publish, update and distribute a brochure providing an outline of the enforcement structure in the Ethics Act including filing deadlines and a general overview of the duties and responsibilities of individuals under the Act. The responsibilities of the commission are outlined including referring the complaint to the appropriate ethics committee for technical violations, the procedures when a complaint is filed and the possible civil and criminal fines and penalties that may apply. The bill also defines electioneering communication and the responsibilities these communications invoke.

The State Ethics Commission. The commission estimates they will need four (4) positions to handle the additional responsibilities specified in the bill. They consist of two Investigator III slots and two Auditor III slots. There will be other operating expenses including car leases, lights for cars, uniforms, body armor, car radios, ammunition, cell phones, fire extinguishers for cars, furniture, IT equipment, and office space. This expenditure for personal service is expected to total $246,500 in recurring General Funds and $90,000 for operating expenses in non-recurring General Fund.

The Judicial Department. This bill creates several new offenses related to ethics violations which could be heard in General Sessions or Summary courts. If any additional hearings or trials were to be held in General Sessions court as a result of this bill, the expenditure impact would be minimal and can be absorbed by the department. Additionally, there may be a cost to the municipalities and counties due to additional hearings and trials conducted by the Summary Courts.

The Department of Administration via the Budget and Control Board, the Governor's Office, the House of Representatives, and the Attorney General's office all report that there would be no measurable impact to their General Fund, Federal Funds, or Other Fund expenditures.

A request for a fiscal impact has been sent to the Senate.

State Revenue
The State Ethics Commission, the House of Representatives and the Senate could receive some Other Fund revenue through administrative fines and fees. The amount is undeterminable at this time.

Local Expenditure
N/A

Local Revenue
N/A

Frank A. Rainwater, Executive Director