



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:	H. 4605	Introduced on January 11, 2022
Author:	Bennett	
Subject:	Protection of Dignity and Rights of all Individuals	
Requestor:	House Education and Public Works	
RFA Analyst(s):	Gardner, Boggs, Coomer, Gallagher, Griffith, Miller, Tipton, Williams, and Wren	
Impact Date:	January 26, 2022	

Fiscal Impact Summary

This bill requires all state-funded entities, including places of learning, childcare, and employment, to prohibit acts that encourage or convey discriminatory concepts and establishes notification requirements related to this prohibition. The bill also requires the Office of the Attorney General to establish a public reporting hotline telephone number and e-mail address for receiving reports of violations of the provisions of this bill by state-funded entities.

The expenditure impact is pending, contingent upon a response from all of South Carolina's state government agencies.

Explanation of Fiscal Impact

Introduced on January 11, 2022

State Expenditure

This bill relates to subjects of instruction in the educational setting and requires educators, administrators, students, childcare providers, employers, and employees to respect the dignity and rights of all individuals. State-funded entities include public, charter, or private schools; public or private institutions of higher learning; preschool and childcare providers; public and private institutions; state and local governments; businesses; non-profit organizations; and contractors, subcontractors, consultants, subconsultants, vendors, and labor unions directly or indirectly performing state-funded contracts.

The bill outlines discriminatory concepts and prohibits state-funded entities from engaging in or encouraging specific acts. Within 30 days of the effective date of the bill, the Attorney General must establish a public reporting hotline telephone number and e-mail address for receiving reports of violations of these provisions and must promptly investigate all reported violations.

State-funded entities found in violation of these provisions must lose state funding, tax exemption status, and any other state-provided accommodation or privilege until compliance is achieved. Funding withheld pursuant to these provisions will not be eligible for repayment. A state-funded entity will have six months after the resumption of its tax-exempt status to return a grant money and monies owed for tax liability due to non-compliance. Non-compliant state-

funded contractors will have their contracts suspended and terminated if compliance is not demonstrated within 30 days after receipt of a notice of noncompliance. A state-funded entity must post notice of this adopted law in a conspicuous location at the main business or educational location; send notice to all employees, students, and parents of students of this law at the beginning of each academic year; and amend current contracts, subcontracts, and purchase orders with state agencies to include notice of this law. In addition, state agencies must include an exhibit of this law with all future state contracts.

Within 30 days after the date of the effective date of this bill, the head of each state-funded entity must submit a formal statement of compliance to the Attorney General. Also, within 90 days of the effective date of the bill, upon request, every state-funded entity that is a place of learning or preschool must readily make available a full list of classes, books, resources, and materials used for instruction. This information must remain available for each current academic year and the year immediately preceding. In no instance may the provisions of the bill be interpreted to prohibit or limit a person's First Amendment rights to the freedom of speech or to the teaching and free exercise of religion.

The Revenue and Fiscal Affairs Office (RFA) anticipates this bill will result in an increase in non-recurring expenditures for state agencies to amend current contracts, subcontracts, and purchase orders with state agencies to include notice of this law. RFA has contacted all state agencies and is working compile a comprehensive fiscal analysis as responses are provided. The fiscal impact of this bill is pending, contingent upon additional agency response.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director