

FISCAL IMPACT STATEMENT ON BILL NO. **H.3091**

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TO:	The Honorable Phillip D. "Phil" Owens, Chairman, House Committee on Education and Public Works		
FROM:	State Budget Division, Budget and Control Board		
ANALYSTS:	Torina Wood and Bryce Wilson		
DATE:	January 22, 2013	SBD:	2013018

AUTHOR:	Representative Henderson	PRIMARY CODE CITE:	33-56-55
SUBJECT:	Solicitation of Charitable Funds Act		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost of Federal and/or Other Funds (See Below)

BILL SUMMARY:

House Bill 3091 amends Section 33-56-55, of the Code of Laws of South Carolina, 1976, as amended, relating to parent-teacher associations and local chambers of commerce being exempt from the provisions of the Solicitations of the Charitable Funds Act under certain conditions, so as to provide that these provisions also do not apply to an athletic, band, or other extracurricular activity booster club or organization affiliated with a K-12 school if the organization is a 501(c) (3) tax-exempt entity properly filing all federal and state reporting forms required of these organizations, including form 990.

EXPLANATION OF IMPACT:

Secretary of State

The Office reports enactment of this Bill would create a total recurring cost of \$66,838.82 (\$36,838.82 to the General Fund of the State and \$30,000 to Other Funds) and a total non-recurring cost of \$20,000 to the General Fund. The Office estimates 600 organizations would become exempt from the provisions of the Act resulting in a permanent, irreplaceable reduction in fee revenue of approximately \$30,000; considering the current filing fee of \$50 per registrant. The Office indicates it would need one additional state-funded FTE to hire a full-time Program Assistant at an annual cost of \$36,838.82 (\$25,627.00 salary, \$6,406.75 benefits, and \$4,805.07 other operating expenses). The employee would work as a part of the Charities staff verifying exemption status, changing status as appropriate, and investigating entities for noncompliance. The Office estimates it will need \$20,000 in one-time General funds for development changes to the existing tracking and filing system for charities.

Department of Education

The South Carolina Department of Education indicates this Bill will have no impact on agency expenditures.

Approved by:



Brenda Hart
Assistant Director, State Budget Division