



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 1093
Author:	Hutto
Subject:	SC Fantasy Contests Act
Requestor:	Senate Banking and Insurance
RFA Analyst(s):	Wren
Impact Date:	May 11, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	Undetermined	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	Undetermined	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

The expenditure impact on the General Fund is undetermined. There would be no expenditure impact on Other Funds or Federal Funds.

This bill would have no revenue impact on the General Fund. The revenue impact on Other Funds and Federal Funds is undetermined.

Explanation of Fiscal Impact

State Expenditure

This bill adds Chapter 31, which is known as the South Carolina Fantasy Contests Act, to Title 37. The bill provides for the regulation of certain fantasy contests and requires fantasy contest operators to implement procedures for consumer protection. This bill also creates penalties for violations of this chapter and exempts fantasy contests from the provisions of Title 16, chapter 19, as related to gambling.

Department of Consumer Affairs. The department indicates that the fantasy contest industry is new to regulation and is not comparable to any industries currently regulated by the department. While laws governing the industry are being implemented in states such as Colorado, Indiana, Massachusetts, and Virginia, no historical regulatory data currently exists to serve as a basis for potential impact. Therefore, the expenditure impact of this bill is undetermined.

State Revenue

This bill establishes regulations for operators of fantasy contests and requires the department to determine compliance with its requirements. The legislation would be an addition to the Consumer Protection Code, which delineates the department's authority to investigate potential violations of Title 37 and bring civil actions of not more than \$1,000 for each violation. The Department of Consumer Affairs indicates that since the number of fantasy contest operators that would be subject to this bill is unknown, the amount of civil penalties generated from violations is undetermined. The penalties must accrue to the department and only may be recovered in a civil action brought by the department.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director