



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0260	Introduced on January 8, 2019
Author:	Goldfinch	
Subject:	Revised Uniform Unincorporated Nonprofit Association Act	
Requestor:	Senate Labor, Commerce, and Industry	
RFA Analyst(s):	Mitchell	
Impact Date:	January 24, 2019	

Fiscal Impact Summary

This bill will have no expenditure impact to the General Fund, Other Funds, or Federal Funds. The bill will increase revenues from filing fees for both the Secretary of State and local governments. However, the revenue impacts of this bill are not expected to be significant.

Explanation of Fiscal Impact

Introduced on January 8, 2019

State Expenditure

This bill enacts the Revised Uniform Unincorporated Nonprofit Association Act (act) based on model legislation drafted by the National Conference of Commissioners on Uniform State Laws. The act defines the types of organizations that would be covered and addresses issues such as reorganizing unincorporated nonprofit organizations (UNA) as legal entities and the implications resulting from that status, to include: contract and tort liability, internal governance, fiduciary duties, agency authority, dissolution and merger, and the relation of the act to other laws.

Secretary of State. The Secretary of State's office indicates that a new form would be created for an unincorporated nonprofit association to appoint a registered agent to receive service of process. The expenditures associated with this new process can be managed within existing appropriations. As such, the bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds of the office.

State Revenue

The act authorizes a UNA to file a statement appointing an agent to receive service of process with the Secretary of State. The statement is valid for 5 years unless cancelled or terminated earlier. An agent may resign by delivering a resignation to the Secretary of State for filing. The Secretary of State is authorized to collect a fee for filing a statement appointing an agent or amending, cancelling, or resigning the agency. The Secretary of State is authorized to collect the amount charged for filing similar documents. Currently, nonprofit organizations are required by statute to pay a \$10 fee to file for a notice of change of registered office or registered agent, or both. There is also a \$5 fee for the resignation of the registered agent and discontinuance of the registered office. The Secretary of State indicates that additional revenue generated from these fees would not be significant.

Local Expenditure

The act authorizes the transfer of an interest in real property by a person authorized to make such a transfer in a statement of authority. Statements of authority must be executed in the same manner as a deed and filed in the office of the county in which the transfer of property would be filed. The Revenue and Fiscal Affairs Office expects local governments to accomplish the filing without additional expenditure.

Local Revenue

The act authorizes the transfer of an interest in real property by a person authorized to make such a transfer in a statement of authority. Statements of authority must be executed in the same manner as a deed and filed in the office of the county in which the transfer of property would be filed. The act authorizes the filing office to collect a fee for filing the statement in the amount authorized for recording transfer of real property. The number of entities that may file statements of authority is unknown, but we do not anticipate a significant revenue impact to local governments.



Frank A. Rainwater, Executive Director