

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.

H. 4561 Introduced on January 9, 2024 **Bill Number:**

Author: Wetmore

Subject: Campaign Finance – Dependent Care for Immediate Family Members

House Judiciary Requestor:

RFA Analyst(s): Griffith

Impact Date: January 25, 2024

Fiscal Impact Summary

This bill allows a candidate or public official to use campaign funds to defray personal expenses for dependent care expenses incurred in connection with their campaign in certain circumstances. Campaign funds may only be used to defray dependent care expenses if the dependent care is given by a provider that is licensed in South Carolina to provide the type of care needed by the candidate's or public official's immediate family member.

The State Ethics Commission anticipates an increase in the number of complaints filed each fiscal year because allowing individuals to pay child care expenses for campaign activities or public official duties may lead to violations of the Ethics Act. If the increase in complaints filed is minimal, the Commission anticipates being able to manage the provisions of the bill with existing staff and resources. However, if the increase is significant, the Commission will need an undetermined number of additional staff to process and investigate complaints. Therefore, the expenditure impact of this bill on the Commission is undetermined and will depend on the number of additional complaints filed as a result of the bill.

The State Ethics Commission reports that if a complaint is filed, and the candidate or public official is found to be in violation of the law, the Commission can assess a fine of up to \$2,000 per violation. Since both the number of filed complaints and violations is unknown, the increase in Other Funds revenue to the Commission is undetermined.

Explanation of Fiscal Impact

Introduced on January 9, 2024 **State Expenditure**

This bill allows a candidate or public official to use campaign funds to defray personal expenses for dependent care expenses incurred in connection with their campaign in certain circumstances. Campaign funds may only be used to defray dependent care expenses if the dependent care is given by a provider that is licensed in South Carolina to provide the type of care needed by the candidate's or public official's immediate family member.

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State Revenue

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Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director