



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:	S. 0995	Introduced on January 25, 2024
Author:	Hutto	
Subject:	MPIC	
Requestor:	Senate Judiciary	
RFA Analyst(s):	Gardner	
Impact Date:	February 22, 2024 - Updated for Additional Agency Response	

Fiscal Impact Summary

This bill expands definitions related to offenses against morality and decency and provides that first, second, and third degree offenses for exploitation of a minor include the use of morphed images of an identifiable minor engaging in sexual activity or appearing in a state of sexually explicit nudity. In addition, the bill provides that Tier II sex offenders include persons who have been convicted of, or pled guilty or nolo contendere to first degree, second degree, or third degree criminal sexual exploitation of a minor.

Judicial reports that implementation of the bill may result in an increase in general sessions court caseloads, which can be managed using existing staff and appropriations. Therefore, the bill will result in no expenditure impact for Judicial. Also, the Commission on Prosecution Coordination and Commission on Indigent Defense report the bill may increase the workload of the agencies. Both agencies anticipate being able to manage the increase with existing staff and within existing appropriations. However, if this bill results in a significant increase in the workload, the agencies may request an increase in General Fund appropriations.

The Attorney General currently investigates and prosecutes internet crimes against children. The implementation of this bill will have no expenditure impact, as the agency expects to manage any increase in caseloads within current resources.

The State Law Enforcement Division (SLED) reports the bill requires the agency to perform activities that will be conducted in the normal course of agency business. As a result, the bill does not have an impact.

This fiscal impact statement has been updated to include a response from SLED.

This bill may result in an increase in the number of inmates housed by the Department of Corrections. However, no data are available to estimate the increase in the number of inmates that may be housed by Corrections. According to Corrections, in FY 2022-23, the annual total cost per inmate was \$37,758, \$34,570 of which was state funded. As the potential increase in incarcerations is unknown, any expenditure impact for Corrections is undetermined.

As this bill creates new offenses, this may result in an increase of General Fund, Other Funds, and local fine revenue. However, as the number of such offenses and the resulting fines and fees that might occur in a given year is unknown, the revenue impact is undetermined.

Explanation of Fiscal Impact

Updated for Additional Agency Response on February 22, 2024

Introduced on January 25, 2024

State Expenditure

This bill amends provisions related to offenses against morality and decency by:

- Expanding the definition of material that may be harmful to minors to include computer generated pictures or images;
- Creating the definition of identifiable minor to mean a person who (1) was a minor at the time an image was created, adapted, or modified or (2) whose image as a minor was created, adapted, or modified such that the person is identifiable by face, likeness, or other distinguishing characteristic; and
- Creating the definition of morphed image to mean a visual depiction or representation (including any photograph, film, video, picture, or computer or computer-generated image or picture) of sexually explicit conduct where such depiction or representation has been created, adapted, or modified to appear that an identifiable minor is engaging in sexual conduct or sexually explicit activity or appearing in a state of sexually explicit nudity.

The bill also expands the offenses of first degree, second degree, and third degree sexual exploitation of a minor to include unlawful actions involving a morphed image of an identifiable minor engaging in sexual activity or appearing in a state of sexually explicit nudity when a reasonable person would infer the purpose is sexual stimulation. In addition, the bill provides that Tier II sex offenders include persons who have been convicted of, or pled guilty or nolo contendere to first degree, second degree, or third degree criminal sexual exploitation of a minor.

Judicial. Judicial reports that implementation of the bill may result in an increase in general sessions court caseloads, which can be managed using existing staff and appropriations. Therefore, the bill will result in no expenditure impact for Judicial.

Commission on Prosecution Coordination. The Commission reports this bill will have no expenditure impact because the agency will administer policies resulting from the bill with the use of existing staff and resources.

Commission on Indigent Defense. The implementation of this bill will have no expenditure impact, as the Commission expects to manage any increase in caseloads within current resources.

State Law Enforcement Agency. SLED reports the bill requires the agency to perform activities that will be conducted in the normal course of agency business. As a result, the bill does not have an impact.

This fiscal impact statement has been updated to include a response from SLED.

Office of the Attorney General. The Attorney General currently investigates and prosecutes internet crimes against children. The implementation of this bill will have no expenditure impact, as the agency expects to manage any increase in caseloads within current resources.

Department of Corrections. The South Carolina Department of Corrections (SCDC) reports that while implementation of the bill may affect the terms of imprisonment for certain inmates, the resulting expenditure impact cannot be determined. According to SCDC, in FY 2022-23, the annual total cost per inmate was \$37,758 of which \$34,570 was state funded. SCDC expects to manage any expenditure impact due to this bill with existing General Fund appropriations. If this bill results in a substantial increase in incarcerations, Corrections will request an increase in General Fund Appropriations.

State Revenue

This bill may increase General Fund revenue from fines, as well as Other Funds revenue, due to the increase in fines and fees for the new offenses brought in general sessions courts. However, as the number of such offenses that might occur in a given year is unknown, the revenue impact is undetermined.

Local Expenditure

N/A

Local Revenue

This bill may increase local revenue due to the increase in fines and fees for the new offenses brought in general sessions courts. However, as the number of such offenses that might occur in a given year is unknown, the revenue impact is undetermined.

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Commission on Indigent Defense. The implementation of this bill will have no expenditure impact, as the Commission expects to manage any increase in caseloads within current resources.

State Law Enforcement Agency. The expenditure impact of this bill on SLED is pending, contingent upon a response.

Office of the Attorney General. The Attorney General currently investigates and prosecutes internet crimes against children. The implementation of this bill will have no expenditure impact, as the agency expects to manage any increase in caseloads within current resources.

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Frank A. Rainwater, Executive Director