



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. 0221	Introduced on January 15, 2025
Subject:	South Carolina Kratom Consumer Protection Act	
Requestor:	Senate Medical Affairs	
RFA Analyst(s):	Welsh	
Impact Date:	February 11, 2025	

Fiscal Impact Summary

This bill creates a new Article 20 in Chapter 53, Title 44 on the sale of products containing kratom. Kratom is an herbal substance, derived from plant *mitragyna speciosa*, that can produce opioid- and stimulant-like effects.¹ This bill regulates kratom products as defined in this bill by controlling the specific substances they may contain, prohibiting display or access to the products in locations accessible to individuals under the age of twenty-one, and by requiring certain information to be displayed on the products' labels. This bill also subjects non-compliant retailers to a civil penalty of up to \$500 for a first violation and up to \$1,000 for subsequent violations.

This bill will have no expenditure impact on the Department of Public Health (DPH) or Judicial. DPH indicated this bill will have no operational impact on the agency. Judicial anticipates being able to manage the provisions of this bill with existing appropriations.

This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, the Revenue and Fiscal Affairs Office (RFA) anticipates this bill may result a change to General Fund, Other Funds, and local revenue due to the change in fines and fees collections in court.

Explanation of Fiscal Impact

Introduced on January 15, 2025

State Expenditure

This bill creates a new Article 20 in Chapter 53, Title 44 on the sale of products containing kratom. This bill regulates kratom products as defined in this bill by controlling the specific substances they may contain, prohibiting display or access to the products in locations accessible to individuals under the age of twenty-one, and by requiring certain information to be displayed on the products' labels. This bill also subjects non-compliant retailers to a civil penalty of up to \$500 for a first violation and up to \$1,000 for subsequent violations.

¹ National Institute on Drug Abuse, *Kratom*, March 25, 2022, Retrieved February 5, 2025, [Kratom | National Institute on Drug Abuse \(NIDA\)](#)

DPH indicated this bill will have no operational impact on the agency. Also, Judicial anticipates being able to manage the provisions of this bill with existing appropriations. Therefore, this bill will have no expenditure impact on DPH or Judicial.

State Revenue

This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result a change to General Fund and Other Funds revenue due to the change in fines and fees collections in court.

Local Expenditure

N/A

Local Revenue

This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in change to local revenue due to the change in fines and fees collections in court.



Frank A. Rainwater, Executive Director