



# 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.*

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<b>Bill Number:</b>	S. 0428	Introduced on March 6, 2025
<b>Subject:</b>	Fraudulent Check Expungement	
<b>Requestor:</b>	Senate Judiciary	
<b>RFA Analyst(s):</b>	Gardner	
<b>Impact Date:</b>	April 24, 2025	

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### Fiscal Impact Summary

This bill allows for the expungement of multiple misdemeanor offenses for the drawing and utterance of fraudulent checks or bank drafts over a three-year period, provided that ten years have elapsed since the date of the defendant's last conviction. This bill also specifies that no later than 180 days after an investigation by a law enforcement or prosecution agency reveals that a person was arrested as a result of mistaken identity, the agency will destroy the arrest records.

Judicial, the Commission on Prosecution Coordination, and the South Carolina Law Enforcement Division (SLED) each indicate this bill will have no expenditure impact, as it does not create a new cause of action.

Revenue and Fiscal Affairs (RFA) contacted all counties and the Municipal Association of South Carolina (MASC) on behalf of municipalities to determine the potential local impact of this bill. All responding counties and MASC reported that the bill will have no impact. Based on these responses, RFA anticipates there will be no local expenditure impact due to this bill.

This bill may result in an increase in General Fund, Other Funds, and local revenue due to the potential increase in fees collected for the application of expungement. Collected fees are distributed to the General Fund, Other Funds, and local funds. Fees required for an expungement requested through the solicitor's office consist of a \$250 administrative fee paid to the local solicitor, a \$25 fee paid to the State Law Enforcement Division (SLED), and a \$35 fee paid to the Clerk of Court. Any increase in fees will be dependent upon the number of expungement applications received; however, as there are no data available to estimate the number of additional expungement requests that may be submitted, the revenue impact on General Fund, Other Funds, and local revenue is undetermined.

### Explanation of Fiscal Impact

#### Introduced on March 6, 2025

##### State Expenditure

This bill allows for the expungement of multiple misdemeanor offenses for the drawing and utterance of fraudulent checks or bank drafts over a three-year period, provided that ten years have elapsed since the date of the defendant's last conviction. Currently, only the first offense

for check or bank draft fraud may be expunged. Solicitors' offices handle all expungements, except for non-convictions in magistrate or municipal courts. To ensure defendants only apply for such expungement one time, the State Law Enforcement Division (SLED) must maintain a nonpublic record of the offenses and the date of expungement.

The bill also requires a law enforcement or prosecution agency who has arrested a person as a result of mistaken identity to destroy the associated arrest records at no cost to the arrestee. While the law enforcement or prosecution agency must maintain the arrest records under seal for a minimum period, they may retain these records indefinitely for certain purposes.

**Judicial.** Judicial indicates that there are no data to estimate the number of applications for expungement that may be managed by solicitors' offices or magistrate or municipal courts due to this bill. For information, in FY 2023-24, the total number of overall case dispositions for fraudulent check or bank draft offenses were as follows:

**Criminal Data Report (CDR) Code Statute Description  
Total Dispositions  
FY 2023-24**

<b>CDR Code</b>	<b>Statute Description</b>	<b>Total Dispositions FY 2023-24</b>
446	Checks / Fraudulent check, or stop payment, > \$1000.00 - 2nd or sub.	11
670	Checks / Fraudulent check, or stop payment, \$500 or less - 1st offense	46
671	Checks / Fraudulent check, or stop payment, \$500 or less - 2nd or sub offense	12
800	Checks / Fraudulent check, or stop payment, > \$1000.00 - 1st offense	105
2429	Banking / Violation of Bank Deposits chapter value \$500 - \$1000 - 1st offense	2
2430	Banking / Violation of Bank Deposits chapter value \$500 - \$1000 - 2nd or sub offense	0
2431	Banking / Violation of Bank Deposits chapter value \$500 or less- 1st offense	1
2432	Banking / Violation of Bank Deposits chapter value \$500 or less - 2nd or sub offense	0
2883	Checks / Fraudulent checks or stop payment > \$500 < \$1000, 1st offense	10
2884	Checks / Fraudulent checks or stop payment > \$500 < \$1000, 2nd or sub. Offense	2
3179	Banking / Violation or Bank Deposits chapter value >\$1000 - \$5000 - 1st offense	2
3180	Banking / Violation or Bank Deposits chapter value >\$1000 - \$5000 - 2nd or sub offense	0
3386	Checks / Fraudulent use of checks, or stop payment, more than \$5,000 - 1st offense	30
3387	Checks / Fraudulent use of checks, or stop payment, more than \$5,000 - 2nd offense	1

Judicial will provide support to local jurisdictions for the implementation of this expungement process, including updating forms and offering training as needed. Judicial anticipates being

able to manage these additional responsibilities within the normal course of business. Therefore, the bill will have no expenditure impact for Judicial.

**Commission on Prosecution Coordination.** Implementation of this bill may result in an increase in the number of expungements requests handled by the solicitors' offices. The commission anticipates it can manage any increase in expungement applications using existing staff and appropriations. As a result, implementation of the bill will have no expenditure impact on the commission.

### **State Revenue**

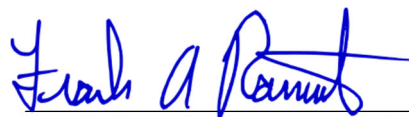
This bill may result in more expungements being handled by solicitors' offices, which may increase the amount of fees collected. Fees required for an expungement request through the solicitor's office consist of a \$250 administrative fee paid to the local solicitor, as well as a \$25 fee paid to SLED. However, as there are no data to estimate the number of expungement requests that may be submitted in FY 2025-26, the amount of General Fund and Other Funds revenue that may be generated as a result of the bill is undetermined.

### **Local Expenditure**

RFA surveyed the counties and MASC on behalf of municipalities as to any fiscal impact that may result from passage of the bill. Florence County and MASC both report that the bill will have no impact. Based on these responses, RFA anticipates there will be no local expenditure impact due to this bill.

### **Local Revenue**

This bill may result in more expungement requests being heard in magistrate and municipal courts, which may increase the number of fees collected in these courts. Court fees collected by local governments for an expungement consist of a \$35 fee paid to the Clerk of Court. However, there are no data to estimate the number of expungement requests that may be due to this bill. As such, any local revenue increase is undetermined.



Frank A. Rainwater, Executive Director