



**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:** H. 3217    Introduced on January 10, 2023  
**Author:** W. Newton  
**Subject:** Uniform Unregulated Child Custody Transfer Act  
**Requestor:** House Judiciary  
**RFA Analyst(s):** Boggs  
**Impact Date:** April 18, 2023

**Fiscal Impact Summary**

This bill prohibits a parent, a guardian of a child, or an individual with whom a child has been placed for adoption from transferring custody of the child to another person with the intent, at the time of the transfer, to abandon the rights and responsibilities concerning the child, with certain exemptions. Further, a person that violates this section is guilty of a misdemeanor and, upon conviction, may be imprisoned for not more than one year, fined \$5,000, or both. Lastly, if the Department of Social Services (DSS) has probable cause to believe that a person has or will transfer custody of a child in violation of this bill, DSS may investigate and take appropriate action to protect the welfare of the child.

This bill may have an undetermined expenditure impact on DSS, depending upon the increase in DSS’s caseload. The following table displays the annual cost of care for a child in DSS custody.

<b>YEAR</b>	<b>STATE FUNDS</b>	<b>FEDERAL FUNDS</b>	<b>TOTAL FUNDS</b>
1	\$34,996	\$5,658	\$40,654
2	\$21,794	\$0	\$21,794
3 through 13.5 (11.5 years total)	\$9,660 (per year)	\$0	\$9,660 (per year)

According to DSS, in 2022 there were 193 cases of substantiated parental abandonment. This number does not include instances where a parent or guardian made arrangements to place their child with another willing adult as these instances are typically not reported to DSS. DSS anticipates that this bill will not result in a significant increase in reporting for children who are left with another willing adult by a parent or guardian. However, DSS anticipates there may be an increase in the number of cases reported that involve the transfer of an adopted child, known as adoptive rehomeing. For reference, according to the Adoption Network approximately 7 percent of the population is adopted in the United States<sup>1</sup>.

This bill may result in an increase in the number of hearings in family court. However, we anticipate that Judicial, the Commission on Indigent Defense (CID), and the Commission on

<sup>1</sup> <https://adoptionnetwork.com/adoption-myths-facts/domestic-us-statistics/>

Prosecution Coordination (CPC) can manage any change in caseloads within existing appropriations.

This bill may result in an increase in the number of inmates housed by local facilities. However, we anticipate any increase to local facilities will be managed within existing expenditures. Therefore, there will be no local expenditure impact.

This bill may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, we anticipate this bill may result in an undetermined impact to General Fund revenue, Other Funds revenue, and local revenue due to the change in fines and fees collections in court.

## **Explanation of Fiscal Impact**

### **Introduced on January 10, 2023**

#### **State Expenditure**

This bill prohibits a parent, a guardian of a child, or an individual with whom a child has been placed for adoption from transferring custody of the child to another person with the intent, at the time of the transfer, to abandon the rights and responsibilities concerning the child. This does not apply if the transfer of custody is to a parent, stepparent, adult relative, or an adult who has a close relationship with the child or parent. Further, a person that violates this section is guilty of a misdemeanor and, upon conviction, may be imprisoned for not more than one year, fined \$5,000, or both. Lastly, if DSS has probable cause to believe that a person has or will transfer custody of a child in violation of this bill, DSS may investigate and take appropriate action to protect the welfare of the child.

According to DSS, a child who is left in the care of a willing adult by a parent, guardian or adopted parent is typically not reported currently. This bill may result in an increase in reporting of the transfer of custody of the child, regardless of the adequacy of the arrangements made for the care of the child. However, DSS anticipates that even with this bill instances where child custody is transferred to a willing adult is likely to remain highly unknown.

**Department of Social Services.** This bill may increase the number of cases that DSS must investigate and increase the number of children in DSS custody. According to DSS, in 2022 there were 193 cases of substantiated parental abandonment. However, this number does not include instances where a parent or guardian makes adequate arrangements to place their child with another willing adult as these instances are often not reported to DSS. The only way DSS is likely to receive notice of these instances is if a mandated reporter like a doctor, school personnel, or law enforcement alerts them. DSS does not anticipate there will be a significant increase in reporting of these types of placements due to this bill. DSS anticipates that this bill will have a more prominent impact on cases involving the transfer or custody of a recently adopted child, known as adoptive rehomeing. For reference, according to the Adoption Network approximately 7 percent of the population is adopted in the United States<sup>2</sup>. Also, in FY 2021-22,

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<sup>2</sup> <https://adoptionnetwork.com/adoption-myths-facts/domestic-us-statistics/>

family court filings included 1,683 domestic adoptions and 19 foreign adoptions. The potential number of adoptive rehomings that may occur relative to the total number of adoptions is unknown. Additionally, the number of adoptive rehomings that will come to the attention of DSS is also unknown. DSS provided the following estimate of the cost of care for one child in DSS custody.

YEAR	STATE FUNDS	FEDERAL FUNDS	TOTAL FUNDS
1	\$34,996	\$5,658	\$40,654
2	\$21,794	\$0	\$21,794
3 through 13.5 (11.5 years total)	\$9,660 (per year)	\$0	\$9,660 (per year)

This estimate also includes case management staff time for intake, investigation, various hearings and attorney costs for these hearings, adoption home studies completed by a certified investigator, and \$1,500 in attorney fee reimbursement paid to the adoptive family. However, as the potential increase in children that may enter into DSS custody due to this bill is unknown, the potential increase in expenditures for DSS is undetermined.

**Judicial.** This bill may increase caseload in family court. However, we anticipate Judicial can manage any increase in caseload due to this bill within existing appropriations.

**Commission on Indigent Defense.** This bill may increase the workload for CPC. However, we anticipate the agency can manage any increase in workload due to this bill within existing appropriations.

**Commission on Prosecution Coordination.** This bill may increase the workload for CPC. However, we anticipate the agency can manage any increase in workload due to this bill within existing appropriations.

### State Revenue

This bill adds a misdemeanor that, upon conviction, may result in a \$5,000 fine. This may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, we anticipate this bill may result in an undetermined increase to General Fund revenue and Other Funds revenue due to the increase in fines and fees collections in court.

### Local Expenditure

This bill adds a misdemeanor that, upon conviction, may result in imprisonment for not more than one year. This bill may result in an increase in the number of inmates housed by local facilities. However, no data are available to estimate the increase in the number of inmates that may be housed. We anticipate any increase to local facilities will be managed within existing expenditures. Therefore, there will be no local expenditure impact.

### **Local Revenue**

This bill adds a misdemeanor that, upon conviction, may result in a \$5,000 fine. This may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, we anticipate this bill may result in an undetermined increase to local revenue due to the increase in fines and fees collections in court.



Frank A. Rainwater, Executive Director