



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
(803)734-3780 • RFA.SC.GOV/IMPACTS

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. 3606	Amended by the House of Representatives on March 2, 2021
Author:	G. M. Smith	
Subject:	Residential property improvement exemptions	
Requestor:	Senate Labor, Commerce, and Industry	
RFA Analyst(s):	Coomer	
Impact Date:	October 5, 2021	

Fiscal Impact Summary

This bill as amended exempts homeowners from licensure for performing particular improvements to their property and exempts these improvements from local building permit requirements. The bill additionally amends the definition of a residential specialty contractor.

This bill will have no expenditure impact on the Other Funds of the Department of Labor, Licensing and Regulation (LLR) because it does not alter the duties of the South Carolina Residential Builders Commission (RBC), which regulates residential construction and property improvements for LLR.

We do not anticipate that this bill will have a revenue impact on local governments because it is not expected to alter the oversight or regulatory duties of local governments.

Explanation of Fiscal Impact

Amended by the House of Representatives on March 2, 2021

State Expenditure

This bill as amended exempts homeowners from licensure for performing particular improvements to their property and exempts these improvements from local building permit requirements. Under current law, a property owner may act as his own builder when making improvements to his personal property, provided that the improvements are intended for the sole use of the owner or his family and the property is not accessible by the general public. The owner must apply for a building permit before undertaking major improvements. The bill delineates improvements to personal property for which the owner is not required to obtain a building permit.

Additionally, this bill amends the definition of a residential specialty contractor to allow a licensed residential builder to also hold a residential specialty registration. The definition is furthermore amended to increase the dollar threshold from \$200 to \$500 for improvement projects requiring a residential specialty license or registration.

LLR indicates this bill does not alter the duties of the RBC, which regulates residential construction and property improvements for LLR. Therefore, this bill will have no expenditure impact on the Other Funds of LLR.

State Revenue

N/A

Local Expenditure

This bill as amended exempts homeowners from licensure for performing particular improvements to their property, exempts these improvements from local building permit requirements, and amends the definition of a residential specialty contractor. In a similar bill, it was indicated that local governments currently apply these sections of code to the administration of building permits. The Revenue and Fiscal Affairs Office anticipates that this bill will not alter the regulatory duties of local governments, and that there will be no impact on local government expenditures. If any additional information becomes available, we will update this fiscal impact statement as necessary.

Local Revenue

N/A



Frank A. Rainwater, Executive Director