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Indicates New Matter

COMMITTEE REPORT

May 30, 2012

**H. 4821**

Introduced by Reps. G.M. Smith, Pitts, Murphy, Horne, Hearn, McCoy, Stavrinakis, Bannister and Harrison

S. Printed 5/30/12--S.

Read the first time April 25, 2012.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 4821) to amend Section 8‑21‑310, as amended, Code of Laws of South Carolina, 1976, relating to court fees and costs, so as to provide for the filing, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

LUKE A. RANKIN for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT 1/**

This bill would raise earmarked funds of the South Carolina Judicial Department (JUD) subject to implementation of a fee-based electronic filing system. The revenue yield, however, cannot be accurately determined until a fee amount and a prospective date to commence collections are set. No such revenue is anticipated in FY 2012-13. The bill would have no impact on state general fund revenue.

**Explanation**

This bill adds provisions to the existing schedule of court costs and fees in this State to direct the collection and allocation of fee proceeds from filing court documents by electronic means, once an integrated electronic filing (e-filing) system is implemented by the South Carolina Judicial Department (JUD). The amount of this e-filing fee is to be determined by the Chief Justice of the South Carolina Supreme Court. All fees generated from e-filing would be earmarked to the JUD for use in support of court technology.

This bill puts into permanent law procedures to collect and allocate fee revenue predicated on the eventual development and implementation of an integrated electronic filing (e-filing) system to file court documents statewide. The timeline from predevelopment to pilot testing to actual implementation is expected to extend more than one fiscal year. As predevelopment funding for this program is dependent upon obtaining additional appropriations, no fee revenue is anticipated in FY 2012-13. Since any future revenue would be allocated in full to earmarked funds of the JUD, the bill would have no impact on state general fund revenue.

*Approved By:*

Frank A. Rainwater

Board of Economic Advisors

1/ This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

**EXPLANATION OF IMPACT:**

The Judicial Department

The department indicates that this bill will have a fiscal impact on the General Fund of the State of approximately $5 million for the e-filing system for the trial courts, specifically the Court of Common Pleas. In FY09-10 there were 114,003 case filings with the Court of Common Pleas (Circuit Courts).

**SPECIAL NOTES:**

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this bill.

The Judicial Department has provided an estimate as to the revenue that the system may generate and it ranged from $5.5 million a year to a maximum of $11.7 million per year.

*Approved By:*

Brenda Hart

Office of State Budget

**A** **BILL**

TO AMEND SECTION 8‑21‑310, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO COURT FEES AND COSTS, SO AS TO PROVIDE FOR THE FILING OF COURT DOCUMENTS BY ELECTRONIC MEANS FROM AN INTEGRATED ELECTRONIC FILING (E‑FILING) SYSTEM AND TO PROVIDE THAT FEES GENERATED FROM E‑FILING ARE TO BE USED IN SUPPORT OF COURT TECHNOLOGY.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 8‑21‑310 of the 1976 Code, as last amended by Act 256 of 2010, is further amended by adding an appropriately lettered item at the end to read:

“( ) for filing court documents by electronic means from an integrated electronic filing (e‑filing) system owned and operated by the South Carolina Judicial Department in an amount set by the Chief Justice of the South Carolina Supreme Court and all fees must be remitted to the South Carolina Judicial Department to be dedicated to the support of court technology.”

SECTION 2. This act takes effect upon approval by the Governor.

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