~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 24, 2021

**H. 3262**

Introduced by Reps. Fry, Huggins, Davis, B. Newton, G.R. Smith, Morgan, Burns, Erickson, Bennett, Thayer, Taylor, Bryant, Elliott, Willis, Felder, McGarry, V.S. Moss, Haddon, Long, Pope, Forrest, Caskey, Hixon, Hewitt, Bailey, M.M. Smith, J.E. Johnson, Bradley, Brittain and Crawford

S. Printed 3/24/21--S.

Read the first time February 25, 2021.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 3262) to amend Section 7‑11‑15, as amended, Code of Laws of South Carolina, 1976, relating to qualifications to run as a candidate in general elections, etc., respectfully

**REPORT:**

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

Amend the bill, as and if amended, page 2, by striking lines 14 through 21, in Section 7‑11‑15(JUD3262.003), as contained in SECTION 1, and inserting therein the following:

/ holiday. Notwithstanding another provision of law, beginning July 1, 2021, each candidate from each political party in this State shall pay a filing fee, including candidates from parties that are not required to conduct a primary election. Each candidate shall make payment of any applicable filing fee in the form of a certified check, cashier’s check, or money order at the time of filing a statement of intention of candidacy.” /

Renumber sections to conform.

Amend title to conform.

LUKE A. RANKIN for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Amended by the House of Representatives on February 24, 2021**

**State Expenditure**

This bill requires any candidate from each political party to pay a filing fee, beginning July 1, 2021. Currently, filing fees may be collected but are not required. SEC anticipates it will need to update the Voter Registration System and the Election Management System for candidate filing data, in addition to updating the poll manager training material. SEC believes third party candidates will choose to participate in primaries as filing fees are used to offset the cost of primaries. Due to this expectation, SEC plans to update poll manager training to include third party participation in primaries. SEC estimates the total cost of updating the Election Management System and poll manager training materials will cost $250,000. Therefore, this bill will result in a non-recurring general fund expenditure of $250,000 in FY 2021-22. Additionally, this bill will increase total amount of filing fees collected by SEC. SEC estimates other funds revenue will increase by approximately $200,000 every other year in conjunction with the statewide elections. This increase of $200,000 other fund revenue will be used to offset the cost of primary elections. SEC does not anticipate that the potential increase in the number of candidates participating in primaries will result in an increase in the cost of the primaries. Therefore, this bill may result in general fund expenditure savings of up to $200,000 due to the offsetting other fund revenues, beginning in FY 2021-22. Revenue and Fiscal Affairs anticipates that any savings stemming from the increased collection of filing fees will be reallocated to other needs within the agency.

**State Revenue**

This bill requires any candidate from each political party to pay a filing fee, beginning July 1, 2021. Currently, a filing fee is set at 1 percent of the salary for the term of office or $100, whichever is greater. Filing fees for candidates for the majority parties are ultimately submitted to SEC. These filing fees received are expended by SEC to offset the cost to conduct primary elections, pursuant to §7-13-15. This bill will result in third party candidates paying filing fees. The total revenue impact for each statewide election year will depend upon the number of third-party candidates that choose to file. SEC estimates that this may generate additional filing fees of approximately $200,000 every other year in conjunction with the statewide elections. Therefore, this bill will result in an increase of other fund revenue of approximately $200,000 every other year in conjunction with statewide elections, and dependent on the number of candidates filing for the election, beginning in FY 2021-22. Any revenue increase will be used to offset the cost of primary elections.

**Local Revenue**

This bill requires any candidate from each political party to pay a filing fee, beginning July 1, 2021. Additionally, this bill grants political parties the authority to charge a certification fee of no more than $100 for each candidate seeking nomination. RFA anticipates this authorization will have no revenue impact for local counties’ board of voter registration and elections.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 7‑11‑15, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO QUALIFICATIONS TO RUN AS A CANDIDATE IN GENERAL ELECTIONS, SO AS TO REQUIRE ALL CANDIDATES FROM EACH POLITICAL PARTY IN THIS STATE TO PAY A FILING FEE, INCLUDING CANDIDATES FROM PARTIES THAT ARE NOT REQUIRED TO CONDUCT A PRIMARY ELECTION, AND TO AUTHORIZE POLITICAL PARTIES TO CHARGE A CERTIFICATION FEE TO ALL CANDIDATES SEEKING NOMINATION BY POLITICAL PARTY PRIMARY OR POLITICAL PARTY CONVENTION; AND TO AMEND SECTION 7‑11‑210, RELATING TO THE NOTICE OF CANDIDACY AND PLEDGE, SO AS TO REQUIRE CANDIDATES TO AFFIRM THEIR PARTICIPATION IN AT LEAST THREE OF THE LAST FOUR STATEWIDE PARTY PRIMARIES, OR, IN THE ALTERNATIVE, IF PRECLUDED FROM PARTICIPATION DUE TO AGE, PERSONAL HEALTH, RESIDENCY, OR ACTIVE MILITARY SERVICE, CANDIDATES MAY PLEDGE THAT THEY ARE BONA FIDE MEMBERS OF THE POLITICAL PARTY WHOSE NOMINATION THEY ARE SEEKING, AND TO PROVIDE THAT THE STATE PARTY CHAIRMAN, IF PERMITTED BY PARTY RULE, MAY REQUIRE ADDITIONAL VERIFICATION WHEN A CANDIDATE’S AFFIRMATION OF BONA FIDE PARTY MEMBERSHIP IS DISPUTED, AND THAT THE STATE CHAIRMAN IS THE FINAL AUTHORITY TO RESOLVE QUESTIONS REGARDING BONA FIDE PARTY MEMBERSHIP.

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

SECTION 1. The first paragraph of Section 7‑11‑15(A) of the 1976 Code, as last amended by Act 142 of 2018, is further amended to read:

“(A) In order to qualify as a candidate to run in the general election, all candidates seeking nomination by political party primary or political party convention must file a statement of intention of candidacy and party pledge and submit any filing fees between noon on March sixteenth and noon on March thirtieth as provided in this section. If March thirtieth is on a Saturday or Sunday, the time for filing extends to the next regular business day. For purposes of this section and Section 7‑13‑45, ‘next regular business day’ means a day that is not a Saturday, Sunday, or legal holiday. Notwithstanding another provision of law, beginning July 1, 2021, all candidates from each political party in this State shall pay a filing fee, including candidates from parties that are not required to conduct a primary election. In addition to the filing fee required pursuant to this subsection, political parties also may charge a certification fee not to exceed the sum of one hundred dollars to all candidates seeking nomination by political party primary or political party convention.”

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

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