



PO BOX 8453, COLUMBIA, SC, 29202, (803) 606-0431, WWW.LWVSC.ORG

5 Feb 2026

## LWVSC Testimony, H.3021, Small Business Regulatory Freedom Act

The requirements in H.3021 that regulations be reduced by 25% and that two regulations be identified for removal for every new regulation that is proposed reflect an underlying assumption that there is a large body of unnecessary regulation impeding businesses in this state. How did this happen? Has there been a period when South Carolina government was antagonistic to business interests, so that regulations could be imposed on businesses without constraint, without hearing from businesses that would be affected, without weighing costs and benefits? We are not aware of such a time in our history.

Looking at the foundations of this issue, regulations are put into place by that perennial fall guy of politics, the "unelected bureaucrats." However, anthropology has a lot to say about those bureaucrats, principally that they represent the essential foundation of any stable state level political organization. They are, after all, the people hired to do what this General Assembly has said should be done. They are the ones who, despite regular changes of elected officials, know how to write the specifications for a road repair contract and what qualifications are expected of a real estate appraiser.

What are these bureaucrats trying to accomplish with regulations? Laws are broad, legislatively enacted mandates that establish legal principles, rights, and obligations, answering the "what" and "why" of governance. Conversely, regulations are specific rules created by administrative agencies to implement, enforce, and clarify those laws, explaining the "how" and defining technical standards. The public needs the consistent procedures and standards established by regulations, or compliance with the law can become far more confusing and difficult.

Regulations can be more intrusive or less effective than expected when they are enacted or can become outdated and unnecessary. When this occurs, they should be reviewed and either amended or ended. However, the very arbitrary requirements of this bill are not well designed for that purpose and have the potential to do real harm.

In summary, the League recognizes the need to periodically review regulations but finds some provisions of this bill arbitrary and potentially harmful to the public interest. We ask that you not forward it with a favorable recommendation unless it is amended to remove these requirements and focus on the real purpose and effectiveness of the regulations that are the necessary "rules of the road" for our government.

Contact: Lynn S. Teague, VP for Issues and Action, LWVSC  
803 556-9802  
teague@lwwsc.org