

**SENATE FINANCE COMMITTEE
TRANSPORTATION AND REGULATORY SUBCOMMITTEE
PROVISO CHANGES FOR CONSIDERATION FOR FY 2026-27**

SECTION 72 - R040 - PUBLIC SERVICE COMMISSION

- 72.4** **AMEND** (PSC: Avoided Cost Experts) Authorizes the commission to repurpose funds authorized in the General Appropriations Act of 2023 for expenses incurred for third-party consultants and experts.
WMC: AMEND proviso to add carry forward authority for unexpended funds allocated for avoided cost experts. Requested by the Public Service Commission.
HOU: ADOPT proviso as amended.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

72.4. (PSC: Avoided Cost Experts) The Public Service Commission is authorized to use and expend funds appropriated in Act 84 of 2023, Proviso 118.19(52) for the South Carolina Integration Study, for expenses incurred for third-party avoided cost consultants and experts employed through contract or otherwise and retained pursuant to Section 58-41-20(I). The appropriation is redirected for the Public Service Commission to utilize these funds to pay for the third-party avoided cost consultants and experts employed through contract or otherwise. The commission is authorized to carry forward unexpended funds allocated for avoided cost experts into the current fiscal year to be used for the same purpose.

SECTION 73 - R060 - OFFICE OF REGULATORY STAFF

- 73.eap** **ADD** (ORS: Energy Assessment Plan) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD proviso to exempt ORS staff from the State Procurement Code in the hiring of an expert to conduct the energy assessment and action plan pursuant to Section 58-4-150.

73.eap. (ORS: Energy Assessment Plan) The Office of Regulatory Staff is exempt from the State Procurement Code in the selection and hiring of an expert to conduct the South Carolina energy assessment and action plan described in Section 58-4-150.

SECTION 82 - R400 - DEPARTMENT OF MOTOR VEHICLES

- 82.16** **AMEND NEW PROVISO** (DMV: Electronic Titling) **WMC:** ADD proviso to direct the department to utilize up to one million dollars to hire contract computer programmers for the creation of an Electronic Titling Program and provides the description of the program services. Directs the department to select and contract a third-party vendor to create and implement the program and allows the use of programming resources if offered by the vendor. Requires the program to be operational by June 30, 2027.
HOU: ADOPT new proviso.
SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to update the operational date of electronic titling services to March 31, 2027.

82.16. (DMV: Electronic Titling) Up to \$1,000,000 shall be appropriated to the Department of Motor Vehicles for the purpose of hiring contract computer programmers for the creation of an Electronic Titling Program to provide electronic vehicle title processing services to include the transfer of vehicle ownership and the placement and release of liens for automotive dealers, lenders, and auctioneers, and comparable electronic titling services for vehicle owners and other customers. The department shall select and contract with a third-party vendor to create and implement the program and the department is allowed to utilize programming resources if offered by the Electronic Titling vendor. Electronic titling services for automotive dealers, lenders, and auctioneers must be operational no later than ~~June 30~~ March 31, 2027.

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SECTION 83 - R600 - DEPARTMENT OF EMPLOYMENT AND WORKFORCE

- 83.5** **AMEND** (DEW: REED Act Spending Authority) Authorizes DEW to spend up to \$2,375,072 of funds made available to the State under Section 903 of the U.S. Social Security Act. Directs the funds be used to for UI, WIOA, and Employment Services Programs. Prohibits the funds from being obligated after a 2-year period beginning July 1.
WMC: AMEND proviso to update calendar year reference. Requested by the Department of Employment and Workforce.
HOU: ADOPT proviso as amended.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

83.5. (DEW: REED Act Spending Authority) The Department of Employment and Workforce is authorized to expend up to \$2,375,072 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of funding Unemployment Insurance, Workforce Innovation and Opportunity Act, and Employment Services Programs. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2025~~ 2026. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and as required by law to be charged against the amounts transferred to the account of this State.

SECTION 84 - U120 - DEPARTMENT OF TRANSPORTATION

- 84.17** **AMEND** (DOT: Waiver Valuations) Directs for federally appropriated funds, cost estimates under \$20,000 for simple real property acquisitions are classified as waiver valuations per Federal Highway Administration guidelines and appraisers licensed in South Carolina are exempt from certain Uniform Standards of Professional Appraisal Practice rules when handling these. Directs that the Department must report details of such valuations to the Senate Transportation and House Education and Public Works Committees by June 30, 2026.
WMC: AMEND proviso to update the calendar year reference.
HOU: ADOPT proviso as amended.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

84.17. (DOT: Waiver Valuations) For federal funds appropriated to the department, cost estimates of twenty thousand dollars or less for uncomplicated acquisitions of real property, defined as those involving unimproved strips of land with no damages, no changes in highest and best use, or no significant costs to cure, are considered waiver valuations as defined by the Federal Highway Administration. Licensed or certified appraisers, licensed pursuant to S.C. Code Title 40, Chapter 60, preparing or reviewing a waiver valuation are precluded from complying with Standards Rules 1, 2, 3, and 4 of the “Uniform Standards of Professional Appraisal Practice,” as promulgated by the Appraisals Standards Board of the Appraisal Foundation. The department shall submit a detailed report on the waiver valuations to the Senate Transportation Committee and the House Education and Public Works Committee by June 30, ~~2026~~ 2027.

- 84.18** **ADD** (DOT: Road Buyback Program) **WMC:** ADD proviso to direct the department to identify and create a list of roads potentially eligible for transfer according to Section 57-5-80 and

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determine if they are more properly maintained by a county, municipality, or political subdivision. Provides the factors and criteria the department shall consider in making these determinations. Allows the department to negotiate with the governing recipient of the roads for the maintenance responsibilities, and directs the utilization of the Road Buyback Program funds. Requires the department to submit the list of identified roads, criteria used, and recommendations to the Chairmen of SFC and WMC and the Governor by February 28, 2027. Requested by the Department of Transportation.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

84.18. (DOT: Road Buyback Program) From the funds appropriated to the Department of Transportation for the Road Buyback Program, the department shall be directed to identify and compile a list of roads on the state highway system that may be eligible for transfer in accordance with Section 57-5-80. The department shall evaluate roads that may no longer serve a statewide purpose and determine whether such roads are more properly maintained by a county, municipality, or other appropriate political subdivision. In making this determination, the department shall consider functional classification, traffic volume, connectivity, and consistency with the statewide transportation plan. In accordance with Section 57-5-80, roads deemed eligible for transfer shall be those which, in the opinion of the department, are no longer needed to serve the purpose of the state highway system. The department may negotiate with the governing bodies of the appropriate political subdivisions for the transfer of maintenance responsibilities for such roads. Road Buyback Program funds shall be used to assist with costs related to the transfer of roads from the state highway system including, but not limited to, resurfacing, design improvements, documentation, and transition-related expenses agreed upon by the department and political subdivision. The department shall submit the list of identified roads, along with criteria used for selection and any recommendations regarding the transfer process, to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor by February 28, 2027.

84.edf **ADD** (DOT: Transportation Economic Development Fund) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD proviso to establish the Transportation Economic Development Fund within DOT to provide financial assistance to state and local entities for road projects that support industrial development. Directs that the fund shall consist of appropriations and other available monies, with grants approved by the Coordinating Council for Economic Development. Directs that DOT and the Department of Commerce must jointly develop grant criteria which requires approval by the Council. Directs that unexpended funds may be carried forward for the same purposes.

84.edf. (DOT: Transportation Economic Development Fund) In order to provide financial assistance to political subdivisions for construction, design, improvement, or right-of-way acquisition of roads that provide access to industrial areas and facilitate the development or expansion of industry within the State, there is established within the Department of Transportation the Transportation Economic Development Fund. The fund shall consist of monies appropriated by the General Assembly and any other funds made available for this purpose. Grants from the fund may be awarded only to state agencies, counties, municipalities, and other political subdivisions of the State and must be approved by the Coordinating Council for Economic Development. The department and the Department of Commerce shall jointly develop criteria for awarding grants from the fund, which must be approved by the Coordinating Council for Economic Development prior to implementation. In developing the criteria, the departments shall consider: (1) the economic benefits of the proposed road improvements; (2)

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the amount of matching funds provided by outside sources; and (3) the number of jobs created or retained by the proposed investment. Any unexpended at the end of the prior fiscal year may be carried forward and expended in the current fiscal year by the department for the same purposes.

84.brr CONFORM TO FUNDING / ADD (DOT: Broadband Relocation Reimbursement Pilot Program) **SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM OF FUNDING / ADD proviso to establish the Broadband Relocation Reimbursement Pilot Program to reimburse service providers for eligible costs incurred during relocation of facilities made at the request of the department. Directs the department to establish a process for submission of applications, begin receiving applications by January 31, and provide an annual report by June 30.

84.brr. (DOT: Broadband Relocation Reimbursement Pilot Program) Of the funds appropriated, there is established within the Department of Transportation the Broadband Relocation Reimbursement Pilot Program to reimburse broadband service providers for eligible costs incurred during the physical relocation of broadband facilities made at the request of the department. Program funds may only be used to reimburse actual, documented expenses incurred in calendar year 2025 directly attributable to the physical relocation of broadband facilities owned and operated by incumbent local exchange carriers, as defined in Section 58-9-10(11), and cable operators, as defined in 47 U.S.C. Section 522(5) as required by the department. Use of the funds for reimbursement of indirect or administrative costs is prohibited. The department shall establish a process for submission of applications and begin receiving applications no later than January 31 of the current fiscal year. If the total amount of reimbursement requests exceeds the funding appropriated, each provider shall receive its applicable pro rata share of funding. The department shall provide an annual report detailing the applications received and funding granted to providers to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee by June 30 of the current fiscal year.

SECTION 117 - X900 - GENERAL PROVISIONS

117.143 AMEND (GP: Electricity Market Reform) Directs that the Electricity Market Reform Measures Study Committee issue a report on its findings no later than January 31, 2026. Directs that the committee may continue to meet past that date and issue additional reports.

WMC: AMEND proviso to update the calendar year reference.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.143. (GP: Electricity Market Reform) The Electricity Market Reform Measures Study Committee shall issue a report on its work to the General Assembly no later than January 31, ~~2026~~ 2027; however, nothing in this provision prohibits the committee from continuing to meet past January 31, ~~2026~~ 2027 and issue additional reports pursuant to Act 187 of 2020.