



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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*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.*

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**Bill Number:** H. 3118    Introduced on January 10, 2023  
**Author:** Gilliam  
**Subject:** Chinese Land Ownership Prohibition  
**Requestor:** House Medical, Military, Public, and Municipal Affairs  
**RFA Analyst(s):** Bryant  
**Impact Date:** January 12, 2023

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### **Fiscal Impact Summary**

This bill prohibits companies owned, in whole or in part, by the People’s Republic of China or the Chinese Communist Party from owning, leasing, possessing, or exercising any control over land or real estate located within fifty miles of a state or federal military base or installation for the purpose of installing or erecting certain towers.

This bill will have no expenditure impact on the Office of Regulatory Staff (ORS) since the bill does not alter the duties or responsibilities of the agency.

The bill further requires that any telecommunications or broadcasting equipment in place before January 1, 2023, to be replaced with equipment made in the United States and installed by a company located in the United States. We interpret this portion of the bill relating to the replacement of equipment as pertaining to companies owned by the People’s Republic of China or the Chinese Communist Party and located within fifty miles of a state or federal military base or installation as well. If our interpretation is incorrect and this bill has a wider impact, the bill may have a fiscal impact on other state agencies and will require an updated impact with additional agency responses.

### **Explanation of Fiscal Impact**

#### **Introduced on January 10, 2023**

#### **State Expenditure**

This bill prohibits any company or development owned or controlled by a company that is owned, in whole or in part, by, or is a subsidiary of, a company that is owned by the People's Republic of China or the Chinese Communist Party or whose principal place of business is located within the People's Republic of China from owning, leasing, possessing, or exercising any control over any land or real estate located within fifty miles of a state or federal military base or installation for the purpose of installing or erecting any type of telecommunications or broadcasting tower. Additionally, any telecommunications or broadcasting equipment in place before January 1, 2023, must be replaced with equipment made in the United States and installed by a company located in the United States. The bill also specifies that all telecommunications

and broadcasting equipment may be inspected at any time without notice for monitoring, jamming, or interception equipment, which must be removed if found.

**Office of Regulatory Staff.** This bill will have no expenditure impact on the ORS since the bill does not alter the duties or responsibilities of the agency.

Further, we interpret the portion of the bill pertaining to the replacement of telecommunications or broadcasting equipment in place before January 1, 2023, as being owned by the People's Republic of China or the Chinese Communist Party and located within fifty miles of a state or federal military base or installation as well. If our interpretation is incorrect and this bill has a wider impact, the bill may have a fiscal impact on other state agencies and will require an updated impact with additional agency responses.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director