**South Carolina General Assembly**

126th Session, 2025-2026

**H. 3768**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Brewer, Gatch, Robbins, Schuessler and Sessions

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Introduced in the House on January 16, 2025

Introduced in the Senate on April 9, 2025

Currently residing in the Senate Committee on **Finance**

Summary: Highway system construction

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/16/2025 House Introduced and read first time ([House Journal‑page 718](h:\hj\20250116.docx))

1/16/2025 House Referred to Committee on **Education and Public Works** ([House Journal‑page 718](h:\hj\20250116.docx))

4/2/2025 House Committee report: Favorable **Education and Public Works** ([House Journal‑page 3](h:\hj\20250402.docx))

4/8/2025 House Read second time ([House Journal‑page 14](h:\hj\20250408.docx))

4/8/2025 House Roll call Yeas-103 Nays-0 ([House Journal‑page 14](h:\hj\20250408.docx))

4/9/2025 House Read third time and sent to Senate ([House Journal‑page 20](h:\hj\20250409.docx))

4/9/2025 Senate Introduced and read first time ([Senate Journal‑page 2](h:\sj\20250409.docx))

4/9/2025 Senate Referred to Committee on **Finance** ([Senate Journal‑page 2](h:\sj\20250409.docx))

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**VERSIONS OF THIS BILL**

[01/16/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/3768_20250116.docx)

[04/02/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/3768_20250402.docx)

Indicates Matter Stricken

Indicates New Matter

Committee Report

April 2, 2025

H. 3768

Introduced by Reps. Brewer, Gatch, Robbins, Schuessler and Sessions

S. Printed 4/2/25--H.

Read the first time January 16, 2025

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The committee on House Education and Public Works

To whom was referred a Bill (H. 3768) to amend the South Carolina Code of Laws by amending Act 36 of 2019, relating to highway system construction, so as to change the sunset expiration provision to, etc., respectfully

Report:

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

SHANNON ERICKSON for Committee.

statement of estimated fiscal impact

Explanation of Fiscal Impact

State Expenditure

This bill extends the sunset date pursuant to Section 2 of Act 36 of 2019, which references Section 57-5-880, from July 1, 2026, to July 1, 2031. Section 57-5-880 specifies that an entity undertaking a transportation improvement project must bear the costs to relocate water and sewer lines up to 4 percent of the original construction bid amount for a large public water utility or large public sewer utility. If than one large public water or sewer utility is required to relocate a single project, the total cost share of up to 4 percent must be divided pro rata among the large public water or sewer utilities required to relocate the project. Further, for projects that impact both a large public utility and a small utility, the entity undertaking the project must pay all of the small public utility’s costs of the project.

If this provision expired, public water and sewer utilities would be responsible for assuming these costs beginning July 1, 2026. By extending the sunset, transportation improvement projects will continue to bear these costs until July 1, 2031. DOT estimates that the cost of extending the sunset provision is approximately $34,000,000 based on historical data from an estimated 280 large and small utility relocations. However, DOT anticipates that it can manage these expenses with existing appropriations.

Local Expenditure

This bill extends the sunset date pursuant to Section 2 of Act 36 of 2019, which is Section 57-5-880, from July 1, 2026, to July 1, 2031. Section 57-5-880 specifies that an entity undertaking a transportation improvement project must bear the costs to relocate water and sewer lines up to 4 percent of the original construction bid amount for a large public water utility or large public sewer utility. If more than one large public water or sewer utility is required to relocate a single project, the total cost share of up to 4 percent must be divided pro rata among the large public water or sewer utilities required to relocate the project. Further, for projects that impact both a large public utility and a small utility, the entity undertaking the project must pay all of the small public utility’s costs of the project.

RFA contacted all county governments and the Municipal Association of South Carolina (MASC) regarding the fiscal impact of extending the sunset provision and received responses from Charleton, Florence, and Horry Counties and MASC. Based on these responses, the impact on local governments will vary widely. Some local governments will experience a significant increase in costs as they will bear the costs of the utility relocations in planned transportation projects, whereas other local governments that run water and/or sewer utilities will either see a reduction in expenses or transportation projects that could not be funded by the small utility will continue as the utility will not be responsible for the costs. The individual responses received are detailed below.

Charleston County anticipates advertising many infrastructure improvement projects that total approximately $611,000,000 over the next five years that would be impacted by extending the sunset provision. Although more than one public utility may be impacted by these projects, 4 percent of these costs would have an expenditure impact of approximately $24,500,000 on Charleston County. Florence County indicates that the bill will have no expenditure impact on the county since it does not own or operate water or sewer utilities. Horry County indicates that extending the sunset provision will increase its expenses by approximately $100,000,000.

MASC indicates that passage of Act 36 of 2019 has enabled the completion of many transportation improvement projects throughout the state that impact municipal water and sewer utilities. MASC also indicates that there are over 160 municipal affiliated water systems with approximately 21 of these utilities serving populations of 30,000 or greater. Since the majority of municipal water and sewer utilities are considered small utilities, the extension of the sunset date will likely enable the completion of more transportation improvement projects that will impact municipal governments.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

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A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS by amending act 36 of 2019, relating to highway system construction, so as to change the sunset expiration provision to july 1, 2031.

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

SECTION 1. SECTION 2 of Act 36 of 2019 is amended to read:

SECTION 2. The requirements of Section 57-5-880, as added by this act, expire on July 1, 20262031, unless otherwise extended by the General Assembly.

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

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