**South Carolina General Assembly**

126th Session, 2025-2026

**S. 656**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Johnson

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Introduced in the Senate on May 6, 2025

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

Summary: Public Utility Property

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 5/6/2025 Senate Introduced and read first time

 5/6/2025 Senate Referred to Committee on **Judiciary**

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**VERSIONS OF THIS BILL**

[05/06/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/656_20250506.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 58‑5‑70 SO AS TO REQUIRE THE PUBLIC SERVICE COMMISSION TO MAKE CERTAIN CONSIDERATIONS WHEN EVALUATING AN APPLICATION FOR A PUBLIC UTILITY TO ACQUIRE PROPERTY OR ASSETS USED TO PROVIDE WATER, SEWERAGE COLLECTION, OR SEWERAGE DISPOSAL OWNED BY A COUNTY, MUNICIPALITY, OR SPECIAL PURPOSE DISTRICT.

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

SECTION 1. Chapter 5, Title 58 of the S.C. Code is amended by adding:

 Section 58‑5‑70. (A) In evaluating an application for a public utility to acquire property or assets used to provide water, sewerage collection, or sewerage disposal owned by a county, municipality, or special purpose district, the commission must consider the fair market value of the property or assets to be acquired, provided the requirements of this section are met.

 (B) Two appraisals provided by the public utility on the property or assets being acquired must be submitted with the application described in subsection (A). These two appraisals must be conducted by two independent utility‑valuation experts that are mutually selected by the public utility and the county, municipality, or special purpose district selling the property. Each appraisal must be performed in accordance with the Uniform Standards of Professional Appraisal Practice. In addition, the Office of Regulatory Staff, in its discretion, may provide an appraisal to the commission.

 (C) In determining the fair market value for the property or assets used to provide water, sewerage collection, or sewerage disposal, the commission must consider the two independent appraisals described in subsection (B) as well as any appraisal provided by the Office of Regulatory Staff, if applicable. The average of these appraisals, including any appraisal offered by the Office of Regulatory Staff, if performed, shall constitute the fair market value. The commission shall not consider the original source of funding for any part of the tangible assets to determine the value of the property or assets.

 (D)(1) The commission shall promptly fix a date for the commencement of a public hearing. This public hearing must be scheduled for no less than sixty days nor more than ninety days after receipt of the application.

 (2) The commission must complete the hearing and issue an order on the merits within one hundred eighty days following receipt of a complete application.

 (E) In the event a public utility acquires property or assets used to provide water, sewerage collection, or sewerage disposal owned by a county, municipality, or special purpose district, the purchase price or fair market value of the property or assets, whichever is less, shall become part of the rate base in the public utility's next general rate case, subject to a finding by the commission that the acquisition is in the public interest and that such costs are just and reasonable. Reasonable transaction and closing costs, including the costs of any appraisals and engineering assessment borne by the public utility, shall be treated as capital costs that may be recovered by the acquiring public utility.

 (F) Nothing in this section shall prohibit the public utility or the county, municipality, or special purpose district from declining to proceed with an acquisition as described in this section.

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

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