



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.

Bill Number: H. 4756 Signed by Governor on May 15, 2026
Subject: South Carolina Student Physical Privacy Act
Requestor: House of Representatives
RFA Analyst(s): Bryant and Tipton
Impact Date: May 29, 2026

Fiscal Impact Summary

This bill enacts the South Carolina Student Physical Privacy Act and provides various measures to promote and ensure privacy among sexes using certain restrooms and changing facilities in public schools and the state institutions of higher learning (IHLs). The bill specifies that a public school district shall not permit any public school within the district to use any funds to maintain or operate any restroom or changing facility on its premises that is not in compliance with this bill or facilitate any public school-authorized activity or event involving overnight lodging that is not in compliance with the bill. The bill requires the State Board of Education to direct the S.C. Department of Education (SCDE) to withhold 25 percent of the funds appropriated by the General Assembly that are used to support the school district's operations for any district that violates any portion of this bill until the State Board of Education determines the school district is in compliance. Additionally, the bill specifies that an IHL shall not use any funds to maintain or operate any restroom or changing facility on its premises that is not in compliance with this bill or facilitate any institution-authorized activity or event involving overnight lodging that is not in compliance with the bill. An IHL that violates any portion of this bill, as determined by the Commission on Higher Education (CHE), shall have 25 percent of the funds to be appropriated by the General Assembly that are used to support the institution's operations withheld until the institution is determined to be in compliance by CHE. The bill also creates private causes of action against public schools or IHLs that violate the provisions of the bill.

SCDE indicates that this bill will have no expenditure impact since any expenses can be managed with existing resources.

CHE indicates that the impact of the bill will depend upon the extent to which the agency is required to verify that state IHLs are in compliance with the bill's requirements. CHE reports that if the agency is required to develop forms for institutions to complete affirming compliance, there will be no impact. If CHE is required to develop the letter of certification as well as monitor institutions for compliance, the agency will need 1.0 FTE at a total annual expense of approximately \$106,000. If CHE is required to inspect campuses directly for compliance with the bill and perform outside compliant monitoring, the agency will need 3.0 FTEs with a total annual expense of approximately \$278,000. CHE further indicates that if the agency is required to inspect every building on the campuses of IHLs for compliance, the agency will need up to 22.0 FTEs with an annual expense of up to \$1,508,000. CHE indicates that additional General

Funds may be needed in order to cover these expenses, depending on the agency's responsibilities under the bill.

The University of South Carolina (USC), Clemson University (Clemson), the Medical University of South Carolina (MUSC), Coastal Carolina University (CCU), Winthrop University (Winthrop), the College of Charleston (CofC), and Lander University (Lander) report that the requirements of the bill can be managed with existing resources.

This bill may have an impact on the State Board for Technical and Comprehensive Education (Tech System) due to the requirement that every technical college must provide for a single-user restroom or an accommodation. However, any expenses cannot be quantified at this time.

This bill may result in an increase in the number of civil cases heard in circuit court. However, the number of civil cases that will be filed as a result of the bill is unknown. Judicial previously indicated on an earlier version of the bill that it anticipated that it will manage any increased expenditures related to the bill with existing appropriations, but if the bill results in a significant increase in expenditures, Judicial will request an increase in General Fund appropriations.

The Governor's School for Agriculture at John de la Howe, the Governor's School for Arts and Humanities, the School for the Deaf and the Blind, and the Wil Lou Gray Opportunity School indicate that they can manage the provisions of the bill with existing appropriations. The expenditure impact of this bill on the Governor's School for Science and Mathematics is undetermined. The Governor's School for Science and Mathematics indicates that this bill could increase the agency's expenses due to costs for additional signage, potential litigation, and an increase in administrative responsibilities, such as additional monitoring. However, the increase in expenses cannot be quantified at this time and is therefore undetermined.

This bill requires the State Board of Education to direct SCDE to withhold 25 percent of the funds appropriated by the General Assembly that are used to support the school district's operations for any district that violates any portion of this bill until the State Board of Education determines the school district is in compliance. The revenue impact of this bill on state agency schools is undetermined and will depend upon the number of state agency schools that violate the provisions of the bill.

This bill specifies that an IHL that violates any portion of this bill, as determined by CHE, shall have 25 percent of the funds to be appropriated by the General Assembly that are used to support the institution's operations withheld until the institution is determined to be in compliance by CHE. The revenue impact of this bill on IHLs is currently undetermined and will depend upon the number of IHLs that violate the provisions of the bill.

SCDE surveyed the seventy-two regular school districts and three charter school districts and received responses from fourteen districts. Twelve of the responding districts indicate that there will be no expenditure impact. One district indicates that any costs associated with implementing the provisions of the bill can be managed with existing appropriations. The one remaining responding district indicates that this bill may increase costs by an amount up to \$40,000 to

install compliance-related signage to approximately 665 restrooms and changing facilities. This district further anticipates incurring additional unknown costs to ensure that employees understand the requirements of the bill, permissible exceptions, and enforcement expectations. The district reports that training costs may include staff time, development or procurement of training materials, and potential legal or compliance guidance to reduce exposure to penalties and private legal actions.

This bill specifies that the State Board of Education shall direct SCDE to withhold 25 percent of the funds appropriated by the General Assembly that are used to support the school district's operations for any district that violates any portion of this bill until the State Board of Education determines the school district is in compliance. The revenue impact of this bill on local school districts is currently undetermined and will depend upon the number of districts that violate the provisions of the bill.

Explanation of Fiscal Impact

Signed by Governor on May 15, 2026

State Expenditure

This bill enacts the South Carolina Student Physical Privacy Act. The bill specifies that a public school district shall not permit any public school within the district to use any funds to maintain or operate any restroom or changing facility on its premises that is not in compliance with this bill or facilitate any public school-authorized activity or event involving overnight lodging that is not in compliance with the bill. The bill requires the State Board of Education to direct SCDE to withhold 25 percent of the funds appropriated by the General Assembly that are used to support the school district's operations for any district that violates any portion of this bill until the State Board of Education determines the school district is in compliance. Additionally, the bill specifies that an IHL shall not use any funds to maintain or operate any restroom or changing facility on its premises that is not in compliance with this bill or facilitate any institution-authorized activity or event involving overnight lodging that is not in compliance with the bill. An IHL that violates any portion of this bill, as determined by CHE, shall have 25 percent of the funds to be appropriated by the General Assembly that are used to support the institution's operations withheld until the institution is determined to be in compliance by CHE.

The bill also specifies that all public schools and IHLs must provide for a single-user restroom and changing facility or an accommodation. Public schools and IHLs must ensure that their multi-occupancy restrooms and changing facilities be designated for use only by members of one sex at a time, on either a permanent basis or temporary or event-based basis, with certain specified exceptions. Additionally, during any public school or IHL-authorized activity or event where students share overnight lodging, no student shall be required to share a sleeping quarter or multioccupancy restroom or changing facility with a member of the opposite sex, unless such persons are members of the same family. Public schools and IHLs must also provide separate, private areas designated for use by members of one sex in facilities or settings where a person may be in a state of undress in the presence of others. Further, an IHL that offers housing for student residents must provide students the option to be housed only with persons of the same sex.

Lastly, the bill creates private causes of action against a public school or IHL for an individual who, while accessing a restroom or changing facility designated for use by their sex, encounters a person of the opposite sex in that restroom or changing facility, and for an individual required by the public school or IHL to share sleeping quarters with a person of the opposite sex.

S.C. Department of Education. SCDE indicates that this bill will have no expenditure impact since any expenses can be managed with existing resources.

Commission on Higher Education. CHE indicates that the impact will depend upon the extent to which the agency is required to verify that state IHLs are in compliance with the bill. CHE reports that if the agency is required to develop forms for institutions to complete affirming compliance, there will be no impact to the agency. If CHE is required to develop the letter of certification as well as monitor institutions for compliance, the agency will need 1.0 FTE with annual salary and fringe of \$95,000 as well as \$11,000 in equipment, office space, and travel, for a total annual expense of approximately \$106,000. If CHE is required to inspect campuses directly for compliance with the bill and perform outside compliant monitoring, the agency will need 3.0 FTEs with annual salary and fringe of approximately \$244,000, and \$34,000 in equipment, office space, and travel, for a total annual expense of approximately \$278,000. CHE further indicates that if the agency is required to inspect every building on the campuses of IHLs for compliance, the agency will need up to 22.0 FTEs with annual expenses of up to \$1,508,000. The actual expenditure impact to CHE will depend upon further guidance regarding the agency's responsibilities as it relates to monitoring compliance at IHLs. CHE further indicates that additional General Funds may be needed in order to cover these expenses, depending on the agency's responsibilities under the bill.

State Institutions of Higher Learning. USC, Clemson, MUSC, CCU, Winthrop, CofC, and Lander report that the requirements of the bill can be managed with existing resources.

State Board for Technical and Comprehensive Education. This bill may have an impact on the Tech System due to the requirement that every technical college must provide for a single-user restroom or accommodation. However, any expenses cannot be quantified at this time.

Judicial. This bill may result in an increase in the number of civil cases heard in circuit court. However, the number of civil cases that will be filed as a result of the bill is unknown. Judicial previously indicated on an earlier version of the bill that it anticipated that it will manage any increased expenditures related to the bill with existing appropriations, but if the bill results in a significant increase in expenditures, Judicial will request an increase in General Fund appropriations.

State Agency Schools. The Governor's School for Agriculture at John de la Howe, the Governor's School for Arts and Humanities, the School for the Deaf and the Blind, and the Wil Lou Gray Opportunity School indicate that they can manage the provisions of the bill with existing appropriations. The expenditure impact of this bill on the Governor's School for Science and Mathematics is undetermined. The Governor's School for Science and Mathematics

indicates that this bill could increase the agency's expenses due to costs for additional signage, potential litigation, and an increase in administrative responsibilities, such as additional monitoring. However, the increase in expenses cannot be quantified at this time and is therefore undetermined.

State Revenue

This bill requires the State Board of Education to direct SCDE to withhold 25 percent of the funds appropriated by the General Assembly that are used to support the school district's operations for any district that violates any portion of this bill until the State Board of Education determines the school district is in compliance. The revenue impact of this bill on state agency schools is undetermined and will depend upon the number of state agency schools that violate the provisions of the bill.

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Local Expenditure

This bill enacts the South Carolina Student Physical Privacy Act and specifies that all public schools must provide for a single-user restroom and changing facility or an accommodation. The bill requires public schools to ensure that their multi-occupancy restrooms and changing facilities be designated for use only by members of one sex at a time, on either a permanent basis or temporary or event-based basis, with certain specified exceptions. Additionally, during any public school-authorized activity or event where students share overnight lodging, no student shall be required to share a sleeping quarter or multioccupancy restroom or changing facility with a member of the opposite sex, unless such persons are members of the same family. The bill also requires public schools to provide separate, private areas designated for use by members of one sex in facilities or settings where a person may be in a state of undress in the presence of others.

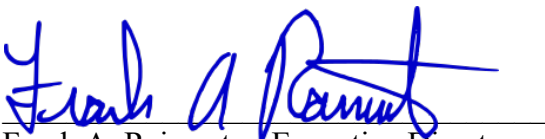
The bill also creates private causes of action against a public school for an individual who, while accessing a restroom or changing facility designated for use by their sex, encounters a person of the opposite sex in that restroom or changing facility, and for an individual required by the public school to share sleeping quarters with a person of the opposite sex.

SCDE surveyed the seventy-two regular school districts and three charter school districts and received responses from fourteen districts. Twelve of the responding districts indicate that there will be no expenditure impact. One district indicates that any costs associated with implementing the provisions of the bill can be managed with existing appropriations. The one remaining responding district indicates that this bill may increase costs by an amount up to \$40,000 to install compliance-related signage to approximately 665 restrooms and changing facilities. This district further anticipates incurring additional unknown costs to ensure that employees understand the requirements of the bill, permissible exceptions, and enforcement expectations.

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Local Revenue

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Frank A. Rainwater, Executive Director