



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. 4818 Introduced on January 13, 2026
Subject: Electromagnetic Pulse Protection
Requestor: House Ways and Means
RFA Analyst(s): Manic and Bryant
Impact Date: February 25, 2026

Fiscal Impact Summary

This bill enacts the “Protecting South Carolina Citizens from the Risks of Solar Storms and Electromagnetic Pulse Act.” The bill defines the terms of “critical infrastructure” and “electromagnetic pulse” and requires the South Carolina Emergency Management Division (SCEMD) to develop a detailed outline within their current emergency preparedness plan that includes steps to be taken to harden critical infrastructure from an electromagnetic pulse (EMP), as well as alternative energy sources to provide independence for an extended period of time should the electric grid be incapacitated indefinitely. The bill requires the plan to be completed and distributed to all municipalities by January 1, 2027. Further, the bill specifies that municipalities or critical infrastructure entities that comply with SCEMD’s plan within one year are eligible for grant funding from the General Assembly to assist with the procurement and implementation of EMP protection solutions for critical infrastructure and alternative power sources. Finally, the bill states that funding will be awarded in the form of grants through SCEMD, which is a division of the Office of the Adjutant General.

To determine the expenditure impact of this bill, the Revenue and Fiscal Affairs Office (RFA) surveyed the following agencies: Department of Administration (Admin), SC Law Enforcement Division (SLED), Public Service Commission (PSC), Office of Regulatory Staff (ORS), Public Service Authority (PSA), Adjutant General’s Office, local school districts, all counties, and the Municipal Association of South Carolina (MASC).

Admin indicates that while the bill does not create new responsibilities for the agency, the expenditure impact of the bill is undetermined at this time and will depend upon the necessary steps outlined in SCEMD’s emergency preparedness plan.

PSC, ORS, and PSA indicate that the bill will have no expenditure impact because it does not operationally or fiscally impact the agencies.

The Adjutant General’s Office and SLED are continuing to analyze the impact of this bill, and the fiscal impact for these agencies is pending.

RFA contacted all counties and MASC to determine the expenditure impact of the bill on local governments. We received responses from Barnwell, Charleston, Dorchester, Florence, Greenville, and Lancaster Counties. Barnwell, Charleston, Greenville, and Lancaster Counties

report that the expenditure impact of the bill may be significant due to additional costs related to hiring new personnel, capital investments for hardening of infrastructure, and acquisition of protection equipment. However, these four counties note the expenses will depend on SCEMD's emergency preparedness plan. Dorchester and Florence Counties indicate that the bill is expected to have no expenditure impact on the counties due to its permissive nature.

MASC indicates that the expenditure impact of the bill is undetermined and will depend on the actual requirements listed in SCEMD's updated emergency preparedness plan for critical infrastructure. Also, MASC notes that many municipalities may need more than one year to review and comply with the emergency preparedness plan, which may result in few municipalities being eligible for grant funding. Additionally, MASC indicates that the amount and availability of funding for those municipalities that complete the review and implementation of the required steps within a year will be unknown prior to or during the implementation of the required steps, which may result in funding issues if grant funding is not sufficient to fully cover the costs.

The expenditure impact of this bill on the local school districts will vary. The S.C. Department of Education (SCDE) surveyed the seventy-two regular school districts and three charter school districts and received responses from twelve districts. Four of the responding districts indicate that the bill will have no expenditure impact as long as grants through SCEMD are provided as specified in the bill. Four districts report that the cost of the bill is currently unknown and will depend upon the plan developed by SCEMD and the amount of funding provided. The four remaining responding districts anticipate that this bill could potentially increase costs by a significant amount if funding is not provided to assist the districts with obtaining and implementing EMP protection and alternative power sources. Additionally, these districts report that the overall cost will depend upon the amount of square footage that requires protection and note that implementing the provisions of the bill may require electrical systems upgrades, surge protection, backup generator expansion, infrastructure redesign, engineering assessments, and security system redundancy.

Explanation of Fiscal Impact

Introduced on January 13, 2026

State Expenditure

This bill enacts the "Protecting South Carolina Citizens from the Risks of Solar Storms and Electromagnetic Pulse Act." The bill defines the terms of "critical infrastructure" and "electromagnetic pulse" and requires SCEMD within the Adjutant General's Office to develop a detailed outline within their current emergency preparedness plan that includes steps needed to harden critical infrastructure from an EMP, as well as alternative energy sources to provide independence for an extended period of time should the electric grid be incapacitated indefinitely. The bill requires the plan to be completed and distributed to all municipalities by January 1, 2027. Further, the bill specifies that municipalities or critical infrastructure entities that comply with SCEMD's plan within one year are eligible for multiyear grant funding from the General Assembly beginning in the 2026-27 Appropriations Act to assist with the procurement and implementation of EMP protection solutions for critical infrastructure and

alternative power sources. Finally, the bill states that funding will be awarded in the form of grants through SCEMD.

Admin indicates that while the bill does not create new responsibilities for the agency, the expenditure impact of the bill is undetermined at this time and will depend upon the necessary steps outlined in SCEMD's emergency preparedness plan.

PSC, ORS, and PSA indicate that the bill will have no expenditure impact because it does not operationally or fiscally impact the agencies.

The fiscal impact of this bill on the Adjutant General's Office and SLED is pending, contingent upon further review by the agencies.

State Revenue

N/A

Local Expenditure

RFA contacted all counties and MASC to determine the expenditure impact of the bill on local governments. We received responses from Barnwell, Charleston, Dorchester, Florence, Greenville, and Lancaster Counties and MASC. Barnwell, Charleston, Greenville, and Lancaster Counties report that the expenditure impact of the bill may be significant due to additional costs related to hiring new personnel, capital investments for hardening of infrastructure, and acquisition of protection equipment. However, these four counties note that the expenses will depend on SCEMD's emergency preparedness plan. Dorchester and Florence Counties indicate that the bill is expected to have no expenditure impact on the counties due to its permissive nature.

MASC indicates that the expenditure impact of the bill is undetermined and will depend on the actual requirements listed in SCEMD's updated emergency preparedness plan for critical infrastructure hardening from an EMP. Also, MASC notes that many municipalities may need more than one year to review and comply with the emergency preparedness plan, which may result in few municipalities being eligible for the grant funding. Additionally, MASC indicates that the amount and availability of funding for those municipalities that complete the review and implementation of the required steps within a year will be unknown prior to or during the implementation of the required steps, which may result in funding issues if grant funding is not sufficient to fully cover the costs.

The expenditure impact of this bill on the local school districts will vary. SCDE surveyed the seventy-two regular school districts and three charter school districts and received responses from twelve districts. Four of the responding districts indicate that the bill will have no expenditure impact as long as grants through SCEMD are provided as specified in the bill. Four districts report that the cost of the bill is currently unknown and will depend upon the plan developed by SCEMD and the amount of funding provided. The four remaining responding districts anticipate that this bill could potentially increase costs by a significant amount if funding is not provided to assist the districts with obtaining and implementing EMP protection and

alternative power sources. Additionally, these districts report that the overall cost will depend upon the amount of square footage that requires protection and note that implementing the provisions of the bill may require electrical systems upgrades, surge protection, backup generator expansion, infrastructure redesign, engineering assessments, and security system redundancy.

Local Revenue

N/A



Frank A. Rainwater, Executive Director