



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. 5095 Introduced on February 4, 2026
Subject: Testing of Drinking Water
Requestor: House Agriculture, Natural Resources, and Environmental Affairs
RFA Analyst(s): Wren
Impact Date: March 11, 2026 - Updated for Revised Analysis and Fiscal Impact

Fiscal Impact Summary

This bill requires the Department of Environmental Services (DES) to conduct quarterly testing for urinary metabolites in the form of gluconates in certain wastewater treatment facilities. The tests must be performed by an accredited or certified environmental testing laboratory.

The bill will increase expenses of DES by at least \$1,186,000 in FY 2026-27. Of this amount, \$548,000 is recurring for 5.0 FTEs to manage the provisions of the bill. An additional \$114,000 in recurring funds is needed for a service contract and miscellaneous equipment. One-time expenses are expected to total approximately \$524,000 for laboratory equipment. Total expenses will decrease to approximately \$662,000 beginning in FY 2027-28. DES further indicates that it has not been able to locate a laboratory in the United States that tests for the listed urinary metabolites in the form of gluconates. DES further notes that the department does not have staff or the research ability to develop a methodology for the new test method and would need to outsource this function. While the cost to develop a methodology is undetermined at this time, DES anticipates that the cost could be significant. However, the agency has not been able to obtain an external estimate on the cost to develop the methodology. The agency will request General Fund appropriations for these expenses. DES also notes that the testing will be conducted in a lab that is owned by the Department of Public Health (DPH) once the new test method is developed.

This bill will increase one-time expenses of DPH by an amount up to \$5,000,000 for construction costs and exhaust venting to transition a portion of its current lab into a chemistry lab, which will allow DES to provide the testing required by the bill. The amount will depend upon which section of the lab is renovated and the methodology required for the new test method. DPH also notes that depending on which portion of the lab is renovated, both DPH and DES may need to outsource current testing while construction is taking place, which could result in significant expenses for both agencies. Outsourcing costs cannot be quantified at this time. The agency will request General Fund appropriations for the expenses once costs can be determined.

This fiscal impact statement has been updated to include a revised analysis and fiscal impact for the expenses associated with the development of a test methodology for DES.

Explanation of Fiscal Impact

Updated for Revised Analysis and Fiscal Impact on March 11, 2026

Introduced on February 4, 2026

State Expenditure

This bill requires DES to conduct quarterly testing for urinary metabolites in the form of gluconates in certain wastewater treatment facilities. The tests must be performed by an accredited or certified environmental testing laboratory. DES must also maintain detailed records of all testing conducted under this bill and must publish the records on the department's website. Additionally, such publications must include a statement describing the public health or environmental relevance of the levels detected under applicable federal or state standards or department guidance.

Department of Environmental Services. DES indicates that it has not been able to locate a laboratory in the United States that tests for the listed urinary metabolites in the form of gluconates. DES further indicates that the department does not have staff or the research ability to develop a methodology for the new test method and would need to outsource this function, which would significantly increase expenditures. While an exact amount cannot be quantified at this time to develop a methodology for the new test method, DES anticipates that the cost could be significant. DES further indicates that the agency has not been able to obtain an external estimate of the cost to develop the test methodology. DES also notes that the testing will be conducted in a lab that is owned by DPH once the new test method is developed.

Additionally, DES reports that the bill will increase expenses by at least \$1,186,000 in FY 2026-27. Of this amount, \$548,000 is recurring for 5.0 FTEs to manage the provisions of the bill. An additional \$114,000 in recurring funds is needed for a service contract and miscellaneous equipment. One-time expenses are expected to total approximately \$524,000 for laboratory equipment. Total expenses will decrease to approximately \$662,000 beginning in FY 2027-28. The agency will request General Fund appropriations for the expenses.

This section of the fiscal impact statement has been updated to include a revised analysis and fiscal impact for the expenses associated with the development of a test methodology for DES.

Department of Public Health. DPH indicates that this bill will increase one-time expenses of the agency by an amount up to \$5,000,000 for construction costs and exhaust venting to transition a portion of its current lab into a chemistry lab, which will allow DES to provide the testing required by the bill. The amount will depend upon which section of the lab is renovated and the methodology required for the new test method. DPH also notes that depending on which portion of the lab is renovated, both DPH and DES may need to outsource current testing while construction is taking place, which could result in significant expenses for both agencies. Any potential outsourcing costs cannot be quantified at this time. The agency will request General Fund appropriations for the expenses once costs can be determined.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director