



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.

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|------------------------|-------------------------------------|--------------------------------|
| Bill Number: | H. 5113 | Introduced on February 5, 2026 |
| Subject: | Modular Homes | |
| Requestor: | House Labor, Commerce, and Industry | |
| RFA Analyst(s): | Welsh | |
| Impact Date: | February 13, 2026 | |

Fiscal Impact Summary

This bill prohibits new zoning enforcement or other restrictions from being imposed on a property that replaces a preexisting manufactured home or mobile home with a new manufactured or mobile home, if the restriction would not have been applicable to the home being replaced. This bill also removes a five-year restriction on display models being utilized for residential use.

The Department of Labor, Licensing, and Regulation (LLR) anticipates that the bill will have no expenditure impact on the agency as it does not alter the responsibilities of the agency or its boards.

The Revenue and Fiscal Affairs Office (RFA) contacted all counties in the state and the Municipal Association of South Carolina (MASC) to determine the potential expenditure impact this bill may have on local governments. We received a response from Charleston County, Chester County, Fairfield County, Florence County, Lancaster County, McCormick County, and MASC. Each county indicated that the bill would have no direct expenditure impact. Chester, Florence, and Lancaster Counties expressed a concern that the bill may represent an erosion of Home Rule and could result in unforeseen costs due to restrictions on their ability to fully enact comprehensive zoning plans specific to their counties' needs. Chester and Fairfield Counties also note this bill may lead to administrative costs associated with more complex review of manufactured homes. Additionally, Charleston and Fairfield Counties anticipate this bill may lead to indirect costs associated with zoning appeals, planning, and review. MASC anticipates this bill may have an undetermined impact on municipalities dependent upon costs incurred to update local zoning ordinances and city code. Specifically, MASC anticipates impacts to municipalities will depend on costs associated with providing notice of public hearings and other related administrative tasks.

Explanation of Fiscal Impact

Introduced on February 5, 2026

State Expenditure

This bill prohibits new zoning enforcement or other restrictions from being imposed on a property that replaces a preexisting manufactured home or a mobile home with a new manufactured or mobile home within a manufactured home community, mobile home park, or on

any other residential land, if the restriction would not have been applicable to the home being replaced. This bill also removes a five-year restriction on display models being utilized for residential use.

LLR anticipates that the bill will have no expenditure impact on the agency as it does not alter the responsibilities of the agency or its boards.

State Revenue

N/A

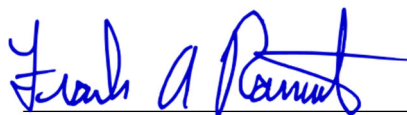
Local Expenditure

This bill prohibits new zoning enforcement or other restrictions from being imposed on a property that replaces a preexisting manufactured home with a new home, if the restriction would not have been applicable to the to the home being replaced. This bill also removes a five-year restriction on display models being utilized for residential use.

RFA contacted all counties in the state and the MASC to determine the potential expenditure impact this bill may have on local governments. We received a response from Charleston County, Chester County, Fairfield County, Florence County, Lancaster County, McCormick County, and MASC. Each county indicated that the bill would have no direct expenditure impact. Chester, Florence, and Lancaster Counties expressed a concern that the bill may represent an erosion of Home Rule and could result in unforeseen costs due to restrictions on their ability to fully enact comprehensive zoning plans specific to their counties' needs. Chester and Fairfield Counties also note this bill may lead to administrative costs associated with more complex review of manufactured homes. Additionally, Charleston and Fairfield Counties anticipate this bill may lead to indirect costs associated with zoning appeals, planning, and review. MASC anticipates this bill may have an undetermined impact on municipalities dependent upon costs incurred to update local zoning ordinances and city code. Specifically, MASC anticipates impacts to municipalities will depend on costs associated with providing notice of public hearings and other related administrative tasks.

Local Revenue

N/A



Frank A. Rainwater, Executive Director