



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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Bill Number:	S. 0831	Introduced on January 20, 2026
Subject:	SCDOT Modernization	
Requestor:	Senate Transportation	
RFA Analyst(s):	Griffith, Daigle, and Miller	
Impact Date:	February 11, 2026	

Fiscal Impact Summary

This bill establishes the Coordinating Council for Transportation and Mobility (CCTM), which is responsible for developing coordinated transportation plans and policy for South Carolina, for approving the long-range Statewide Transportation Plan and the Transportation Asset Management Plan, and for reviewing and commenting on plans developed by the member agencies for the furtherance of coordinated transportation planning in the state, among other responsibilities. The bill also eliminates the Commission of the Department of Transportation (DOT) and designates the governing authority of DOT to the Secretary of Transportation, who will be appointed by the Governor.

The bill makes changes to DOT's authority to designate turnpike facilities (toll roads), changes the requirements and process for highway construction contracts and phased design-builds, and establishes a new process for transferring ownership for certain roads from state to local governments. To fund the transfer of nonessential roads to local governments, the bill creates the System Realignment Fund within DOT. The fund may receive monies from an appropriation or authorization of the General Assembly, and the Secretary of Transportation may transfer monies from the State Highway Fund (SHF). The bill also increases certain alternative fuel vehicle fees, adds a new fee on publicly-accessible electric vehicle (EV) charging stations, and creates a congestion mitigation fee on new residential and commercial development in the state.

DOT expects to manage any expenses associated with the requested public hearings for transportation projects, expanded audit and reporting responsibilities, the creation of the CCTM, and additional planning and oversight functions with existing staff and appropriations. DOT also estimates that the elimination of the Commission of DOT will result in a cost savings of Other Funds expenses of \$60,000. Additionally, DOT indicates that it will need 9.0 FTEs, with salary and fringe of \$1,200,000, to manage the public-private partnerships and other administrative and operational functions related to the new responsibilities surrounding tolls. DOT indicates that they can manage the expenses with existing appropriations and revenues generated by the bill. Please note that over time, the expenditures are expected to be offset or fully recouped through toll revenues, user fees, and project financing mechanisms, subject to project performance and traffic volumes.

This bill will increase recurring General Fund expenditures of the Department of Motor Vehicles (DMV) by approximately \$154,000 beginning in FY 2026-27. Of this amount, \$136,000 is for

3.0 FTEs, who will be responsible for notifications to motor vehicle registrants whose registrations are pending suspension or suspended for toll violations. The remaining \$18,000 is for mailing costs. DMV will request a General Fund appropriation increase for these expenditures.

This bill will increase recurring General Fund expenditures of the Secretary of State's Office by approximately \$69,000 for 1.0 FTE (Administrative Assistant) to manage the processing of filed public-private partnership contracts. Additionally, Other Funds expenditures are expected to increase by a range of \$102,000 to \$252,000 in FY 2026-27 for technology required for the development, storage, indexing, certifying, and securing of documents related to public-private partnership contracts. Further, the Secretary of State's Office notes that additional office space will be needed to accommodate the new FTE and equipment since the Office is currently at full capacity. However, the cost is unknown at this time. The bill specifies that the Secretary of State's Office may charge a fee for each certification of filed public-private partnership documents. While the revenue from this fee may offset some of the Office's costs, the Office expects that expenditures will exceed revenue. The Office will request an increase in Other Funds authorization and a General Fund appropriation increase to cover the remaining expenses.

The bill adds the Secretary of DOT to the South Carolina Transportation Infrastructure Bank (SCTIB) Board of Directors. SCTIB expressed concerns that amending its board could fiscally impact SCTIB because it will change the current operating procedures but could not quantify the impact at this time.

The bill will have no fiscal impact on the Department of Public Safety (DPS), the Governor's Office, the House of Representatives, the Senate, the Retirement System Investment Commission (RSIC), the State Fiscal Accountability Authority (SFAA), the Office of the State Auditor, the Office of the Attorney General, or the Revenue and Fiscal Affairs Office (RFA) as this bill marginally affects current operations, and these agencies will manage the responsibilities with existing staff and resources.

The fiscal impact of the bill on the Department of Commerce, the Office of Regulatory Staff (ORS), the Ports Authority, and the Aeronautics Commission is pending, contingent upon a response from each agency.

Overall, Other Funds revenue of DOT will increase by an undetermined amount based on the new fees. DOT may receive additional funding from appropriations to the System Realignment Fund, turnpike facility revenue, alternative fuel fees, electric vehicle charging fees, and congestion mitigation fees.

Any appropriations to the System Realignment Fund are at the discretion of the General Assembly and are undetermined at this time.

This bill permits the funds derived from toll roads to be used to pay the operation and maintenance costs of a toll project. As it is unknown how many roads DOT will designate as toll roads and how soon turnpike facilities would begin generating revenue, the Other Funds revenue

increase of DOT is undetermined. DOT will use the revenue to offset the administration costs of turnpike facilities but indicates that the revenue is expected to exceed the expenditures, with the excess revenue supporting project costs.

The bill increases the biennial alternative fuel fees for motor vehicles that are powered exclusively by electricity, hydrogen, or any fuel other than motor fuel and for motor vehicles who are powered by a combination of these and motor fuel subject to motor fuel user fees. Commercial motor vehicles powered by alternative fuels that participate in the international registration plan or international fuel tax agreement are exempt from the fees. The alternative fuel fees collected must be credited to the SHF. Currently, alternative fuel fees are credited to the Infrastructure Maintenance Fund (IMTF). RFA anticipates that alternative fuel fees will increase Other Funds revenue of DOT between \$26,343,000 biennially and \$27,705,000 biennially, depending on how the 10 percent increase in the fee for vehicles over 11,000 pounds for each weight range is implemented.

This bill imposes a user fee of four-and-one-half-cents per kilowatt-hour (KWh) on electricity consumed when using publicly accessible EV charging stations. Every four years, RFA must adjust the user-fee for inflation and report the new fee to the Department of Revenue (DOR), which will be applicable beginning January first of the next calendar year. User-fee collections must be credited to the SHF. RFA estimates that the new EV charging state fees will increase Other Funds revenue of DOT by approximately \$2,456,000 beginning in FY 2026-27.

This bill imposes a congestion mitigation fee on new development in the state. The fee is \$2,500 per residence for single-family subdivision developments of five or more residences and \$1,100 per residential unit for multi-family residential developments. Commercial developments will be required to pay a development congestion mitigation fee based on the results of a traffic impact study approved by DOT. The fees are to be used by DOT for operational improvements to the state highway system with the intent of reducing traffic congestion in the county where the fees were collected. Further, in a local jurisdiction that currently imposes a transportation development impact fee prior to the effective date of the state fee, the amount of the congestion fee shall be reduced by the amount of the local transportation developmental impact fee. For local transportation development impact fees renewed or imposed subsequent to the effective date of this section, the amount owed of that local fee shall be reduced by the amount of the congestion fee. For reference, based on building permits in 2024, RFA estimates that approximately \$65,467,000 in revenue would have been generated from mitigation fees on residential developments. However, the annual amount of revenue will greatly depend on economic conditions and construction in the state at that time. For example, over the last five years, annual growth in the number of authorized permits ranged from a decline of 9.2 percent to an increase of 19.7 percent. Therefore, the overall increase in Other Funds revenue of DOT due to congestion mitigation fees is undetermined, as the number and type of developments that will incur the congestion mitigation fees in FY 2026-27 is unknown. The amount of potential revenue reduction to renewed or new local transportation impact fees is undetermined.

The bill requires DOT to publish a list of nonessential roads and may transfer ownership to counties, municipalities, and other entities. The list must be approved by the CCTM. To fund the

transfer of nonessential roads to local governments, the bill creates the System Realignment Fund within DOT. The fund may receive monies from an appropriation or authorization of the General Assembly, and the Secretary of Transportation may transfer monies from the SHF. Further, the bill permits any county in which all roads identified by DOT as non-essential to the State Highway System have been transferred to the local governments in the county may impose a local option transportation sales tax of “2 cents”, compared to the 1 percent tax currently allowed. It is unclear how the “2-cent” tax will be implemented. Further, any increase in local option transportation sales tax collections due to the authorized 2-cent sales tax is undetermined as the imposition of the additional tax is permissive in nature and will depend upon what roads are transferred from DOT to local government for maintenance and whether the tax is approved by referendum.

The bill increases the share of a county’s apportionment of county transportation funds, or “C” funds, that must be expended on the state highway system from 25 percent to 33 percent. Additionally, local governments may impose additional millage to meet the funding requirements of maintaining the roads transferred from DOT. The initial additional millage is not subject to the millage rate increase limitation pursuant to Section 6-1-320. The increase in local property tax due to the increase in millage is undetermined as the imposition of additional millage is permissive in nature and will depend upon what roads are transferred from DOT to local government for maintenance and the millage the local government chooses to impose. For reference, as of tax year 2023, the value of mil by county ranges from \$32,080 to \$5,390,974.

RFA contacted all forty-six counties and the Municipal Association of South Carolina (MASC) regarding the potential fiscal impact of the bill. Charleston County anticipates that the bill will have no immediate fiscal impact but could have long-term effects related to how many miles of state roads are transferred to the county, the increase in required “C” funds spending on the state highway system, and additional administrative responsibilities due to the new congestion mitigation fees. MASC also anticipates that these changes could result in an increase in expenditures for municipalities, but the amount is unknown.

Based on information from the South Carolina Association of Counties (SCAC), several counties impose impact fees, including Beaufort, Berkely, Dorchester, Georgetown, Lancaster, and York Counties, as well as several cities and school districts. However, any county can impose a county-wide impact fee. The change in local transportation developmental impact fees due to this bill is undetermined as the fees are permissive in nature and will depend on the type and number of residential and commercial developments constructed in the state, and any changes in fee revenue will depend on the counties’ current and future implementation of impact fees.

Explanation of Fiscal Impact

Introduced on January 20, 2026

State Expenditure

This bill establishes the CCTM, which is responsible for developing coordinated transportation plans and policy for South Carolina, for approving the long-range Statewide Transportation Plan and the Transportation Asset Management Plan, and for reviewing and commenting on plans

developed by the member agencies for the furtherance of coordinated transportation planning in the state. The CCTM will consist of the Secretary of Transportation, the Director of DPS, the Executive Director of DMV, the Secretary of Commerce, the Director of ORS, the Chairman of the State Ports Authority, the Chairman of the Aeronautics Commission, the Chairman of the SCTIB, and one municipal and one county representative, both appointed by the Governor.

The bill eliminates the Commission of DOT and designates the governing authority of DOT to the Secretary of Transportation, who will be appointed by the Governor. Additionally, the bill provides that the Secretary of Transportation is a member of the board of directors of the SCTIB. Further, the bill creates within DOT the position of Deputy Secretary for Planning, who is responsible for developing statewide strategic transportation plans, coordinating statewide plans with federal and state-funded regional and local transportation planning organization, and serving as staff to the newly created CCTM.

This bill updates DOT's authority to designate turnpike facilities and impose tolls to allow dynamic tolling, scheduled tolling, variable tolling, uniform tolling, or some combination thereof, and may take into account the weight and class of certain vehicles, real-time and planned usage, and any other factors deemed appropriate by the department. The designation of a turnpike facility is subject to the provisions of Section 57-3-615 and must be ratified or approved by SFAA. The Secretary of Transportation may request the issuance of turnpike bonds by SFAA. Principal and interest are payable solely out of the turnpike facility revenues. The bill also allows all executors, administrators, guardians, and other fiduciaries and all sinking fund commissions, including RSIC in its capacity as a co-trustee of the funds of the SC Retirement System, to invest any monies in turnpike bonds.

DOT may utilize turnpike facility revenues and funds available for the maintenance of the state highway system for the maintenance and operation of any turnpike facility. DOT also may contract with any political subdivision desiring to assist the department with turnpike facilities. Revenues from these contracts may be included in turnpike facility revenues. It also allows DOT to enter into reciprocal agreements with other jurisdictions, including the federal government and any other state, to enforce toll violations.

The bill provides requirements for the selection of highway construction contracts and phased design-builds. Further, the bill permits DOT to enter into public-private partnership arrangements for planning, constructing, operating, and maintaining the roads, bridges, and other infrastructure under the jurisdiction of DOT. The determination of the type of contract to use for a given project must be reviewed by the Joint Bond Review Committee (JBRC), and DOT must update the JBRC annually on the status of all outstanding public-private partnership arrangements. DOT must also file a copy of public-private partnership contract documents with the Secretary of State, who must file and index the documents and is authorized to prepare and deliver certified copies of the documents as filed. For each certification, a reasonable fee may be charged. Lastly, SFAA may exempt from procurement code specific supplies, services, information technology, or construction.

DOT is required to publish a list of nonessential roads and may transfer ownership to counties, municipalities, and other entities. The list must be approved by the CCTM. To fund the transfer of nonessential roads to local governments, the bill creates the System Realignment Fund within DOT. The fund may receive monies from an appropriation or authorization of the General Assembly, and the Secretary of Transportation may transfer monies from the SHF.

Department of Transportation. This bill makes changes to the administration and operation of DOT, including governance restructuring, expanded planning and oversight requirements, authorization for tolling and project delivery methods, and the creation of new coordination and funding mechanisms. DOT indicates that requested public hearings for transportation projects, expanded audit and reporting responsibilities, the creation of the CCTM, and additional planning and oversight functions may result in minimal increases in expenditures. However, DOT expects to manage these expenditures with existing appropriations and staff. Additionally, the department adds that the elimination of the Commission of DOT will decrease Other Funds expenditures of DOT by \$60,000.

This bill gives DOT the authority to collect tolls, impose administrative fees and penalties, and utilize electronic toll collection systems. Implementation of these responsibilities will require 2.0 FTEs related to procurement functions and 7.0 FTEs related to the management of public-private partnerships and other administrative and operational functions. Salary and fringe benefits for the FTEs will increase Other Funds expenditures by \$1,200,000 in FY 2026-27 and each year thereafter. Other major operating expenses related to the implementation of tolls include credit card transaction fees, call center contractual costs, InterAgency Group E-Z pass costs, and transponder issuance contractual costs. These expenses will increase Other Funds expenditures of DOT by at least \$50,000. DOT indicates that they can manage the expenses with existing appropriations and revenues generated by the bill. Please note that over time, the expenditures are expected to be offset or fully recouped through toll revenues, user fees, and project financing mechanisms, subject to project performance and traffic volumes.

State Fiscal Accountability Authority. This bill will have no fiscal impact on SFAA because the Authority will manage the provisions of the bill with existing staff and resources.

Retirement System Investment Commission. The duties in the bill related to RSIC will be performed in the normal course of business. Therefore, there is no fiscal impact to RSIC.

Department of Public Safety. This bill requires the Director of Public Safety to be a member of the CCTM. DPS will manage this responsibility with its existing appropriations. Therefore, there is no fiscal impact to DPS.

Department of Motor Vehicles. This bill requires the Director of DMV to be a member of the CCTM. Additionally, the bill requires DMV to notify motor vehicle registrants of pending registration suspensions related to toll violations and to suspend vehicle registrations when such violations remain unpaid. In addition, DMV anticipates having to mail a high volume of notices of suspension related to toll violations. The agency indicates that it currently does not have the capacity to manage these duties with existing staff and resources. Therefore, the bill will increase

recurring expenses of DMV by approximately \$154,000 beginning in FY 2026-27. Of this amount, \$136,000 is for 3.0 FTEs to manage the new responsibilities of the bill. The remaining \$18,000 is for annual mailing costs. The agency will request a General Fund appropriation increase for these expenses.

Department of Commerce. This bill requires the Secretary of Commerce to be a member of the CCTM. The fiscal impact of the bill on the Department of Commerce is pending, contingent upon a response from the agency.

Office of Regulatory Staff. This bill requires the Director of ORS to be a member of the CCTM. The fiscal impact of the bill on ORS is pending, contingent upon a response from the agency.

South Carolina Ports Authority. This bill requires the Chairman of the Ports Authority to be a member of the CCTM. The fiscal impact of the bill on the Ports Authority is pending, contingent upon a response from the agency.

South Carolina Aeronautics Commission. This bill requires the Chairman of the Aeronautics Commission to be a member of the CCTM. The fiscal impact of the bill on the Aeronautics Commission is pending, contingent upon a response from the agency.

South Carolina Transportation Infrastructure Bank. This bill requires the Chairman of the SCTIB to be a member of the CCTM and replaces the Chairman of the DOT Commission with DOT's Secretary of Transportation. SCTIB indicates that amending the SCTIB Board could fiscally impact SCTIB. However, the impact to SCTIB is undetermined since, it is unclear as to how the bill will affect the SCTIB's operations.

Governor's Office. The duties in the bill related to the Governor's Office will be performed in the normal course of business. Therefore, there is no fiscal impact to the Governor's Office.

Office of the State Auditor. The bill expands who may be employed by the State Auditor as the chief internal auditor of DOT. Currently, the chief internal auditor of DOT must be a Certified Public Accountant. However, the bill expands the experience to include a Certified Internal Auditor or a Certified Fraud Examiner and specifies that the scope of internal audit services shall cover the entire department. This responsibility can be accomplished under the normal course of business for the office. Therefore, there is no fiscal impact to the Office of the State Auditor.

The House of Representatives and the Senate. This bill provides additional responsibilities of the JBRC, which consists of members of the House of Representatives and the Senate. These legislative bodies anticipate that any expenses due to the additional responsibilities can be managed with existing appropriations. Therefore, there is no fiscal impact to the House or the Senate.

Office of the Attorney General. This bill requires the Attorney General to perform activities that will be conducted in the course of normal agency business. Therefore, there is no fiscal impact to the Office of the Attorney General.

Revenue and Fiscal Affairs Office. This bill requires RFA to calculate the inflation adjustment for the EV charging station fee, which can be accomplished with existing staff and resources. Therefore, there is no fiscal impact to RFA.

Secretary of State's Office. This bill requires DOT to file a copy of documents related to public-private partnerships with the Secretary of State's Office. The Secretary of State's Office must also prepare and send certified copies of the documents to interested parties. In order to manage the provisions of the bill, the Secretary of State's Office will need 1.0 FTE (Administrative Assistant), which will increase recurring expenditures by approximately \$69,000 including salary and fringe. Additionally, Other Funds expenditures are expected to increase by a range of \$102,000 to \$252,000 in FY 2026-27 for technology required for the development, storage, indexing, certifying, and securing of documents related to public-private partnership contracts. Further, the Secretary of State's Office notes that additional office space will be needed to accommodate the new FTE and equipment since the Office is currently at full capacity. However, the cost for the new space is unknown at this time. The bill specifies that the Secretary of State's Office may charge a fee for each certification of filed public-private partnership documents. While the revenue from this fee may offset some of the Office's costs, the Office expects that expenditures will exceed revenue. The Office will request both an increase in Other Funds authorization and a General Fund appropriation increase to cover the remaining expenses.

State Revenue

Turnpike Facility Revenues

This bill permits the funds derived from toll roads to be used to pay the operation and maintenance costs of a toll project. As it is unknown how many roads DOT will designate as toll roads and how soon turnpike facilities would begin generating revenue, the revenue increase in Other Funds of DOT related to turnpike facilities is undetermined. DOT indicates that the department will use some of the revenue to offset the administration of turnpike facilities but anticipates that the revenue increase will exceed expenditures.

Alternative Fuel Fees

The bill increases the biennial alternative fuel vehicle fees for motor vehicles that are powered exclusively by electricity, hydrogen, or any fuel other than motor fuel and for motor vehicles who are powered by a combination of these and motor fuel subject to motor fuel user fees. The current biennial fees of \$120 and \$60, respectively, will be increased to \$400 and \$200, respectively, on July 1, 2027. Additionally, the owner of any motor vehicle not powered exclusively by motor fuel must pay an increased fee based on the gross weight of the registered vehicle. A motor vehicle with a declared gross weight of at least 11,001 pounds must have the fee increased by 10 percent. Further, for each gross vehicle weight range the motor vehicle exceeds the gross vehicle weight range set forth in Section 56-3-660(B)(9), the applicable alternative fuel fee must be increased by another 10 percent. Commercial motor vehicles

powered by alternative fuels that participate in the International Registration Plan or International Fuel Tax Agreement are exempt from the fees. The bill specifies that the alternative fuel fees collected will be credited to the SHF. Currently, alternative fuel fees are credited to the IMTF.

DMV reports that as of January 2026, there are 30,916 registered vehicles that are powered exclusively by electricity, hydrogen, or any fuel other than motor fuel and 125,917 registered vehicles that are powered by a combination of these and motor fuel subject to motor fuel user fees. By multiplying the number of registered vehicles by the respective increases in alternative fuel fees, RFA estimates that the increase in alternative fuel vehicle fees will increase Other Funds revenue of DOT by \$26,285,000 biennially. This amount includes \$8,657,000 in increased fee revenue from fully alternative fuel vehicles and \$17,628,000 in increased fee revenue from hybrid alternative fuel vehicles. It is important to note that DMV registrations are collected biennially, and the timing of revenue streams will depend on when the vehicles in these categories are due for registration renewal.

In addition, vehicles powered in part or wholly by sources other than motor fuel weighing over 11,000 pounds are subject to additional increases based on gross vehicle weight. DMV reports that 43 registered vehicles are powered fully by sources other than motor fuel, and 52 registered vehicles are powered by a combination of motor fuel and sources other than motor fuel in the state. Based on their gross vehicle weights, RFA estimates that revenue for the SHF will increase by either \$58,000 biennially or \$1,420,000 biennially, depending on if the ten percent increase for each weight range is compounded or not.

In total, Other Funds revenue of DOT will increase by between \$26,343,000 biennially and \$27,705,000 biennially, depending on how the increases in the fee for vehicles over 11,000 pounds are implemented.

Electric Vehicle Charging User Fees

This bill imposes a user fee of 4.5 cents per kilowatt-hour (KWh) on electricity consumed when using publicly accessible EV charging stations. The entity that purchases the electricity from the electrical utility provider must remit the fee in accordance with the South Carolina Sales and Use Tax Act. Every four years, RFA must adjust the user fee in accordance with the average change in the CPI-U as published by the BLS of the United States Department of Labor from the most previous review to October first. RFA must report the new fee to DOR no later than October fifteenth of the appropriate year, and DOR must collect the revised fee amount beginning January first of the next calendar year. User fee collections must be credited to the State Highway Fund.

Based on estimates of EV electric consumption and EV registrations in S.C. from 2018 through 2024 from the U.S. Bureau of Transportation Statistics, EV sales data in the state for 2024 from the Alliance for Automotive Innovation, and EV sales expectations by BloombergNEF for 2025

through 2030, RFA estimates that EVs registered in the state will utilize approximately 90,000 megawatt-hours (MWh) of electricity beginning in FY 2026-27.^{1,2,3}

The International Energy Agency reports that approximately 83 percent of EV charging is done at a private home charging station, and therefore, RFA estimates that approximately 17 percent of charging is done outside of the home.⁴ Furthermore, based on Alternative Fuel Station data for S.C. from the U.S. Department of Energy, which reports EV charging stations that are publicly available and those owned by businesses or government entities, RFA estimates that, other than home charging stations, approximately 89 percent of EV chargers are publicly available. In order to estimate S.C. resident EV energy consumption from chargers that are publicly available, 90,000 MWh is multiplied by 17.0 percent. The product is then multiplied by 89 percent, which yields approximately 14,000 MWh. Further, based on data from the U.S. Energy Information Administration on the estimated consumption of electricity by EVs and plug-in hybrids (PHEV), RFA estimates that on average, PHEVs use 40 percent of the electricity that EVs use.⁵ Therefore, by multiplying 14,000 MWh by 40 percent, RFA estimates that S.C. resident PHEV electricity consumption from chargers that are publicly available will use approximately 5,490 MWh. In total, RFA estimates that approximately 19,000 MWh of electricity will be used by S.C. residents for EVs and PHEVs charging at publicly accessible charging stations. MWh were converted to KWh, which yields approximately 19,081,000 KWh of electricity consumption by S.C. residents for EV and PHEV charging at publicly available charging stations in FY 2026-27.

Furthermore, based on data reported in S.C. Parks Recreation and Tourism's (PRT) Total Domestic Travel to South Carolina and In-State Leisure Travel to South Carolina reports, RFA estimates that approximately 10,640,000 domestic out-of-state visiting parties drive vehicles while visiting the state.^{6,7} Based on EV and PHEV registrations in the U.S. from 2018 through 2024, EV sales data in the U.S. for 2024, and EV sales expectations from 2025 through 2030, RFA estimates that approximately 2.7 percent of registered vehicles in the U.S. will be EVs or

¹ U.S. Bureau of Transportation Statistics, *Electric Vehicle Registrations and Consumption*, Retrieved January 20, 2026, <https://www.bts.gov/browse-statistical-products-and-data/state-transportation-statistics/electric-vehicle-registrations>.

² Alliance for Automotive Innovation, *Electric Vehicle Sales Dashboard*, Retrieved January 20, 2026, <https://www.autosinnovate.org/EVDashboard>.

³ BloombergNEF, *Electric Vehicle Outlook 2025*, pg. 3, Retrieved January 20, 2026, <https://assets.bbhub.io/professional/sites/24/202506-EVO2025-Executive-Summary.pdf>.

⁴ International Energy Agency, *Trends in Electric Vehicle Charging*, Retrieved January 20, 2026, https://www.iea.org/reports/global-ev-outlook-2024/trends-in-electric-vehicle-charging?utm_source=web&utm_medium=article&utm_campaign=did_you_know.

⁵ U.S. Energy Information Administration, *Electric Power Monthly: Table D.1. U.S. Estimated Consumption by Light-Duty Electric Vehicles Types, 2018 – October 2025*, Retrieved January 20, 2026, https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=table_d_1.

⁶ SCPRT, *Total Domestic Travel to South Carolina*, Retrieved January 1, 2026, <https://scprt.widen.net/content/0co6xmffcs/pdf/Total-Report-2021.pdf?u=sgt8lu>.

⁷ SCPRT, *In-State Leisure Travel in South Carolina*, Retrieved January 1, 2026, <https://scprt.widen.net/content/ym35sv7si1/pdf/IS-Report-2021.pdf?u=sgt8lu>.

PHEVs in FY 2026-27.^{8,9,10} Therefore, by multiplying 2.7 percent by 10,640,000, RFA estimates that approximately 285,000 out-of-state visiting parties will drive an EV or PHEV during their stay. PRT's Total Domestic Travel to South Carolina report indicates that on average visitors stay in the state for 3.3 nights, and therefore, RFA anticipates that each visiting party would be required to fully charge their EV on average at least twice during their stay.¹¹ Based on the average KWh used by PHEVs and small, medium, and large EVs, RFA estimates that on average, out-of-state visitors that drive EVs would consume approximately 124.5 KWh in S.C. per trip.^{12,13,14} Thus, RFA estimates that out-of-state visitors would consume approximately 35,500,000 KWh at publicly available EV charging stations in FY 2026-27.

Adding 19,081,000 KWh used by in-state residents and 35,500,000 KWh used by out-of-state visitors yields approximately 54,581,000 KWh used at publicly available chargers in FY 2026-27. Multiplying the estimated total KWh used by \$0.045 equates to approximately \$2,456,000 in EV charging user fee revenue in FY 2026-27. Therefore, this bill will increase the State Highway Fund by approximately \$2,456,000 beginning in FY 2026-27 due to the new EV charging station user fees.

Congestion Mitigation Fees

This bill imposes a congestion mitigation fee on new development in the state. The fees are to be paid to the local government where the development is located upon application for building permits. The fees are to be transferred by the county to DOT to be used by DOT for operational improvements to the state highway system with the intent of reducing traffic congestion in the county where the fees were collected. The fee is \$2,500 per residence for single-family subdivision developments of five or more residences and \$1,100 per residential unit for multi-family residential developments. Commercial developments will be required to pay a development congestion mitigation fee based on the results of a traffic impact study approved by DOT. The traffic impact study will estimate the cost of the needed offsite improvements, and the amount is due upon issuance of permits. This bill makes residential and commercial developers responsible for road improvements contiguous to the property being developed.

⁸ U.S. Bureau of Transportation Statistics, *Electric Vehicle Registrations and Consumption*, Retrieved January 20, 2026, <https://www.bts.gov/browse-statistical-products-and-data/state-transportation-statistics/electric-vehicle-registrations>.

⁹ Alliance for Automotive Innovation, *Electric Vehicle Sales Dashboard*, Retrieved January 20, 2026, <https://www.autosinnovate.org/EVDashboard>.

¹⁰ BloombergNEF, *Electric Vehicle Outlook 2025*, pg. 3, Retrieved January 20, 2026, <https://assets.bbhub.io/professional/sites/24/202506-EVO2025-Executive-Summary.pdf>.

¹¹ SCPRT, *Total Domestic Travel to South Carolina*, Retrieved January 1, 2026, <https://scprt.widen.net/content/0co6xmffcs/pdf/Total-Report-2021.pdf?u=sgt8lu>.

¹² The Battery Tips, *Hybrid Car Battery Size: Capacity, Performance, Differences, and Lifespan Explained*, Retrieved January 23, 2026, <https://thebatterytips.com/battery-specifications/how-big-is-a-hybrid-car-battery/>.

¹³ ROAM, *Battery Sizes and Charging Times: What You Need to Know, Battery Sizes Explained*, Retrieved January 20, 2026, <https://www.roamcharging.com/help-and-advice/resources/battery-sizes-and-charging-times-what-you-need-to-know>.

¹⁴ Edmunds, *How Much Electricity Does an Electric Car Use?*, Retrieved January 20, 2026, <https://www.edmunds.com/electric-car/articles/how-much-electricity-does-an-ev-use.html?msocid=218e569776ef649802bd400b77c465aa>.

In addition, this bill states that in a local jurisdiction that imposes its own transportation development impact fee prior to the effective date of this section, the amount of the congestion fee shall be offset by the amount of the local transportation developmental impact fee. For local transportation development impact fees renewed or imposed subsequent to the effective date of this section, the amount owed of that local fee shall be reduced by the amount of the congestion fee in this section.

Based on information from SCAC, several counties impose impact fees, including Beaufort, Berkely, Dorchester, Georgetown, Lancaster, and York Counties, as well as several cities and school districts. However, any county can impose a county-wide impact fee.

The increase in Other Funds revenue due to the new congestion mitigation fees is undetermined as the fees are permissive in nature and will depend on the type and number of residential and commercial developments constructed in the state. Moreover, the construction of multi-family residential, single-family subdivision residential, and commercial developments is dependent on the economic performance and expectations of an area, including the demand for each type of development, the cost of construction, adequate labor supply, and financing conditions, among other factors.

For information, in 2024, 6,514 multi-family units and 40,558 single-family units were authorized by building permits in South Carolina.¹⁵ The National Association for Home Builders reported that based on the Annual Builder Practices Survey, approximately 57.5 percent of single-family homes built in 2024 were built in new residential developments.¹⁶ Therefore, by multiplying 57.5 percent by 40,558, RFA estimates that approximately 23,321 single-family units and 6,514 multi-family units would potentially have incurred the congestion mitigation fees pursuant to this bill. Thus, adding 23,321 single-family units multiplied by the \$2,500 mitigation fee to 6,514 multi-family units multiplied by the \$1,100 mitigation fee yields approximately \$65,467,000 in revenue from mitigation fees from residential developments.

For reference, based on Annual County and Municipal Financial Reports submitted to RFA, approximately \$21,000,000 in impact fees were collected in eight counties and approximately \$25,500,000 in impact fees were collected in 26 municipalities in FY 2023-24. Please note that since these figures are based on survey data, the data may not include all counties and municipalities that currently impose an impact fee.

However, the number and type of residential developments that will incur the congestion mitigation fees in FY 2026-27 is unknown as past performance may not be indicative of future results. For example, over the last five years, growth in the number of authorized permits has ranged from a decline of 9.2 percent to an increase of 19.7 percent. In addition, commercial development congestion mitigation fees will be dependent on the results of a traffic impact study approved by DOT. Any increase in Other Funds revenue will also depend on whether a local

¹⁵ U.S. Census Bureau. *Building Permits Survey: Annual History by State*. Retrieved February 4, 2026. <https://www.census.gov/construction/bps/annual.html>.

¹⁶ National Association of Home Builders. *What Percentage of the Housing Market Are Teardowns?*. Retrieved February 4, 2026, <https://www.nahb.org/blog/2025/12/teardown-market-segment?>.

jurisdiction in which construction is taking place has a transportation development impact fee imposed prior to the effective date of this section. Therefore, the overall increase in Other Funds revenue of DOT due to congestion mitigation fees is undetermined.

System Realignment Fund

To fund the transfer of nonessential roads to local governments, the bill creates the System Realignment Fund within DOT. The fund may receive monies from an appropriation or authorization of the General Assembly, and the Secretary of Transportation may transfer monies from the SHF. As this is a new fund and funds are at the discretion of the General Assembly and the Secretary of Transportation, the impact on Other Funds revenue of DOT is undetermined.

Secretary of State Certification Fee

This bill specifies that the Secretary of State's Office may charge a fee for each certification of filed public-private partnership documents. While the revenue from this fee may offset some of the Office's costs, the Office expects that expenditures will outweigh revenue.

Local Expenditure

This bill increases the portion of a county's apportionment of "C" funds that must be expended on the state highway system from 25 percent to 33 percent. In addition, the bill specifies that any costs incurred by DOT caused by an unreasonable delay in the review and approval of plans for a permanent improvement, construction, reconstruction, or alteration of a highway or highway facility within a municipality is the responsibility of the municipality.

RFA contacted all forty-six counties and MASC regarding the potential fiscal impact of the bill. Charleston County anticipates that the bill will have no immediate fiscal impact but could have long-term effects related to how many miles of state roads are transferred to the county, the increase in required "C" funds spending on the state highway system, and additional administrative responsibilities due to the new congestion mitigation fees. Similarly, MASC expressed concerns that municipalities may experience shortfalls in funds due to 1) the reduction of the use of "C" funds for local roads, 2) increased legal costs associated with lawsuits arising from municipal road maintenance and ownership obligations, and 3) the new EV charging fees. MASC indicates that the measures that would increase expenditures and decrease revenue may be greater than the increase in revenues from the permissive millage increases, which is discussed in the Local Revenue section of this fiscal impact statement. This would result in an undetermined net increase in expenditures for municipalities.

Local Revenue

Millage Increase

Section 32 of this bill requires DOT to identify nonessential roads and may transfer ownership and maintenance responsibilities of these roads to the local government. The local government may impose additional millage to meet the funding requirements of maintaining these roads. The initial additional millage is not subject to the millage rate increase limitation pursuant to Section 6-1-320. For reference, as of tax year 2023 the value of mil by county ranges from \$32,080 to \$5,390,974.

The increase in local property tax due to the increase in millage is undetermined as the imposition of additional millage is permissive in nature and will depend upon what roads are transferred from DOT to local government for maintenance and the millage the local government chooses to impose.

Congestion Mitigation Fees

This bill may change impact fee revenue for counties that renew a currently imposed transportation development impact fee after the effective date of this bill. Local transportation developmental impact fees that are renewed subsequent to the effective date of this bill will be reduced by the amount of the new congestion mitigation fee. Based on conversations with the SCAC and a survey conducted by RFA, several counties impose impact fees, including Colleton, Dorchester, Georgetown, Horry, Jasper, Lancaster, McCormick, and York counties as well as several cities and school districts. However, any county can impose a county-wide impact fees. The change in local transportation developmental impact fees due to this bill is undetermined as the fees are permissive in nature and will depend on the type and number of residential and commercial developments constructed in the state and any changes in fee revenue will depend on the counties current and future implementation of impact fees. The amount of potential revenue reduction to renewed or new local transportation impact fees is undetermined.

Local Option Transportation Sales and Use Tax

This bill requires DOT to identify nonessential roads and allows for the transfer of ownership and maintenance responsibilities of these roads to the local government. In a county where DOT has transferred all nonessential roads, the county may impose a local option transportation sales and use tax of “2 cents.” Currently, counties are authorized to impose a 1 percent local option transportation sales tax, subject to a referendum. It is unclear how the tax of 2 cents will be implemented.

The increase in local option transportation sales tax collections due to the authorized 2-cent sales tax is undetermined as the imposition of the additional tax is permissive in nature and will depend upon what roads are transferred from DOT to local governments for maintenance and whether the tax is approved by referendum.



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