



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
(803)734-3780 • RFA.SC.GOV/IMPACTS

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:	S. 0525	Signed by Governor on January 27, 2022
Author:	Gambrell	
Subject:	Solid Waste Policy and Management Act	
Requestor:	Senate	
RFA Analyst(s):	Griffith	
Impact Date:	September 19, 2022	

Fiscal Impact Summary

This bill makes changes to the Solid Waste Policy and Management Act by requiring the Department of Health and Environmental Control (DHEC) to submit regulations to guide the state in the management of end-of-life photovoltaic modules and energy storage system batteries on solar projects and decommissioning of solar projects in excess of thirteen acres. The agency estimates there are at least seventy-eight large solar energy systems currently in the state that will need to be brought under this new solar program. DHEC indicates that the bill will increase General Fund expenditures by \$294,400 in FY 2022-23 for 3.0 FTEs, contracts, computers, and supplies. Expenses will decrease to \$292,200 in FY 2023-24 and each year thereafter.

Explanation of Fiscal Impact

Signed by Governor on January 27, 2022

State Expenditure

This bill requires DHEC to submit regulations to guide the state in the management of end-of-life photovoltaic modules and energy storage system batteries on solar projects and decommissioning of solar projects in excess of thirteen acres. The department's proposed regulation will:

- establish a permitting program for certain large solar energy systems that exceed thirteen acres, which involves reviewing documentation, coordinating with local governments and other state agencies, administering transfers, and performing other record-keeping duties;
- establish decommissioning requirements for certain large solar energy systems which requires reviewing third-party cost estimates for decommissioning a solar energy system; and
- establish financial assurance requirements for certain large solar energy systems which requires administration of financial assurance mechanisms entrusted to the department for management.

Based upon utility information from the Energy Information Association, DHEC estimates there are at least seventy-eight large solar energy systems currently in the state that would need to be brought under this new solar program. All of these sites will require permits, decommissioning requirements, financial assurance, and oversight to ensure compliance to the regulation.

In order to adequately meet the requirements of the bill, DHEC estimates that the agency will need 2.0 FTEs (Environmental Health Manager II positions), one of which will administer the financial assurance program for solar facilities, and the other will review permits; administer a registry of facilities; coordinate with local governments; prepare documents, databases, and forms; and perform other recordkeeping tasks. The department will also need 1.0 FTE (Engineer II position) to review decommissioning plans, cost estimates, and adjustments provided by solar facilities. This position will also review engineering reports, plans, and specifications and will conduct field visits to receiving facilities to ensure compliance. Total recurring salary costs for the 3.0 FTEs is expected to total approximately \$286,600.

Also, DHEC will incur an additional \$5,600 in recurring operating costs. One-time operating costs for two laptop computers is expected to total \$2,200.

In total, DHEC indicates that this bill will increase General Fund expenditures by \$294,400 in FY 2022-23. Expenses will decrease to \$292,200 in FY 2023-24 and each year thereafter.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director