**South Carolina General Assembly**

126th Session, 2025-2026

**H. 3970**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Jones, King, J.L. Johnson, Cobb-Hunter, Rivers, Gilliard, Howard, Clyburn, Hosey, Spann-Wilder, Dillard, Bauer, Reese and Grant

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Introduced in the House on February 12, 2025

Currently residing in the House

Summary: University Housing Development and Incentive Act

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 2/12/2025 House Introduced and read first time (House Journal‑page 16)

 2/12/2025 House Referred to Committee on **Ways and Means** (House Journal‑page 16)

 2/18/2025 House Member(s) request name added as sponsor: Grant

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**VERSIONS OF THIS BILL**

[02/12/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/3970_20250212.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ENACTING THE “UNIVERSITY HOUSING DEVELOPMENT AND INCENTIVE ACT” BY ADDING SECTION 59‑103‑163 SO AS TO ENCOURAGE THE CONSTRUCTION OF AFFORDABLE HOUSING FOR PUBLIC UNIVERSITIES IN SOUTH CAROLINA BY PROVIDING FINANCIAL INCENTIVES AND ESTABLISHING A TRANSPARENT APPROVAL PROCESS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. This act may be cited as the “University Housing Development and Incentive Act.”

SECTION 2. The General Assembly shall appropriate fifty million dollars to establish the revolving loan fund and infrastructure improvement grants outlined in this act. Additional funding may be allocated through future legislative sessions based on project demand and outcomes.

SECTION 3. Article 1, Chapter 103, Title 59 of the S.C. Code is amended by adding:

 Section 59‑103‑163. (A) For the purposes of this section:

 (1) “Affordable housing” means housing units where rent does not exceed thirty percent of the average student financial aid package or local median income.

 (2) “Student housing development zone” means a designated area within two miles of a public university campus where certain incentives and zoning adjustments apply.

 (B)(1) All housing projects proposed under this section must receive approval from the commission before construction.

 (2) Developers, in collaboration with the university, must submit a housing needs assessment that includes:

 (a) current and projected housing capacity on campus;

 (b) number of housing applications and demonstrated student demand; and

 (c) evidence that the project addresses a critical housing shortage.

 (3) Developers must provide a detailed financial plan to the commission, including:

 (a) total project costs and funding sources; and

 (b) a repayment schedule supported by projected rental income or other revenue streams.

 (4) The commission shall evaluate projects based on:

 (a) alignment with state and university goals for affordability and capacity;

 (b) financial viability and repayment assurances; and

 (c) long‑term sustainability and management plans.

 (5) Only projects that meet all criteria and demonstrate necessity and fiscal responsibility will receive approval by the commission.

 (C)(1) Approved developers must submit an annual report to the commission and the university detailing:

 (a) housing occupancy rates;

 (b) financial performance; and

 (c) compliance with affordability and sustainability requirements.

 (2) The commission shall publish an annual review of all approved housing projects, including outcomes and recommendations for improvement.

 (D)(1) A developers constructing student housing in a student housing development zone will receive a property tax abatement for up to twenty years.

 (2) A developer may claim state income tax credits equal to fifteen percent of the total development costs, up to two million dollars for each project.

 (3) The Department of Revenue may promulgate regulations to carry out the provisions of this subsection.

 (E)(1) The State shall establish a revolving loan fund offering low‑interest loans for student housing projects.

 (2) Grants must be available for projects incorporating eco‑friendly designs or affordability guarantees.

 (F)(1) Projects within a student housing development zone are eligible for fast‑tracked zoning and permitting.

 (2) Local governments may waive certain zoning restrictions to accommodate high‑density housing.

 (G) The State shall provide funding for infrastructure improvements required to support housing projects including roads, utilities, and broadband.

SECTION 4. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 5. This act takes effect upon approval by the Governor.

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