



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: S. 0275 Amended by Senate Transportation Subcommittee on February 11, 2025
Subject: EV Charging Stations
Requestor: Senate Transportation
RFA Analyst(s): Manic
Impact Date: February 24, 2025

Fiscal Impact Summary

This bill as amended adds definitions for electric vehicles (EV) and direct current fast charging stations. Also, the bill makes provisions for electrical utilities, local governments, the Public Service Authority (PSA), or electric cooperatives to provide and appropriately charge for the make-ready infrastructure required to serve the electrical load for EV charging needs or to meet the requirements of any state or federal grant funding. The bill further requires that electrical utilities, local governments, PSA, or electric cooperatives that provide, own, operate, or maintain direct current fast charging stations for direct to the public use shall offer fair, reasonable and non-discriminatory rates and service to all entities providing similar services and shall not act in a way that provides an unreasonable advantage for their direct current charging stations.

In addition, the bill limits, with some exceptions, the revenue received from services other than direct current fast charging stations by electrical utilities, local governments, the PSA, or an electric cooperative from being used directly or indirectly for subsidizing investments in direct current EV charging stations owned or operated by such entities.

PSA and the Office of Regulatory Staff (ORS) indicate that the bill as amended will have no expenditure impact as both agencies indicate they can manage the additional requirements with existing staff and resources.

The Municipal Association of South Carolina (MASC) indicates that the amended bill will have no expenditure impact on municipal governments since no municipality currently offers or has plans to offer direct current fast charging stations for public use. The Revenue and Fiscal Affairs Office (RFA) also contacted all counties to determine the potential expenditure impact this bill may have on county governments. We received responses from Chesterfield and Beaufort Counties. Likewise, both counties indicate this bill will have no expenditure impact.

This bill is not expected to have a revenue impact on local governments. MASC indicates that the bill would allow municipalities to continue offering Level 2 charging stations for free public use, which are currently used as a local economic development tool to attract more visitors of local businesses. MASC also indicates that this bill is fiscally neutral since it protects existing investments in make-ready infrastructure for electric charging services.

Explanation of Fiscal Impact

Amended by Senate Transportation Subcommittee on February 11, 2025

State Expenditure

This bill as amended adds definitions for EVs and direct current fast charging stations. Also, the bill makes provisions for electrical utilities, local governments, PSA, or electric cooperatives to provide and appropriately charge for the make-ready infrastructure required to serve the electrical load for EV charging needs or to meet the requirements of any state or federal grant funding. The bill further requires that electrical utilities, local governments, PSA, or electric cooperatives that provide, own, operate, or maintain direct current fast charging stations for direct to the public use shall offer fair, reasonable and non-discriminatory rates and service to all entities providing similar services and shall not act in a way that provides an unreasonable advantage for their direct current charging stations.

In addition, the bill limits the revenue received from services other than direct current fast charging stations by electrical utilities, local governments, the PSA, or an electric cooperative from being used directly or indirectly for subsidizing investments in direct current EV charging stations owned or operated by such entities. The bill also exempts charging stations constructed, provided by, owned, operated or maintained prior to the effective date of this act from the above-mentioned revenue use restrictions. The bill further exempts from the revenue use restrictions the charging stations that are not public facing, are located on the premises of electrical utilities, local governments, PSA, or electric cooperatives and are used solely for the purpose of serving these entities' own EVs or the EVs owned by their employees.

PSA and ORS indicate that the bill as amended will have no expenditure impact as both agencies indicate they can manage the additional requirements with existing staff and resources.

State Revenue

N/A

Local Expenditure

This bill makes provisions for electrical utilities, local governments, PSA, or electric cooperatives to provide and appropriately charge for the make-ready infrastructure required to serve the electrical load for EV charging needs or to meet the requirements of any state or federal grant funding. The bill further requires that electrical utilities, local governments, PSA, or electric cooperatives that provide, own, operate, or maintain direct current fast charging stations for direct to the public use shall offer fair, reasonable and non-discriminatory rates and service to all entities providing similar services and shall not act in a way that provides an unreasonable advantage for their direct current charging stations.

MASC indicates that no municipality currently offers or has plans to offer direct current fast charging stations for public use. MASC further notes that the clarifying language that distinguishes between make-ready infrastructure and direct current fast charging stations would allow municipal electric utilities to implement or continue programs that encourage EV use through the provision of rebates or other incentives for make-ready infrastructure installation.

Further MASC notes that the amended bill would allow municipalities to continue offering Level 2 charging stations for free public use, which are currently used as a local economic development tool to attract more visitors of local businesses. MASC also indicates that this bill as amended is fiscally neutral since it protects existing investments in make-ready infrastructure for electric charging services. Therefore, MASC does not anticipate that this bill will have an expenditure impact on municipal governments.

RFA also contacted all counties to determine the potential expenditure this bill may have on local governments. We have received a response from the Chesterfield and Beaufort counties. Both counties indicate this bill will have no expenditure impact. Based on this response, RFA anticipates this bill will have no expenditure impact on local governments.

Local Revenue

This bill limits, with some exceptions, the revenue received from services other than direct current fast charging stations by electrical utilities, local governments, the PSA, or an electric cooperative from being used directly or indirectly for subsidizing investments in direct current EV charging stations owned or operated by such entities.

RFA contacted MASC and all county governments regarding the impact of this bill. MASC indicates that the amended bill would allow municipalities to continue offering Level 2 charging stations for free public use, which are currently used as a local economic development tool to attract more visitors of local businesses. MASC also indicates that this bill is fiscally neutral since it protects existing investments in make-ready infrastructure for electric charging services. Therefore, MASC does not anticipate that this bill will have an impact on municipal government revenue.



Frank A. Rainwater, Executive Director