



The Economic Impact of Infrastructure Investments in South Carolina

ACEC-SC

INFRASTRUCTURE WORKS INSTITUTE

Executive Preview

WHY THIS STUDY, WHY NOW?

Shaping the Future of South Carolina's Infrastructure

For the first time, South Carolina has a comprehensive, data-driven view of how infrastructure investments shape our economy, communities, and future. The Economic Impact of Infrastructure Investments in South Carolina, commissioned by the The American Council of Engineering Companies of South Carolina's (ACEC-SC) Infrastructure Works Institute (IWI), and powered by expert economists from the Darla Moore School of Business, is a pioneering effort to quantify the long-term value of infrastructure in our state.

At a time of historic federal infrastructure funding through the Infrastructure Investment and Jobs Act (IIJA) and the American Rescue Plan Act (ARPA), South Carolina has a once-in-a-generation opportunity to not only modernize its infrastructure but drive long-term prosperity statewide.

The study is conducted by Dr. Joseph Von Nessen and Dr. Douglas Woodward, leading regional economists of the Division of Research (DOR), University of South Carolina Darla Moore School of Business. The research team used IMPLAN and proprietary forecasting models tailored to all 46 South Carolina counties.



**Darla Moore
School of Business**
UNIVERSITY OF SOUTH CAROLINA



The full report includes:

- County-level and project-type data
- Temporary (construction-related) and permanent (productivity-based) impacts
- Agency-specific breakdowns
- Multiplier-driven insights into jobs, income, and GDP growth

With South Carolina on the cusp of unprecedented growth, this report offers policymakers, business leaders, and community stakeholders the insights they need to make informed decisions. The findings are clear: strategic infrastructure investment is not just about roads. It's about resilience, prosperity, and opportunity for every corner of the state.

Infrastructure Investments Power South Carolina's Economy

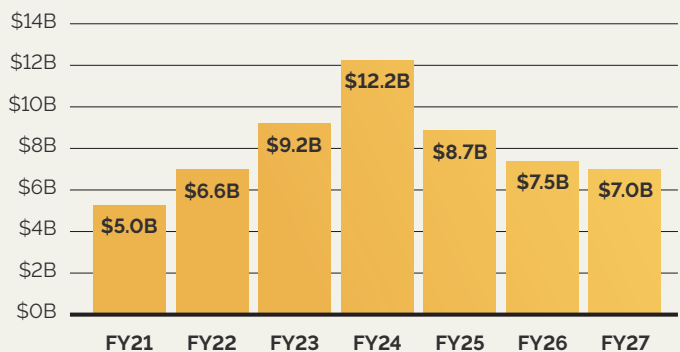
Figures that go far beyond construction expenditures to demonstrate infrastructure's critical role as an economic engine.

From 2021 to 2027, infrastructure investments are expected to generate \$56.2 billion in total economic impact across South Carolina. These investments support more than 45,000 jobs annually, creating a workforce impact on par with the state's largest private sector employers.

HOW THIS WAS CALCULATED:

Using advanced input-output modeling, this estimate captures the direct, indirect, and induced effects of infrastructure-related spending – showing how each dollar invested flows through supply chains and into household spending across the state.

ANNUAL ECONOMIC OUTPUT



Cumulative Impact

Fiscal Year 2021–2027

45,554

Total Annual Job Creation

\$56.2B

Total Economic Output
Over 7 Years

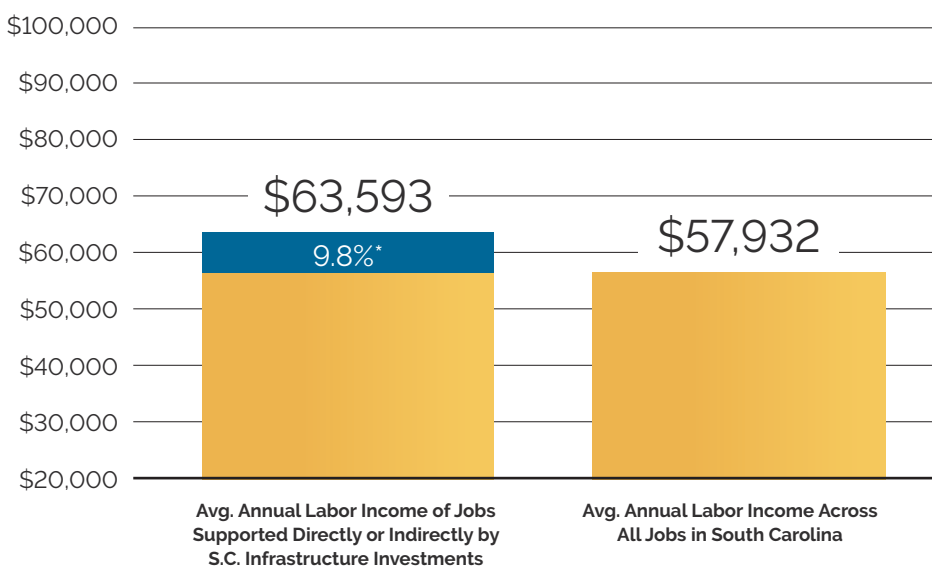
Infrastructure Creates High-Quality, Well-Paying Jobs

These jobs span construction, engineering, logistics, and professional services – and they stimulate local economies through strong purchasing power. In addition, and especially in a tight labor market, these jobs are helping South Carolina remain competitive, especially by attracting and retaining talent.



The construction phase alone creates tens of thousands of jobs, but more importantly, these are jobs with above-average wages. The average labor income of infrastructure-supported workers is \$63,593/year, nearly 10 percent higher than the statewide average.

ANNUAL LABOR INCOME COMPARISONS



9.8%

*The wage premium associated with all jobs supported directly or indirectly by South Carolina infrastructure investments

Because data collected from SCDES only reflect FY22 and FY23, SCDES was excluded from this calculation. However, the average total employee compensation associated with all jobs created, directly or indirectly, through SCDES infrastructure investments is estimated to be \$65,308.

Infrastructure Investment Means Long-Term Growth

The effects of infrastructure investment ripple far beyond the job site. While the short-term benefits include job creation and increased spending, the long-term outcomes are where the true transformation happens.

By 2035, infrastructure improvements across South Carolina are projected to:

- Increase the state's job growth rate by 0.6 percentage points
- Yield 157,000 permanent new jobs
- Inject \$16.3 billion in new personal income into the state's economy

These statistics are indicators of a lasting shift in South Carolina's economic trajectory. Improved infrastructure unlocks greater productivity across multiple sectors, from logistics and manufacturing to healthcare, tourism, and agriculture. As transportation becomes more efficient, broadband more accessible, and utilities more reliable, businesses can scale faster, employees can commute more easily, and communities can thrive even more.

This is generational progress, not just short-term stimulus. These gains reflect tangible, measurable productivity increases—driven by better infrastructure that connects people to opportunity and markets to customers. The investments we make today will shape the economic landscape for decades to come.

PROJECTED ANNUAL S.C. EMPLOYMENT GROWTH



With
Infrastructure
Investment



Without
Infrastructure
Investment

Every Industry Depends on Infrastructure

South Carolina's economic engine depends on its infrastructure foundation. Whether it's moving freight, accessing broadband, or distributing clean water, infrastructure supports every major industry, including:



AGRICULTURE



TOURISM



**ADVANCED
MANUFACTURING**



**LOGISTICS &
DISTRIBUTION**

The full study quantifies cross-sector dependencies and the risks of underinvestment. Without robust infrastructure, competitiveness falters.

Rural Communities Need Infrastructure to Stay Connected

In South Carolina, 23 percent of workers commute across county lines, and commute times in rural areas consistently rank among the longest in the state. For these communities, infrastructure is more than a convenience, it's a lifeline. Roads, bridges, and transit systems are essential in helping residents reach schools, hospitals, and job centers that are often located miles away. Broadband access enables residents of rural communities to connect to critical services such as telehealth. Without reliable and efficient transportation networks, the barriers to economic participation grow, particularly in counties where access to public services and private-sector employment is already limited.

Infrastructure in rural areas plays a central role in community health, workforce mobility, and business viability. Yet, rural infrastructure needs often go underfunded or overlooked. This report quantifies those gaps and emphasizes the high return on investment that comes from targeting infrastructure improvements in underserved areas.

By connecting rural South Carolinians to opportunity, infrastructure development becomes a powerful force for economic vitality and regional resilience. Improving infrastructure means improving access to education, healthcare, jobs, customers, and ultimately, to a better quality of life.

A Statewide Strategy Is The Solution

Across the state, billions in infrastructure funding are being strategically deployed to build capacity, close service gaps, and prepare communities for long-term success.

These investments span far more than just roads. They represent a comprehensive and coordinated statewide strategy involving multiple agencies and infrastructure systems, each contributing to a more connected, resilient South Carolina.

INFRASTRUCTURE INVESTMENTS EXAMINED IN THIS STUDY

\$30.5B

for roads and bridges, led by the South Carolina Department of Transportation (SCDOT)

\$1.1B

to improve drinking water systems via the South Carolina Department of Environmental Services (SCDES)

\$1.5B

for sewer and stormwater drainage upgrades through the Rural Infrastructure Authority (RIA)

\$400M

allocated by the Office of Regulatory Staff (ORS) to expand broadband access to over 112,000 underserved locations

Together, these efforts form a blueprint for long-term resilience and statewide prosperity, but our work has just begun. As indicated by the study data, our greatest opportunity to ensure South Carolina's future readiness lies in ongoing infrastructure investments.

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The data you've seen in this preview is only a glimpse into the full scope of the ACEC-SC IWI Economic Impact of Infrastructure Study.



FOR FULL ACCESS TO:

- County-specific data
- Statewide economic insights
- Detailed workforce projections

Purchase the full report by scanning the QR code or visiting infrastructureworks.org/research.