**South Carolina General Assembly**

120th Session, 2013-2014

**A98, R119, H3360**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Owens, Daning, Hiott, Skelton, Simrill, Anthony, Bedingfield, Clemmons, Delleney, Hardwick, Henderson, Hixon, Limehouse, Nanney, H.L. Ott, Pope, G.R. Smith, J.E. Smith, Sottile, Stringer, Tallon, Taylor and Bales

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Introduced in the House on January 17, 2013

Introduced in the Senate on February 20, 2013

Last Amended on June 18, 2013

Passed by the General Assembly on June 18, 2013

Governor's Action: June 24, 2013, Signed

Summary: State Highway secondary system

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/17/2013 House Introduced and read first time ([House Journal‑page 8](file:///h:\HJ%20Archive\2013\01-17-13.docx))

1/17/2013 House Referred to Committee on **Education and Public Works** ([House Journal‑page 8](file:///h:\HJ%20Archive\2013\01-17-13.docx))

1/31/2013 House Committee report: Favorable **Education and Public Works** ([House Journal‑page 6](file:///h:\HJ%20Archive\2013\01-31-13.docx))

2/6/2013 House Debate adjourned until Thur., 2‑7‑13 ([House Journal‑page 22](file:///h:\HJ%20Archive\2013\02-06-13.docx))

2/7/2013 House Member(s) request name added as sponsor: Bales

2/7/2013 House Debate adjourned until Tues., 2‑19‑13 ([House Journal‑page 29](file:///h:\HJ%20Archive\2013\02-07-13.docx))

2/19/2013 House Amended ([House Journal‑page 29](file:///h:\HJ%20Archive\2013\02-19-13.docx))

2/19/2013 House Read second time ([House Journal‑page 29](file:///h:\HJ%20Archive\2013\02-19-13.docx))

2/19/2013 House Roll call Yeas‑109 Nays‑0 ([House Journal‑page 29](file:///h:\HJ%20Archive\2013\02-19-13.docx))

2/20/2013 House Read third time and sent to Senate ([House Journal‑page 22](file:///h:\HJ%20Archive\2013\02-20-13.docx))

2/20/2013 House Roll call Yeas‑87 Nays‑0 ([House Journal‑page 22](file:///h:\HJ%20Archive\2013\02-20-13.docx))

2/20/2013 Senate Introduced and read first time ([Senate Journal‑page 24](file:///h:\SJ%20Archive\2013\02-20-13.docx))

2/20/2013 Senate Referred to Committee on **Transportation** ([Senate Journal‑page 24](file:///h:\SJ%20Archive\2013\02-20-13.docx))

4/17/2013 Senate Committee report: Favorable **Transportation** ([Senate Journal‑page 16](file:///h:\SJ%20Archive\2013\04-17-13.docx))

6/4/2013 Senate Amended ([Senate Journal‑page 48](file:///h:\SJ%20Archive\2013\06-04-13.docx))

6/4/2013 Senate Read second time ([Senate Journal‑page 48](file:///h:\SJ%20Archive\2013\06-04-13.docx))

6/4/2013 Senate Roll call Ayes‑36 Nays‑4 ([Senate Journal‑page 48](file:///h:\SJ%20Archive\2013\06-04-13.docx))

6/5/2013 Senate Amended ([Senate Journal‑page 22](file:///h:\SJ%20Archive\2013\06-05-13.docx))

6/5/2013 Senate Read third time and returned to House with amendments ([Senate Journal‑page 22](file:///h:\SJ%20Archive\2013\06-05-13.docx))

6/5/2013 Senate Roll call Ayes‑39 Nays‑4 ([Senate Journal‑page 22](file:///h:\SJ%20Archive\2013\06-05-13.docx))

6/6/2013 House Amended

6/6/2013 House Returned to Senate with amendments

6/6/2013 Senate Non‑concurrence in House amendment ([Senate Journal‑page 60](file:///h:\SJ%20Archive\2013\06-06-13.docx))

6/6/2013 Senate Roll call Ayes‑0 Nays‑36 ([Senate Journal‑page 60](file:///h:\SJ%20Archive\2013\06-06-13.docx))

6/6/2013 House House insists upon amendment and conference committee appointed Reps. Owens, Daning, RL Brown ([House Journal‑page 70](file:///h:\HJ%20Archive\2013\06-06-13.docx))

6/6/2013 Senate Conference committee appointed Setzler, Peeler, Grooms ([Senate Journal‑page 62](file:///h:\SJ%20Archive\2013\06-06-13.docx))

6/18/2013 Senate Free conference powers granted ([Senate Journal‑page 60](file:///h:\SJ%20Archive\2013\06-18-13.docx))

6/18/2013 Senate Roll call Ayes‑39 Nays‑4 ([Senate Journal‑page 60](file:///h:\SJ%20Archive\2013\06-18-13.docx))

6/18/2013 Senate Free conference committee appointed Setzler, Peeler, Grooms ([Senate Journal‑page 60](file:///h:\SJ%20Archive\2013\06-18-13.docx))

6/18/2013 House Free conference powers granted ([House Journal‑page 44](file:///h:\HJ%20Archive\2013\06-18-13.docx))

6/18/2013 House Roll call Yeas‑104 Nays‑5 ([House Journal‑page 45](file:///h:\HJ%20Archive\2013\06-18-13.docx))

6/18/2013 House Free conference committee appointed Owens, Daning, RL Brown ([House Journal‑page 54](file:///h:\HJ%20Archive\2013\06-18-13.docx))

6/18/2013 Senate Free conference report received and adopted ([Senate Journal‑page 63](file:///h:\SJ%20Archive\2013\06-18-13.docx))

6/18/2013 Senate Roll call Ayes‑35 Nays‑5 ([Senate Journal‑page 63](file:///h:\SJ%20Archive\2013\06-18-13.docx))

6/18/2013 House Free conference report received and adopted ([House Journal‑page 54](file:///h:\HJ%20Archive\2013\06-18-13.docx))

6/18/2013 House Roll call Yeas‑95 Nays‑11 ([House Journal‑page 59](file:///h:\HJ%20Archive\2013\06-18-13.docx))

6/18/2013 Senate Ordered enrolled for ratification ([Senate Journal‑page 73](file:///h:\SJ%20Archive\2013\06-18-13.docx))

6/19/2013 Ratified R 119

6/24/2013 Signed By Governor

6/26/2013 Effective date See Act for Effective Date

6/26/2013 Act No. 98

**VERSIONS OF THIS BILL**

[1/17/2013](file:///p:\pprever\2013-14\3360_20130117.docx)

[1/31/2013](file:///p:\pprever\2013-14\3360_20130131.docx)

[2/19/2013](file:///p:\pprever\2013-14\3360_20130219.docx)

[4/17/2013](file:///p:\pprever\2013-14\3360_20130417.docx)

[6/4/2013](file:///p:\pprever\2013-14\3360_20130604.docx)

[6/5/2013](file:///p:\pprever\2013-14\3360_20130605.docx)

[6/6/2013](file:///p:\pprever\2013-14\3360_20130606.docx)

[6/18/2013](file:///p:\pprever\2013-14\3360_20130618.docx)

(A98, R119, H3360)

**AN ACT TO AMEND SECTIONS 57‑5‑10, 57‑5‑70, AND 57‑5‑80, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE COMPOSITION OF THE STATE HIGHWAY SYSTEM, ADDITIONS TO THE STATE HIGHWAY SECONDARY SYSTEM, AND THE DELETION AND REMOVAL OF ROADS FROM THE STATE HIGHWAY SECONDARY SYSTEM, SO AS TO PROVIDE THAT ALL HIGHWAYS WITHIN THE STATE HIGHWAY SYSTEM SHALL BE CONSTRUCTED TO THE DEPARTMENT OF TRANSPORTATION STANDARDS, TO PROVIDE THE FUNDING SOURCES THAT THE DEPARTMENT MAY USE TO CONSTRUCT AND MAINTAIN THESE HIGHWAYS, TO REVISE THE PROCEDURE AND ENTITIES TO WHICH THE DEPARTMENT MAY TRANSFER ROADS WITHIN THE STATE HIGHWAY SECONDARY SYSTEM, AND TO REVISE THE PROCEDURE WHEREBY THE DEPARTMENT MAY ADD A COUNTY OR MUNICIPAL ROAD TO THE STATE HIGHWAY SYSTEM; BY ADDING SECTION 11‑43‑165 SO AS TO PROVIDE THAT DURING EACH FISCAL YEAR, THE DEPARTMENT OF TRANSPORTATION SHALL TRANSFER FIFTY MILLION DOLLARS FROM NONTAX SOURCES TO THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK TO BE USED TO FINANCE CERTAIN PROJECTS, TO PROVIDE THAT GENERAL REVENUE APPROPRIATED TO THE DEPARTMENT FOR “HIGHWAY ENGINEERING PERMANENT IMPROVEMENTS” IS EXEMPT FROM ACROSS‑THE‑BOARD REDUCTIONS, AND TO PROVIDE THAT THE IMPLEMENTATION OF THIS SECTION IS CONTINGENT UPON FIFTY MILLION DOLLARS BEING APPROPRIATED TO THE DEPARTMENT OF TRANSPORTATION IN THE 2013‑2014 GENERAL APPROPRIATIONS ACT FOR THE PURPOSES PROVIDED IN THIS SECTION; BY ADDING SECTION 12‑36‑2647 SO AS TO PROVIDE THAT FIFTY PERCENT OF THE REVENUES OF CERTAIN SALES, USE, AND CASUAL EXCISE TAXES DERIVED ON THE SALE, USE, OR TITLING OF MOTOR VEHICLES REQUIRED TO BE LICENSED AND REGISTERED BY THE DEPARTMENT OF MOTOR VEHICLES MUST BE CREDITED TO THE STATE NON‑FEDERAL AID HIGHWAY FUND AND USED EXCLUSIVELY FOR CERTAIN PURPOSES; AND TO PROVIDE THAT THERE IS TRANSFERRED TO THE DEPARTMENT OF TRANSPORTATION AN AMOUNT NOT TO EXCEED FIFTY MILLION DOLLARS TO BE USED BY THE DEPARTMENT FOR BRIDGE REPLACEMENT AND REHABILITATION WHICH SHALL SERVE AS THE MATCH REQUIREMENT FOR CERTAIN ACTIVE FEDERAL AID ELIGIBLE BRIDGE REPLACEMENT PROJECTS AND PRIORITIZED REHABILITATION PROJECTS.**

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

**Funding sources for the state highway system**

SECTION 1. Section 57‑5‑10 of the 1976 Code is amended to read:

“Section 57‑5‑10. The state highway system shall consist of a statewide system of connecting highways that shall be constructed to the Department of Transportation’s standards and that shall be maintained by the department in a safe and serviceable condition as state highways. The department may utilize funding sources including, but not limited to, the State Non‑Federal Aid Highway Fund and the State Highway Fund as established by Section 57‑11‑20 in carrying out the provisions of this section. The complete state highway system shall mean the system of state highways as now constituted, consisting of the roads, streets, and highways designated as state highways or designated for construction or maintenance by the department pursuant to law, together with the roads, streets, and highways added to the state highway system by the Commission of the Department of Transportation, and the roads, streets, and highways that may be added to the system pursuant to law. Roads and highways in the state highway system are classified into three classifications:

(1) interstate system of highways;

(2) state highway primary system; and

(3) state highway secondary system.”

**Highway transfers to the state highway system**

SECTION 2. Section 57‑5‑70 of the 1976 Code is amended to read:

“Section 57‑5‑70. A county or municipality and the department may by mutual consent agree to transfer a road from the county or municipal road system to the state highway system. The transfer may be of the road ‘as is’, without further improvement to the road or upon such terms and conditions as the parties mutually agree. Notification of the transfer must be given to the county’s legislative delegation. If the department determines that a road in the county or municipal road system is necessary for the interconnectivity of the state highway system, and the municipality or county does not consent to the transfer, the department may initiate a condemnation action to acquire the road, or a portion of it, and the county or municipality is not required to make any further improvements to it.”

**Highway transfers from the state secondary system**

SECTION 3. Section 57‑5‑80 of the 1976 Code is amended to read:

“Section 57‑5‑80. The department may transfer from the state highway secondary system any road under its jurisdiction, determined by the department to be of low traffic importance, to one of the parties indicated in this section if mutual consent is reached between the department and the party that the road is being transferred to:

(a) a county or municipality;

(b) a school;

(c) a governmental agency;

(d) a nongovernmental entity; or

(e) a person.

In all cases, the county or municipality shall have right of first refusal to accept roads into their maintenance responsibility when roads are considered for transfer from the state highway system to a nongovernmental entity or person and in no case may a state road be transferred to a nongovernmental entity unless all persons and businesses located on that road are in agreement with the transfer. Maintenance responsibility for roads transferred from the state highway system pursuant to the provisions of this section shall transfer from the jurisdiction of the department to the jurisdiction of the county or municipality, school, governmental agency, nongovernmental entity, or person, effective upon notice from the department of official action removing the road from the state highway system. Notification of the transfer must be given to the county’s legislative delegation.”

**South Carolina Transportation Infrastructure Bank**

SECTION 4. A. Article 1, Chapter 43, Title 11 of the 1976 Code is amended by adding:

“Section 11‑43‑165. Each fiscal year, the South Carolina Department of Transportation shall transfer fifty million dollars from nontax sources to the South Carolina Transportation Infrastructure Bank. The department may transfer the total amount in one lump sum or it may transfer the amount quarterly in four equal installments. The general fund revenue appropriated to the department for ‘Highway Engineering Permanent Improvements’ in the annual general appropriations act is exempt from any across‑the‑board reductions. The transferred funds must be used solely by the bank to finance bridge replacement, rehabilitation projects, and expansion and improvements to existing mainline interstates. The department shall submit a list of bridge and road projects to the bank for its consideration. Transferred funds may not be used for projects approved by the bank before July 1, 2013. The bank shall submit all projects proposed to be financed by this section to the Joint Bond Review Committee as provided in Section 11‑43‑180, prior to approving a project for financing.”

B. This section takes effect July 1, 2013. Implementation of Section 11‑43‑165 is contingent upon fifty million dollars being appropriated to the South Carolina Department of Transportation in the 2013‑2014 General Appropriations Act for the purposes provided for in Section 11‑43‑165.

**Sources of revenue used for highway construction and maintenance**

SECTION 5. A. The General Assembly finds that:

(1) before a motor vehicle may be licensed and registered by the South Carolina Department of Motor Vehicles for the privilege of using the public highways of this State, that department either collects or confirms the collection of any applicable sales, use, and casual excise taxes due on the vehicle;

(2) without the required registration and licensing it is unlawful for a motor vehicle to use the public highways of this State; and

(3) the revenue of the sales, use, and casual excise tax required to be paid before a motor vehicle may be registered and licensed in this State is included within the “sources of revenue” that may be pledged to secure highway bonds pursuant to Section 13(6)(a), Article X of the Constitution of this State.

B. Article 25, Chapter 36, Title 12 of the 1976 Code is amended by adding:

“Section 12‑36‑2647. Notwithstanding the provisions of Section 59‑21‑1010, fifty percent of the revenues of sales, use, and casual excise taxes derived pursuant to Sections 12‑36‑2620(1) and 12‑36‑2640(1) on the sale, use, or titling of a motor vehicle required to be licensed and registered by the South Carolina Department of Motor Vehicles, otherwise required to be credited as provided pursuant to Section 59‑21‑1010, instead must be credited to the State Non‑Federal Aid Highway Fund established pursuant to Section 57‑11‑20. Revenues credited to the State Non‑Federal Aid Highway Fund pursuant to this section must be used exclusively for highway, road, and bridge maintenance, construction, and repair.”

C. This section takes effect July 1, 2013.

**Transfer of revenue to the Department of Transportation**

SECTION 6. A. There is transferred to the Department of Transportation an amount of unobligated Fiscal Year 2012‑2013 general fund revenue not to exceed $50,000,000, which is in excess of the $159,845,460 designated as the source of revenue to fund the appropriations in Proviso 118.17 of the Fiscal Year 2013‑2014 General Appropriations Act, to be used solely by the department for bridge replacement and rehabilitation. The revenue is deemed to have occurred and is available for use after September 1, 2013, following the Comptroller General’s close of the state’s books on Fiscal Year 2012‑2013. These funds shall serve as the match requirement for active federal aid eligible bridge replacement projects currently programmed in the Statewide Transportation Improvement Program (STIP) and Section 57‑1‑370(B)(8) prioritized rehabilitation projects approved by the commission for future inclusion in the STIP as of February 21, 2013.

B. This section takes effect July 1, 2013.

**Savings clause**

SECTION 7. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

**Time effective**

SECTION 8. Unless otherwise provided, this act takes effect upon approval by the Governor.

Ratified the 19th day of June, 2013.

Approved the 24th day of June, 2013.

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