**South Carolina General Assembly**

120th Session, 2013-2014

**A215, R222, S828**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Fair and Turner

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Introduced in the Senate on January 14, 2014

Introduced in the House on March 10, 2014

Passed by the General Assembly on May 29, 2014

Governor's Action: June 2, 2014, Signed

Summary: Convention and Trade show center

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 12/10/2013 Senate Prefiled

 12/10/2013 Senate Referred to Committee on **Finance**

 1/14/2014 Senate Introduced and read first time ([Senate Journal‑page 37](file:///H%3A%5CSJ%20Archive%5C2014%5C01-14-14.docx))

 1/14/2014 Senate Referred to Committee on **Finance** ([Senate Journal‑page 37](file:///H%3A%5CSJ%20Archive%5C2014%5C01-14-14.docx))

 2/5/2014 Senate Committee report: Favorable **Finance** ([Senate Journal‑page 27](file:///H%3A%5CSJ%20Archive%5C2014%5C02-05-14.docx))

 2/6/2014 Scrivener's error corrected

 3/5/2014 Senate Read second time ([Senate Journal‑page 28](file:///H%3A%5CSJ%20Archive%5C2014%5C03-05-14.docx))

 3/5/2014 Senate Roll call Ayes‑37 Nays‑3 ([Senate Journal‑page 28](file:///H%3A%5CSJ%20Archive%5C2014%5C03-05-14.docx))

 3/6/2014 Senate Read third time and sent to House ([Senate Journal‑page 13](file:///H%3A%5CSJ%20Archive%5C2014%5C03-06-14.docx))

 3/10/2014 House Introduced and read first time ([House Journal‑page 8](file:///H%3A%5CHJ%20Archive%5C2014%5C03-10-14.docx))

 3/10/2014 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 8](file:///H%3A%5CHJ%20Archive%5C2014%5C03-10-14.docx))

 3/12/2014 House Recalled from Committee on **Labor, Commerce and Industry** ([House Journal‑page 21](file:///H%3A%5CHJ%20Archive%5C2014%5C03-12-14.docx))

 3/12/2014 House Referred to Committee on **Ways and Means** ([House Journal‑page 21](file:///H%3A%5CHJ%20Archive%5C2014%5C03-12-14.docx))

 5/22/2014 House Recalled from Committee on **Ways and Means** ([House Journal‑page 22](file:///H%3A%5CHJ%20Archive%5C2014%5C05-22-14.docx))

 5/28/2014 House Read second time

 5/28/2014 House Roll call Yeas‑98 Nays‑0

 5/29/2014 House Read third time and enrolled ([House Journal‑page 21](file:///H%3A%5CHJ%20Archive%5C2014%5C05-29-14.docx))

 5/29/2014 Ratified R 222

 6/2/2014 Signed By Governor

 6/11/2014 Effective date 06/02/14

 6/12/2014 Act No. 215

**VERSIONS OF THIS BILL**

[12/10/2013](file:///p%3A%5Cpprever%5C2013-14%5C828_20131210.docx)

[2/5/2014](file:///p%3A%5Cpprever%5C2013-14%5C828_20140205.docx)

[2/6/2014](file:///p%3A%5Cpprever%5C2013-14%5C828_20140206.docx)

[5/22/2014](file:///p%3A%5Cpprever%5C2013-14%5C828_20140522.docx)

(A215, R222, S828)

**AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 11‑41‑75 SO AS TO EXEMPT CERTAIN BOND REIMBURSEMENT REQUIREMENTS IF A CONVENTION AND TRADE SHOW CENTER IS SOLD AND IS TO BE REPLACED WITH A NEW CONVENTION AND TRADE SHOW CENTER, AND TO SET FORTH EXEMPTION REQUIREMENTS; AND TO AMEND SECTION 11‑41‑70, AS AMENDED, RELATING TO REQUIREMENTS FOR ECONOMIC DEVELOPMENT BONDS, SO AS TO MAKE A CONFORMING CHANGE.**

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

**Economic development bonds for convention and trade show, reimbursement provisions not applicable if sold and replaced with similar facility**

SECTION 1. Chapter 41, Title 11 of the 1976 Code is amended by adding:

 “Section 11‑41‑75. (A) Notwithstanding the provisions of Section 11‑41‑70(2)(d), the provisions requiring the reimbursement of bond proceeds, plus interest, upon the sale of the meeting and exhibit space, are not applicable if:

 (1) the proceeds of the sale of meeting and exhibit space is for its true value as described in Section 12‑37‑930;

 (2) the sale proceeds are used in their entirety for a new meeting and exhibit space as defined in Section 11‑41‑30(2)(e); and

 (3) if there are outstanding bonds on the existing meeting and exhibit space, the state agency, instrumentality, or political subdivision provides to the State Treasurer a tax opinion from a nationally recognized bond counsel that the sale and proposed new qualifying purpose or use will not adversely affect the federal income tax treatment of the interest on the bonds issued by the State to finance the meeting and exhibit space.

 (B) The exemption from the reimbursement requirements only applies so long as:

 (1) the land for the new meeting and exhibit space is owned by the state agency, instrumentality, or political subdivision at the time of the sale or is purchased within eighteen months of the sale;

 (2) construction of the new meeting and exhibit space begins within five years of the sale; and

 (3) the project is completed within ten years of the sale.

 If a state agency, instrumentality, or political subdivision avails itself of the provisions of subsection (A), but then fails to meet the requirements of this subsection, then the reimbursement requirements of Section 11‑41‑70(2)(d) apply as of the day of the sale.

 (C) If the new meeting and exhibit space is subsequently sold, the reimbursement requirements of Section 11‑41‑70(2)(d) apply as of the day of the sale of the new meeting and exhibit space, unless the provisions of this section again apply.

 (D) Prior to the sale of the meeting and exhibit space, any state agency, instrumentality, or political subdivision desiring to avail itself of the provisions of this section must submit its plans to the Joint Bond Review Committee for review and comment. The submission must include proof of eligibility or plans to become eligible pursuant to the standards set forth in subsection (A) and a projected plan as to how it will remain eligible pursuant to subsection (B). To the fullest extent possible at the time, the submission also must include a comparison between the meeting and exhibit space that is for sale and the proposed replacement meeting and exhibit space.”

**Economic development bonds for convention and trade show, conforming change**

SECTION 2. Section 11‑41‑70(2)(d) of the 1976 Code, as last amended by Act 73 of 2013, is further amended to read:

 “(d) subject to the provisions of Section 11‑41‑75, in the case of a national and international convention and trade show center, partial payment of costs for infrastructure associated with a meeting and exhibit space as defined in Section 11‑41‑30(2)(e), owned by the State or any agency, instrumentality, or political subdivision thereof for which project there has been executed an agreement between the State and the state agency, instrumentality, or political subdivision owning such meeting and exhibit space providing that, upon either the sale of the meeting and exhibit space partially financed with proceeds of bonds issued pursuant to this chapter or the failure of the state agency, instrumentality, or political subdivision to (1) purchase land within eighteen months of the effective date of this item (d), (2) begin construction within five years of the effective date of this item (d) of a meeting and exhibit space as defined in Section 11‑41‑30(2)(e), or (3) complete the project within fifteen years of the effective date of this item (d), then the state agency, instrumentality, or political subdivision owning such meeting and exhibit space will reimburse the amount of bond proceeds to the General Fund of the State, plus interest thereon from the date of expenditure to the date of such reimbursement at a rate equal to the total interest cost rate on the issuance of bonds used to make such expenditure. The state agency, instrumentality, or political subdivision must notify the State Treasurer immediately upon the sale of any land acquired with proceeds of bonds issued pursuant to this chapter. The state agency, instrumentality, or political subdivision also must provide sufficient proof to the State Treasurer that the deadlines to purchase land, begin construction, and complete the project imposed pursuant to this item have been met. If the state agency, instrumentality, or political subdivision sells the land or fails to meet any of these deadlines, then the State Treasurer shall take the appropriate action necessary to recover all bond proceeds and interest disbursed to the state agency, instrumentality, or political subdivision to finance the project;”

**Time effective**

SECTION 3. This act takes effect upon approval by the Governor.

Ratified the 29th day of May, 2014.

Approved the 2nd day of June, 2014.

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