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FREE CONFERENCE COMMITTEE REPORT ADOPTED -- NOT PRINTED

June 18, 2013

**H. 3360**

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

S. Printed 6/5/13--S.

Read the first time February 20, 2013.

**A** **BILL**

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 USES TO CONSTRUCT AND MAINTAIN THESE HIGHWAYS, TO REVISE THE PROCEDURE AND WHEREBY 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 ROAD FROM THE COUNTY OR MUNICIPAL ROAD TO THE STATE HIGHWAY SYSTEM; AND TO REPEAL SECTION 57‑5‑90 RELATING TO THE ESTABLISHMENT AND MAINTENANCE OF BELT LINES AND SPURS.

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

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 ~~which~~ that shall be constructed ~~by~~ to the Department of ~~Transportation~~ Transportation’s standards and ~~which~~ 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 Nonfederal 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 ~~heretofore~~ designated as state highways or designated for construction or maintenance by the department pursuant to law, together with the roads, streets, and highways ~~heretofore~~ added to the state highway system by the Commission of the Department of Transportation, and ~~such~~ the roads, streets, and highways ~~as~~ that may ~~hereafter~~ 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.”

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

“Section 57‑5‑70. ~~The department shall take over and accept as a part of the state highway secondary system the roads remaining in the various county road systems which have been maintained by the respective counties, or so much mileage thereof as the availability of funds for construction of secondary state highways in a county may justify; provided, that municipal streets which are extensions of state highways may be added to the state highway secondary system in lieu of an equal mileage of county roads. The roads to be placed in the state highway system hereunder shall be selected by the department. Maintenance jurisdiction by the department of roads added to the state highway secondary system pursuant to the provisions of this section shall not commence until construction to state highway standards shall have started.~~ 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.”

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

“Section 57‑5‑80. ~~The department may delete and remove from the state highway secondary system of roads in any county any roads which are of low traffic importance and substitute therefor an equal, or less, mileage of other roads of higher traffic importance as determined by traffic surveys and estimates. Maintenance responsibility for roads deleted and removed from the state highway secondary system pursuant to the provisions of this section shall transfer from the jurisdiction of the department to the jurisdiction of the county or municipality in which such roads are situated, effective upon notice from the department of official action deleting and removing the roads from the state highway system.~~ 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.”

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 non‑tax 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.

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.

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.

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.

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

/s/Sen. Harvey S. Peeler, Jr. /s/Rep. Phillip D. Owens

/s/Sen. Nikki G. Setzler /s/Rep. R.L. Brown

/s/Sen. Lawrence K. Grooms /s/Rep. Joseph S. Daning

On Part of the Senate. On Part of the House.

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