**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 6 TO CHAPTER 1, TITLE 6, SO AS TO ENACT THE “BEACH PRESERVATION ACT”, TO ALLOW A QUALIFIED COASTAL MUNICIPALITY TO IMPOSE A FEE NOT TO EXCEED ONE PERCENT ON THE GROSS PROCEEDS DERIVED FROM THE RENTAL OR CHARGES FOR ACCOMMODATIONS FURNISHED TO TRANSIENTS SUBJECT TO THE MUNICIPALITY’S LOCAL ACCOMMODATIONS TAX, TO PROVIDE THAT THE MUNICIPALITY MAY IMPOSE THE FEE BY ORDINANCE ADOPTED BY A POSITIVE MAJORITY VOTE, TO PROVIDE THAT THE FEE IS IN ADDITION TO ALL OTHER LOCAL ACCOMMODATIONS TAXES IMPOSED AND MUST NOT BE DEEMED CUMULATIVE TO OTHER LOCAL ACCOMMODATIONS TAXES IMPOSED BY THE MUNICIPALITY, TO PROVIDE USES FOR WHICH THE FEE REVENUE MUST BE APPLIED, TO PROVIDE FOR REPORTING AND FOR REMITTANCE OF THESE FEES, AND TO PROVIDE DEFINITIONS.

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

SECTION 1. Chapter 1, Title 6 of the 1976 Code is amended by adding:

“Article 6

Beach Preservation Act

Section 6‑1‑610. This article may be cited as the ‘Beach Preservation Act’.

Section 6‑1‑620. As used in this article:

(1) ‘Beach preservation fee’ means a fee imposed on the gross proceeds derived from the rental or charges for accommodations furnished to transients for consideration within the jurisdiction of the governing body which are subject to the tax imposed pursuant to Section 12‑36‑920(A).

(2) ‘Governing body’ means the governing body of a qualified coastal municipality.

(3) ‘Positive majority’ means a vote for adoption by the majority of the members of the entire governing body, whether present or not. However, if there is a vacancy in the membership of the governing body, a positive majority vote of the entire governing body as constituted on the date of the final vote on the imposition is required.

(4) ‘Qualified coastal municipality’ means a municipality bordering on the Atlantic Ocean that has a public beach within its corporate limits and which imposes a local accommodations tax pursuant to Section 6‑1‑520 that does not exceed one and one‑half percent pursuant to the limitations imposed pursuant to Section 6‑1‑540.

Section 6‑1‑630. (A) The governing body of a qualified coastal municipality by ordinance may impose a beach preservation fee not to exceed one percent. However, an ordinance imposing the beach preservation fee must be adopted by a positive majority vote.

(B) The fee authorized by this article is in addition to all other local accommodations taxes imposed pursuant to Section 6‑1‑520 and must not be deemed cumulative with the local accommodations tax or fee rate for the purposes of Section 6‑1‑540.

(C) All proceeds from the beach preservation fee must be kept in a separate fund segregated from the governing body’s general fund. All interest generated by the beach preservation fee fund must be credited to the beach preservation fee fund.

Section 6‑1‑640. The revenue generated by the beach preservation fee must be used exclusively for the following purposes:

(1) nourishment, renourishment, maintenance, erosion mitigation, and monitoring of the beaches within the corporate limits of the qualified coastal municipality;

(2) dune restoration and maintenance, including planting of grass, sea oats, or other vegetation useful in preserving the dune system within the corporate limits of the qualified coastal municipality; and

(3) maintenance of public beach accesses within the corporate limits of the qualified coastal municipality.

Section 6‑1‑650. Real estate agents, brokers, corporations, or listing services required to remit fees under this section must notify the appropriate governing body if rental property, previously listed by them, is dropped from their listings.

Section 6‑1‑660. The fee provided for pursuant to this article must be remitted to the local governing body on a monthly basis when the estimated amount of the average of the total of the tax imposed pursuant to Article 5 of this chapter and this article is more than fifty dollars a month, on a quarterly basis when the estimated amount of such average is twenty‑five dollars to fifty dollars a month, and on an annual basis when the estimated amount of such average is less than twenty‑five dollars a month.”

SECTION 2. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

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

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