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COMMITTEE REPORT

April 24, 2013

**S. 610**

Introduced by Senators Rankin, Cleary, Hembree and McGill

S. Printed 4/24/13--S.

Read the first time April 11, 2013.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 610) to amend Section 11‑41‑30, Code of Laws of South Carolina, 1976, relating to definitions for purposes of the State General Obligation Economic Development Bond Act, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

HUGH K. LEATHERMAN, SR. for Committee.

**A** **BILL**

TO AMEND SECTION 11‑41‑30, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS FOR PURPOSES OF THE STATE GENERAL OBLIGATION ECONOMIC DEVELOPMENT BOND ACT, SO AS TO CLARIFY THAT THE DEFINITION OF “ECONOMIC DEVELOPMENT PROJECT”, INCLUDING A NATIONAL AND INTERNATIONAL CONVENTION AND TRADE SHOW CENTER OWNED BY A PUBLIC ENTITY INCLUDES AN ADJACENT FACILITY ALLOWING SPECIFIC EVENTS THEREBY MAKING ADDITIONAL TIME AND SPACE AVAILABLE FOR THE MAJOR CONVENTIONS, TRADE SHOWS, AND SPECIAL EVENTS CONTEMPLATED BY THE ACT AND REQUIRE JOINT BOND REVIEW COMMITTEE REVIEW AND COMMENT ON SUCH AN ADJACENT FACILITY; AND TO AMEND SECTION 11‑41‑70, RELATING TO PURPOSES OF THE ISSUE OF BONDS PURSUANT TO THE STATE GENERAL OBLIGATION ECONOMIC DEVELOPMENT BOND ACT AND SPECIFIC REQUIREMENTS APPLICABLE TO A PUBLIC ENTITY RECEIVING BOND PROCEEDS, SO AS TO EXTEND FROM TEN TO FIFTEEN YEARS THE PERIOD IN WHICH A NATIONAL AND INTERNATIONAL CONVENTION AND TRADE SHOW CENTER MUST BE COMPLETED.

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

SECTION 1. Section 11‑41‑30(2)(e) of the 1976 Code is amended to read:

“(e) ‘Economic development project’ or ‘project’ also includes a national and international convention and trade show center in this State, owned by the State or any agency, instrumentality, or political subdivision thereof. A ‘national and international convention and trade show center’ means a not less than two hundred thousand square foot facility consisting of meeting and exhibit space at which are held major conventions, trade shows, and special events that bring delegates into the State and community including, but not limited to, consumer shows, sporting events, and other meetings. Included in the space requirement is an adjacent facility allowing specific events thereby making additional time and space available for the major conventions, trade shows, and special events contemplated by this definition. However, if any adjacent facility is contemplated or initiated under the terms and conditions of this subitem, these plans must be submitted to the Joint Bond Review Committee for review and comment. A national and international convention and trade show center is not subject to the job creation and capital investment requirements imposed on projects as defined in subsections (a) and (b) above.”

SECTION 2. Section 11‑41‑70(2)(d) of the 1976 Code is amended to read:

“(d) 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 ~~ten~~ 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 must also 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;”

SECTION 3. This act takes effect upon approval by the Governor and the definition clarified and time limit extension included in Sections 11‑41‑30 and 11‑41‑70 of the 1976 Code, as amended by this act, apply with respect from the original effective date of Act 114 of 2005.

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