**A** **BILL**

TO AMEND CHAPTER 28, TITLE 12 OF THE 1976 CODE, RELATING TO MOTOR FUELS SUBJECT TO USER FEES, BY ADDING SECTION 12‑28‑315 TO PROVIDE FOR A SURCHARGE TO BE COLLECTED ON MOTOR FUEL PURCHASES, TO PROVIDE THAT THE STATE FISCAL ACCOUNTABILITY AUTHORITY SHALL ESTABLISH THE SURCHARGE RATE, AND TO PLACE A LIMIT ON HOW MUCH THE SURCHARGE CAN BE INCREASED FROM YEAR TO YEAR; AMEND CHAPTER 6, TITLE 12, BY ADDING SECTION 12‑6‑3379 TO PROVIDE FOR A REFUNDABLE INCOME TAX CREDIT FOR SOUTH CAROLINA TAXPAYERS WHO PAY THE MOTOR FUEL SURCHARGE; TO AMEND SECTION 57‑1‑370, BY ADDING A SUBSECTION TO PROVIDE THAT FUNDS COLLECTED PURSUANT TO SECTION 12‑28‑315 MUST BE USED TO FUND TRANSPORTATION INFRASTRUCTURE PROJECTS; AND TO AMEND SECTION 57‑1‑310(A) TO PROVIDE THAT THE GOVERNOR SHALL MAKE TWO APPOINTMENTS FROM THE STATE AT LARGE TO THE DEPARTMENT OF TRANSPORTATION COMMISSION.

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

SECTION 1. Chapter 28, Title 12 of the 1976 Code is amended by adding:

“Section 12‑28‑315. (A) The State Fiscal Accountability Authority shall establish a motor fuel user fee surcharge levied on a per gallon basis that is collected in the same manner and at the same time as the motor fuel user fee.

(B)(1) To determine the rate of the surcharge, the authority shall continuously monitor the fiscal requirements of the Department of Transportation and calculate the amount necessary to fully fund expenses associated with new and continuing projects during each fiscal year in excess of revenues derived from the motor fuel user fee. During the determination process, the authority must also consult with the Department of Commerce, the Department of Parks, Recreation and Tourism, and the Department of Transportation and consider their input regarding the amount of any surcharge imposed. In calculating the rate of the surcharge, the authority must take into account current economic conditions, costs of materials needed for the projects, the amount of federal, local, and other funds available for the projects, the Department of Transportation’s project planning and scheduling, as well as reasonably anticipated expenses not associated with a planned or scheduled project, for the fiscal year, and any other relevant factors.

(2) The surcharge shall be set at an amount necessary to meet the Department of Transportation’s funding requirements for the fiscal year that are associated with undertaking new projects or to continue or complete existing projects related to highways, roads, bridges, and other components in the State highway system.

(3) The authority may decline to increase the surcharge from one fiscal year to another if an increase is not necessary to fund the projects and activities planned for and scheduled by the department.

(C) The surcharge rate for a fiscal year shall go into effect on July first of the affected fiscal year. The authority may adjust the surcharge on January first of the fiscal year taking into account revenue and expenditure projections and actual revenue and expenditures to date for that fiscal year.

(D) The surcharge may not be increased from one fiscal year to the next by more than ten cents.”

SECTION 2. Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3379. (A) A taxpayer is allowed a refundable tax credit against the income tax imposed upon him pursuant to this chapter for motor fuel surcharges levied pursuant to 12‑28‑315 that were paid by the taxpayer. The taxpayer may claim a standard tax credit in an amount established pursuant to subsection (B) or a tax credit equal to the actual amount of the motor fuel surcharges paid by the taxpayer.

(B) The standard tax credit allowed pursuant to this section shall be calculated annually by the Department of Revenue and shall be equal to the estimated average amount paid in motor fuel surcharges by taxpayers during the previous tax year.

(C) In order to claim a tax credit equal to the actual amount a taxpayer pays in motor fuel surcharges, a taxpayer must complete a form prescribed by the Department of Revenue which sets forth the actual amount paid by the taxpayer together with receipts or other documentation approved by the Department of Revenue reflecting the taxpayer’s purchases of motor fuel subject to the surcharge.”

SECTION 3. Section 57‑1‑370 of the 1976 Code is amended by adding:

“(P) The commission must apply revenue realized from the surcharge imposed pursuant Section 12‑28‑315 to undertake new projects or to continue or complete existing projects, including maintenance, on or related to highways, roads, bridges, and other components in the State highway system planned for and scheduled by the department during each fiscal year. General operating expenses of the Department of Transportation must be funded with the proceeds of the motor fuel user fee.”

SECTION 4. Section 57‑1‑310(A) of the 1976 Code is amended to read:

“Section 57‑1‑310. (A) The congressional districts of this State are constituted and created Department of Transportation Districts of the State, designated by numbers corresponding to the numbers of the respective congressional districts. The Commission of the Department of Transportation shall be composed of one member from each transportation district elected by the delegations of the congressional district and ~~one member~~ two members appointed by the Governor from the State at large. Such elections or ~~appointment~~ appointments, as the case may be, shall take into account race and gender so as to represent, to the greatest extent possible, all segments of the population of the State; however, consideration of these factors in making an appointment or in an election in no way creates a cause of action or basis for an employee grievance for a person appointed or elected or for a person who fails to be appointed or elected.”

SECTION 5. This act takes effect January 1, 2016.

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