**South Carolina General Assembly**

125th Session, 2023-2024

**H. 4552**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Pendarvis, Clyburn, Henegan, M.M. Smith, B.L. Cox, Robbins, Brewer, King, Wheeler, Henderson-Myers, Erickson, Stavrinakis, Weeks, Davis, Rivers and Gilliard

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Introduced in the House on January 9, 2024

Introduced in the Senate on March 7, 2024

Last Amended on April 18, 2024

Currently residing in the Senate

Summary: Tax Increment Financing

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

11/16/2023 House Prefiled

11/16/2023 House Referred to Committee on **Medical, Military, Public and Municipal Affairs**

1/9/2024 House Introduced and read first time ([House Journal‑page 79](h:\hj\20240109.docx))

1/9/2024 House Referred to Committee on **Medical, Military, Public and Municipal Affairs** ([House Journal‑page 79](h:\hj\20240109.docx))

1/31/2024 House Member(s) request name added as sponsor: M.M.
Smith, B.L. Cox

2/14/2024 House Member(s) request name added as sponsor: Robbins,
Brewer, King

2/28/2024 House Committee report: Favorable with amendment **Medical, Military, Public and Municipal Affairs** ([House Journal‑page 13](h:\hj\20240228.docx))

2/29/2024 House Member(s) request name added as sponsor: Wheeler,
Henderson-Myers, Erickson, Stavrinakis,
Weeks, Davis

3/1/2024 Scrivener's error corrected

3/5/2024 House Member(s) request name added as sponsor: Rivers,
Gilliard

3/5/2024 House Amended ([House Journal‑page 32](h:\hj\20240305.docx))

3/5/2024 House Read second time ([House Journal‑page 32](h:\hj\20240305.docx))

3/5/2024 House Roll call Yeas-103 Nays-0 ([House Journal‑page 33](h:\hj\20240305.docx))

3/6/2024 House Read third time and sent to Senate ([House Journal‑page 29](h:\hj\20240306.docx))

3/7/2024 Senate Introduced and read first time ([Senate Journal‑page 2](h:\sj\20240307.docx))

3/7/2024 Senate Referred to Committee on **Labor, Commerce and Industry** ([Senate Journal‑page 2](h:\sj\20240307.docx))

3/27/2024 Senate Committee report: Favorable **Labor, Commerce and Industry** ([Senate Journal‑page 19](h:\sj\20240327.docx))

4/3/2024 Senate Amended ([Senate Journal‑page 52](h:\sj\20240403.docx))

4/3/2024 Senate Read second time ([Senate Journal‑page 52](h:\sj\20240403.docx))

4/3/2024 Senate Roll call Ayes-44 Nays-0 ([Senate Journal‑page 52](h:\sj\20240403.docx))

4/4/2024 Scrivener's error corrected

4/4/2024 Senate Read third time and returned to House with amendments ([Senate Journal‑page 21](h:\sj\20240404.docx))

4/16/2024 House Debate adjourned until Thur., 4-18-24 ([House Journal‑page 20](h:\hj\20240416.docx))

4/18/2024 House Senate amendment amended ([House Journal‑page 45](h:\hj\20240418.docx))

4/18/2024 House Roll call Yeas-94 Nays-1 ([House Journal‑page 48](h:\hj\20240418.docx))

4/18/2024 House Returned to Senate with amendments ([House Journal‑page 49](h:\hj\20240418.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=4552&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[11/16/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20231116.docx)

[02/28/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240228.docx)

[03/01/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240301.docx)

[03/05/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240305.docx)

[03/27/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240327.docx)

[04/03/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240403.docx)

[04/04/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240404.docx)

[04/04/2024-A](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240404a.docx)

[04/18/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/4552_20240418.docx)

Indicates Matter Stricken

Indicates New Matter

AMENDED – NOT PRINTED BILL FOR THE HOUSE

Amt. No. #1A (LC-4552.HDB0006H)

Amt. No. #2A (LC-4552.HDB0005H)

April 18, 2024

H. 4552

Introduced by Reps. Pendarvis, Clyburn, Henegan, M.M. Smith, B.L. Cox, Robbins, Brewer, King, Wheeler, Henderson-Myers, Erickson, Stavrinakis, Weeks, Davis, Rivers and Gilliard

S. Printed 04/18/24--H.

Read the first time January 09, 2024

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A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 31‑12‑30, RELATING TO REDEVELOPMENT OF FEDERAL MILITARY INSTALLATIONS DEFINITIONS, SO AS TO PROVIDE THAT A REDEVELOPMENT PROJECT INCLUDES CERTAIN AFFORDABLE HOUSING PROJECTS.

Amend Title To Conform

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

SECTION 1. Section 31‑12‑30(6) of the S.C. Code is amended to read:

(6) “Redevelopment project” means buildings, improvements, including street improvements, water, sewer and storm drainage facilities, parking facilities, and recreational facilities. A project or undertaking authorized under Section 6‑21‑50 also may qualify as a redevelopment project under this chapter. All such projects may be owned by the authority, the municipality, the county, or other appropriate public body. This term includes portions of the redevelopment project located outside the redevelopment project area so long as they provide needed infrastructure support for the redevelopment project area or the municipality makes specific findings of benefit to the redevelopment project area. A redevelopment project for purposes of this chapter also includes affordable housing projects where all or a part of new property tax revenues generated in the tax increment financing district is used to provide or support publicly and privately owned affordable housing in the district or is used to provide infrastructure projects to support publicly and privately owned affordable housing in the district. The term “affordable housing” as used herein means residential housing for rent or sale that is appropriately priced for rent or sale to a person or family whose income does not exceed eighty percent of the median income for the local area, with adjustments for household size, according to the latest figures available from the United States Department of Housing and Urban Development (HUD).

SECTION 2. Section 31-12-210(F) of the S.C. Code is amended to read:

(F) The obligations must be issued not later than fifteen thirty-five years after the adoption of an ordinance by the municipality pursuant to Section 31-12-280 concurring in an authority's redevelopment plan.

SECTION 3. Article 1, Chapter 3, Title 31 of the S.C. Code is amended by adding:

Section 31-3-60. A member of an affordable housing limited liability company must refrain from competing with the company in the conduct of the company’s business before the dissolution of the company. This section does not apply when the member is, or becomes, a member of another limited liability company and that company does not have an enforceable noncompete provision in their operating agreement.

SECTION 4. Section 33-44-409(b) of the S.C. Code is amended to read:

(b) A member's duty of loyalty to a member-managed company and its other members is limited to the following:

(1) to account to the company and to hold as trustee for it any property, profit, or benefit derived by the member in the conduct or winding up of the company's business or derived from a use by the member of the company's property, including the appropriation of a company's opportunity;

(2) to refrain from dealing with the company in the conduct or winding up of the company's business as or on behalf of a party having an interest adverse to the company; and

(3) to refrain from competing with the company in the conduct of the company's business before the dissolution of the company. This item does not apply when the member is, or becomes, a member of another limited liability company and that company does not have an enforceable noncompete provision in their operating agreement.

SECTION 5. Section 12-10-88 of the S.C. Code is amended to read:

Section 12-10-88. (A) Subject to the conditions provided in subsection (B), South Carolina individual income tax withholding equal to five percent of all South Carolina wages paid with respect to employees that are employed by a federal employer at a closed or realigned federal installation must be remitted by the department to the redevelopment authority vested with authority under Section 31-12-40(A) to oversee the closed or realigned federal installation. The amounts of withholding collected and remitted to the applicable redevelopment authority are referred to as “redevelopment fees”.

(B) The department shall remit the redevelopment fees during the period described in subsection (C) for each calendar quarter for which the redevelopment authority provides the department with a timely statement from the federal employer that employs the employees working at the closed or realigned federal installation setting forth the number of employees employed at the installation, the total wages paid to these employees, and the total amount of South Carolina withholding withheld from the employees for each quarter. In order to receive the redevelopment fees for the applicable quarter, the redevelopment authority shall submit the statement within thirty days of the later of the date that the federal employer's South Carolina withholding tax return is due or the date the federal employer files the withholding tax return. The department may extend the time for submission of the statement at its discretion.

(C) Redevelopment fees may be remitted to the applicable redevelopment authority for any quarter beginning on or after the date that the applicable redevelopment authority first submits the information described in subsection (B) to the department. If the redevelopment authority fails to provide the department with the required statement within the requisite time limits, no redevelopment fees must be remitted for that quarter. Notwithstanding subsection (A), the redevelopment fee remitted by the department in any fiscal year may not exceed the amount remitted in Fiscal Year 2014-2015.

(D) Neither the federal employer nor the applicable redevelopment authority is required to meet the requirements of Section 12-10-50 for subsection (A) to apply and the restrictions contained in Section 12-10-80(C) do not apply to redevelopment fees.

(E) For purposes of this section “closed or realigned federal installation” means:

(1) until January 1, 2028, June 30, 2044, a federal defense site in which permanent employment was reduced by three thousand or more jobs from the level of such jobs on December 31, 1990, or a federal military base or installation which has been closed or realigned under:

(a) the Defense Base Closure and Realignment Act of 1990;

(b) Title 11 of the Defense Authorization Amendments and Base Closure and Realignment Act; or

(c) Section 2687 of Title 10, United States Code.

SECTION 6. SECTION 15 of Act 356 of 2002 is amended to read:

SECTION 15. Notwithstanding any other provision of law the Charleston Naval Complex Redevelopment Authority (RDA), upon receiving ownership from the United States of America, shall convey certain parcels of real property to the City of North Charleston as per the mutual agreement described hereafter. These parcels shall be delineated through a mutual agreement between the City of North Charleston and the South Carolina State Ports Authority that takes into account the respective needs of each entity in the property south of Necessary Street. All conveyances shall be at no consideration once the City of North Charleston and the South Carolina State Ports Authority have entered into a memorandum of understanding and agreement for the operation of breakbulk, roll on roll off, and container terminals and dock operations on appropriate properties that are subject to the oversight or control of the Charleston Naval Complex Redevelopment Authority. The City of North Charleston shall honor all existing leases as negotiated by the Charleston Naval Complex Redevelopment Authority prior to the effective date of this section. Furthermore, all properties conveyed shall retain any Tax Increment Finance District status, any state or federal grants applied to the area, and any state revenues currently directed to the Charleston Redevelopment Authority on a per acre basis for the relative properties conveyed to the City of North Charleston. In addition, any revenues received from the State under the Rural Development Act relating to the number of federal employees at the naval complex shall be shared pursuant to the location of the jobs on the complex.

SECTION 7. This act takes effect July 1, 2024.

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