

REPORT OF THE GENERAL GOVERNMENT SUBCOMMITTEE (Cobb-Hunter, Lowe, Finlay, and Bannister – Blythe Littlefield, staff)

H. 3137 – Local Government Fund/ Aid to Subdivisions Formula Revision

H. 3137 -- Reps. G.M. Smith, Lucas, Ott, Stavrinakis, Simrill, Rutherford, Pope, Clyburn, S. Williams and Cobb-Hunter: A BILL TO AMEND CHAPTER 27, TITLE 6, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE STATE AID TO SUBDIVISIONS ACT, SO AS TO CHANGE THE NAME OF THE LOCAL GOVERNMENT FUND, TO DELETE THE REQUIREMENT THAT THE FUND RECEIVE NO LESS THAN FOUR AND ONE-HALF PERCENT OF THE GENERAL FUND REVENUES OF THE LATEST COMPLETED FISCAL YEAR, TO DELETE A PROVISION REGARDING MIDYEAR CUTS, TO PROVIDE THAT THE APPROPRIATION TO THE FUND MUST BE INCREASED BY THE SAME PERCENTAGE THAT GENERAL FUND REVENUES ARE PROJECTED TO INCREASE, IF APPLICABLE, BUT NOT TO EXCEED FIVE PERCENT, TO REQUIRE THAT THE PERCENTAGE INCREASE, IF APPLICABLE, BE INCLUDED IN ALL STAGES OF THE BUDGET PROCESS, TO AMEND THE DISTRIBUTION PERCENTAGE OF THE FUND, AND TO DELETE A PROVISION REQUIRING AMENDMENTS TO THE STATE AID TO SUBDIVISIONS ACT BE INCLUDED IN SEPARATE LEGISLATION.

Received by Ways and Means:

January 8, 2019

Summary of Bill:

Deletes the requirement that the Local Government Fund receive no less than 4.5% of General Fund revenue. In any fiscal year in which General Fund revenues are projected to increase, the appropriation to the Local Government Revenue Sharing Fund for the upcoming fiscal year must be increased by the same projected percentage increase but shall not to exceed 5%. Requires the percentage increase in the General Fund revenues to be calculated by comparing the current fiscal year's recurring General Fund expenditure base with the BEA's most recent projection of recurring revenue for the upcoming fiscal year. Deletes the held harmless provision regarding mid-year cuts. The percentage increase shall be in addition to the current year's funding - \$222,619,411. County allocation revised from 83.278% to 83% and Municipal allocation revised from 16.722% to 17%.

Estimated Revenue Impact:

For FY 2020-21, the impact is undetermined as the amount of recurring General Fund expenditure base and BEA forecast of recurring General Fund revenue for FY 2020-21 are undetermined. If the bill applied to the 2019-20 general appropriations bill, appropriations to the Local Government Revenue Sharing fund would increase by \$11,130,971 and local revenue would increase by the same amount.

Summary of Amendment:

Reverts the name and the percentage allocations to the counties and municipalities back to how it is currently in statute.

Subcommittee Recommendation:

Adopted favorably with amendment

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

GOOD/DOWNEY
JANUARY 23, 2019

CLERK OF THE HOUSE

THE GENERAL GOVERNMENT SUBCOMMITTEE PROPOSES THE
FOLLOWING AMENDMENT No. TO H. 3137
(COUNCIL\DG\3137C002.NBD.DG19):

REFERENCE IS TO THE BILL AS INTRODUCED.

**AMEND THE BILL, AS AND IF AMENDED, SECTION
1, BY STRIKING SECTION 6-27-20 THROUGH
SECTION 6-27-30(B) AND INSERTING:**

**/ SECTION 6-27-20. THERE IS CREATED THE
LOCAL GOVERNMENT FUND ADMINISTERED BY
THE STATE TREASURER. THIS FUND IS PART OF
THE GENERAL FUND OF THE STATE. ~~IT IS THE
INTENT OF THE GENERAL ASSEMBLY THAT THIS
FUND NOT BE SUBJECT TO MID-YEAR CUTS.
HOWEVER, IF MID-YEAR CUTS ARE MANDATED BY~~**

~~THE STATE BUDGET AND CONTROL BOARD TO AVOID A YEAR-END DEFICIT, THIS FUND IS NOT SUBJECT TO SUCH CUTS, EXCEPT BY A MAJORITY VOTE OF THE ENTIRE STATE BUDGET AND CONTROL BOARD WHICH IS SEPARATE AND APART FROM ANY OTHER REDUCTION. THESE CUTS ARE PERMITTED ONLY TO THE EXTENT THAT COUNTIES AND MUNICIPALITIES DO NOT RECEIVE LESS FUNDING THAN RECEIVED IN THE IMMEDIATE PRECEDING FISCAL YEAR. THE LOCAL GOVERNMENT FUND MUST BE FINANCED AS PROVIDED IN THIS CHAPTER.~~

SECTION 6-27-30. (A) IN THE ANNUAL GENERAL APPROPRIATIONS ACT, ~~AN AMOUNT EQUAL TO NOT LESS THAN FOUR AND ONE-HALF PERCENT OF GENERAL FUND REVENUES OF THE LATEST COMPLETED FISCAL YEAR MUST BE APPROPRIATED~~ THE GENERAL ASSEMBLY MUST APPROPRIATE FUNDS TO THE LOCAL GOVERNMENT FUND.

(B)(1) IN ANY FISCAL YEAR IN WHICH GENERAL FUND REVENUES ARE PROJECTED TO INCREASE, THE APPROPRIATION TO THE LOCAL

GOVERNMENT FUND FOR THE UPCOMING FISCAL YEAR MUST BE INCREASED BY THE SAME PROJECTED PERCENTAGE INCREASE, BUT NOT TO EXCEED FIVE PERCENT, WHEN COMPARED TO THE APPROPRIATION IN THE CURRENT FISCAL YEAR. FOR PURPOSES OF THIS SUBSECTION, BEGINNING WITH THE INITIAL FORECAST REQUIRED PURSUANT TO SECTION 11-9-880, THE PERCENTAGE INCREASE IN GENERAL FUND REVENUES MUST BE DETERMINED BY THE REVENUE AND FISCAL AFFAIRS OFFICE BY COMPARING THE CURRENT FISCAL YEAR'S RECURRING GENERAL FUND EXPENDITURE BASE WITH THE BOARD OF ECONOMIC ADVISORS' MOST RECENT PROJECTION OF RECURRING GENERAL FUND REVENUE FOR THE UPCOMING FISCAL YEAR. UPON THE ISSUANCE OF THE INITIAL FORECAST, THE EXECUTIVE DIRECTOR OF THE REVENUE AND FISCAL AFFAIRS OFFICE, OR HIS DESIGNEE, SHALL NOTIFY THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE, AND THE GOVERNOR OF THE PROJECTED PERCENTAGE INCREASE. THE EXECUTIVE DIRECTOR, OR HIS DESIGNEE, SHALL PROVIDE SIMILAR NOTICE IF SUBSEQUENT MODIFICATIONS TO THE FORECAST CHANGE THE PROJECTED PERCENTAGE INCREASE. HOWEVER, THE FORECAST IN EFFECT ON MAY THIRTY-FIRST OF THE CURRENT FISCAL YEAR IS THE FINAL FORECAST FOR WHICH THE PERCENTAGE INCREASE IS DETERMINED, AND NO SUBSEQUENT FORECAST MODIFICATIONS SHALL HAVE ANY EFFECT ON THAT DETERMINATION.

(2) THE GOVERNOR SHALL INCLUDE THE APPROPRIATION INCREASE TO THE LOCAL GOVERNMENT FUND IN THE EXECUTIVE BUDGET.

(3) THE REVENUE AND FISCAL AFFAIRS OFFICE SHALL DETERMINE THE CURRENT FISCAL YEAR'S RECURRING GENERAL FUND EXPENDITURE BASE, AND DETERMINE ANY PROJECTED INCREASE IN GENERAL FUND REVENUES. IF AN INCREASE IS PROJECTED, THE APPROPRIATION FOR THE UPCOMING FISCAL YEAR MUST BE ADJUSTED ACCORDINGLY. /

AMEND THE BILL FURTHER, SECTION 1, PAGE 3, BY STRIKING SECTION 6-27-40(A) AND INSERTING:

/ SECTION 6-27-40. (A) NOT LATER THAN THIRTY DAYS AFTER THE END OF THE CALENDAR QUARTER, THE STATE TREASURER SHALL DISTRIBUTE THE MONIES APPROPRIATED TO THE LOCAL GOVERNMENT FUND AS FOLLOWS:

(1) EIGHTY-THREE AND TWO HUNDRED SEVENTY-EIGHT THOUSANDTHS PERCENT MUST BE DISTRIBUTED TO COUNTIES. OF THE TOTAL DISTRIBUTED TO COUNTIES, EACH COUNTY MUST RECEIVE AN AMOUNT BASED ON THE RATIO THAT THE COUNTY'S POPULATION IS OF THE WHOLE POPULATION OF THIS STATE ACCORDING TO THE MOST RECENT UNITED STATES CENSUS.

(2) SIXTEEN AND SEVEN HUNDRED TWENTY-TWO THOUSANDTHS PERCENT MUST BE DISTRIBUTED TO MUNICIPALITIES. OF THE TOTAL DISTRIBUTED TO MUNICIPALITIES, EACH MUNICIPALITY MUST RECEIVE AN AMOUNT BASED ON THE RATIO THAT THE MUNICIPALITY'S POPULATION IS OF THE POPULATION OF ALL MUNICIPALITIES IN THIS STATE ACCORDING TO THE MOST RECENT UNITED STATES CENSUS. /

RENUMBER SECTIONS TO CONFORM.

AMEND TITLE TO CONFORM.



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	H. 3137 Introduced on January 8, 2019
Author:	G.M. Smith
Subject:	State Aid to Subdivisions Act
Requestor:	House Ways and Means
RFA Analyst(s):	Mitchell and Wren
Impact Date:	January 10, 2019

Fiscal Impact Summary

This bill applies to the general appropriations bill process for FY 2020-21. The revenue impact of this bill in FY 2020-21 is undetermined because the amount of the recurring General Fund expenditure base and BEA forecast of recurring General Fund revenue for FY 2020-21 are undetermined. For information, if the bill applied to the FY 2019-20 general appropriations bill, appropriations to the Local Government Revenue Sharing fund would increase by \$11,130,971 and local revenue would increase by the same amount.

Explanation of Fiscal Impact

Introduced on January 8, 2019

State Expenditure

N/A

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill amends the State Aid to Subdivisions Act by changing the name of the Local Government Fund to the Local Government Revenue Sharing Fund and deleting the provision regarding mid-year cuts. Additionally, the requirement that the Local Government Fund receive no less than four and one-half percent of the General Fund revenues of the latest completed fiscal year is removed. The bill provides that in any fiscal year in which General Fund revenues are projected to increase, the appropriation to the Local Government Revenue Sharing Fund must also increase by the same projected percentage, not to exceed 5 percent. This proposal requires the percentage increase in General Fund revenues to be calculated by comparing the current year's recurring General Fund Expenditure base with the Board of Economic Advisors' (BEA) most recent projection of recurring General Fund revenue for the upcoming fiscal year. Additionally, this proposal changes the allocation percentages for county and municipal distributions. Current law requires that 83.278 percent of the fund be distributed to counties and 16.722 percent distributed to municipalities. This bill changes the county distribution to 83 percent and the municipal distribution to 17 percent.

The provisions of this bill would take effect in FY 2020-21. The revenue impact of this bill in FY 2020-21 is undetermined, as the amount of the recurring General Fund expenditure base and BEA forecast of recurring General Fund revenue for FY 2020-21 are undetermined.

If the bill was applied to the general appropriations process for FY 2019-20, the November 8, 2018, BEA forecast estimates the growth in General Fund revenue over the preliminary expenditure base for FY 2019-20 will exceed five percent, with an estimated 6.06 percent growth. We anticipate FY 2019-20 county distributions to total \$183,080,311 and municipal distributions to total \$37,226,418 based on current funding levels. Fifty cents per capita, or \$2,312,682, is withheld from the county allocation pursuant to Section 44-6-146 for Medicaid services. Under this proposal, with the 5 percent increase and the modified allocations, we calculate county distributions will total \$191,700,135, and municipal distributions will total \$39,737,565 in FY 2019-20. Again, the fifty cents per capita, or \$2,312,682, will be withheld from the county allocation. Therefore, we estimate that an additional \$8,619,824 will be distributed to counties, and an additional \$2,511,147 will be distributed to municipalities. This amounts to an additional \$11,130,971 in local revenue in FY 2019-20.

The attached tables show the FY 2019-20 estimated distributions by county and municipality under current statute and this proposal.



Frank A. Rainwater, Executive Director

PROPOSED LEGISLATION (as of January 10, 2019)
County Local Government Fund Estimates - FY 2019-20

Revenue Distribution: 83% counties; 17% municipalities; Revenue Growth: 5%

COUNTY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
ABBEVILLE	\$1,660,327	\$1,006,045	(\$654,283)	\$1,053,411	\$47,367
AIKEN	\$10,458,227	\$6,336,995	(\$4,121,232)	\$6,635,355	\$298,360
ALLENDALE	\$680,606	\$412,388	(\$268,217)	\$431,804	\$19,416
ANDERSON	\$12,223,725	\$7,406,770	(\$4,816,955)	\$7,755,497	\$348,727
BAMBERG	\$1,044,327	\$632,780	(\$411,547)	\$662,573	\$29,793
BARNWELL	\$1,477,683	\$895,372	(\$582,310)	\$937,529	\$42,156
BEAUFORT	\$10,597,628	\$6,421,469	(\$4,176,159)	\$6,723,805	\$302,337
BERKELEY	\$11,617,327	\$7,039,346	(\$4,577,981)	\$7,370,774	\$331,428
CALHOUN	\$991,284	\$600,650	(\$390,634)	\$628,930	\$28,280
CHARLESTON	\$22,876,878	\$13,861,907	(\$9,014,971)	\$14,514,557	\$652,649
CHEROKEE	\$3,623,299	\$2,195,543	(\$1,427,755)	\$2,298,849	\$103,306
CHESTER	\$2,164,821	\$1,311,734	(\$853,087)	\$1,373,493	\$61,759
CHESTERFIELD	\$3,052,828	\$1,849,807	(\$1,203,022)	\$1,936,900	\$87,093
CLARENDON	\$2,284,428	\$1,384,215	(\$900,213)	\$1,449,387	\$65,172
COLLETON	\$2,540,562	\$1,539,412	(\$1,001,149)	\$1,611,891	\$72,479
DARLINGTON	\$4,486,483	\$2,718,504	(\$1,767,979)	\$2,846,498	\$127,993
DILLON	\$2,094,402	\$1,269,058	(\$825,344)	\$1,328,808	\$59,750
DORCHESTER	\$8,920,251	\$5,405,080	(\$3,515,171)	\$5,659,563	\$254,483
EDGEFIELD	\$1,762,755	\$1,068,109	(\$694,646)	\$1,118,398	\$50,289
FAIRFIELD	\$1,564,890	\$948,209	(\$616,680)	\$992,853	\$44,644
FLORENCE	\$8,941,807	\$5,418,152	(\$3,523,656)	\$5,673,250	\$255,099
GEORGETOWN	\$3,929,731	\$2,381,161	(\$1,548,570)	\$2,493,271	\$112,110
GREENVILLE	\$29,475,597	\$17,860,290	(\$11,615,307)	\$18,701,191	\$840,902
GREENWOOD	\$4,550,500	\$2,757,299	(\$1,793,201)	\$2,887,119	\$129,820
HAMPTON	\$1,377,673	\$834,773	(\$542,900)	\$874,076	\$39,303
HORRY	\$17,591,031	\$10,659,009	(\$6,932,022)	\$11,160,858	\$501,850
JASPER	\$1,618,520	\$980,706	(\$637,814)	\$1,026,880	\$46,174
KERSHAW	\$4,022,099	\$2,437,066	(\$1,585,033)	\$2,551,874	\$114,808
LANCASTER	\$5,007,177	\$3,034,025	(\$1,973,152)	\$3,176,874	\$142,849
LAURENS	\$4,346,430	\$2,633,647	(\$1,712,783)	\$2,757,645	\$123,998
LEE	\$1,255,518	\$760,754	(\$494,764)	\$796,571	\$35,818
LEXINGTON	\$17,140,299	\$10,385,908	(\$6,754,391)	\$10,874,899	\$488,991
MCCORMICK	\$668,455	\$405,028	(\$263,427)	\$424,098	\$19,070
MARION	\$2,159,726	\$1,308,640	(\$851,086)	\$1,370,253	\$61,614
MARLBORO	\$1,890,005	\$1,145,204	(\$744,801)	\$1,199,122	\$53,919
NEWBERRY	\$2,450,154	\$1,484,616	(\$965,538)	\$1,554,515	\$69,899
OCONEE	\$4,851,772	\$2,939,849	(\$1,911,924)	\$3,078,263	\$138,415
ORANGEBURG	\$6,042,489	\$3,661,350	(\$2,381,139)	\$3,833,734	\$172,384
PICKENS	\$7,788,129	\$4,719,096	(\$3,069,033)	\$4,941,282	\$222,185
RICHLAND	\$25,117,147	\$15,219,356	(\$9,897,791)	\$15,935,917	\$716,561
SALUDA	\$1,298,305	\$786,678	(\$511,627)	\$823,716	\$37,039
SPARTANBURG	\$18,571,929	\$11,253,379	(\$7,318,550)	\$11,783,213	\$529,834
SUMTER	\$7,019,402	\$4,253,303	(\$2,766,099)	\$4,453,558	\$200,255
UNION	\$1,891,834	\$1,146,321	(\$745,513)	\$1,200,292	\$53,971
WILLIAMSBURG	\$2,248,631	\$1,362,520	(\$886,111)	\$1,426,671	\$64,150
YORK	\$14,767,880	\$8,948,788	(\$5,819,092)	\$9,370,116	\$421,328
TOTAL	\$302,144,970	\$183,080,311	(\$119,064,659)	\$191,700,135	\$8,619,824

Notes: Statutory formula amounts are based upon the fully funded formula pursuant to Section 6-27-40. FY 2019-20 estimated appropriations are based upon FY 2018-19 recurring funds of \$222,619,411 as ratified by the General Assembly on June 29, 2018. Fifty cents per capita is withheld from the portion of the Local Government Fund allotted to counties pursuant to Section 44-6-146 for Medicaid services. This amount totaled \$2,312,682 for FY 2018-19. Of the \$222,619,411, the current county allocation is 83.278%, which results in a distribution of \$183,080,311. Under this proposal, the county allocation is 83%, which would result in an allocation of \$191,700,135.

PROPOSED LEGISLATION (as of January 10, 2019)
Municipal Local Government Fund Estimates - FY 2019-20
Revenue Distribution: 83% counties; 17% municipalities; Revenue Growth: 5%

MUNICIPALITY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
Abbeville city	\$194,208	\$118,287	(\$75,921)	\$126,269	\$7,982
Aiken city	\$1,094,862	\$666,863	(\$427,999)	\$711,851	\$44,988
Allendale town	\$129,126	\$78,648	(\$50,478)	\$83,954	\$5,306
Anderson city	\$989,618	\$602,763	(\$386,856)	\$643,424	\$40,661
Andrews town	\$106,097	\$64,621	(\$41,475)	\$68,981	\$4,360
Arcadia Lakes town	\$31,929	\$19,447	(\$12,482)	\$20,760	\$1,312
Atlantic Beach town	\$12,386	\$7,542	(\$4,844)	\$8,053	\$511
Awendaw town	\$47,986	\$29,226	(\$18,760)	\$31,200	\$1,973
Aynor town	\$20,767	\$12,646	(\$8,121)	\$13,502	\$856
Bamberg town	\$133,761	\$81,470	(\$52,291)	\$86,968	\$5,498
Barnwell city	\$176,148	\$107,287	(\$68,862)	\$114,527	\$7,240
Batesburg-Leesville town	\$198,843	\$121,112	(\$77,731)	\$129,283	\$8,170
Beaufort city	\$458,393	\$279,198	(\$179,195)	\$298,035	\$18,837
Belton city	\$153,304	\$93,375	(\$59,929)	\$99,675	\$6,300
Bennettsville city	\$336,313	\$204,842	(\$131,471)	\$218,662	\$13,820
Bethune town	\$12,386	\$7,542	(\$4,844)	\$8,053	\$511
Bishopville city	\$128,718	\$78,399	(\$50,319)	\$83,689	\$5,290
Blacksburg town	\$68,531	\$41,738	(\$26,793)	\$44,557	\$2,819
Blackville town	\$89,224	\$54,343	(\$34,881)	\$58,011	\$3,668
Blenheim town	\$5,711	\$3,477	(\$2,234)	\$3,713	\$236
Bluffton town	\$478,121	\$291,215	(\$186,907)	\$310,862	\$19,647
Blythewood town	\$75,428	\$45,941	(\$29,487)	\$49,042	\$3,100
Bonneau town	\$18,060	\$10,997	(\$7,063)	\$11,742	\$745
Bowman town	\$35,897	\$21,863	(\$14,034)	\$23,339	\$1,476
Branchville town	\$37,974	\$23,129	(\$14,845)	\$24,690	\$1,561
Briarcliffe Acres town	\$16,947	\$10,319	(\$6,628)	\$11,019	\$700
Brunson town	\$20,544	\$12,512	(\$8,033)	\$13,357	\$846
Burnettown town	\$99,125	\$60,374	(\$38,751)	\$64,448	\$4,075
Calhoun Falls town	\$74,316	\$45,264	(\$29,052)	\$48,318	\$3,055
Camden city	\$253,579	\$154,449	(\$99,130)	\$164,870	\$10,422
Cameron town	\$15,724	\$9,575	(\$6,149)	\$10,223	\$648
Campobello town	\$18,616	\$11,335	(\$7,281)	\$12,104	\$768
Carlisle town	\$16,169	\$9,846	(\$6,322)	\$10,512	\$666
Cayce city	\$464,586	\$282,973	(\$181,613)	\$302,062	\$19,089
Central town	\$191,315	\$116,526	(\$74,789)	\$124,388	\$7,862
Central Pacolet town	\$8,010	\$4,877	(\$3,133)	\$5,208	\$331
Chapin town	\$53,586	\$32,636	(\$20,950)	\$34,840	\$2,204
Charleston city	\$4,453,134	\$2,712,347	(\$1,740,788)	\$2,895,311	\$182,965
Cheraw town	\$216,977	\$132,157	(\$84,820)	\$141,073	\$8,916
Chesnee city	\$32,189	\$19,603	(\$12,585)	\$20,928	\$1,325
Chester city	\$207,929	\$126,644	(\$81,285)	\$135,190	\$8,546
Chesterfield town	\$54,587	\$33,247	(\$21,340)	\$35,491	\$2,244
Clemson city	\$515,650	\$314,076	(\$201,575)	\$335,262	\$21,187
Clinton city	\$314,842	\$191,764	(\$123,077)	\$204,702	\$12,937
Clio town	\$26,923	\$16,398	(\$10,525)	\$17,505	\$1,106
Clover town	\$188,905	\$115,059	(\$73,846)	\$122,821	\$7,762

PROPOSED LEGISLATION (as of January 10, 2019)

Municipal Local Government Fund Estimates - FY 2019-20

Revenue Distribution: 83% counties; 17% municipalities; Revenue Growth: 5%

MUNICIPALITY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
Columbia city	\$4,793,898	\$2,919,899	(\$1,873,999)	\$3,116,867	\$196,968
Conway city	\$634,244	\$386,310	(\$247,935)	\$412,369	\$26,059
Cope town	\$2,855	\$1,738	(\$1,117)	\$1,857	\$118
Cordova town	\$6,267	\$3,816	(\$2,451)	\$4,075	\$259
Cottageville town	\$28,258	\$17,210	(\$11,048)	\$18,373	\$1,163
Coward town	\$27,887	\$16,983	(\$10,904)	\$18,131	\$1,149
Cowpens town	\$80,175	\$48,834	(\$31,342)	\$52,128	\$3,294
Cross Hill town	\$18,801	\$11,451	(\$7,351)	\$12,224	\$773
Darlington city	\$233,220	\$142,049	(\$91,171)	\$151,634	\$9,585
Denmark city	\$131,203	\$79,910	(\$51,292)	\$85,304	\$5,394
Dillon city	\$251,725	\$153,321	(\$98,404)	\$163,665	\$10,344
Donalds town	\$12,905	\$7,858	(\$5,047)	\$8,391	\$532
Due West town	\$46,244	\$28,165	(\$18,078)	\$30,066	\$1,901
Duncan town	\$117,964	\$71,847	(\$46,117)	\$76,697	\$4,850
Easley city	\$741,417	\$451,586	(\$289,830)	\$482,050	\$30,463
Eastover town	\$30,149	\$18,360	(\$11,789)	\$19,602	\$1,242
Edgefield town	\$187,718	\$114,333	(\$73,385)	\$122,049	\$7,716
Edisto Beach town	\$15,353	\$9,348	(\$6,005)	\$9,982	\$634
Ehrhardt town	\$20,211	\$12,307	(\$7,904)	\$13,140	\$833
Elgin town	\$48,617	\$29,610	(\$19,007)	\$31,609	\$2,000
Elko town	\$7,157	\$4,359	(\$2,798)	\$4,653	\$294
Elloree town	\$25,662	\$15,628	(\$10,034)	\$16,685	\$1,057
Estill town	\$75,651	\$46,075	(\$29,576)	\$49,186	\$3,111
Eutawville town	\$11,681	\$7,114	(\$4,567)	\$7,595	\$481
Fairfax town	\$75,095	\$45,736	(\$29,358)	\$48,825	\$3,088
Florence city	\$1,374,177	\$836,991	(\$537,186)	\$893,454	\$56,463
Folly Beach city	\$97,048	\$59,108	(\$37,940)	\$63,098	\$3,990
Forest Acres city	\$384,225	\$234,024	(\$150,201)	\$249,813	\$15,789
Fort Lawn town	\$33,190	\$20,214	(\$12,976)	\$21,579	\$1,365
Fort Mill town	\$400,913	\$244,190	(\$156,723)	\$260,663	\$16,473
Fountain Inn city	\$289,217	\$176,155	(\$113,061)	\$188,041	\$11,886
Furman town	\$8,863	\$5,398	(\$3,465)	\$5,763	\$365
Gaffney city	\$464,994	\$283,219	(\$181,775)	\$302,327	\$19,108
Gaston town	\$61,003	\$37,156	(\$23,847)	\$39,662	\$2,507
Georgetown city	\$339,799	\$206,964	(\$132,835)	\$220,928	\$13,964
Gifford town	\$10,680	\$6,503	(\$4,177)	\$6,944	\$441
Gilbert town	\$20,952	\$12,761	(\$8,191)	\$13,623	\$861
Goose Creek city	\$1,332,718	\$811,741	(\$520,977)	\$866,498	\$54,758
Govan town	\$2,410	\$1,467	(\$944)	\$1,567	\$100
Gray Court town	\$29,482	\$17,954	(\$11,527)	\$19,168	\$1,214
Great Falls town	\$73,389	\$44,698	(\$28,691)	\$47,716	\$3,018
Greeleyville town	\$16,243	\$9,891	(\$6,352)	\$10,561	\$670
Greenville city	\$2,166,028	\$1,319,297	(\$846,731)	\$1,408,295	\$88,998
Greenwood city	\$861,160	\$524,520	(\$336,640)	\$559,904	\$35,384
Greer city	\$946,193	\$576,313	(\$369,880)	\$615,190	\$38,877
Hampton town	\$104,131	\$63,423	(\$40,709)	\$67,703	\$4,281

PROPOSED LEGISLATION (as of January 10, 2019)

Municipal Local Government Fund Estimates - FY 2019-20

Revenue Distribution: 83% counties; 17% municipalities; Revenue Growth: 5%

MUNICIPALITY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
Hanahan city	\$667,397	\$406,501	(\$260,896)	\$433,924	\$27,423
Hardeeville city	\$109,471	\$66,676	(\$42,795)	\$71,175	\$4,499
Harleyville town	\$25,106	\$15,289	(\$9,817)	\$16,323	\$1,034
Hartsville city	\$287,919	\$175,366	(\$112,552)	\$187,197	\$11,831
Heath Springs town	\$29,296	\$17,843	(\$11,454)	\$19,048	\$1,205
Hemingway town	\$17,021	\$10,364	(\$6,658)	\$11,067	\$703
Hickory Grove town	\$16,317	\$9,936	(\$6,381)	\$10,609	\$673
Hilda town	\$16,576	\$10,096	(\$6,481)	\$10,778	\$682
Hilton Head Island town	\$1,375,772	\$837,963	(\$537,809)	\$894,491	\$56,528
Hodges town	\$5,748	\$3,499	(\$2,249)	\$3,737	\$238
Holly Hill town	\$47,356	\$28,843	(\$18,513)	\$30,790	\$1,947
Hollywood town	\$174,813	\$106,475	(\$68,338)	\$113,659	\$7,184
Honea Path town	\$133,390	\$81,243	(\$52,148)	\$86,727	\$5,484
Inman city	\$86,072	\$52,422	(\$33,649)	\$55,961	\$3,539
Irmo town	\$411,519	\$250,649	(\$160,870)	\$267,559	\$16,910
Isle of Palms city	\$153,267	\$93,353	(\$59,915)	\$99,650	\$6,298
Iva town	\$45,168	\$27,510	(\$17,658)	\$29,367	\$1,857
Jackson town	\$63,042	\$38,395	(\$24,647)	\$40,989	\$2,593
James Island	\$427,354	\$260,295	(\$167,059)	\$277,854	\$17,560
Jamestown town	\$2,670	\$1,623	(\$1,047)	\$1,736	\$113
Jefferson town	\$27,924	\$17,005	(\$10,919)	\$18,156	\$1,151
Jenkinsville town	\$1,706	\$1,039	(\$667)	\$1,109	\$71
Johnsonville city	\$54,884	\$33,426	(\$21,458)	\$35,684	\$2,259
Johnston town	\$87,592	\$53,349	(\$34,243)	\$56,950	\$3,601
Jonesville town	\$33,783	\$20,575	(\$13,208)	\$21,965	\$1,390
Kershaw town	\$66,862	\$40,722	(\$26,140)	\$43,472	\$2,750
Kiawah Island town	\$60,298	\$36,724	(\$23,574)	\$39,204	\$2,481
Kingstree town	\$123,415	\$75,168	(\$48,247)	\$80,241	\$5,074
Kline town	\$7,306	\$4,449	(\$2,857)	\$4,750	\$301
Lake City city	\$247,534	\$150,767	(\$96,767)	\$160,940	\$10,173
Lake View town	\$29,927	\$18,226	(\$11,701)	\$19,458	\$1,231
Lamar town	\$36,676	\$22,336	(\$14,340)	\$23,846	\$1,510
Lancaster city	\$316,177	\$192,576	(\$123,601)	\$205,570	\$12,994
Landrum city	\$88,111	\$53,666	(\$34,446)	\$57,288	\$3,622
Lane town	\$18,839	\$11,473	(\$7,365)	\$12,248	\$775
Latta town	\$51,139	\$31,147	(\$19,991)	\$33,249	\$2,102
Laurens city	\$338,909	\$206,424	(\$132,485)	\$220,350	\$13,925
Lexington town	\$662,688	\$403,631	(\$259,056)	\$430,862	\$27,231
Liberty town	\$121,227	\$73,835	(\$47,392)	\$78,819	\$4,984
Lincolnton town	\$42,238	\$25,723	(\$16,515)	\$27,462	\$1,739
Little Mountain town	\$10,791	\$6,570	(\$4,221)	\$7,016	\$446
Livingston town	\$5,043	\$3,071	(\$1,972)	\$3,279	\$208
Lockhart town	\$18,097	\$11,019	(\$7,078)	\$11,766	\$747
Lodge town	\$4,450	\$2,710	(\$1,740)	\$2,893	\$183
Loris city	\$88,853	\$54,116	(\$34,737)	\$57,770	\$3,654
Lowndesville town	\$4,747	\$2,889	(\$1,858)	\$3,086	\$197

PROPOSED LEGISLATION (as of January 10, 2019)

Municipal Local Government Fund Estimates - FY 2019-20

Revenue Distribution: 83% counties; 17% municipalities; Revenue Growth: 5%

MUNICIPALITY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
Lowrys town	\$7,417	\$4,516	(\$2,901)	\$4,822	\$307
Luray town	\$4,710	\$2,866	(\$1,843)	\$3,062	\$196
Lyman town	\$120,263	\$73,250	(\$47,012)	\$78,192	\$4,941
Lynchburg town	\$13,832	\$8,424	(\$5,408)	\$8,993	\$569
McBee town	\$32,152	\$19,581	(\$12,571)	\$20,904	\$1,323
McClellanville town	\$18,505	\$11,268	(\$7,236)	\$12,031	\$763
McColl town	\$80,620	\$49,102	(\$31,519)	\$52,417	\$3,315
McConnells town	\$9,456	\$5,759	(\$3,697)	\$6,148	\$389
McCormick town	\$103,204	\$62,857	(\$40,347)	\$67,101	\$4,244
Manning city	\$152,340	\$92,787	(\$59,553)	\$99,048	\$6,261
Marion city	\$257,325	\$156,731	(\$100,594)	\$167,306	\$10,575
Mauldin city	\$848,811	\$516,997	(\$331,814)	\$551,875	\$34,878
Mayesville town	\$27,108	\$16,510	(\$10,598)	\$17,625	\$1,115
Meggett town	\$45,465	\$27,689	(\$17,776)	\$29,560	\$1,871
Moncks Corner town	\$292,406	\$178,099	(\$114,307)	\$190,115	\$12,016
Monetta town	\$8,752	\$5,327	(\$3,425)	\$5,690	\$363
Mount Croghan town	\$7,231	\$4,404	(\$2,827)	\$4,702	\$298
Mount Pleasant town	\$2,515,877	\$1,532,385	(\$983,492)	\$1,635,757	\$103,372
Mullins city	\$172,922	\$105,321	(\$67,601)	\$112,429	\$7,108
Myrtle Beach city	\$1,005,305	\$612,315	(\$392,990)	\$653,623	\$41,308
Neeses town	\$13,869	\$8,447	(\$5,423)	\$9,017	\$571
Newberry town	\$381,110	\$232,129	(\$148,981)	\$247,788	\$15,659
New Ellenton town	\$76,096	\$46,347	(\$29,749)	\$49,476	\$3,129
Nichols town	\$13,647	\$8,309	(\$5,338)	\$8,873	\$564
Ninety Six town	\$74,093	\$45,126	(\$28,968)	\$48,174	\$3,048
Norris town	\$30,149	\$18,360	(\$11,789)	\$19,602	\$1,242
North town	\$27,961	\$17,027	(\$10,934)	\$18,180	\$1,152
North Augusta city	\$791,665	\$482,190	(\$309,475)	\$514,720	\$32,530
North Charleston city	\$3,614,596	\$2,201,600	(\$1,412,995)	\$2,350,115	\$148,515
North Myrtle Beach city	\$509,976	\$310,617	(\$199,359)	\$331,573	\$20,956
Norway town	\$12,497	\$7,609	(\$4,888)	\$8,125	\$516
Olanta town	\$20,878	\$12,717	(\$8,162)	\$13,574	\$858
Olar town	\$9,531	\$5,804	(\$3,727)	\$6,197	\$393
Orangeburg city	\$517,838	\$315,408	(\$202,430)	\$336,685	\$21,277
Pacolet town	\$82,882	\$50,479	(\$32,403)	\$53,888	\$3,409
Pageland town	\$102,351	\$62,339	(\$40,012)	\$66,546	\$4,207
Pamplico town	\$45,465	\$27,689	(\$17,776)	\$29,560	\$1,871
Parksville town	\$4,339	\$2,639	(\$1,699)	\$2,821	\$182
Patrick town	\$13,016	\$7,925	(\$5,091)	\$8,463	\$537
Pawleys Island town	\$3,820	\$2,323	(\$1,497)	\$2,483	\$161
Paxville town	\$6,861	\$4,177	(\$2,684)	\$4,461	\$284
Peak town	\$2,373	\$1,444	(\$929)	\$1,543	\$99
Pelion town	\$24,994	\$15,222	(\$9,773)	\$16,251	\$1,029
Pelzer town	\$3,300	\$2,010	(\$1,290)	\$2,146	\$136
Pendleton town	\$109,916	\$66,948	(\$42,968)	\$71,465	\$4,517
Perry town	\$8,641	\$5,260	(\$3,380)	\$5,618	\$358

PROPOSED LEGISLATION (as of January 10, 2019)

Municipal Local Government Fund Estimates - FY 2019-20

Revenue Distribution: 83% counties; 17% municipalities; Revenue Growth: 5%

MUNICIPALITY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
Pickens town	\$115,924	\$70,607	(\$45,317)	\$75,371	\$4,763
Pine Ridge town	\$76,541	\$46,619	(\$29,922)	\$49,765	\$3,146
Pinewood town	\$19,951	\$12,151	(\$7,800)	\$12,972	\$821
Plum Branch town	\$3,041	\$1,850	(\$1,191)	\$1,977	\$127
Pomaria town	\$6,638	\$4,043	(\$2,595)	\$4,316	\$273
Port Royal town	\$395,981	\$241,186	(\$154,795)	\$257,456	\$16,270
Prosperity town	\$43,759	\$26,650	(\$17,109)	\$28,451	\$1,801
Quinby town	\$34,562	\$21,048	(\$13,514)	\$22,471	\$1,424
Ravenel town	\$91,412	\$55,676	(\$35,736)	\$59,433	\$3,758
Reevesville town	\$7,268	\$4,426	(\$2,842)	\$4,726	\$300
Reidville town	\$22,287	\$13,573	(\$8,715)	\$14,491	\$918
Richburg town	\$10,198	\$6,209	(\$3,989)	\$6,631	\$421
Ridgeland town	\$149,670	\$91,160	(\$58,510)	\$97,312	\$6,152
Ridge Spring town	\$27,331	\$16,644	(\$10,687)	\$17,770	\$1,126
Ridgeville town	\$73,389	\$44,698	(\$28,691)	\$47,716	\$3,018
Ridgeway town	\$11,830	\$7,203	(\$4,626)	\$7,691	\$488
Rock Hill city	\$2,453,242	\$1,494,235	(\$959,007)	\$1,595,034	\$100,799
Rockville town	\$4,969	\$3,026	(\$1,943)	\$3,231	\$204
Rowesville town	\$11,273	\$6,865	(\$4,409)	\$7,330	\$465
Ruby town	\$13,350	\$8,130	(\$5,220)	\$8,680	\$550
St. George town	\$77,283	\$47,069	(\$30,214)	\$50,247	\$3,178
St. Matthews town	\$74,946	\$45,647	(\$29,299)	\$48,728	\$3,081
St. Stephen town	\$62,931	\$38,328	(\$24,603)	\$40,916	\$2,588
Salem town	\$5,006	\$3,049	(\$1,957)	\$3,255	\$206
Salley town	\$14,759	\$8,986	(\$5,773)	\$9,596	\$610
Saluda town	\$132,204	\$80,521	(\$51,683)	\$85,955	\$5,435
Santee town	\$35,638	\$21,703	(\$13,935)	\$23,171	\$1,468
Scotia town	\$7,973	\$4,854	(\$3,119)	\$5,184	\$330
Scranton town	\$34,562	\$21,048	(\$13,514)	\$22,471	\$1,424
Seabrook Island town	\$63,562	\$38,712	(\$24,850)	\$41,326	\$2,614
Sellers town	\$8,121	\$4,944	(\$3,178)	\$5,280	\$337
Seneca city	\$300,453	\$183,001	(\$117,452)	\$195,347	\$12,345
Sharon town	\$18,319	\$11,157	(\$7,163)	\$11,911	\$754
Silverstreet town	\$6,008	\$3,656	(\$2,352)	\$3,906	\$250
Simpsonville city	\$676,334	\$411,944	(\$264,391)	\$439,735	\$27,791
Six Mile town	\$25,032	\$15,244	(\$9,787)	\$16,275	\$1,031
Smoaks town	\$4,673	\$2,844	(\$1,828)	\$3,038	\$194
Smyrna town	\$1,669	\$1,016	(\$652)	\$1,085	\$69
Snelling town	\$10,161	\$6,187	(\$3,974)	\$6,606	\$419
Society Hill town	\$20,878	\$12,717	(\$8,162)	\$13,574	\$858
South Congaree town	\$85,515	\$52,083	(\$33,432)	\$55,600	\$3,516
Spartanburg city	\$1,372,583	\$836,020	(\$536,563)	\$892,417	\$56,398
Springdale town	\$97,753	\$59,540	(\$38,213)	\$63,556	\$4,016
Springfield town	\$19,432	\$11,834	(\$7,598)	\$12,634	\$800
Starr town	\$6,415	\$3,905	(\$2,510)	\$4,171	\$266
Stuckey town	\$9,086	\$5,532	(\$3,554)	\$5,907	\$375

PROPOSED LEGISLATION (as of January 10, 2019)
Municipal Local Government Fund Estimates - FY 2019-20
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MUNICIPALITY	FY 2019-20 STATUTORY FORMULA	FY 2019-20 ESTIMATED APPROPRIATION	DIFFERENCE BETWEEN FY 2019-20 ESTIMATED APPROPRIATION AND FY 2019-20 STATUTORY FORMULA	FY 2019-20 PROPOSED LEGISLATION ESTIMATE (5%)	DIFFERENCE BETWEEN PROPOSED LEGISLATION AND FY 2019-20 ESTIMATED APPROPRIATION
Sullivan's Island town	\$66,417	\$40,450	(\$25,967)	\$43,183	\$2,732
Summerton town	\$37,084	\$22,585	(\$14,499)	\$24,111	\$1,526
Summerville town	\$1,609,140	\$980,105	(\$629,036)	\$1,046,221	\$66,116
Summit town	\$14,908	\$9,080	(\$5,828)	\$9,693	\$613
Sumter city	\$1,502,784	\$915,323	(\$587,461)	\$977,071	\$61,748
Surfside Beach town	\$142,291	\$86,667	(\$55,624)	\$92,514	\$5,847
Swansea town	\$30,668	\$18,676	(\$11,992)	\$19,940	\$1,263
Sycamore town	\$6,675	\$4,065	(\$2,610)	\$4,340	\$275
Tatum town	\$2,781	\$1,694	(\$1,087)	\$1,808	\$115
Tega Cay city	\$282,579	\$172,113	(\$110,466)	\$183,725	\$11,613
Timmons ville town	\$86,034	\$52,400	(\$33,635)	\$55,937	\$3,537
Travelers Rest city	\$169,695	\$103,359	(\$66,336)	\$110,332	\$6,972
Trenton town	\$7,268	\$4,426	(\$2,842)	\$4,726	\$300
Troy town	\$3,449	\$2,100	(\$1,349)	\$2,242	\$143
Turbeville town	\$28,406	\$17,299	(\$11,107)	\$18,469	\$1,170
Ulmer town	\$3,263	\$1,984	(\$1,279)	\$2,122	\$138
Union city	\$311,244	\$189,572	(\$121,673)	\$202,363	\$12,791
Vance town	\$6,304	\$3,838	(\$2,466)	\$4,099	\$261
Van Wyck	\$15,909	\$9,686	(\$5,568)	\$10,341	\$655
Varnville town	\$80,175	\$48,834	(\$31,342)	\$52,128	\$3,294
Wagener town	\$29,556	\$17,999	(\$11,557)	\$19,216	\$1,217
Walhall city	\$158,088	\$96,286	(\$61,802)	\$102,785	\$6,499
Walterboro city	\$200,178	\$121,924	(\$78,254)	\$130,151	\$8,227
Ward town	\$3,375	\$2,055	(\$1,320)	\$2,194	\$139
Ware Shoals town	\$80,472	\$49,012	(\$31,460)	\$52,321	\$3,308
Waterloo town	\$6,156	\$3,749	(\$2,407)	\$4,002	\$254
Wellford city	\$88,185	\$53,710	(\$34,475)	\$57,336	\$3,626
West Columbia city	\$555,812	\$338,537	(\$217,275)	\$361,374	\$22,837
Westminster city	\$89,669	\$54,615	(\$35,054)	\$58,300	\$3,685
West Pelzer town	\$32,634	\$19,875	(\$12,759)	\$21,218	\$1,342
West Union town	\$10,791	\$6,570	(\$4,221)	\$7,016	\$446
Whitmire town	\$53,438	\$32,547	(\$20,891)	\$34,744	\$2,197
Williams town	\$4,339	\$2,639	(\$1,699)	\$2,821	\$182
Williamston town	\$145,888	\$88,856	(\$57,032)	\$94,852	\$5,997
Williston town	\$116,406	\$70,901	(\$45,505)	\$75,684	\$4,783
Windsor town	\$4,487	\$2,732	(\$1,755)	\$2,917	\$185
Winnsboro town	\$131,648	\$80,182	(\$51,466)	\$85,594	\$5,412
Woodford town	\$6,861	\$4,177	(\$2,684)	\$4,461	\$284
Woodruff city	\$151,673	\$92,381	(\$59,292)	\$98,614	\$6,233
Yemassee town	\$38,085	\$23,196	(\$14,889)	\$24,762	\$1,566
York city	\$286,880	\$175,271	(\$111,609)	\$186,522	\$11,251
Total	\$61,134,283	\$37,236,104	(\$23,898,179)	\$39,747,906	\$2,511,802

Notes: Statutory formula amounts are based upon the fully funded formula pursuant to Section 6-27-40. FY 2019-20 estimated appropriations are based upon FY 2018-19 recurring funds of \$222,619,411 as ratified by the General Assembly on June 29, 2018. Of the \$222,619,411, the current municipal allocation is 16.722%, which results in a distribution of \$37,226,418. Under this proposal, the municipal allocation is 17%, which would result in an allocation of \$39,737,565. These estimates include the newly incorporated Town of Van Wyck.

South Carolina General Assembly
123rd Session, 2019-2020

H. 3137

STATUS INFORMATION

General Bill

Sponsors: Reps. G.M. Smith, Lucas, Ott, Stavrinakis, Simrill, Rutherford, Pope, Clyburn, S. Williams, Cobb-Hunter, Bailey, Erickson, Bradley, Yow, Forrest and Kirby

Document Path: I:\council\bill\nbd\11128dg19.docx

Introduced in the House on January 8, 2019

Currently residing in the House Committee on **Ways and Means**

Summary: Not yet available

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
12/18/2018	House	Prefiled
12/18/2018	House	Referred to Committee on Ways and Means
1/8/2019	House	Introduced and read first time (<u>House Journal-page 99</u>)
1/8/2019	House	Referred to Committee on Ways and Means (<u>House Journal-page 99</u>)
1/10/2019	House	Member(s) request name added as sponsor: Cobb-Hunter
1/16/2019	House	Member(s) request name added as sponsor: Bailey, Erickson, Bradley, Yow, Forrest, Kirby

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VERSIONS OF THIS BILL

12/18/2018

1
2
3
4
5
6
7
8
9 **A BILL**

10
11 TO AMEND CHAPTER 27, TITLE 6, CODE OF LAWS OF
12 SOUTH CAROLINA, 1976, RELATING TO THE STATE AID
13 TO SUBDIVISIONS ACT, SO AS TO CHANGE THE NAME OF
14 THE LOCAL GOVERNMENT FUND, TO DELETE THE
15 REQUIREMENT THAT THE FUND RECEIVE NO LESS THAN
16 FOUR AND ONE-HALF PERCENT OF THE GENERAL FUND
17 REVENUES OF THE LATEST COMPLETED FISCAL YEAR,
18 TO DELETE A PROVISION REGARDING MIDYEAR CUTS,
19 TO PROVIDE THAT THE APPROPRIATION TO THE FUND
20 MUST BE INCREASED BY THE SAME PERCENTAGE THAT
21 GENERAL FUND REVENUES ARE PROJECTED TO
22 INCREASE, IF APPLICABLE, BUT NOT TO EXCEED FIVE
23 PERCENT, TO REQUIRE THAT THE PERCENTAGE
24 INCREASE, IF APPLICABLE, BE INCLUDED IN ALL STAGES
25 OF THE BUDGET PROCESS, TO AMEND THE
26 DISTRIBUTION PERCENTAGE OF THE FUND, AND TO
27 DELETE A PROVISION REQUIRING AMENDMENTS TO THE
28 STATE AID TO SUBDIVISIONS ACT BE INCLUDED IN
29 SEPARATE LEGISLATION.

30
31 Be it enacted by the General Assembly of the State of South
32 Carolina:

33
34 SECTION 1. Chapter 27, Title 6 of the 1976 Code is amended to
35 read:

36
37 "CHAPTER 27

38
39 State Aid to Subdivisions Act

40
41 Section 6-27-10. This chapter may be cited as the 'State Aid to
42 Subdivisions Act'.

1
2 Section 6-27-20. There is created the Local Government Revenue
3 Sharing Fund administered by the State Treasurer. This fund is part
4 of the general fund of the State. ~~It is the intent of the General~~
5 ~~Assembly that this fund not be subject to mid-year cuts. However,~~
6 ~~if mid-year cuts are mandated by the State Budget and Control~~
7 ~~Board to avoid a year end deficit, this fund is not subject to such~~
8 ~~cuts, except by a majority vote of the entire State Budget and~~
9 ~~Control Board which is separate and apart from any other reduction.~~
10 ~~These cuts are permitted only to the extent that counties and~~
11 ~~municipalities do not receive less funding than received in the~~
12 ~~immediate preceding fiscal year.~~ The Local Government Revenue
13 Sharing Fund must be financed as provided in this chapter.

14
15 Section 6-27-30. (A) In the annual general appropriations act, ~~an~~
16 ~~amount equal to not less than four and one-half percent of general~~
17 ~~fund revenues of the latest completed fiscal year must be~~
18 ~~appropriated the General Assembly must appropriate funds to the~~
19 Local Government Revenue Sharing Fund.

20 (B)(1) In any fiscal year in which general fund revenues are
21 projected to increase, the appropriation to the Local Government
22 Revenue Sharing Fund for the upcoming fiscal year must be
23 increased by the same projected percentage increase, but not to
24 exceed five percent, when compared to the appropriation in the
25 current fiscal year. For purposes of this subsection, beginning with
26 the initial forecast required pursuant to Section 11-9-880, the
27 percentage increase in general fund revenues must be determined by
28 the Revenue and Fiscal Affairs Office by comparing the current
29 fiscal year's recurring general fund expenditure base with the Board
30 of Economic Advisors' most recent projection of recurring general
31 fund revenue for the upcoming fiscal year. Upon the issuance of the
32 initial forecast, the Executive Director of the Revenue and Fiscal
33 Affairs Office, or his designee, shall notify the Chairman of the
34 Senate Finance Committee, the Chairman of the House Ways and
35 Means Committee, and the Governor of the projected percentage
36 increase. The executive director, or his designee, shall provide
37 similar notice if subsequent modifications to the forecast change the
38 projected percentage increase. However, the forecast in effect on
39 May thirty-first of the current fiscal year is the final forecast for
40 which the percentage increase is determined, and no subsequent
41 forecast modifications shall have any effect on that determination.

1 (2) The Governor shall include the appropriation increase to
2 the Local Government Revenue Sharing Fund in the Executive
3 Budget.

4 (3) The Revenue and Fiscal Affairs Office shall determine the
5 current fiscal year's recurring general fund expenditure base, and
6 determine any projected increase in general fund revenues. If an
7 increase is projected, the appropriation for the upcoming fiscal year
8 must be adjusted accordingly.

9 (C) For purposes of this section:

10 (1) 'Recurring general fund revenue' means the forecast of
11 recurring general fund revenues pursuant to Section 11-9-880 after
12 the amount apportioned to the Trust Fund for Tax Relief, as required
13 in Section 11-11-150, is deducted.

14 (2) 'Recurring general fund expenditure base' means the total
15 recurring general fund appropriations authorized in the current
16 general appropriations act less any reduced appropriations
17 mandated by the General Assembly or the Executive Budget Office
18 pursuant to Section 11-9-890B.

19
20 Section 6-27-40. (A) ~~Not~~ No later than thirty days after the end
21 of the calendar quarter, the State Treasurer shall distribute the
22 monies appropriated to the Local Government Revenue Sharing
23 Fund as follows:

24 (1) ~~Eighty-three and two hundred seventy eight thousandths~~
25 percent must be distributed to counties. Of the total distributed to
26 counties, each county must receive an amount based on the ratio that
27 the county's population is of the whole population of this State
28 according to the most recent United States Census.

29 (2) ~~Sixteen and seven hundred twenty two thousandths~~
30 Seventeen percent must be distributed to municipalities. Of the total
31 distributed to municipalities, each municipality must receive an
32 amount based on the ratio that the municipality's population is of
33 the population of all municipalities in this State according to the
34 most recent United States Census.

35 (B) In making the quarterly distribution to counties, the State
36 Treasurer must notify each county of the amount that must be used
37 for educational purposes relating to the use of alcoholic liquors and
38 for the rehabilitation of alcoholics and drug addicts. Counties may
39 pool these funds with other counties and may combine these funds
40 with other funds for the same purposes. The amount that must be
41 used as provided in this subsection is equal to twenty-five percent
42 of the revenue derived pursuant to Section 12-33-245 allocated on a
43 per capita basis according to the most recent United States Census.

1
2 ~~Section 6-27-50. No section of this chapter may be amended or~~
3 ~~repealed except in separate legislation solely for that purpose.~~

4
5 Section 6-27-55. From funds distributed to the county pursuant to
6 Section 6-27-40, a county council shall provide a reasonable amount
7 of funds for all county offices of state agencies for which the council
8 is required to provide funding by state law.”

9
10 SECTION 2. This act takes effect on July 1, 2019, and first applies
11 for the annual general appropriations bill process for Fiscal Year
12 2020-2021.

13 -----XX-----
14