

**REPORT OF THE  
LICENSES, FEES, INSURANCE TAX &  
OTHER CHARGES SUBCOMMITTEE**  
(Neilson, Limehouse, Bingham, & Anthony - Staff Contact: Ryan Burnaugh)

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**HOUSE BILL 4697**

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H. 4697 -- Reps. Harrison, Limehouse, J.E. Smith, Stavrinakis and Brady: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTIONS 60-15-100 AND 60-15-110 SO AS TO PROVIDE AN ANNUAL TRANSFER TO THE SOUTH CAROLINA ARTS COMMISSION OF AN AMOUNT EQUAL TO FIFTEEN PERCENT OF THE GENERAL FUND PORTION OF STATE ADMISSIONS TAX REVENUES IN THE PREVIOUS YEAR AFTER OTHER TRANSFERS REQUIRED FROM THE REVENUE AND TO REQUIRE THE COMMISSION TO EXPEND AT LEAST SEVENTY PERCENT OF ITS STATE APPROPRIATED FUNDS ON GRANTS FOR CHILDREN'S AND COMMUNITY PROGRAMS.

***Summary of Bill:***

The legislation provides that fifteen percent of the General Fund portion of state admissions tax revenues in the previous year, after other transfers required from the revenue, be transferred annually to the SC Arts Commission, and requires the Commission to expend at least seventy percent of its state appropriated funds on grants for children's and community programs.

***Introduced:*** 1/31/2012

***Received by Ways and Means:*** 1/31/2012

***Estimated Fiscal Impact:***

\$3,736,305

***Subcommittee Recommendation:***

Favorable with Amendment

***Full Committee Recommendation:***

Pending

***Other Notes/Comments:***

Offsets general fund appropriation.

HOUSE  
AMENDMENT

THIS AMENDMENT  
ADOPTED

CONE/BARDEN  
APRIL 16, 2012

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CLERK OF THE HOUSE

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REP. LIMEHOUSE PROPOSES THE FOLLOWING AMENDMENT  
No. TO H. 4697 (COUNCIL\SWB\5274HTC12):

REFERENCE IS TO THE BILL AS INTRODUCED.

**AMEND THE BILL, AS AND IF AMENDED, IN  
SECTION 60-15-100, AS CONTAINED IN SECTION  
1, PAGE 1, LINE 29 BY STRIKING /FIFTEEN/ AND  
INSERTING /EIGHT AND ONE-HALF/ SO THAT  
WHEN AMENDED SECTION 60-15-100 READS:**

**/ SECTION 60-15-100. AN AMOUNT EQUAL TO  
EIGHT AND ONE-HALF PERCENT OF THE BALANCE  
REMAINING OF THE GENERAL FUND PORTION OF  
STATE ADMISSIONS TAX REVENUES FOR THE  
PREVIOUS FISCAL YEAR AFTER THE TRANSFER  
REQUIRED PURSUANT TO SECTION 12-62-60 MUST**

**BE TRANSFERRED ANNUALLY TO THE SOUTH CAROLINA ARTS COMMISSION FOR ITS USE. /**

**AMEND FURTHER, AS AND IF AMENDED, IN SECTION 60-15-110, AS CONTAINED IN SECTION 1, PAGE 1, ON LINE 36 BY STRIKING /APPROPRIATED STATE FUNDS/ AND INSERTING /FUNDS FROM THE ADMISSIONS TAX / SO THAT WHEN AMENDED, SECTION 60-15-110 READS:**

**/SECTION 60-15-110. THE SOUTH CAROLINA ARTS COMMISSION SHALL EXPEND AT LEAST SEVENTY PERCENT OF FUNDS FROM THE ADMISSIONS TAX ON GRANTS TO SUPPORT THE STATEWIDE IMPROVEMENT OF LEARNING AND ENRICHMENT OPPORTUNITIES FOR CHILDREN AND COMMUNITIES THROUGH EDUCATIONAL AND CULTURAL PROGRAMS WITH PROVEN RESEARCH-BASED STRATEGIES. /**

**RENUMBER SECTIONS TO CONFORM.  
AMEND TITLE TO CONFORM.**

## Statement of Estimated State Revenue Impact

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**Date:** March 2, 2012 (Revised)

**Bill Number:** H.B. 4697

**Authors:** Harrison, Limehouse, J.E. Smith, Stavrinakis, Brady, *et. al.*

**Committee Requesting Impact:** House Ways & Means Committee

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### Bill Summary

A bill to amend the Code of Laws of South Carolina, 1976, by adding Sections 60-15-100 and 60-15-110 so as to provide an annual transfer to the South Carolina Arts Commission of an amount equal to fifteen percent of the General Fund portion of state admissions tax revenues in the previous year after other transfers required from the revenue and to require the Commission to expend at least seventy percent of its state appropriated funds on grants for children's and community programs.

### REVENUE IMPACT <sup>11</sup>

This bill is expected to decrease state General Fund admissions tax revenue by an estimated \$3,736,305 in FY2012-13, and increase revenue allocated to the South Carolina Arts Commission by an estimated \$3,736,305 in FY2012-13.

### Explanation

This bill would add Section 60-15-100 to allow an amount equal to fifteen percent of the balance remaining of the General Fund portion of state admissions tax revenues for the previous fiscal year after the transfer required pursuant to Section 12-62-100 must be transferred annually to the South Carolina Arts Commission. Section 12-62-100(A)(1) requires an amount equal to twenty-six percent of the general fund portion of admission tax collected for the previous fiscal year must be funded annually by September first to the Department of Parks, Recreation, and Tourism for the exclusive use of the South Carolina Film Commission. Based on the Board of Economic Advisors' General Fund revenue estimate of February 15, 2012, the admissions tax is expected to generate an estimated \$31,208,566 in FY2012-13. After allocating twenty-six percent of admissions tax revenue from the previous fiscal year, a net estimated \$24,908,700 would remain in the state General Fund. Applying a rate of fifteen percent to the remaining net portion of state admissions tax revenue yields an estimated \$3,736,305 that would be transferred to the South Carolina Arts Commission in FY2012-13.



Frank A. Rainwater  
Chief Economist

**Analyst:** Martin

<sup>11</sup> This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact of Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

**South Carolina General Assembly**  
119th Session, 2011-2012

**H. 4697**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Harrison, Limehouse, J.E. Smith, Stavrinakis, Brady, Sellers, Sottile, Gilliard, McCoy, Daning, Crosby, Munnerlyn, Gambrell, Agnew, Bowen, Erickson, Horne, Govan and Funderburk

Document Path: I:\council\bill\bbm\10523htc12.docx

Companion/Similar bill(s): 1210

Introduced in the House on January 31, 2012

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

Summary: Arts Commission

**HISTORY OF LEGISLATIVE ACTIONS**

Date	Body	Action Description with journal page number
1/31/2012	House	Introduced and read first time ( <u>House Journal-page 7</u> )
1/31/2012	House	Referred to Committee on <b>Ways and Means</b> ( <u>House Journal-page 7</u> )
2/7/2012	House	Member(s) request name added as sponsor: Sellers, Sottile, Gilliard, McCoy
2/8/2012	House	Member(s) request name added as sponsor: Daning, Crosby, Munnerlyn
2/23/2012	House	Member(s) request name added as sponsor: Gambrell, Agnew, Bowen, Erickson, Horne, Govan, Funderburk

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**VERSIONS OF THIS BILL**

1/31/2012

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**A BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTIONS 60-15-100 AND 60-15-110 SO AS TO PROVIDE AN ANNUAL TRANSFER TO THE SOUTH CAROLINA ARTS COMMISSION OF AN AMOUNT EQUAL TO FIFTEEN PERCENT OF THE GENERAL FUND PORTION OF STATE ADMISSIONS TAX REVENUES IN THE PREVIOUS YEAR AFTER OTHER TRANSFERS REQUIRED FROM THE REVENUE AND TO REQUIRE THE COMMISSION TO EXPEND AT LEAST SEVENTY PERCENT OF ITS STATE APPROPRIATED FUNDS ON GRANTS FOR CHILDREN'S AND COMMUNITY PROGRAMS.

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

SECTION 1. Chapter 15, Title 60 of the 1976 Code is amended by adding:

“Section 60-15-100. An amount equal to fifteen percent of the balance remaining of the general fund portion of state admissions tax revenues for the previous fiscal year after the transfer required pursuant to Section 12-62-60 must be transferred annually to the South Carolina Arts Commission for its use.

Section 60-15-110. The South Carolina Arts Commission shall expend at least seventy percent of appropriated state funds on grants to support the statewide improvement of learning and enrichment opportunities for children and communities through educational and cultural programs with proven research-based strategies.”

1 SECTION 2. This act takes effect upon approval by the Governor  
2 and applies for fiscal years beginning after June 30, 2012.  
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