

REPORT OF THE LICENSES, FEES, INSURANCE TAX & OTHER CHARGES SUBCOMMITTEE

(Neal, Limehouse, Bingham, & Edge - Staff Contact: Ryan Burnaugh)

SENATE BILL 1085

S. 1085 -- Senators Campbell, Grooms, Matthews, McGill, O'Dell and Bennett: A BILL TO AMEND SECTION 4-37-30, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, RELATING TO THE USE OF LOCAL SALES AND USE TAX OR TOLL REVENUES TO FINANCE TRANSPORTATION INFRASTRUCTURE IN A COUNTY, SO AS TO PROVIDE A PROCEDURE FOR THE GOVERNING BODY OF A COUNTY IN WHICH THE TRANSPORTATION INFRASTRUCTURE LOCAL SALES AND USE TAX IS CURRENTLY IMPOSED FOR LESS THAN THE TWENTY-FIVE YEAR MAXIMUM IMPOSITION PERIOD, UPON REFERENDUM APPROVAL, MAY EXTEND WITHOUT INTERRUPTION THE INITIAL IMPOSITION FOR AN IMPOSITION PERIOD IN THE AGGREGATE NOT TO EXCEED TWENTY-FIVE YEARS, TO PROVIDE WHAT QUESTIONS MUST APPEAR ON THE REFERENDUM BALLOT, TO PROVIDE THAT A REFERENDUM FOR OTHER THAN THE INITIAL IMPOSITION OF THE TAX MAY BE HELD AT THE TIME OF EITHER A GENERAL OR SPECIAL ELECTION IN THE COUNTY, AS THE GOVERNING BODY OF THE COUNTY MAY DETERMINE, AND TO PROVIDE THAT THE GOVERNING BODY OF A COUNTY IN WHICH THE TRANSPORTATION INFRASTRUCTURE LOCAL SALES AND USE TAX IS CURRENTLY IMPOSED, WITHIN TWO YEARS OF THE TERMINATION OF THE TAX OR THE ANTICIPATED TERMINATION OF THE TAX AND UPON REFERENDUM APPROVAL, MAY RENEW WITHOUT INTERRUPTION THE IMPOSITION OF THE TAX AND PROVIDE THAT NO MORE THAN ONE REFERENDUM RELATING TO THIS TAX BE HELD IN A CALENDAR YEAR.

Summary of Bill:

Technical changes to the timing of the referendum for the reimposition and extension of a county transportation sales tax, providing counties option to hold a referendum allowing voters to extend transportation sales tax up to the statutorily allowed twenty-five years. If approved, certain counties could reinstate the local sales tax for a total of up to twenty-five years without a lapse.

Introduced: 03/05/2014

Received by Ways and Means: 04/09/2014

Estimated Fiscal Impact:

This bill is not expected to impact local revenues.

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending

Other Notes/Comments:

Statement of Estimated Local Revenue Impact

Date: March 20, 2014

Bill Number: S. 1085

Authors: Campbell, Grooms, Matthews, McGill and O'Dell

Committee Requesting Impact: Senate Finance Committee

Bill Summary

To amend Section 4-37-30, as amended, Code of Laws of South Carolina, relating to the use of local sales and use tax or toll revenues to finance transportation infrastructure in a county, so as to provide a procedure for the governing body of a county in which the transportation infrastructure local sales and use tax is currently imposed for less than the twenty-five year maximum imposition period, upon referendum approval, may extend without interruption the initial imposition for an imposition period in the aggregate not to exceed twenty-five years, to provide what questions must appear on the referendum ballot, to provide that a referendum for other than the initial imposition of the tax may be held at the time of either a general or special election in the county, as the governing body of the county may determine, and to provide that the governing body of a county in which the transportation infrastructure local sales and use tax is currently imposed, within two years of the termination of the tax or the anticipated termination of the tax and upon referendum approval, may renew without interruption the imposition of the tax and provide that no more than one referendum relating to this tax be held in a calendar year.

REVENUE IMPACT ^{1/}

This bill is not expected to impact local revenue.

Explanation

This bill would allow those counties which are currently imposing a local sales and use tax pursuant to Section 4-37-30 to renew the tax so long as the aggregate imposition period does not exceed twenty-five years. Currently, Berkeley, Charleston, Dorchester, and Richland County have imposed an initial sales and use tax pursuant to Section 4-37-30. None of these counties are anticipating a termination of the transportation infrastructure local sales and use tax within the next two years.



Frank A. Rainwater
Chief Economist

Analyst: Williams

^{1/} 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
120th Session, 2013-2014

S. 1085

STATUS INFORMATION

General Bill

Sponsors: Senators Campbell, Grooms, Matthews, McGill, O'Dell and Bennett
Document Path: I:\council\bill\bbm\9041htc14.docx

Introduced in the Senate on March 5, 2014

Introduced in the House on April 9, 2014

Last Amended on April 2, 2014

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

Summary: Transportation Infrastructure

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
3/5/2014	Senate	Introduced and read first time (Senate Journal-page 4)
3/5/2014	Senate	Referred to Committee on Finance (Senate Journal-page 4)
3/26/2014	Senate	Committee report: Favorable with amendment Finance (Senate Journal-page 30)
4/2/2014	Senate	Committee Amendment Adopted (Senate Journal-page 19)
4/3/2014	Senate	Read second time (Senate Journal-page 21)
4/3/2014	Senate	Roll call Ayes-32 Nays-3 (Senate Journal-page 21)
4/8/2014	Senate	Read third time and sent to House (Senate Journal-page 16)
4/9/2014	House	Introduced and read first time (House Journal-page 12)
4/9/2014	House	Referred to Committee on Ways and Means (House Journal-page 12)

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VERSIONS OF THIS BILL

[3/5/2014](#)

[3/26/2014](#)

[4/2/2014](#)

1 ~~Indicates Matter Stricken~~

2 Indicates New Matter

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4 COMMITTEE AMENDMENT ADOPTED

5 April 2, 2014

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S. 1085

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9 Introduced by Senators Campbell, Grooms, Matthews, McGill and
10 O'Dell

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12 S. Printed 4/2/14--S.

13 Read the first time March 5, 2014.

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A BILL

TO AMEND SECTION 4-37-30, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, RELATING TO THE USE OF LOCAL SALES AND USE TAX OR TOLL REVENUES TO FINANCE TRANSPORTATION INFRASTRUCTURE IN A COUNTY, SO AS TO PROVIDE A PROCEDURE FOR THE GOVERNING BODY OF A COUNTY IN WHICH THE TRANSPORTATION INFRASTRUCTURE LOCAL SALES AND USE TAX IS CURRENTLY IMPOSED FOR LESS THAN THE TWENTY-FIVE YEAR MAXIMUM IMPOSITION PERIOD, UPON REFERENDUM APPROVAL, MAY EXTEND WITHOUT INTERRUPTION THE INITIAL IMPOSITION FOR AN IMPOSITION PERIOD IN THE AGGREGATE NOT TO EXCEED TWENTY-FIVE YEARS, TO PROVIDE WHAT QUESTIONS MUST APPEAR ON THE REFERENDUM BALLOT, TO PROVIDE THAT A REFERENDUM FOR OTHER THAN THE INITIAL IMPOSITION OF THE TAX MAY BE HELD AT THE TIME OF EITHER A GENERAL OR SPECIAL ELECTION IN THE COUNTY, AS THE GOVERNING BODY OF THE COUNTY MAY DETERMINE, AND TO PROVIDE THAT THE GOVERNING BODY OF A COUNTY IN WHICH THE TRANSPORTATION INFRASTRUCTURE LOCAL SALES AND USE TAX IS CURRENTLY IMPOSED, WITHIN TWO YEARS OF THE TERMINATION OF THE TAX OR THE ANTICIPATED TERMINATION OF THE TAX AND UPON REFERENDUM APPROVAL, MAY RENEW WITHOUT INTERRUPTION THE IMPOSITION OF THE TAX AND PROVIDE THAT NO MORE THAN ONE REFERENDUM RELATING TO THIS TAX BE HELD IN A CALENDAR YEAR.

Amend Title To Conform

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

3
4 SECTION 1. Items (2) and (4) of Section 4-37-30(A) of the 1976
5 Code, as last amended by Act 368 of 2000, are further amended to
6 read:

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8 “(2) Upon receipt of the ordinance, the county election
9 commission shall conduct a referendum on the question of
10 imposing the optional special sales and use tax in the jurisdiction.
11 ~~A referendum for this purpose must be held at the time of the~~
12 ~~general election.~~ A referendum for the initial imposition of the
13 sales and use tax within a county pursuant to this chapter and all
14 subsequent referendums to impose, extend, or renew the tax must
15 be held at the time of the general election. The commission shall
16 publish the date and purpose of the referendum once a week for
17 four consecutive weeks immediately preceding the date of the
18 referendum in a newspaper of general circulation in the
19 jurisdiction. A public hearing must be conducted at least fourteen
20 days before the referendum after publication of a notice setting
21 forth the date, time, and location of the public hearing. The notice
22 must be published in a newspaper of general circulation in the
23 county at least fourteen days before the date fixed for the public
24 hearing.

25
26 (4)(a) If a county has imposed a tax pursuant to this chapter for
27 less than the maximum twenty-five year term allowed and the tax
28 remains in effect, the governing body of the county at any time
29 may call for a referendum to extend the term of the tax for up to
30 seven years, and thereafter call for referendums to the extend the
31 term of the tax for up to seven years, for an aggregate total not to
32 exceed twenty-five years. The referendum to extend the term of
33 the tax must be held at the general election. A separate question
34 must be included on the referendum ballot for each purpose which
35 purpose, as determined by the governing body of a county, may be
36 set forth as a single question relating to several of the projects and
37 the question must indicate whether the project is an existing
38 project or new project. A new project or projects may only be
39 listed on the ballot to the extent that the county has, or will,
40 complete existing projects. The question must read substantially
41 as follows:

42 ‘I approve the extension of a special sales and use tax in the
43 amount of (fractional amount of one percent) (one percent) to be

1 imposed in (county) not to exceed _____ years to fund the
2 completion of the following existing project or projects and/or to
3 fund the following new project or projects:

4
5 Project (1) for _____ \$ _____ (new or existing)

6
7 Yes _____

8 No _____

9 Project (2), etc.?

10
11 (b) All qualified electors desiring to vote in favor of
12 imposing the tax for a particular purpose shall vote 'yes' and all
13 qualified electors opposed to levying the tax for a particular
14 purpose shall vote 'no'. If a majority of the votes cast are in favor
15 of imposing the tax for one or more of the specified purposes, then
16 the tax is imposed as provided in this section; otherwise, the tax is
17 not imposed. The election commission shall conduct the
18 referendum pursuant to the election laws of this State, mutatis
19 mutandis, and shall certify the result no later than November
20 thirtieth after the date of the referendum to the appropriate
21 governing body and to the Department of Revenue. Included in
22 the certification must be the maximum cost of the project or
23 projects or facilities to be funded in whole or in part from proceeds
24 of the tax, the maximum time specified for the imposition of the
25 tax, and the principal amount of bonds to be supported by the tax
26 receiving a favorable vote. Expenses of the referendum must be
27 paid by the jurisdiction conducting the referendum. If the tax is
28 approved in the referendum, the tax is imposed effective the first
29 day of May following the date of the referendum. If the
30 reimposition of the tax pursuant to this article is approved in the
31 referendum, the new or existing tax must be imposed, extended, or
32 renewed immediately following the termination of the earlier
33 imposed tax. If the certification is not made timely to the
34 Department of Revenue, the imposition is postponed for twelve
35 months.”

36
37 SECTION 2. This act takes effect upon approval by the Governor.

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