

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

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

Senate BILL S. 294

TO AMEND SECTION 6-4-10, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE EXPENDITURE OF LOCAL ACCOMMODATION TAX REVENUES, SO AS TO CLARIFY THAT IN CERTAIN SITUATIONS, FUNDS MAY BE USED FOR BEACH RENOURISHMENT, AND TO ALLOW A MUNICIPALITY OR COUNTY, IN CERTAIN SITUATIONS, UPON A TWO-THIRDS VOTE OF THE MEMBERSHIP OF THE LOCAL GOVERNING BODY, TO HOLD THE FUNDS FOR MORE THAN TWO YEARS IF THE FUNDS ARE DESIGNATED FOR THE CONTROL AND REPAIR OF WATERFRONT EROSION, INCLUDING BEACH RENOURISHMENT.

Summary of Bill:

Allows accommodation tax revenues to be used for beach renourishment upon a two-thirds vote by the membership of the local governing body. Two year limitation can be suspended by vote of local governing body and approval by Tourism Expenditure Review Committee, so that funds may be carried forward into the following FY and expended for the same purposes.

Introduced: 01/10/2013

Received by Ways and Means: 03/11/2013

Estimated Fiscal Impact:

Pending - Raises no taxes or fees, local accommodation tax revenues, should not generate a fiscal impact to the state's General Fund.

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending

Other Notes/Comments:

Similar to H.3390, for which the Subcommittee adjourned debate last year questioning why current Accommodation tax revenues could not be used for this purpose.

South Carolina General Assembly
120th Session, 2013-2014

S. 294

STATUS INFORMATION

General Bill

Sponsors: Senators Cleary and Ford

Document Path: I:\council\bill\13034dg13.docx

Introduced in the Senate on January 24, 2013

Introduced in the House on March 11, 2013

Last Amended on March 6, 2013

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

Summary: Local accommodation tax revenues

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
1/24/2013	Senate	Introduced and read first time (Senate Journal-page 7)
1/24/2013	Senate	Referred to Committee on Finance (Senate Journal-page 7)
2/27/2013	Senate	Committee report: Favorable with amendment Finance (Senate Journal-page 25)
2/28/2013		Scrivener's error corrected
3/6/2013	Senate	Committee Amendment Adopted (Senate Journal-page 10)
3/6/2013	Senate	Read second time (Senate Journal-page 10)
3/6/2013	Senate	Roll call Ayes-40 Nays-1 (Senate Journal-page 10)
3/7/2013	Senate	Read third time and sent to House (Senate Journal-page 14)
3/7/2013		Scrivener's error corrected
3/11/2013	House	Introduced and read first time (House Journal-page 8)
3/11/2013	House	Referred to Committee on Ways and Means (House Journal-page 8)

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VERSIONS OF THIS BILL

[1/24/2013](#)

[2/27/2013](#)

[2/28/2013](#)

[3/6/2013](#)

[3/7/2013](#)

1 ~~Indicates Matter Stricken~~

2 Indicates New Matter

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4 COMMITTEE AMENDMENT ADOPTED

5 March 6, 2013

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S. 294

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Introduced by Senators Cleary and Ford

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11 S. Printed 3/6/13--S.

[SEC 3/7/13 2:49 PM]

12 Read the first time January 24, 2013.

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A BILL

11 TO AMEND SECTION 6-4-10, AS AMENDED, CODE OF
12 LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE
13 EXPENDITURE OF LOCAL ACCOMMODATION TAX
14 REVENUES, SO AS TO CLARIFY THAT IN CERTAIN
15 SITUATIONS, FUNDS MAY BE USED FOR BEACH
16 RENOURISHMENT, AND TO ALLOW A MUNICIPALITY OR
17 COUNTY, IN CERTAIN SITUATIONS, UPON A
18 TWO-THIRDS VOTE OF THE MEMBERSHIP OF THE LOCAL
19 GOVERNING BODY, TO HOLD THE FUNDS FOR MORE
20 THAN TWO YEARS IF THE FUNDS ARE DESIGNATED FOR
21 THE CONTROL AND REPAIR OF WATERFRONT EROSION,
22 INCLUDING BEACH RENOURISHMENT.

23 Amend Title To Conform

24
25 Be it enacted by the General Assembly of the State of South
26 Carolina:

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28 SECTION 1. Section 6-4-10(4)(b) of the 1976 Code is amended
29 to read:

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31 “(b) The funds received by a county or municipality which
32 has a high concentration of tourism activity may be used to provide
33 additional county and municipal services including, but not limited
34 to, law enforcement, traffic control, public facilities, and highway
35 and street maintenance, as well as the continual promotion of
36 tourism. The funds must not be used as an additional source of
37 revenue to provide services normally provided by the county or
38 municipality but to promote tourism and enlarge its economic
39 benefits through advertising, promotion, and providing those
40 facilities and services which enhance the ability of the county or
41 municipality to attract and provide for tourists.

42 ‘Tourism-related expenditures’ include:

- 1 1-(i) advertising and promotion of tourism so as to
- 2 develop and increase tourist attendance through the generation of
- 3 publicity;
- 4 2-(ii) promotion of the arts and cultural events;
- 5 3-(iii) construction, maintenance, and operation of
- 6 facilities for civic and cultural activities including construction and
- 7 maintenance of access and other nearby roads and utilities for the
- 8 facilities;
- 9 4-(iv) the criminal justice system, law enforcement, fire
- 10 protection, solid waste collection, and health facilities when
- 11 required to serve tourists and tourist facilities. This is based on the
- 12 estimated percentage of costs directly attributed to tourists;
- 13 5-(v) public facilities such as restrooms, dressing rooms,
- 14 parks, and parking lots;
- 15 6-(vi) tourist shuttle transportation;
- 16 7-(vii) control and repair of waterfront erosion, including
- 17 beach renourishment;
- 18 8-(viii) operating visitor information centers.”

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20 SECTION 2. Section 6-4-10(4)(c) of the 1976 Code is amended
21 to read:

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23 “(c)(i) Allocations to the special fund must be spent by the
24 municipality or county within two years of receipt. ~~If the~~
25 ~~allocations are not spent within two years, the municipality or~~
26 ~~county is subject to the provisions of Section 6-4-30(6).~~ However,
27 the time limit may be extended upon the recommendation of the
28 local governing body of the county or municipality and approval of
29 the South Carolina Accommodations Tax Oversight Committee in
30 Section 6-4-30 oversight committee established pursuant to
31 Section 6-4-35. An extension must include provisions that funds
32 be committed for a specific project or program.

33 (ii) Notwithstanding the provisions of subsubitem (i),
34 upon a two-thirds affirmative vote of the membership of the
35 appropriate local governing body, a county or municipality may
36 carry forward unexpended allocations to the special fund beyond
37 two years provided that the county or municipality commits use of
38 the funds exclusively to the control and repair of waterfront
39 erosion, including beach renourishment. The county or
40 municipality shall annually notify the oversight committee,
41 established pursuant to Section 6-4-35, of the basic activity of the
42 committed funds including, beginning balance, deposits,
43 expenditures, and ending balance.”

1 SECTION 3. This act takes effect upon approval by the Governor.
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