

REPORT OF THE GENERAL GOVERNMENT, PERSONNEL & BENEFITS SUBCOMMITTEE

(Anthony, Herbkersman, Hayes, Pitts & Whitmire - Staff Contact: Kara Brurok)

Senate Bill 610

S. 610 -- Senators Rankin, Cleary, Hembree and McGill: A BILL TO AMEND SECTION 11-41-30, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS FOR PURPOSES OF THE STATE GENERAL OBLIGATION ECONOMIC DEVELOPMENT BOND ACT, SO AS TO CLARIFY THAT THE DEFINITION OF "ECONOMIC DEVELOPMENT PROJECT", INCLUDING A NATIONAL AND INTERNATIONAL CONVENTION AND TRADE SHOW CENTER OWNED BY A PUBLIC ENTITY INCLUDES AN ADJACENT FACILITY ALLOWING SPECIFIC EVENTS THEREBY MAKING ADDITIONAL TIME AND SPACE AVAILABLE FOR THE MAJOR CONVENTIONS, TRADE SHOWS, AND SPECIAL EVENTS CONTEMPLATED BY THE ACT AND REQUIRE JOINT BOND REVIEW COMMITTEE REVIEW AND COMMENT ON SUCH AN ADJACENT FACILITY; AND TO AMEND SECTION 11-41-70, RELATING TO PURPOSES OF THE ISSUE OF BONDS PURSUANT TO THE STATE GENERAL OBLIGATION ECONOMIC DEVELOPMENT BOND ACT AND SPECIFIC REQUIREMENTS APPLICABLE TO A PUBLIC ENTITY RECEIVING BOND PROCEEDS, SO AS TO EXTEND FROM TEN TO FIFTEEN YEARS THE PERIOD IN WHICH A NATIONAL AND INTERNATIONAL CONVENTION AND TRADE SHOW CENTER MUST BE COMPLETED.

Summary of Bill:

This bill would give Myrtle Beach an extension of 5 years to complete construction of a 100,000 sq ft multi-sports facility to offer flex space for basketball, volleyball, mat sports and non-sports flat floor use. This facility will utilize the 42 acres of land the city purchased in 2006. 28 of the 42 acres were purchased with State funds with a deadline of June 2015 to pay the state back with interest. This bill would extend the deadline to 2020.

Introduced:

01/10/2013

Received by Ways and Means:

5/2/2013

Estimated Fiscal Impact:

None

Subcommittee Recommendation:

Adopted

Full Committee Recommendation:

Pending

FISCAL IMPACT STATEMENT ON BILL NO. **S. 610**
(Doc. No. 10895htc13.docx)

TO: The Honorable Hugh K. Leatherman, Sr., Chairperson, Senate Finance Committee
FROM: State Budget Division, Budget and Control Board
ANALYSTS: R.J. Stein
DATE: April 22, 2013 SBD: 2013276

AUTHOR: Senator Rankin PRIMARY CODE CITE: 11-41-30
SUBJECT: General Obligation Bond Act definitions

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

Senate Bill 610 amends Sections 11-41-30(2)(e) and 11-41-70(2)(d) of the Code of Laws of South Carolina, 1976, relating to the General Obligation Economic Development Bond Act. The Bill clarifies the definition of the term "economic development project" and extends the deadline for completing any commitment to construct a trade show center from ten years to fifteen.

EXPLANATION OF IMPACT:

Department of Commerce

The Department reports that this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Brenda Hart
Assistant Director, State Budget Division

South Carolina General Assembly
120th Session, 2013-2014

S. 610

STATUS INFORMATION

General Bill

Sponsors: Senators Rankin, Cleary, Hembree and McGill

Document Path: I:\council\bill\bbm\10895htc13.docx

Companion/Similar bill(s): 4077

Introduced in the Senate on April 11, 2013

Introduced in the House on May 2, 2013

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

Summary: Economic development project

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
4/11/2013	Senate	Introduced and read first time (<u>Senate Journal-page 5</u>)
4/11/2013	Senate	Referred to Committee on Finance (<u>Senate Journal-page 5</u>)
4/24/2013	Senate	Committee report: Favorable Finance (<u>Senate Journal-page 13</u>)
4/30/2013	Senate	Read second time (<u>Senate Journal-page 37</u>)
4/30/2013	Senate	Roll call Ayes-36 Nays-3 (<u>Senate Journal-page 37</u>)
5/1/2013	Senate	Read third time and sent to House (<u>Senate Journal-page 69</u>)
5/2/2013	House	Introduced and read first time (<u>House Journal-page 18</u>)
5/2/2013	House	Referred to Committee on Ways and Means (<u>House Journal-page 18</u>)

View the latest [legislative information](#) at the LPITS web site

VERSIONS OF THIS BILL

4/11/2013

4/24/2013

1 ~~Indicates Matter Stricken~~
2 Indicates New Matter
3
4 COMMITTEE REPORT
5 April 24, 2013
6

7 **S. 610**
8

9 Introduced by Senators Rankin, Cleary, Hembree and McGill
10

11 S. Printed 4/24/13--S.

12 Read the first time April 11, 2013.
13 _____
14

15 **THE COMMITTEE ON FINANCE**

16 To whom was referred a Bill (S. 610) to amend Section
17 11-41-30, Code of Laws of South Carolina, 1976, relating to
18 definitions for purposes of the State General Obligation Economic
19 Development Bond Act, etc., respectfully

20 **REPORT:**

21 That they have duly and carefully considered the same and
22 recommend that the same do pass:
23

24 HUGH K. LEATHERMAN, SR. for Committee.
25 _____

1
2
3
4
5
6
7
8
9

A BILL

10

11 TO AMEND SECTION 11-41-30, CODE OF LAWS OF SOUTH
12 CAROLINA, 1976, RELATING TO DEFINITIONS FOR
13 PURPOSES OF THE STATE GENERAL OBLIGATION
14 ECONOMIC DEVELOPMENT BOND ACT, SO AS TO
15 CLARIFY THAT THE DEFINITION OF "ECONOMIC
16 DEVELOPMENT PROJECT", INCLUDING A NATIONAL
17 AND INTERNATIONAL CONVENTION AND TRADE SHOW
18 CENTER OWNED BY A PUBLIC ENTITY INCLUDES AN
19 ADJACENT FACILITY ALLOWING SPECIFIC EVENTS
20 THEREBY MAKING ADDITIONAL TIME AND SPACE
21 AVAILABLE FOR THE MAJOR CONVENTIONS, TRADE
22 SHOWS, AND SPECIAL EVENTS CONTEMPLATED BY THE
23 ACT AND REQUIRE JOINT BOND REVIEW COMMITTEE
24 REVIEW AND COMMENT ON SUCH AN ADJACENT
25 FACILITY; AND TO AMEND SECTION 11-41-70, RELATING
26 TO PURPOSES OF THE ISSUE OF BONDS PURSUANT TO
27 THE STATE GENERAL OBLIGATION ECONOMIC
28 DEVELOPMENT BOND ACT AND SPECIFIC
29 REQUIREMENTS APPLICABLE TO A PUBLIC ENTITY
30 RECEIVING BOND PROCEEDS, SO AS TO EXTEND FROM
31 TEN TO FIFTEEN YEARS THE PERIOD IN WHICH A
32 NATIONAL AND INTERNATIONAL CONVENTION AND
33 TRADE SHOW CENTER MUST BE COMPLETED.

34

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

37

38 SECTION 1. Section 11-41-30(2)(e) of the 1976 Code is
39 amended to read:

40

41 "(e) 'Economic development project' or 'project' also includes
42 a national and international convention and trade show center in

1 this State, owned by the State or any agency, instrumentality, or
2 political subdivision thereof. A 'national and international
3 convention and trade show center' means a not less than two
4 hundred thousand square foot facility consisting of meeting and
5 exhibit space at which are held major conventions, trade shows,
6 and special events that bring delegates into the State and
7 community including, but not limited to, consumer shows, sporting
8 events, and other meetings. Included in the space requirement is
9 an adjacent facility allowing specific events thereby making
10 additional time and space available for the major conventions,
11 trade shows, and special events contemplated by this definition.
12 However, if any adjacent facility is contemplated or initiated under
13 the terms and conditions of this subitem, these plans must be
14 submitted to the Joint Bond Review Committee for review and
15 comment. A national and international convention and trade show
16 center is not subject to the job creation and capital investment
17 requirements imposed on projects as defined in subsections (a) and
18 (b) above.”

19
20 SECTION 2. Section 11-41-70(2)(d) of the 1976 Code is
21 amended to read:

22
23 “(d) in the case of a national and international convention and
24 trade show center, partial payment of costs for infrastructure
25 associated with a meeting and exhibit space as defined in Section
26 11-41-30(2)(e), owned by the State or any agency, instrumentality,
27 or political subdivision thereof for which project there has been
28 executed an agreement between the State and the state agency,
29 instrumentality, or political subdivision owning such meeting and
30 exhibit space providing that, upon either the sale of the meeting
31 and exhibit space partially financed with proceeds of bonds issued
32 pursuant to this chapter or the failure of the state agency,
33 instrumentality, or political subdivision to (1) purchase land within
34 eighteen months of the effective date of this item (d), (2) begin
35 construction within five years of the effective date of this item (d)
36 of a meeting and exhibit space as defined in Section
37 11-41-30(2)(e), or (3) complete the project within ~~ten~~ fifteen years
38 of the effective date of this item (d), then the state agency,
39 instrumentality, or political subdivision owning such meeting and
40 exhibit space will reimburse the amount of bond proceeds to the
41 general fund of the State, plus interest thereon from the date of
42 expenditure to the date of such reimbursement at a rate equal to the
43 total interest cost rate on the issuance of bonds used to make such

1 expenditure. The state agency, instrumentality, or political
2 subdivision must notify the State Treasurer immediately upon the
3 sale of any land acquired with proceeds of bonds issued pursuant
4 to this chapter. The state agency, instrumentality, or political
5 subdivision must also provide sufficient proof to the State
6 Treasurer that the deadlines to purchase land, begin construction,
7 and complete the project imposed pursuant to this item have been
8 met. If the state agency, instrumentality, or political subdivision
9 sells the land or fails to meet any of these deadlines, then the State
10 Treasurer shall take the appropriate action necessary to recover all
11 bond proceeds and interest disbursed to the state agency,
12 instrumentality, or political subdivision to finance the project;”

13
14 SECTION 3. This act takes effect upon approval by the Governor
15 and the definition clarified and time limit extension included in
16 Sections 11-41-30 and 11-41-70 of the 1976 Code, as amended by
17 this act, apply with respect from the original effective date of Act
18 114 of 2005.

19 -----XX-----
20