**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑36‑2647 SO AS TO PROVIDE THAT THE SALES, USE, AND CASUAL EXCISE TAX REVENUES IN A FISCAL YEAR FROM THE SALE, USE, OR TITLING OF A VEHICLE REQUIRED TO BE REGISTERED AND LICENSED BY THE SOUTH CAROLINA DEPARTMENT OF MOTOR VEHICLES MUST BE CREDITED TO THE STATE NON‑FEDERAL AID HIGHWAY FUND WITH AN OFFSETTING TRANSFER OF ONE‑HALF OF THIS AMOUNT FROM NONSTATE TAX REVENUES IN THE STATE NON‑FEDERAL AID HIGHWAY FUND TO THE STATE HIGHWAY ACCOUNT OF THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK, TO PHASE IN THIS DISTRIBUTION IN CUMULATIVE INCREMENTS OF THIRTY MILLION DOLLARS BEGINNING IN FISCAL YEAR 2010‑2011, AND TO PROVIDE FOR THE USE OF THESE REVENUES.

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

SECTION 1. The General Assembly finds that:

(1) before a motor vehicle may be licensed and registered by the South Carolina Department of Motor Vehicles for the privilege of using the public highways of this State, that department either collects or confirms the collection of any applicable sales, use, and casual excise taxes due on the vehicle;

(2) without the required registration and licensing it is unlawful for a motor vehicle to use the public highways of this State; and

(3) the revenue of the sales, use, and casual excise tax required to be paid before a motor vehicle may be registered and licensed in this State is included within the “sources of revenue” that may be pledged to secure highway bonds pursuant to Section 13(6)(a), Article X of the Constitution of this State.

SECTION 2. Article 25, Chapter 36, Title 12 of the 1976 Code is amended by adding:

“Section 12‑36‑2647. (A) Notwithstanding the provisions of Section 59‑21‑1010, an amount as provided in subsection (B)(1) of this section of sales, use, and casual excise tax revenues derived from the sale, use, or titling of a vehicle required to be licensed and registered by the South Carolina Department of Motor Vehicles, otherwise required to be credited as provided pursuant to Section 59‑21‑1010, instead must be credited to the State Non‑Federal Aid Highway Fund established pursuant to Section 57‑11‑20. Revenues credited to the State Non‑Federal Aid Highway Fund pursuant to this section must be used exclusively for highway, road, and bridge maintenance.

(B)(1) In fiscal year 2010‑2011, an amount equal to thirty million dollars of the revenues specified in subsection (A) of this section must be credited to the State Non‑Federal Aid Highway Fund. In each succeeding fiscal year, an additional thirty million dollars must be added to the cumulative total amount credited as provided pursuant to this item in the preceding fiscal year, until and after which all of the specified revenues must be so credited.

(2) There must be transferred in each fiscal year from nonstate tax revenues in the State Highway Fund to the State Highway Account of the South Carolina Transportation Infrastructure Bank an amount equal to one‑half of the amount required to be transferred in that year to the State Non‑Federal Aid Highway Fund pursuant to item (1) of this subsection.”

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

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