COMMITTEE REPORT

February 19, 2013

**H. 3501**

Introduced by Reps. White, Simrill, Merrill, Limehouse, J.R. Smith, Bingham and Pitts

S. Printed 2/19/13--H.

Read the first time February 6, 2013.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Joint Resolution (H. 3501) to provide that the provisions of Section 6‑27‑50, Code of Laws of South Carolina, 1976, relating to restrictions on amending or repealing provisions in the State Aid, etc., respectfully

**REPORT:**

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

W. BRIAN WHITE for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT 1/**

This joint resolution is not expected to impact state revenues. Local revenues will not be directly impacted by this joint resolution that allows the General Assembly to suspend required funding to Aid to Subdivisions for FYs 2013-2014 and 2014-2015. Local government revenue from the State Aid to Subdivisions Fund will be determined by the General Assembly in the Appropriation Act.

**Explanation**

This joint resolution allows an amendment to the State Aid to Subdivisions Act for Section 6-27-50. Under Code Section 6-27-30, four and one-half percent of general fund revenues of the latest completed fiscal year must be appropriated to the Local Government Fund. Code Section 6-27-50 requires that special legislation be passed to suspend this requirement. Under proposed Proviso 110.5 with the Ways and Means Committee from FY 2012-2013, the provisions of Section 6-27-30 and Section 6-27-50 of the Code are suspended. Since this was previously suspended, local revenues will not be directly impacted by this joint resolution that allows the General Assembly to suspend required funding to Aid to Subdivisions. Therefore, local government revenue from the State Aid to Subdivisions Fund will be determined by the General Assembly in the Appropriation Act.

*Approved By:*

Frank A. Rainwater

Board of Economic Advisors

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 or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

**A** **JOINT RESOLUTION**

TO PROVIDE THAT THE PROVISIONS OF SECTION 6‑27‑50, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO RESTRICTIONS ON AMENDING OR REPEALING PROVISIONS IN THE STATE AID TO SUBDIVISIONS ACT ARE SUSPENDED FOR FISCAL YEARS 2013‑2014 AND 2014‑2015, AND TO PROVIDE THAT FOR THOSE FISCAL YEARS COUNTIES MAY TRANSFER AMONG APPROPRIATED STATE REVENUES AS NEEDED TO ENSURE THE DELIVERY OF SERVICES.

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

SECTION 1. The provisions of Section 6‑27‑50 of the 1976 Code for fiscal years 2013‑2014 and 2014‑2015 are suspended.

SECTION 2. Notwithstanding other provisions of this joint resolution, for those fiscal years provided in Section 1, counties of this State may transfer among appropriated state revenues as needed to ensure the delivery of services.

SECTION 3. This joint resolution takes effect upon approval by the Governor.

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