**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 24 TO TITLE 31 SO AS TO ENACT THE “SOUTH CAROLINA COMMUNITY LAND BANK ACT OF 2013”, WHICH WILL ALLOW NONPROFIT CORPORATIONS TO BE FORMED TO ACQUIRE, MANAGE, AND PROVIDE A NEW PURPOSE AND USE FOR VACANT, FORECLOSED, OR ABANDONED PROPERTIES.

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

SECTION 1. Title 31 of the 1976 Code is amended by adding:

“CHAPTER 24

South Carolina Community Land Bank Act

Section 31‑24‑10. This chapter is known and may be cited as the ‘South Carolina Community Land Bank Act of 2013’.

Section 31‑24‑20. Unless a different meaning appears from the context, as used in this chapter:

(1) ‘Community land bank’ means a community housing development and support organization created pursuant to the provisions of Chapter 31, Title 33 (the South Carolina Nonprofit Corporation Act), having as its purpose the acquisition, retention and, to the extent either feasible or desirable, the redevelopment or sale of real property pursuant to the provisions of this act. Community land banks created pursuant to the provisions of this act are not governmental entities and do not possess the power of eminent domain.

(2) ‘Unit of local government’ or ‘governmental unit’ means a county as defined by Section 4‑1‑10 or a municipality as defined by Section 5‑1‑10.

(3) ‘Real property’ means land and the permanent structures erected thereon or affixed thereto.

Section 31‑24‑30. (A) Any unit of local government may authorize the creation of a community land bank by the adoption of an ordinance to that effect. The ordinance may contain provisions governing the operation of the community land bank created thereby as well as its acquisition, use, and disposition of real property.

(B) The governmental unit may enter into an agreement with the community land bank to set forth the operating provisions as well as guidelines for acquisition, use, and disposition of real property.

(C) The unit of local government must:

(1) list the names of the initial directors of the community land bank; or

(2) designate an existing organization that has received an exemption from the Internal Revenue Service (IRS) under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; including, but not limited to, an existing local housing trust fund, regional housing trust fund, state housing trust fund, or community land trust.

(D) Two or more governmental units may enter into an intergovernmental cooperation agreement to create or designate a single community land bank to act on behalf of the governmental units. The agreement may contain provisions governing the operation of the community land bank created thereby as well as its acquisition, use, and disposition of real property.

(E) The community land bank must adhere to all financial policies and procedures contained in the South Carolina Nonprofit Corporations Act. The land bank must maintain a complete inventory of all real property acquired or held by the land bank as well as a description of all transfers of real property by the land bank, including the name and address of each transferee and the purpose of each transfer.

(F) No governmental unit may require a contribution to a community land bank as a prerequisite to the obtaining of any administrative approval or determination.

Section 31‑24‑40. (A) Unless otherwise provided herein, a community land bank shall have all the powers and obligations delineated in the South Carolina Nonprofit Corporations Act; however, no community land bank shall be permitted to accept a donation of real or personal property, including monetary donations, unless and until the community land bank shall first have received its 501(c)(3) designation from the Internal Revenue Service.

(B) All zoning, land use, and planning ordinances or regulations governing the use of real property enacted by the jurisdiction in which it is located shall be applicable to real property owned or acquired by a community land bank.

(C) The community land bank may accept transfers from units of local government upon the terms and conditions agreed to by the community land bank and the unit.

(D) The community land bank must maintain all of its real property in accordance with the laws and ordinances of the jurisdiction in which the real property is located.

(E) The taxable value of real property that has been acquired by or transferred to a community land bank must be determined by the assessor based on the actual income derived by the community land bank from that real property.

Section 31‑24‑50. (A) A community land bank may receive funding through grants and loans from the governmental unit or units that created the community land bank, from other municipalities, from the State of South Carolina, from the federal government, and from other public and private sources.

(B) To the extent authorized by the Internal Revenue Code of 1986, as amended, a community land bank may issue bonds for corporate purposes, the principal and interest on which are payable from sources of revenue derived for that purpose.

(C) A community land bank may receive and retain payments for services rendered, for rents and leasehold payments received, for consideration for disposition of real and personal property, for proceeds of insurance coverage for losses incurred, for income from investments, and for any other asset and activity lawfully permitted to a community land bank pursuant to this chapter.

Section 31‑24‑60. The affairs of a community land bank created pursuant to this act must be conducted in a manner consistent with the provisions of the South Carolina Freedom of Information Act.

Section 31‑24‑70. A community land bank may be dissolved pursuant to requirements set forth by the South Carolina Nonprofit Corporation Act and the Internal Revenue Code of 1986, as amended.”

SECTION 2. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

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

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