**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑28‑2745 SO AS TO REQUIRE THAT THE PROCEEDS FROM THE FIVE CENTS A GALLON OF THE USER FEE IMPOSED ON GASOLINE BE CREDITED TO THE COUNTY ROAD TRANSFER FUND; BY ADDING SECTION 56‑11‑495 SO AS TO REQUIRE THAT THE PROCEEDS FROM THE FIVE CENTS A GALLON OF THE ROAD TAX BE CREDITED TO THE COUNTY ROAD TRANSFER FUND; AND BY ADDING CHAPTER 29 TO TITLE 57 SO AS TO SET FORTH THE PROCESS BY WHICH THE DEPARTMENT OF TRANSPORTATION TRANSFERS NON‑FEDERAL AID STATE ROADS TO THE COUNTIES OF THIS STATE, TO ESTABLISH THE COUNTY ROAD TRANSFER FUND, AND TO SPECIFY THE MANNER IN WHICH REVENUES ARE DISTRIBUTED AND EXPENDED.

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

SECTION 1. Article 27, Chapter 28, Title 12 of the 1976 Code is amended by adding:

“Section 12‑28‑2745. (A) The proceeds from the five cents a gallon of the user fee on gasoline imposed pursuant to this chapter must be credited to the County Road Transfer Fund created pursuant to Section 57‑29‑30.

(B) The provisions of this section terminate on the first July first after all existing non‑federal aid roads are transferred to county control and are upgraded to good condition, pursuant to Chapter 29, Title 57.”

SECTION 2. Article 5, Chapter 11, Title 56 of the 1976 Code is amended by adding:

“Section 56‑11‑495. (A) Notwithstanding Section 56‑11‑500, the proceeds from the five cents a gallon of the road tax imposed pursuant to this article must be credited to the County Road Transfer Fund created pursuant to Section 57‑29‑30.

(B) The provisions of this section terminate on the first July first after all existing non‑federal aid roads are transferred to county control and are upgraded to good condition, pursuant to Chapter 29, Title 57.”

SECTION 3. Title 57 of the 1976 Code is amended by adding:

“CHAPTER 29

Transfer of Roads to County Control

Section 57‑29‑10. This chapter is intended to set forth the process by which the Department of Transportation transfers non‑federal aid state roads to the counties of this State.

Section 57‑29‑20. As used in this chapter:

(1) ‘County transportation committee’ means the committee appointed by each county’s legislative delegation to adopt a countywide transportation plan and administer ‘C’ funds pursuant to Section 12‑28‑2740.

(2) ‘Department’ means the South Carolina Department of Transportation.

(3) ‘Road’ has the same meaning as provided in Section 57‑3‑120.

Section 57‑29‑30. (A) There is created in the state treasury a fund separate and distinct from the general fund of the State, the Capital Reserve Fund, and all other funds entitled the County Road Transfer Fund (T‑Fund). Earnings and interest on this fund must be credited to and added to the county distribution in proportion to each county’s portion of the fund, as set forth in subsection (B).

(B) The monies from the fund must be apportioned among the counties of the State based on the ratio of non‑federal aid state road miles contained within that county divided by the total miles of all non‑federal aid roads under state control as of July 1, 2015. However, if a county decommissions or closes a road transferred to county control pursuant to Section 57‑29‑40, then the distribution immediately following the decommissioning or closure must be adjusted to reflect the reduction in non‑federal aid state road miles within the county and under state control.

(C) Subject to subsection (B), the State Treasurer shall distribute the monies to each county transportation committee on the same schedule as ‘C’ funds are distributed. T‑Fund monies must be kept in a separate account and must not be comingled with ‘C’ funds or any other funds. A county transportation committee only may expend monies from the fund to maintain or upgrade existing non‑federal aid roads upon the transfer of such roads to county control. Distributions of monies from the fund, including earnings and interest, may be carried forward until the next year and only may used for the same purposes.

Section 57‑29‑40. (A) The department shall transfer non‑federal aid state roads, or portions thereof, to county control only when the county transportation committee certifies that sufficient T‑Fund monies exist to maintain or upgrade the road to a good condition, as determined by the county public works and engineering department. In determining good condition, the county public works and engineering department shall utilize a grading system consistent with the grading system used by the Road Data Services Division of the South Carolina Department of Transportation.

(B) The department and each county transportation committee shall coordinate to develop the most efficient and cost‑effective method of transferring roads to county control.

(C) Any road reclassified from a road eligible for federal aid to a non‑federal aid state road also is eligible to be transferred to county control.

(D) The department may promulgate regulations necessary to implement the provisions of this chapter.

Section 57‑29‑50. The department may not begin construction on new non‑federal aid state roads after July 1, 2015. However, required maintenance on existing non‑federal aid state roads continues to be the responsibility of the department until such roads are transferred to county control.

Section 57‑29‑60. (A) The department, in consultation with the State Treasurer, shall issue quarterly reports detailing the revenue credited to the T‑Fund and payments made from the T‑Fund to the county transportation committees. The department must make the report available on its website.

(B) By December thirty‑first of each year, the department must submit to the General Assembly a non‑federal aid road transfer status report for the previous fiscal year. The report must contain the number of road miles transferred and the number of road miles remaining with the department, both for the entire State and for each individual county.

Section 57‑29‑70. Each county transportation committee must submit an annual report to its legislative delegation detailing the amount of money received from the T‑Fund, the balance in the account maintaining T‑Funds, any road transfer activities, and any other information requested by the delegation.

Section 57‑29‑80. Upon the termination of Sections 12‑28‑2745 and 56‑11‑495, all remaining T‑Fund balances only may be used to continue to maintain or upgrade roads transferred pursuant to this chapter.”

SECTION 4. This act takes effect July 1, 2015.

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