RECALLED

April 30, 2015

**H. 3304**

Introduced by Reps. Brannon, Allison, Cole, Hicks, Tallon, Nanney, Henderson, Loftis, Hamilton, Stringer, Bannister and Putnam

S. Printed 4/30/15--S.

Read the first time April 23, 2015.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Fiscal Impact Summary**

This bill as amended is not expected to impact state expenditures or revenues. Based upon information provided by the City of Landrum, local expenditures for the Landrum Fire and Rescue District are expected to increase by $250,000 above the current expenditures of the City of Landrum for fire service to the city and surrounding areas. The city also indicates local revenues from property tax millage imposed by the Landrum Fire and Rescue District are expected to increase by $250,000 to a total of $500,000 each fiscal year.

**Explanation of Fiscal Impact**

**Explanation of Amendment (April 21, 2015) – by the House of Representatives**

The amendment to the bill codifies the language included in the bill as filed and makes changes to the introduction of the bill. The impact of the bill as amended on local expenditures and revenues is unchanged from the bill as filed.

**Explanation of the bill filed on January 13, 2015**

**Local Expenditure**

This bill creates the Landrum Fire and Rescue District comprised of the City of Landrum, the Landrum Community Fire Service Area in Spartanburg County, and a portion of the Foothills Fire Service Area in Greenville County. Currently, the City of Landrum provides fire service for these areas through a contract with Spartanburg and Greenville counties.

The Revenue and Fiscal Affairs Office contacted the City of Landrum, Greenville County, and Spartanburg County regarding the expenditure impact of this bill. We received a response from the City of Landrum. Based on information provided by the city, this bill would increase local expenditures by $250,000 to fund additional services by the Landrum Fire and Rescue District. The increased expenditures are to employ full-time fire service personnel and for equipment and infrastructure upgrades. Although our office did not receive responses from Greenville or Spartanburg, we do not anticipate this bill would have an expenditure impact to either of the counties.

**Local Revenue**

Based upon information provided by the City of Landrum, local revenue to fund the new service district is expected to increase by $250,000 to a total of $500,000 to fund the additional costs of employing full-time personnel and investments in equipment and infrastructure upgrades. The service district will be funded through property tax millage at the millage rate necessary to fund the increased services as determined by the Landrum Fire and Rescue District Commission.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO CREATE THE LANDRUM FIRE AND RESCUE DISTRICT IN GREENVILLE AND SPARTANBURG COUNTIES, TO ESTABLISH A GOVERNING COMMISSION, AND TO PRESCRIBE THE FUNCTIONS AND POWERS OF THE COMMISSION.

Whereas, the City of Landrum has provided fire protection services for over twenty years to its residents and to the residents of the Landrum Community Fire Service Area pursuant to a contract with the Spartanburg County Council and to the residents of a portion of the Foothills Fire Service Area pursuant to a contract with Greenville County; and

Whereas, the majority of the people receiving fire protection services from the City of Landrum, the “service recipients”, have no voice in how these services are provided; and

Whereas, the General Assembly of the State of South Carolina finds that the best way to give the service recipients a voice in the provision of fire protection services is to create a special purpose district that will include the service recipients; and

Whereas, the General Assembly of the State of South Carolina finds that the creation of a special purpose district that will include the service recipients would have other significant benefits, including improved fire and medical first‑responder services; and

Whereas, the General Assembly of the State of South Carolina finds that improved first‑responder services have significant benefits for property owners, including the possibility of decreased insurance premiums; and

Whereas, the General Assembly of the State of South Carolina finds that the geography of the area, specifically the northern parts of Greenville and Spartanburg counties, lends itself to the creation of a special purpose district. Now, therefore,

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

SECTION 1. Chapter 23, Title 4 of the 1976 Code is amended by adding:

“Article 12

Landrum Fire and Rescue District in

Greenville and Spartanburg Counties

Section 4‑23‑1200. (A) There is created and established in Greenville and Spartanburg Counties a multi‑county special purpose district to be known as ‘Landrum Area Fire and Rescue District’ (district). The district shall consist of areas of Greenville and Spartanburg Counties, which are more specifically described in subsection (B).

(B) The district is defined as an area consisting of the following three regions:

(1) the region within the corporate limits of the City of Landrum in Spartanburg County (Region 1);

(2) the region surrounding the City of Landrum designated as the Landrum Community Fire Service Area by Resolution No. 836, adopted by Spartanburg County Council on November 28, 1990, (Region 2) described as:

‘Beginning at a point where existing Gowensville Fire Department intersects the Spartanburg‑Greenville County line (northern most point); thence following the Spartanburg‑Greenville County line in a northern direction approximately three miles to its intersection with the Polk County N.C. line; thence following the Spartanburg‑Polk County line in an eastern direction approximately five miles to its intersection with County Road #940 (Pacolet Road) (existing New Prospect Fire District); thence following North Pacolet Road in a southwestern direction approximately one mile to its intersection with Landrum Mill Road (County Road #936); thence following Landrum Mill Road for approximately three and one-half miles to its intersection with Miracle Farm Road; thence following said road for approximately one hundred feet to its intersection with Howard Road (County Road #2010); thence following Howard Road in a southwestern direction for approximately one mile to its intersection with State Highway 176; thence following State Highway 176 in a southern direction for approximately twenty‑five feet to its intersection with State Road 209; thence following State Road 209 in a southern direction for approximately one mile to its intersection with State Road 183; thence following State Road 183 in a northern direction for approximately one mile to its intersection with State Road 208; thence following State Road 208 in a southwestern direction for approximately one‑half mile to its intersection with existing Gowensville Fire District, the point of ending’; and

(3) a region equal to approximately twenty‑two percent of that area in Greenville County currently designated as the Foothills Fire Service Area by Ordinance No. 2268 enacted by Greenville County Council on June 18, 1991, (Region 3), and shown on a map identified as F-45-83-15-Landrum that is maintained by the Revenue and Fiscal Affairs Office.

(C) The assets used by the City of Landrum to provide fire protection and other first-responder services to Regions 1, 2, and 3 must be transferred to the district and used by the district to provide fire protection and other first-responder services to Regions 1, 2, and 3. Any liabilities of the City of Landrum related to or arising from the provision of fire services also must be transferred to the district.

Section 4‑23‑1210. (A) The district must be governed by a commission to be known as the Landrum Fire and Rescue District Commission (commission). The commission shall consist of five resident electors of the district, two residing in Region 1, two residing in Region 2, and one residing in Region 3; however*,* upon the effective date of this act and prior to the election of commissioners, the City Council of the City of Landrum shall appoint two commissioners, the County Council of Spartanburg County shall appoint two commissioners, and the members of the Board of Directors of Foothills Fire Service Area Board shall appoint one commissioner, with each commissioner serving until his or her successor is elected and qualifies.

(B) After the original appointments, a nonpartisan election must be conducted by the Greenville and Spartanburg County Boards of Voter Registration and Elections (election boards) on the first Tuesday following the first Monday in November of the first odd‑numbered year after the effective date of this act. The election boards shall give notice by publication ninety days prior to the election and a second notice two weeks after the first notice, in one or more newspapers of general circulation in the district. The terms of the commissioners who receive the highest number of votes from Regions 1 and 2 and the term of the commissioner from Region 3 shall expire on December thirty‑first of the fourth full year following the election. The terms of the remaining commissioners shall expire on December thirty‑first of the second full year following the election. After these terms expire, each successor commissioner’s term must be four years, and each successor commissioner must be elected during the general election in November prior to the expiration of a commissioner’s term. These terms shall commence on the first day of January in the year following the election.

(C) A vacancy occurring on the commission by reason of death, resignation, incapacity, or otherwise, must be filled for the remainder of the unexpired term by the Governor upon recommendation by the members of the South Carolina Senate and House of Representatives who represent the district. Upon a commissioner moving his legal residence out of the appropriate district region, dying, or resigning, that commissioner’s position automatically becomes vacant.

(D) A resident qualified elector of the district may be a candidate for election to the position of commissioner by filing with the county board of voter registration and elections of the county in which he resides at least ninety days prior to the election.

Section 4‑23‑1220. There is committed to the district the functions of constructing, operating, equipping, maintaining, improving and extending a fire protection and fire control district and the functions of providing other first‑responder services to promote the general safety of the district. To that end, the commission must be empowered to:

1. have perpetual succession;

2. sue and be sued;

3. adopt, use, and alter a corporate seal;

4. make bylaws for the management and regulations of its affairs;

5. acquire, purchase, hold, use, lease, mortgage, sell, transfer, and dispose of any property, real, personal or mixed, or interest in any real, personal or mixed property, and to acquire easements or other property rights necessary for the operation of its stated functions;

6. appoint officers and agents, and employ paid employees and servants, as well as volunteers, and to prescribe the duties of each of these, fix their compensation, if any, and determine if and to what extent they must be bonded for the faithful performance of their duties, and to establish employment policies;

7. adopt appropriately competitive policies of procurement suited for the particular needs of the district, as required by Section 11‑35‑50 of the 1976 Code;

8. solicit proposals or bids for and enter into contracts for construction and equipment purchases in accordance with procurement procedures; however, engineering, land surveying, and architectural services must be procured based on qualifications, as required by state law, rather than through competitive bidding;

9. purchase fire‑fighting and other first‑responder equipment the commission considers necessary for controlling fires and furnishing fire protection and first‑responder services in the district;

10. select the sites or places within the area where the fire‑fighting and other equipment is kept;

11. provide sufficient personnel or volunteers necessary to man the equipment;

12. provide and supervise the training of all personnel used in manning the equipment with the end that the equipment is fully utilized for the protection and control of fire and the provision of first‑responder services within the district;

13. be responsible for the upkeep, maintenance and repairs of the trucks and other equipment, and to make regular inspections of all equipment and operations;

14. promulgate regulations it may consider necessary and proper to insure that the equipment is utilized for the best advantage of the area;

15. construct, if necessary, buildings to house the equipment provided for in this section;

16. issue general obligation bonds of the district in the manner and up to the limits provided by Section 14, Article X of the South Carolina Constitution, 1895, the proceeds of which must be used to defray the costs of constructing and establishing a fire protection and control system in the district and the costs of providing first‑responder services in the district. For purposes of this section, the term ‘construct and establish’ includes the cost of direct construction, the cost of all land, property, rights, easements, and franchises acquired that are considered necessary for this fire protection system, the cost of all machinery, equipment, and apparatus needed for this system, payment to contractors, laborers, or others for work done or material furnished, financing charges, interest prior to and during construction and for six months after completion of construction, cost of engineering services, legal services, legal expenses, plans, specifications, surveys, administrative expenses and other expenses necessary or incidental to the construction of a fire control or fire protection system, and the placing of this system in operation. If bonds are issued pursuant to this paragraph:

(a) They must be issued as a single issue, or from time to time, as several separate issues. They shall bear the date or dates the commission determines and the bonds of an issue shall mature in equal or unequal annual installments determined by the commission. They must be made payable at a place or places the commission prescribes and shall bear interest at a rate or rates payable in the manner the commission determines. The bonds may be registered with the privilege to the holder of having them registered as to principal on the books of the treasurers of Greenville and Spartanburg counties and the principal on them made payable to the registered holder, unless the last registered transfer shall have been to bearer, upon conditions the commission may prescribe. A bond issued pursuant to this paragraph may be made subject to redemption prior to its stated maturity on the terms and conditions and with a redemption premium the commission prescribes.

(b) They must be sold at not less than par and accrued interest to the date of their respective deliveries at public sale and, at least thirty days prior to a sale, notice announcing the intention to receive bids for the sale of these bonds must be published in a newspaper of general circulation in the State of South Carolina. In offering the bonds for sale, the commission reserves the right to reject any and all bids, and if all bids are rejected, the commission may negotiate privately for the disposition of these bonds.

(c) These bonds and all interest to become due on them shall have the tax exempt status prescribed by Section 12‑1‑60 of the 1976 Code.

(d) These bonds must be executed in the name of ‘Landrum Fire and Rescue District’ by the Chairman of the Landrum Fire and Rescue District Commission and authenticated by the treasurers of Greenville and Spartanburg counties and under the seal of the district. The delivery of any bonds so executed and authenticated must be valid, notwithstanding any changes in offices occurring after the execution or authentication.

(e) There must be irrevocably pledged for the payment of the bonds and interest, as they mature, the full faith, credit, and resources of the district, and the auditors and treasurers of Greenville and Spartanburg counties are authorized and directed to annually levy and collect a tax upon all taxable property within the district sufficient to pay the bonds and interest as they respectively mature, and to create a sinking fund as necessary for the redemption of the bonds and interest at their respective maturities. The bonds additionally may be secured by a pledge of the net revenues that the district may derive from the operation of a revenue‑producing facility. In that event, net revenues available must be delivered to the treasurers of Greenville and Spartanburg counties prior to the occasion when the auditors fix the annual levy. The annual ad valorem tax in this section directed to be levied may be reduced each year by the amount of net revenues actually in the hands of the treasurers of Greenville and Spartanburg counties at the time the tax for that year is required to be levied, and the tax may be entirely suspended for any year in case the monies on hand, applicable as aforesaid, are sufficient to pay both principal and interest then due or falling due in that year and remaining unpaid.

(f) The pledge of net revenues authorized by subitem (e), in the discretion of the commission, need not be exclusive and the commission may reserve the right to issue further bonds, payable in whole or in part, from these net revenues, on a parity with the bonds authorized by this subitem under conditions the commission prescribes.

(g) The proceeds derived from the sale of these bonds must be deposited with the treasurers of Greenville and Spartanburg counties in a separate and special fund and must be expended upon the warrants and orders of the commission for the purpose specified in this act, and no others except that any premium received must be deposited with the treasurers of Greenville and Spartanburg counties and applied by them to the first installment of principal becoming due on the bonds, and any accrued interest received must be applied by the treasurers of Greenville and Spartanburg counties to the first installment of interest becoming due on the bonds. Neither the purchasers of the bonds, nor any subsequent holders of the bonds, are responsible for the proper application of the proceeds of sale.

(h) The issuance of these bonds is exempt from the requirements contained in Article 5, Chapter 11, Title 6 of the 1976 Code.

17. raise funds for discharging the duties vested in it by levying a property tax for that purpose. The commission may levy for operating purposes without the approval of any additional governing boards or bodies. The commission shall notify the auditors and treasurers of Greenville and Spartanburg counties of any desired property tax necessary to fund the annual budget. That tax must be uniformly imposed throughout the district. The auditors shall assess and collect the tax as requested, and the treasurers shall hold the funds and disburse them as directed by the commission. All property taxes shall constitute a lien upon the property against which they are levied, on a parity with the lien of county taxes, and the provisions of law relating to penalties for the nonpayment or tardy payment of county taxes, and the provisions relating to sale of property for delinquent county taxes shall apply to taxes levied pursuant to this act;

18. exercise the power of eminent domain as provided by the laws of this State to acquire any land, any easement, or any right of way for an authorized public purpose; and

19. do all other acts necessary or convenient to carry out a function or power granted to the district.

Section 4‑23‑1230. All revenues derived by the commission from the operation of a revenue‑producing facility, which may not be required to discharge covenants made by it in issuing bonds, notes, or other obligations authorized by this act, must be utilized by the commission from time to time for the public purposes of the district.

Section 4‑23‑1240. The rates charged for services furnished by a revenue‑producing facility of the district, as constructed, improved, enlarged or extended, are not subject to supervision or regulation by a state bureau, board, commission or other like instrumentality or agency of the State.

Section 4‑23‑1250. The property and income of the district is exempt from all taxes levied by the State, county, or any municipality, division, subdivision or agency of them, direct or indirect.

Section 4‑23‑1260. So long as the district is indebted to a person on any bonds, notes or other obligations issued pursuant to the authority of this act, the provisions of this act and the powers granted to the district and the commission are not in any way diminished or restricted, and this provision of this act is considered a part of the contract between the district and the holders of these obligations.

Section 4‑23‑1270. The fire chief or equivalent official of the truck companies to which equipment is assigned shall have complete supervision over its usage and operation, and it is his responsibility to insure that the equipment is readily available for use at all times.

Section 4‑23‑1280. All members of the truck companies of the district, whether employees or volunteers, may direct and control traffic at the scene of a fire in the area of the district and enforce the laws of this State relating to the following of fire apparatus, the crossing of a fire hose, and interfering with firemen in the discharge of their duties in connection with a fire in the same manner as provided for the enforcement of these laws by law enforcement officers.

Section 4‑23‑1290. It is unlawful for a person to wilfully destroy or damage a facility of the district or equipment used in the operation of a facility, to interfere with a member of a fire department in the discharge of his duties in the district, or to interfere with a fire apparatus used by the fire department in the district. A person violating the provisions of this section is guilty of a misdemeanor and, upon conviction, may be fined or imprisoned in an amount or for a term not exceeding the maximum penalty for an offense within the jurisdiction of the magistrates courts, unless a lesser penalty is established by state law.”

SECTION 2. This act takes effect upon approval by the Governor.

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