**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 4 TO CHAPTER 28, TITLE 12 SO AS TO IMPOSE AN ADDITIONAL USER FEE EQUAL TO SEVEN CENTS A GALLON ON CERTAIN MOTOR FUELS, TO PROVIDE THAT THE REVENUE BE CREDITED TO THE STATE HIGHWAY FUND, AND TO TERMINATE THE ADDITIONAL USER FEE IF WHOLESALE PRICES EXCEED AVERAGES; AND BY ADDING ARTICLE 6 TO CHAPTER 11, TITLE 56 SO AS TO IMPOSE AN ADDITIONAL ROAD TAX IN THE SAME MANNER AS THE ADDITIONAL USER FEE.

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

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

“Article 4

Imposition of Additional User Fee

Section 12‑28‑410. (A) In addition to the user fee imposed pursuant to Section 12‑28‑310, a user fee equal to seven cents a gallon is imposed on:

(1) all gasoline, gasohol, or blended fuels containing gasoline that are used or consumed for any purpose in this State; and

(2) all diesel fuel, substitute fuels, or alternative fuels, or blended fuels containing diesel fuel that are used or consumed in this State in producing or generating power for propelling motor vehicles.

(B) Except where specified otherwise, the user fee imposed pursuant to this article shall be imposed, collected, and administered in the same manner as the user fee imposed pursuant to Section 12‑28‑310.

Section 12‑28‑420. All revenue collected pursuant to this article must be credited to the State Highway Fund to be used to improve road conditions and supporting infrastructure in this State.

Section 12‑28‑430. (A) The provisions of this article terminate on July 1, 2022, if as of June 1, 2022, the Revenue and Fiscal Affairs Office determines that the current average wholesale price of motor fuel is greater than the average wholesale price of motor fuel over the previous five years. The Revenue and Fiscal Affairs Office must use information on refiner and gas plant operator sales prices of finished motor gasoline and diesel fuel for resale, published by the United States Department of Energy in the ‘Monthly Energy Review’, or equivalent data.

(B) If the provisions of this article do not terminate on July 1, 2022, then every five years thereafter, the provisions of this article are subject to termination pursuant to the process set forth in subsection (A), mutatis mutandis.”

B. This section takes effect July 1, 2017.

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

“Article 6

Road User Fee

Section 56‑11‑510. (A) In addition to the road tax imposed pursuant to Section 56‑11‑410, a road user fee for the privilege of using the streets and highways in this State is imposed upon every motor carrier. The user fee is equivalent to seven cents a gallon, calculated on the amount of gasoline or other motor fuel used by the motor carrier in its operations within this State.

(B) Except where specified otherwise, the road user fee imposed pursuant to this article shall be imposed, collected, and administered in the same manner as the road tax imposed pursuant to Section 56‑11‑410, including the credit provisions of Section 56‑11‑450, mutatis mutandis.

Section 56‑11‑520. All revenue collected pursuant to this article must be credited to the State Highway Fund to be used to improve road conditions and supporting infrastructure in this State.

Section 56‑11‑530. (A) The provisions of this article terminate on July 1, 2022, if as of June 1, 2022, the Revenue and Fiscal Affairs Office determines that the current average wholesale price of motor fuel is greater than the average wholesale price of motor fuel over the previous five years. The Revenue and Fiscal Affairs Office must use information on refiner and gas plant operator sales prices of finished motor gasoline and diesel fuel for resale, published by the United States Department of Energy in the ‘Monthly Energy Review’, or equivalent data.

(B) If the provisions of this article do not terminate on July 1, 2022, then every five years thereafter, the provisions of this article are subject to termination pursuant to the process set forth in subsection (A), mutatis mutandis.”

B. This section takes effect July 1, 2017.

SECTION 3. Except as otherwise provided, this act takes effect upon approval by the Governor.

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