**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 6‑1‑175 SO AS TO AUTHORIZE THE GOVERNING BODY OF A COUNTY OR MUNICIPALITY TO IMPOSE AN IMPACT FEE ON ANY PRIVATE DEVELOPER FOR EACH NEW RESIDENTIAL DWELLING UNIT CONSTRUCTED BY THE DEVELOPER WITHIN THE COUNTY OR MUNICIPALITY, AND TO PROVIDE THAT THE FUNDS MAY BE USED ONLY FOR THE PREVENTION OF OR MEASURES TO COMBAT HOMELESSNESS.

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

SECTION 1. Article 1, Chapter 1, Title 6 of the 1976 Code is amended by adding:

“Section 6‑1‑175. (A) The governing body of a county or municipality may impose an impact fee on any private developer for each new residential dwelling unit constructed by the developer within the county or municipality. The fees must be paid to the county or municipality prior to or at the issuance of a certificate of occupancy for the dwelling unit. These fees in turn must be deposited in a special fund to combat homelessness which must be separate and apart from all other county or municipal funds and not comingled with any other funds.

(B) The governing body of the county or municipality shall manage and oversee this special fund for homelessness which also must be placed in an interest‑bearing account. All interest earned and accrued to the account must become funds of the account and must be subject to all restrictions placed on the use of these funds pursuant to the provisions of this section. Accounting records must be maintained for how such funds were used in regard to each of the purposes enumerated in subsection (C).

(C) The governing body of the county or municipality may use or authorize disbursements from the fund only for:

(1) the construction, including preparation costs, of new public facilities to house or feed homeless persons;

(2) development of centers for homeless persons to store their belongings during the day and then receive or use social services;

(3) development of a computer tracking system to ascertain the progress homeless clients are making to become more productive citizens who are not homeless;

(4) development or financial participation in anti‑poverty measures as authorized by law to prevent homelessness;

(5) payment of housing subsidies to people who are newly homeless or who have secured a place to live but are without funds to pay for it in whole or in part;

(6) support of homeless shelters operated by the county or municipality or by nonprofit organizations; and

(7) any other measures approved by the governing body to combat homelessness within its jurisdiction.

(D) Nothing in this section prevents a municipal or county governing body from using other available funds in combination with the funds made available under this section to combat homelessness in the manner authorized by subsection (C).

(E) The governing body of a county or municipality must reexamine the amount of an impact fee being charged a developer upon receipt of a notice of appeal from the developer. If the notice of appeal is accompanied by a letter of credit in a form satisfactory to the governing body in an amount equal to the amount of impact fees owed, the new residential development may receive its certificate of occupancy while the appeal is pending.

(F) For purposes of this section, ‘dwelling unit’ means all residential units, including, but not limited to, single family attached, single family detached, duplex, condominium, townhouse, multifamily, apartment, and mobile home, but excluding hotels and motels. Additionally, the impact fees provided for in this section apply to the conversion of a property which was formerly a rental property, which is converted to a condominium or other ownership status which is owned in fee.

(G) The county or municipal governing body shall set the impact fee at an amount not to exceed two hundred fifty dollars per dwelling unit.”

SECTION 2. This act takes effect upon approval by the Governor and applies to any new residential construction which has not been issued a certificate of occupancy.

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