**A** **BILL**

TO AUTHORIZE THE PELHAM‑BATESVILLE FIRE DISTRICT, WHICH PROVIDES FIRE PROTECTION SERVICES TO PORTIONS OF GREENVILLE AND SPARTANBURG COUNTIES, TO ISSUE BONDS TO FINANCE CERTAIN NECESSARY CAPITAL IMPROVEMENTS AND TO PROVIDE FOR THE AMOUNT AND PROCESS THROUGH WHICH THE BONDS MAY BE ISSUED.

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

SECTION 1. The Pelham‑Batesville Fire District (the District) was established by the South Carolina General Assembly pursuant to the provisions of Act 554 of 1971, as amended (the Act). The implementation of the act was contingent upon the results of a referendum to create the district. Thereafter, a referendum was held on September 14, 1971, which resulted favorably to the creation of the district. The district serves portions of Greenville county and Spartanburg county for the purpose of providing fire protection services. Since its creation, the area of the district has grown both industrially and commercially and now includes numerous manufacturing facilities as well as corporate headquarters of national and international companies along and beyond the corridor of I‑85 between the cities of Greenville and Spartanburg.

In order to adequately serve the residents, commercial establishments and industrial facilities, the Board of Fire Control, the governing body of the district (the Fire Board) has determined that certain capital improvements must be undertaken as provided in SECTION 2 below (the Improvements). Due to the fact that the district is not a governmental entity with its boundaries located in only one county but is a fully integrated political unit located both in Greenville and Spartanburg counties, neither the County Council of Greenville nor the County Council of Spartanburg has the individual authority to authorize the fire board to issue general obligation bonds. Thus, because of its regional nature, the fire board has determined to ask the General Assembly to authorize the issuance of general obligation bonds of the district in a specific amount for specific purposes.

SECTION 2. The district is hereby authorized to issue general obligation bonds (the Bonds) in the principal amount of $6,500,000 in a single series or multiple series, in accordance with the remaining sections of this act. The proceeds must be used to defray the costs of the improvements to include, as follows:

(1) the development, construction, and outfitting of an approximately 26,000 square foot headquarters and fire station building of the district, to include public access areas for meeting facilities, training and community events, office and administrative areas, crew quarters, apparatus bays and apparatus and facility support areas, and furniture, fixtures and equipment, the plan of which shall provide sufficient space, facilities and equipment to satisfy the current and projected future needs of the district as necessary to ensure the district is capable of meeting the standards of modern fire and rescue facilities; and

(2) the costs of issuance of the bonds.

SECTION 3. A public hearing or hearings must be held upon the question of the issuance of the bonds of the district by the governing bodies of both Spartanburg and Greenville counties at a time and place as they may prescribe. In the event public hearings are held under the provisions of Article 5, Chapter 11, Title 6, Code of Laws of South Carolina, 1976, as amended, these hearings shall meet the requirements to hold the public hearings provided for in this act.

SECTION 4. A notice of each public hearing must be published once a week for three successive weeks in a newspaper or newspapers of general circulation in Greenville county and in Spartanburg county. The notice shall state:

(1) the time and date of each public hearing must not be less than sixteen days following the first publication of the notice;

(2) the place of each public hearing;

(3) the proposed principal amount of bonds to be issued by the district;

(4) a statement setting forth the purpose for which the proceeds of these bonds are to be expended; and

(5) a brief summary of the reasons for the issuance of these bonds and the method by which the principal and interest of these bonds are to be paid.

SECTION 5. The public hearing or hearings must be conducted and both proponents and opponents of the issuance of the bonds must be given full opportunity to be heard.

SECTION 6. Following the holding of the public hearing or hearings, the fire board shall determine by resolution the manner in which the bonds must be issued, all in accordance with the remaining sections of this act.

SECTION 7. All bonds issued pursuant to this act shall mature in annual series or installments as the fire board prescribes, except that the first maturing bonds shall mature no later than five years from the date of their original issuance. A bond shall not mature later than forty years from the date of its original issuance.

The bonds must be dated as of the date of delivery and shall bear interest from their dated date. The resolution of the fire board approving the bonds (the Resolution) shall state:

(1) whether the bonds will be issued in fully registered form registered in the name of the purchaser of the bond or under a book‑entry only system in accordance with the provisions of SECTION 18 of this act;

(2) the denomination of the bonds, and the interest payment dates of the bonds;

(3) whether to award the bonds on a net interest cost or true interest cost basis;

(4) whether, and in what manner, the bonds may be subject to optional and/or mandatory sinking fund redemption; and

(5) other matters regarding the bonds as are necessary, desirable, or appropriate to effect the issuance of the bonds.

SECTION 8. Subsequent to the adoption of the resolution, a notice of the adoption must be published in a newspaper or newspapers of general circulation in Greenville county and in Spartanburg county. The resolution and the validity of the bonds authorized by the resolution must not be open to question except by a suit or other proceeding instituted within twenty days from the date of the publication.

SECTION 9. Subject to the last sentence of this section, as long as any of the bonds remain outstanding, there must be a registrar and paying agent, each of which must be a financial institution maintaining corporate trust offices where:

(1) the bonds may be presented for registration of transfers and exchanges;

(2) notices and demands to or upon the district in respect of the bonds may be served; and

(3) the bonds may be presented for payment, exchange, and transfer. Initially, the financial institution designated by the fire board shall act as both registrar and paying agent. In the event the bonds are issued in physical form payable to the successful bidder at the sale of the bonds, the Treasurer of Greenville County shall serve as registrar and paying agent for the bonds.

SECTION 10. Any bonds issued pursuant to this act may be issued with a provision for their redemption prior to their maturity at par and accrued interest, plus a redemption premium as may be prescribed by the fire board, but a bond is not redeemable before maturity unless it contains a statement to that effect. In the proceedings authorizing the issuance of the bonds, provisions must be made specifying the manner of redemption and the notice for the redemption that must be given.

SECTION 11. The bonds are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 12. Bonds issued pursuant to this act shall bear interest at a rate or rates determined by the fire board.

SECTION 13. (A) The bonds must be executed in the name and on behalf of the district by the manual or facsimile signature of the chairman of the fire board, with its official seal impressed, imprinted, or otherwise reproduced on them, and attested by the manual or facsimile signature of the secretary of the fire board. The bonds may bear the signature of any person who has been an officer authorized to sign the bond at the time the bond was so executed, and shall bind the district notwithstanding the fact that his or her authorization may have ceased prior to the authentication and delivery of the bond.

(B) Each bond is not valid or obligatory for any purpose nor is it entitled to any right or benefit hereunder unless there is endorsed on the bond a certificate of authentication in the form set forth in the resolution, duly executed by the manual signature of the registrar, and the certificate of authentication upon any bond executed on behalf of the district must be conclusive evidence that the bond so authenticated has been duly issued hereunder and that the holder of the bond is entitled to the benefit of the terms and provisions of the resolution authorizing the issuance of the bonds.

SECTION 14. The bonds must be sold at public sale, after advertisement of a notice of sale, which may be in summary form, in The State or in a financial publication published in the City of New York. The advertisement must appear not less than seven days prior to the date set for the sale. The advertisement may set as a sale date a fixed date not less than seven days following publication, or the advertisement may advise that the sale date will be at least seven days following the date of publication. If a fixed date of sale is not set forth in the notice of sale published in accordance with this section, the date selected for the receipt of bids must be disseminated via an electronic information service at least forty‑eight hours prior to the time set for the receipt of the bids. If a fixed date of sale is set forth in the notice of sale, it may be modified by notice disseminated via an electronic information service at least forty‑eight hours prior to the time set for the receipt of bids on the modified date of sale. No bonds may be sold pursuant to this act on a date that is more than sixty days after the date of the most recent publication of the notice of sale. Bids for the purchase of bonds may be received in a form determined by the fire board.

SECTION 15. For the payment of the principal and interest of all bonds issued pursuant to this act, as they respectively mature, and for the creation of a sinking fund as may be necessary for the payment, the full faith, credit, and taxing power of the district must be irrevocably pledged, and there must be levied annually by the auditors of Greenville county and Spartanburg county and collected by the treasurers of Greenville county and Spartanburg county, in the same manner as county taxes are levied and collected, a tax without limit on all taxable property in the district sufficient to pay the principal and interest of these bonds as they respectively mature and to create a sinking fund as may be necessary for payment. The taxes levied and collected for the bonds must be subject to a statutory lien in favor of the purchaser of the bonds. Each bond shall contain a statement on the face of it specifying the sources from which payment is to be made and shall state that the full faith, credit, and taxing power of the district are pledged for payment.

SECTION 16. The auditors of Greenville county and Spartanburg county and the treasurers of Greenville county and Spartanburg county each must be notified of the issuance of the bonds or each series of bonds, as the case may be, and directed to levy and collect, upon all taxable property in the district an annual tax sufficient to meet the payment of the principal installment and interest on these bonds, as the bonds respectively mature, and to create a sinking fund as may be necessary for payment.

SECTION 17. The bond payments are exempt from all state, county, municipal, school district, and all other taxes or assessments of the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer, or certain franchise taxes.

SECTION 18. (A) Notwithstanding anything to the contrary in this act, the fire board may determine that the bonds will be issued in physical form to the purchaser or issued under the book‑entry only system in fully registered form, registered in the name of a securities depository nominee (the Securities Depository Nominee), which will act as initial securities depository (a Securities Depository) for the bonds. Notwithstanding anything to the contrary in this act, so long as the bonds are being held under a book‑entry system of a securities depository, transfers of beneficial ownership of the bonds will be effected pursuant to rules and procedures established by the securities depository.

(B) As long as a book‑entry system is in effect for the bonds, the securities depository nominee will be recognized as the holder of the bonds for the purposes of:

(1) paying the principal, interest, and premium, if any, on the bonds;

(2) selecting the portions of the bonds to be redeemed, if bonds are to be redeemed in part;

(3) giving any notice permitted or required to be given to bondholders under the resolution;

(4) registering the transfer of bonds; and

(5) requesting any consent or other action to be taken by the holders of the bonds, and for all other purposes whatsoever, and the district must not be affected by any notice to the contrary.

(C)The district does not have any responsibility or obligation to any participant, any beneficial owner, or any other person claiming a beneficial ownership in any bonds that are registered to a securities depository nominee under or through the securities depository with respect to any action taken by the securities depository as holder of the bonds.

(D) The paying agent shall pay all principal, interest, and premium, if any, on bonds issued under a book‑entry system, only to the securities depository or the securities depository nominee, as the case may be, for the bonds, and all such payments are valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and premium, if any, and interest on the bonds.

(E) In the event the district determines that it is in the best interest of the district to discontinue the book‑entry system of transfer for the bonds, or that the interests of the beneficial owners of the bonds may be adversely affected if the book‑entry system is continued, then the district shall notify the securities depository of its determination. In that event, the district shall appoint the Treasurer of Greenville County as registrar and paying agent, which shall authenticate, register, and deliver physical certificates for the bonds in exchange for the bonds registered in the name of the securities depository nominee.

(F) In the event that the securities depository for the bonds discontinues providing its services, the district shall either engage the services of another securities depository or arrange with the registrar and paying agent for the delivery of physical certificates in the manner described in subsection (E).

(G) In connection with a notice or other communication to be provided to the holders of bonds by the district or by the registrar and paying agent with respect to a consent or other action to be taken by the holders of bonds, the district, or the registrar and paying agent, as the case may be, shall establish a record date for the consent or other action and give the securities depository nominee notice of the record date not less than fifteen days in advance of the record date to the extent possible.

SECTION 19. The proceeds derived from the sale of any bonds issued pursuant to this act must be paid to the Treasurer of Greenville County, to be deposited in a bond account fund for the district, and must be expended and made use of by the fire board as follows:

(1) Any accrued interest must be applied to the payment of the first installment of interest to become due on these bonds.

(2) Any premium must be applied to the payment of the first installments of principal of, and/or interest on the bonds or paid into the bond account fund described above.

(3) The remaining proceeds must be used to pay the cost of acquiring and constructing the improvements specified in SECTION 1 of this act and to pay the costs of issuance of the bonds, and, if the fire board prescribes, to fund the interest to become due on the bonds issued under this act during and not exceeding the first three years following the date of the bonds.

(4) If any balance remains, it must be held by the Treasurer of Greenville County in a special fund or otherwise transferred to the paying agent and used to effect the retirement of the bonds authorized by this act.

SECTION 20. The district may utilize the provisions of Article 5, Chapter 15, Title 11 of the Code of Laws of South Carolina, 1976, as amended, to effect the refunding or, pursuant to Section 11‑21‑20, the advance refunding of the bonds issued pursuant to this act.

SECTION 21. Any prior act, or provision contained within a prior act, of the General Assembly related to bonding by the district that is in conflict with this act, or any provision contained within this act, must be superseded by the provisions contained in this act.

SECTION 22. This act takes effect upon approval by the Governor.

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