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AMENDED

February 20, 2018

**S. 917**

Introduced by Senators Kimpson, Scott and Campsen

S. Printed 2/20/18--S. [SEC 2/21/18 2:11 PM]

Read the first time January 23, 2018.

**A** **BILL**

TO AMEND SECTIONS 6‑1‑530, 6‑1‑730, AND 6‑4‑10, ALL AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, ALL RELATING TO THE EXPENDITURE OF THE STATE ACCOMMODATIONS TAX, LOCAL HOSPITALITY TAX, AND LOCAL ACCOMMODATIONS TAX, RESPECTIVELY, SO AS TO ALLOW THE REVENUE TO BE EXPENDED FOR THE CONTROL AND REPAIR OF FLOODING AND DRAINAGE AT TOURISM‑RELATED LANDS OR AREAS.

Amend Title To Conform

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

SECTION 1. A. Section 6‑1‑530(A) of the 1976 Code is amended to read:

“(A) The revenue generated by the local accommodations tax must be used exclusively for the following purposes:

(1) tourism‑related buildings including, but not limited to, civic centers, coliseums, and aquariums;

(2) tourism‑related cultural, recreational, or historic facilities;

(3) beach access, renourishment, or other tourism‑related lands and water access;

(4) highways, roads, streets, and bridges providing access to tourist destinations;

(5) advertisements and promotions related to tourism development; ~~or~~

(6) water and sewer infrastructure to serve tourism‑related demand;

(7) control and repair of flooding and drainage within or on tourism‑related lands or areas; or

(8) site preparation, including, but not limited to, demolition, repair, or construction, to be used for the subitems of this section.”

B. Section 6-1-530 of the 1976 Code, as last amended by Act 290 of 2010, is amended further by adding an appropriately lettered subsection at the end to read:

“( ) If applying the provisions of subsection (A)(7), the revenues must be expended exclusively on public works projects designed to eliminate or mitigate adverse effects of recurrent nuisance tidal flooding, including that which is attribuble to sea-level rise, or other recurrent flooding. Such adverse effects include road closures and other transportation disruptions, storm‑water drainage issues, and compromised public infrastructure. The public works projects must be within or on tourism-related lands or areas. Revenues must not be used to pay claims or otherwise settle litigation that may arise from time to time due to the harmful impacts of nuisance or other flooding.”

SECTION 2. A. Section 6‑1‑730(A) of the 1976 Code is amended to read:

“(A) The revenue generated by the hospitality tax must be used exclusively for the following purposes:

(1) tourism‑related buildings including, but not limited to, civic centers, coliseums, and aquariums;

(2) tourism‑related cultural, recreational, or historic facilities;

(3) beach access and renourishment;

(4) highways, roads, streets, and bridges providing access to tourist destinations;

(5) advertisements and promotions related to tourism development; ~~or~~

(6) water and sewer infrastructure to serve tourism‑related ddemand;

(7) control and repair of flooding and drainage within or on tourism‑related lands or areas; or

(8) site preparation, including, but not limited to, demolition, repair, or construction, to be used for the subitems of this section.”

B. Section 6-1-730 of the 1976 Code, as last amended by Act 290 of 2010, is amended further by adding an appropriately lettered subsection at the end to read:

“( ) If applying the provisions of subsection (A)(7), the revenues must be expended exclusively on public works projects designed to eliminate or mitigate adverse effects of recurrent nuisance tidal flooding, including that which is attribuble to sea-level rise, or other recurrent flooding. Such adverse effects include road closures and other transportation disruptions, storm‑water drainage issues, and compromised public infrastructure. The public works projects must be within or on tourism-related lands or areas. Revenues must not be used to pay claims or otherwise settle litigation that may arise from time to time due to the harmful impacts of nuisance or other flooding.”

SECTION 3. Section 6‑4‑10(4)(b) of the 1976 Code, as last amended by Act 184 of 2014, is further amended to read:

“(b) The funds received by a county or municipality which has a high concentration of tourism activity may be used to provide additional county and municipal services including, but not limited to, law enforcement, traffic control, public facilities, and highway and street maintenance, as well as the continual promotion of tourism. The funds must not be used as an additional source of revenue to provide services normally provided by the county or municipality but to promote tourism and enlarge its economic benefits through advertising, promotion, and providing those facilities and services which enhance the ability of the county or municipality to attract and provide for tourists.

‘Tourism‑related expenditures’ include:

(i) advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;

(ii) promotion of the arts and cultural events;

(iii) construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities;

(iv) the criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;

(v) public facilities such as restrooms, dressing rooms, parks, and parking lots;

(vi) tourist shuttle transportation;

(vii) control and repair of waterfront erosion, including beach renourishment;

(viii) operating visitor information centers;

(ix) site preparation, including, but not limited to, demolition, repair, or construction, to be used for the subitems of this section; and

(x) control and repair of flooding and drainage within or on tourism‑related lands or areas.

If applying the provisions of item (b)(x) relating to flooding and drainage, the revenues must be expended exclusively on public works projects designed to eliminate or mitigate adverse effects of recurrent nuisance tidal flooding, including that which is attribuble to sea-level rise, or other recurrent flooding. Such adverse effects include road closures and other transportation disruptions, storm‑water drainage issues, and compromised public infrastructure. The public works projects must be within or on tourism-related lands or areas. Revenues must not be used to pay claims or otherwise settle litigation that may arise from time to time due to the harmful impacts of nuisance or other flooding.”

SECTION 4. This act takes effect upon approval by the Governor.

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