COMMITTEE REPORT

March 14, 2018

**S. 928**

Introduced by Senators Scott, Jackson, McLeod, Campbell and Johnson

S. Printed 3/14/18--S.

Read the first time January 24, 2018.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (S. 928) to amend the Code of Laws of South Carolina, 1976, by adding Section 6‑1‑180 so as to provide that a special purpose district that has acquired a, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, page 1, by striking lines 29 through 35, in Section 6‑1‑180, as contained in SECTION 1, and inserting therein the following:

/ “Section 6‑1‑180. Notwithstanding another provision of law, a special purpose district that has acquired a work of art by gift, bequest, purchase, or other means, may transfer ownership of the object:

(1) to a nonprofit corporation organized for the purpose of displaying works of art for the public, and

(2) for such consideration and upon the terms the governing body of the special purpose district, in its discretion, finds to be sufficient and appropriate.” /

Renumber sections to conform.

Amend title to conform.

LUKE A. RANKIN for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 24, 2018 State Expenditure**

**Local Expenditure**

This bill is permissive and amends current law by adding that a special purpose district that has acquired a work of art by gift, inheritance, purchase, or by other means may transfer ownership of the object to a nonprofit corporation that is organized for the purpose of displaying works of art for such consideration or upon the terms the governing body of the special purpose district, in its discretion, finds to be sufficient and appropriate. The Revenue and Fiscal Affairs Office contacted twenty three counties and the Municipal Association of South Carolina (MASC) regarding the expenditure impact of this bill. Several counties and the MASC indicate there will be no expenditure impact from this bill. According to Section 6-11-1610, special purpose districts are created by Acts of the General Assembly. County and municipal governments do not operate special purpose districts. While the localities do not expect an expenditure impact, the local expenditure impact is undetermined, at this time, because it is unknown which art work will be transferred to special purpose districts.

**Local Revenue**

The local revenue impact for localities is undetermined, at this time, because it is unknown what value will be assigned to art work acquired by special purpose districts.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 6‑1‑180 SO AS TO PROVIDE THAT A SPECIAL PURPOSE DISTRICT THAT HAS ACQUIRED A WORK OF ART BY GIFT, BEQUEST, PURCHASE, OR BY OTHER MEANS, MAY TRANSFER OWNERSHIP OF THE OBJECT TO A NONPROFIT CORPORATION ORGANIZED FOR THE PURPOSE OF DISPLAYING WORKS OF ART FOR SUCH CONSIDERATION OR UPON THE TERMS THE GOVERNING BODY OF THE SPECIAL PURPOSE DISTRICT, IN ITS DISCRETION, FINDS TO BE SUFFICIENT AND APPROPRIATE.

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 6‑1‑180. Notwithstanding another provision of law, a special purpose district that has acquired a work of art by gift, bequest, purchase, or by other means, may transfer ownership of the object to a nonprofit corporation organized for the purpose of displaying works of art for such consideration or upon the terms the governing body of the special purpose district, in its discretion, finds to be sufficient and appropriate.”

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

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