**South Carolina General Assembly**

123rd Session, 2019-2020

**A84, R104, H3137**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. G.M. Smith, Lucas, Ott, Stavrinakis, Simrill, Rutherford, Pope, Clyburn, S. Williams, Cobb‑Hunter, Bailey, Erickson, Bradley, Yow, Forrest, Kirby, Sottile, Murphy, Chellis, Kimmons, Rose, Wheeler, Young, Clemmons, Cogswell, Gilliard, B. Newton, Anderson, Jefferson, Bales, Blackwell, McDaniel, Moore, R. Williams and Henderson‑Myers

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Introduced in the House on January 8, 2019

Introduced in the Senate on February 5, 2019

Last Amended on May 20, 2019

Passed by the General Assembly on May 20, 2019

Governor's Action: May 24, 2019, Signed

Summary: State Aid to Subdivisions Act

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 12/18/2018 House Prefiled

 12/18/2018 House Referred to Committee on **Ways and Means**

 1/8/2019 House Introduced and read first time ([House Journal‑page 99](file:///h%3A%5Chj%5C20190108.docx))

 1/8/2019 House Referred to Committee on **Ways and Means** ([House Journal‑page 99](file:///h%3A%5Chj%5C20190108.docx))

 1/10/2019 House Member(s) request name added as sponsor: Cobb‑Hunter

 1/16/2019 House Member(s) request name added as sponsor: Bailey, Erickson, Bradley, Yow, Forrest, Kirby

 1/24/2019 House Member(s) request name added as sponsor: Sottile

 1/29/2019 House Member(s) request name added as sponsor: Murphy, Chellis, Kimmons

 1/30/2019 House Member(s) request name added as sponsor: Rose, Wheeler

 1/30/2019 House Committee report: Favorable with amendment **Ways and Means** ([House Journal‑page 18](file:///h%3A%5Chj%5C20190130.docx))

 1/31/2019 House Member(s) request name added as sponsor: Gilliard, Young, Clemmons, Cogswell, B.Newton, Anderson, Jefferson, Bales, Blackwell, McDaniel, Moore, R.Williams, Henderson‑Myers

 1/31/2019 House Amended ([House Journal‑page 34](file:///h%3A%5Chj%5C20190131.docx))

 1/31/2019 House Read second time ([House Journal‑page 34](file:///h%3A%5Chj%5C20190131.docx))

 1/31/2019 House Roll call Yeas‑112 Nays‑0 ([House Journal‑page 37](file:///h%3A%5Chj%5C20190131.docx))

 1/31/2019 House Unanimous consent for third reading on next legislative day ([House Journal‑page 39](file:///h%3A%5Chj%5C20190131.docx))

 2/1/2019 House Read third time and sent to Senate ([House Journal‑page 2](file:///h%3A%5Chj%5C20190201.docx))

 2/5/2019 Senate Introduced and read first time ([Senate Journal‑page 11](file:///h%3A%5Csj%5C20190205.docx))

 2/5/2019 Senate Referred to Committee on **Finance** ([Senate Journal‑page 11](file:///h%3A%5Csj%5C20190205.docx))

 4/9/2019 Senate Committee report: Favorable with amendment **Finance** ([Senate Journal‑page 17](file:///h%3A%5Csj%5C20190409.docx))

 4/10/2019 Scrivener's error corrected

 5/7/2019 Senate Committee Amendment Adopted ([Senate Journal‑page 16](file:///h%3A%5Csj%5C20190507.docx))

 5/7/2019 Senate Amended ([Senate Journal‑page 16](file:///h%3A%5Csj%5C20190507.docx))

 5/8/2019 Senate Read second time ([Senate Journal‑page 81](file:///h%3A%5Csj%5C20190508.docx))

 5/8/2019 Scrivener's error corrected

 5/8/2019 Senate Roll call Ayes‑43 Nays‑0 ([Senate Journal‑page 81](file:///h%3A%5Csj%5C20190508.docx))

 5/9/2019 Senate Read third time and returned to House with amendments ([Senate Journal‑page 91](file:///h%3A%5Csj%5C20190509.docx))

 5/9/2019 House Senate amendment amended ([House Journal‑page 119](file:///h%3A%5Chj%5C20190509.docx))

 5/9/2019 House Returned to Senate with amendments ([House Journal‑page 119](file:///h%3A%5Chj%5C20190509.docx))

 5/9/2019 Senate Non‑concurrence in House amendment ([Senate Journal‑page 92](file:///h%3A%5Csj%5C20190509.docx))

 5/9/2019 House House insists upon amendment and conference committee appointed Reps.  Bannister, Finlay, Cobb‑Hunter ([House Journal‑page 187](file:///h%3A%5Chj%5C20190509.docx))

 5/9/2019 Senate Conference committee appointed Cromer, Scott, Corbin ([Senate Journal‑page 93](file:///h%3A%5Csj%5C20190509.docx))

 5/20/2019 Senate Conference report received and adopted ([Senate Journal‑page 8](file:///h%3A%5Csj%5C20190520.docx))

 5/20/2019 Senate Roll call Ayes‑38 Nays‑0 ([Senate Journal‑page 8](file:///h%3A%5Csj%5C20190520.docx))

 5/20/2019 House Conference report adopted ([House Journal‑page 34](file:///h%3A%5Chj%5C20190520.docx))

 5/20/2019 House Roll call Yeas‑106 Nays‑1 ([House Journal‑page 38](file:///h%3A%5Chj%5C20190520.docx))

 5/22/2019 Ratified R 104

 5/24/2019 Signed By Governor

 6/10/2019 Effective date 05/24/19

 6/10/2019 Act No.  84

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**VERSIONS OF THIS BILL**

[12/18/2018](file:///p%3A%5Cpprever%5C2019-20%5C3137_20181218.docx)

[1/30/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190130.docx)

[1/31/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190131.docx)

[4/9/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190409.docx)

[4/10/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190410.docx)

[5/7/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190507.docx)

[5/8/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190508.docx)

[5/9/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190509.docx)

[5/20/2019](file:///p%3A%5Cpprever%5C2019-20%5C3137_20190520.docx)

(A84, R104, H3137)

**AN ACT TO AMEND CHAPTER 27, TITLE 6, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE STATE AID TO SUBDIVISIONS ACT, SO AS TO DELETE THE REQUIREMENT THAT THE FUND RECEIVE NO LESS THAN FOUR AND ONE‑HALF PERCENT OF THE GENERAL FUND REVENUES OF THE LATEST COMPLETED FISCAL YEAR, TO DELETE A PROVISION REGARDING MIDYEAR CUTS, TO PROVIDE THAT THE APPROPRIATION TO THE FUND MUST BE ADJUSTED BY THE SAME PERCENTAGE THAT GENERAL FUND REVENUES ARE PROJECTED TO INCREASE OR DECREASE, IF APPLICABLE, BUT NOT TO EXCEED FIVE PERCENT, TO REQUIRE THAT THE ADJUSTMENT, IF APPLICABLE, BE INCLUDED IN ALL STAGES OF THE BUDGET PROCESS, AND TO DELETE A PROVISION REQUIRING AMENDMENTS TO THE STATE AID TO SUBDIVISIONS ACT BE INCLUDED IN SEPARATE LEGISLATION.**

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

**State aid to subdivisions**

SECTION 1. Chapter 27, Title 6 of the 1976 Code is amended to read:

“CHAPTER 27

State Aid to Subdivisions Act

 Section 6‑27‑10. This chapter may be cited as the ‘State Aid to Subdivisions Act’.

 Section 6‑27‑20. There is created the Local Government Fund administered by the State Treasurer. This fund is part of the general fund of the State. The Local Government Fund must be financed as provided in this chapter.

 Section 6‑27‑30. (A) In the annual general appropriations act, the General Assembly must appropriate funds to the Local Government Fund.

 (B)(1) In any fiscal year in which general fund revenues are projected to increase or decrease, the appropriation to the Local Government Fund for the upcoming fiscal year must be adjusted by the same projected percentage change, but not to exceed five percent, when compared to the appropriation in the current fiscal year. For purposes of this subsection, beginning with the initial forecast required pursuant to Section 11‑9‑1130, the percentage adjustment in general fund revenues must be determined by the Revenue and Fiscal Affairs Office by comparing the current fiscal year’s recurring general fund expenditure base with the Board of Economic Advisors’ most recent projection of recurring general fund revenue for the upcoming fiscal year. Upon the issuance of the initial forecast, the Executive Director of the Revenue and Fiscal Affairs Office, or his designee, shall notify the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor of the projected percentage adjustment. The executive director, or his designee, shall provide similar notice if subsequent modifications to the forecast change the projected percentage adjustment. However, the forecast in effect on February fifteenth of the current fiscal year is the final forecast for which the percentage adjustment is determined, and no subsequent forecast modifications shall have any effect on that determination.

 (2) The Governor shall include the appropriation required by this chapter to the Local Government Fund in the Executive Budget.

 (3) The Revenue and Fiscal Affairs Office shall determine the current fiscal year’s recurring general fund expenditure base, and determine any projected adjustment in general fund revenues. If a change is projected, the appropriation for the upcoming fiscal year must be adjusted accordingly.

 (C) For purposes of this section:

 (1) ‘Recurring general fund revenue’ means the forecast of recurring general fund revenues pursuant to Section 11‑9‑1130 after the amount apportioned to the Trust Fund for Tax Relief, as required in Section 11‑11‑150, is deducted.

 (2) ‘Recurring general fund expenditure base’ means the total recurring general fund appropriations authorized in the current general appropriations act less any reduced appropriations mandated by the General Assembly or the Executive Budget Office pursuant to Section 11‑9‑1140(B).

 Section 6‑27‑40. (A) No later than thirty days after the end of the calendar quarter, the State Treasurer shall distribute the monies appropriated to the Local Government Fund as follows:

 (1) Eighty‑three and two hundred seventy‑eight thousandths percent must be distributed to counties. Of the total distributed to counties, each county must receive an amount based on the ratio that the county’s population is of the whole population of this State according to the most recent United States Census.

 (2) Sixteen and seven hundred twenty‑two thousandths percent must be distributed to municipalities. Of the total distributed to municipalities, each municipality must receive an amount based on the ratio that the municipality’s population is of the population of all municipalities in this State according to the most recent United States Census.

 (B) In making the quarterly distribution to counties, the State Treasurer must notify each county of the amount that must be used for educational purposes relating to the use of alcoholic liquors and for the rehabilitation of alcoholics and drug addicts. Counties may pool these funds with other counties and may combine these funds with other funds for the same purposes. The amount that must be used as provided in this subsection is equal to twenty‑five percent of the revenue derived pursuant to Section 12‑33‑245 allocated on a per capita basis according to the most recent United States Census.

 Section 6‑27‑55. From funds distributed to the county pursuant to Section 6‑27‑40, a county council shall provide a reasonable amount of funds for all county offices of state agencies for which the council is required to provide funding by state law.”

**Time effective**

SECTION 2. This act takes effect upon approval by the Governor and first applies to the annual general appropriations bill process for Fiscal Year 2020‑2021.

Ratified the 22nd day of May, 2019.

Approved the 24th day of May, 2019.

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