~~Indicates Matter Stricken~~

Indicates New Matter

AMENDED

May 11, 2022

**S. 984**

Introduced by Senators Hembree, Massey, Gustafson and Rankin

S. Printed 5/11/22--H.

Read the first time April 19, 2022.

**A** **BILL**

TO AMEND SECTION 6‑1‑300, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS PERTAINING TO THE AUTHORITY OF LOCAL GOVERNMENTS TO ASSESS TAXES AND FEES, SO AS TO PROVIDE THAT A SERVICE OR USER FEE MUST BE USED TO THE NONEXCLUSIVE BENEFIT OF THE PAYERS; AND TO AMEND SECTION 6‑1‑330, RELATING TO A SERVICE OR USER FEE, SO AS TO PROVIDE THAT A PROVISION APPLIES TO AN ENTIRE ARTICLE.

Amend Title To Conform

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

SECTION 1. Section 6‑1‑300(6) of the 1976 Code is amended to read:

“(6) ‘Service or user fee’ means a charge required to be paid in return for a particular government service or program ~~made available to the payer that benefits the payer in some manner different from the members of the general public not paying the fee~~. ‘Service or user fee’ also includes ‘uniform service charges’. The revenue generated from the fee must:

(a) be used to the benefit of the payers, even if the general public also benefits;

(b) only be used for the specific improvement contemplated;

(c) not exceed the cost of the improvement; and

(d) be uniformly imposed on all payers.”

SECTION 2. Section 6‑1‑330(A) of the 1976 Code is amended to read:

“(A) A local governing body, by ordinance approved by a positive majority, is authorized to charge and collect a service or user fee. A local governing body must provide public notice of any new service or user fee being considered and the governing body is required to hold a public hearing on any proposed new service or user fee prior to final adoption of any new service or user fee. Public comment must be received by the governing body prior to the final reading of the ordinance to adopt a new service or user fee. A fee adopted or imposed by a local governing body prior to December 31, 1996, remains in force and effect until repealed by the enacting local governing body, notwithstanding the provisions of this ~~section~~ article.”

SECTION 3. Section 6-1-330 of the 1976 Code is amended by adding appropriately lettered new subsections to read:

“( ) A local governing body that repealed a road maintenance fee after June 30, 2021, and subsequently approved a millage increase for road maintenance, must repeal the millage imposed to replace the previous road maintenance fee before reimposing the road maintenance fee.

( ) A local governing body that imposes a user or service fee pursuant to Section 6-1-300(6) must publish the amount of dollars annually collected on each fee on the county’s website.”

SECTION 4. Article 3, Chapter 1, Title 6 of the 1976 Code is amended by adding:

“Section 6-1-340. Notwithstanding any other provision of law, a local governing body may not impose an additional or new service or user fee unless the service or user fee was imposed by the local governing body on or before July 30, 2021. Notwithstanding the above, this restriction shall not apply to fees imposed by a county wide or municipal wide general election referendum.”

SECTION 5. Notwithstanding Section 8-21-30, et seq., no public officer shall be personally liable for any amount charged pursuant to SECTION 1. This SECTION applies retroactively to any service or fee imposed after December 31, 1996.

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

“Section 6‑1‑190. (A) Notwithstanding another provision of law, a governing body of a municipality, county, or other political subdivision of the State may not enact or enforce an ordinance, resolution, or regulation that prohibits the rental of a residential dwelling to a short‑term guest.

(B) A municipality, county, or other political subdivision of the State that enacts or enforces an ordinance, resolution, or regulation that violates the provisions of subsection (A) may not:

(1) assess or collect the six percent property assessment ratio for qualifying real property pursuant to Section 12‑43‑220(e); and

(2)(a) receive any distributions from the Local Government Fund pursuant to Chapter 27, Title 6; and

(b) the Office of the State Treasurer shall withhold the municipality’s, county’s, or political subdivision’s State Aid to Subdivisions Act distribution until the ordinance, resolution, or regulation in violation of subsection (A) is repealed.

(C) This section supersedes and preempts any ordinance, resolution, or regulation enacted by a municipality, county, or other political subdivision of the State that purports to prohibit the rental of a residential dwelling to a short‑term guest.

(D) For purposes of this section:

(1) ‘Residential dwelling’ means any building, structure, or part of the building or structure, that is used or intended to be used as a home, residence, or sleeping place by one or more persons to the exclusion of all others.

(2) ‘Short‑term rental’ means a residential dwelling that is offered for rent for a fee and for fewer than twenty‑nine consecutive days.

(3) ‘Short‑term guest’ means a person who rents a short‑term rental.”

SECTION 7. A. Section 6‑1‑1060 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding any other provision of this article, any governmental entity or school district that had an existing law to which this section applied, may use the revenues from any impact fee imposed pursuant to this article to pay down indebtedness associated with system improvements made under any such imposition. A governmental entity may not prevent any such school district from using the revenues to pay down such indebtedness.”

B. This SECTION takes effect upon approval by the Governor.

SECTION 8. This act takes effect upon approval by the Governor.

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