

NO. 64

JOURNAL
OF THE
SENATE
OF THE
STATE OF SOUTH CAROLINA



REGULAR SESSION BEGINNING TUESDAY, JANUARY 10, 2017

WEDNESDAY, APRIL 26, 2017

Wednesday, April 26, 2017
(Statewide Session)

Indicates Matter Stricken

Indicates New Matter

The Senate assembled at 11:00 A.M., the hour to which it stood adjourned, and was called to order by the PRESIDENT.

A quorum being present, the proceedings were opened with a devotion by the Chaplain as follows:

2 Samuel 22:33

“God is my strength and my power, and he makes my way perfect.”

Let us pray. Gracious God each day brings new challenges and obstacles that threaten to discourage us. But we will not be discouraged because You are our strength and You are our power and with Your help we can tackle difficult tasks. As we forge ahead, we do so with the assurance that You will be with us. You will honor Your promise to make our path straight, to open doors that have been closed, and to lead us on a course that will help others and not be self serving.

As we pursue Your path, may we always remember those who are less fortunate, those who are hurting, those who have lost loved ones, and those who need encouragement.

Especially today we remember Senator SCOTT in the loss of his father, John Scott, Sr. We pray that Your power and Your strength will comfort him and his family during this time of grief.

For all of us here, our days are like sand in an hour glass. May the demands of our careers never obscure the importance of time spent with those we love. Let us not hesitate to say how much we cherish them.

For it is in Your holy name that we pray, Amen.

The PRESIDENT called for Petitions, Memorials, Presentments of Grand Juries and such like papers.

Privilege of the Chamber

On motion of Senator DAVIS, on behalf of Senator GAMBRELL, the Privilege of the Chamber, to that area behind the rail, was extended to Mr. Richard Cash.

Motion Adopted

On motion of Senator CROMER, with unanimous consent, Senators CROMER, SETZLER, MATTHEWS, REESE, JACKSON, RANKIN,

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ALEXANDER, MALLOY, DAVIS, BENNETT, WILLIAMS, HUTTO, SHEALY, TURNER, GAMBRELL and TIMMONS were granted leave to attend a subcommittee meeting and were granted leave to vote from the balcony.

MESSAGE FROM THE GOVERNOR

The following appointment was transmitted by the Honorable Henry Dargan McMaster:

Local Appointment

Initial Appointment, Laurens County Magistrate, with the term to commence April 30, 2015, and to expire April 30, 2019

Thomas L. Copeland, 154 Templeton Road, Laurens, SC 29360

**STATE OF SOUTH CAROLINA
OFFICE OF THE GOVERNOR**

Columbia, S.C., April 26, 2017

Mr. President and Senators:

I am vetoing and returning without my approval R.19, S.568:

(R19, S568) -- Senator Sabb: AN ACT TO AMEND ACT 471 OF 2002, RELATING TO THE COMPOSITION OF THE WILLIAMSBURG COUNTY SCHOOL DISTRICT BOARD OF TRUSTEES, SO AS TO PROVIDE THAT THE BOARD SHALL INCLUDE TWO MEMBERS FROM THE COUNTY AT-LARGE, TO PROVIDE FOR THE MANNER OF INITIAL APPOINTMENT OF THE TWO AT-LARGE MEMBERS, TO PROVIDE FOR STAGGERED TERMS OF THE TWO AT-LARGE MEMBERS, AND TO CONFORM THE ADDITION OF TWO AT-LARGE MEMBERS TO THE ELECTION OF MEMBERS TO THE BOARD AND FILLING VACANCIES ON THE BOARD.

Respectfully submitted,

Henry McMaster

Received as information.

The veto was ordered placed on the Calendar for consideration tomorrow.

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Doctor of the Day

Senator CROMER introduced Dr. John Schaberg of West Columbia, S.C., Doctor of the Day.

Leave of Absence

At 2:45 P.M., Senator MALLOY requested a leave of absence for Senator SCOTT for the balance of the day.

Leave of Absence

At 12:02 P.M., Senator GOLDFINCH requested a leave of absence for Senator VERDIN until 1:30 P.M.

Expression of Personal Interest

Senator RANKIN rose for an Expression of Personal Interest.

Remarks to be Printed

On motion of Senator SETZLER, with unanimous consent, the remarks of Senator RANKIN, when reduced to writing and made available to the Desk, would be printed in the Journal.

INTRODUCTION OF BILLS AND RESOLUTIONS

The following were introduced:

S. 663 -- Senators Talley, Martin and Reese: A SENATE RESOLUTION TO EXPRESS THE PROFOUND SORROW OF THE MEMBERS OF THE SOUTH CAROLINA SENATE UPON THE TRAGIC PASSING OF JASON GREGORY HARRIS AND TO EXTEND THEIR DEEPEST SYMPATHY TO HIS FAMILY AND MANY FRIENDS.

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The Senate Resolution was adopted.

S. 664 -- Senator Timmons: A JOINT RESOLUTION TO CLARIFY AND AFFIRM THAT THE GREENVILLE HEALTH SYSTEM'S BOARD OF TRUSTEES HAS THE POWER AND AUTHORITY TO CREATE A HEALTH CARE SYSTEM THAT MEETS ITS OBLIGATIONS TO PROVIDE ACCESSIBLE, QUALITY, AND AFFORDABLE HEALTH CARE TO THE COMMUNITIES IT SERVES; TO ENTER INTO A CONTRACTUAL RELATIONSHIP WITH LEGAL ENTITIES FOR OPERATION AND STRATEGIC

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MANAGEMENT; AND TO TAKE STEPS NECESSARY TO INCORPORATE THE UPSTATE AFFILIATE ORGANIZATION AND THE STRATEGIC COORDINATING ORGANIZATION AND TO FILL VACANCIES ON THEIR BOARDS.

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Read the first time and ordered placed on the Local and Uncontested Calendar.

S. 665 -- Senators Talley, Martin, Peeler and Reese: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME THE INTERSECTION LOCATED AT THE INTERCHANGE OF I-585 AND EAST CAMPUS BOULEVARD, LYING BETWEEN VALLEY FALLS ROAD AND BUSINESS I-85, "TONEY J. LISTER INTERCHANGE" AND ERECT APPROPRIATE MARKERS OR SIGNS AT THIS LOCATION CONTAINING THE DESIGNATION.

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The Concurrent Resolution was adopted, ordered sent to the House.

S. 666 -- Senator Malloy: A BILL TO AMEND SECTION 16-3-20 OF THE SOUTH CAROLINA CODE OF LAWS, 1976, RELATING TO HOMICIDE, TO REMOVE THE PENALTY OF DEATH AS A PUNISHMENT FOR A PERSON CONVICTED OF MURDER, TO REMOVE THE REQUIREMENTS FOR THE IMPLEMENTATION OF THE DEATH PENALTY, TO REMOVE THE REQUIRED PROCEDURES FOR A DEATH PENALTY TRIAL, TO REMOVE DESIGNATED AGGRAVATING AND MITIGATING CIRCUMSTANCES USED TO ENHANCE THE PENALTY TO DEATH, TO REMOVE JURY INSTRUCTION REQUIREMENTS AND THE PROCEDURES FOR APPEALS, AND TO MAKE OTHER CONFORMING CHANGES; TO AMEND SECTION 16-3-655 TO REMOVE THE PENALTY OF DEATH AS A PUNISHMENT FOR CRIMINAL SEXUAL CONDUCT WITH A MINOR WHO IS LESS THAN ELEVEN YEARS OF AGE, SECOND OFFENSE, TO REMOVE THE REQUIREMENTS FOR THE IMPLEMENTATION OF THE DEATH PENALTY, TO REMOVE THE REQUIRED PROCEDURES FOR A DEATH PENALTY TRIAL, TO REMOVE DESIGNATED AGGRAVATING AND MITIGATING CIRCUMSTANCES USED TO ENHANCE THE PENALTY TO DEATH, TO REMOVE JURY INSTRUCTION REQUIREMENTS

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AND THE PROCEDURES FOR APPEALS, AND TO MAKE OTHER CONFORMING CHANGES; TO AMEND SECTION 10-11-325 TO REMOVE THE PENALTY OF DEATH AS A PUNISHMENT FOR THE USE OF AN EXPLOSIVE DEVICE ON THE CAPITOL GROUNDS RESULTING IN DEATH; TO AMEND SECTION 16-23-490 TO REMOVE THE REFERENCE TO THE DEATH PENALTY AS AN EXEMPTION TO THE FIVE YEAR CONSECUTIVE PENALTY FOR DISPLAYING A FIREARM IN THE COMMISSION OF A VIOLENT CRIME; TO AMEND SECTION 16-23-715 TO REMOVE THE PENALTY OF DEATH FOR A PERSON CONVICTED OF USE OF A WEAPON OF MASS DESTRUCTION IN FURTHERANCE OF AN ACT OF TERRORISM; TO AMEND SECTION 16-23-720 TO REMOVE THE PENALTY OF DEATH FOR A PERSON CONVICTED OF INTENTIONAL USE OF A DESTRUCTIVE DEVICE; TO AMEND SECTION 1-7-100 TO REMOVE THE OBLIGATION OF THE ATTORNEY GENERAL TO ASSIST SOLICITORS BY ATTENDING THE GRAND JURY IN CAPITAL CASES; TO AMEND SECTION 17-3-330 TO DELETE THE REQUIREMENT THAT THE OFFICE OF INDIGENT DEFENSE ROLL OVER UNEXPENDED FUNDS INTO A FUND FOR THE DEFENSE OF CAPITAL CASES; TO AMEND SECTION 17-3-520 TO REMOVE THE REQUIREMENT THAT A CIRCUIT PUBLIC DEFENDER BE CERTIFIED TO DEFEND CAPITAL CASES AND TO REMOVE THE REQUIREMENT THAT THE CIRCUIT PUBLIC DEFENDER MUST ESTABLISH PROCEDURES FOR ASSIGNING COUNSEL IN CAPITAL CASES; TO AMEND SECTION 17-17-10 TO REMOVE REFERENCES TO SOMEONE CHARGED WITH A FELONY PUNISHABLE BY DEATH RELATING TO THE ENTITLEMENT OF A WRIT OF HABEAS CORPUS; TO AMEND SECTION 17-25-45 TO REMOVE REFERENCES TO CASES INVOLVING THE DEATH PENALTY RELATING TO THE SENTENCING OF SERIOUS AND MOST SERIOUS OFFENSES; TO AMEND SECTION 17-27-130 TO REMOVE THE REQUIREMENT THAT COUNSEL FOR A DEFENDANT SENTENCED TO DEATH MUST MAINTAIN HIS FILES EXCEPT FOR THAT WHICH WAS ADMITTED INTO EVIDENCE AT TRIAL; TO AMEND SECTION 17-27-150 TO REMOVE THE PROVISION THAT A PARTY IN A CAPITAL POST CONVICTION RELIEF PROCEEDING IS ENTITLED TO DISCOVERY; TO AMEND SECTION 18-1-90 REMOVE THE

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REFERENCE TO DEFENDANTS SENTENCED TO DEATH FOR THE EXCLUSION OF THE RIGHT OF A DEFENDANT FOR BAIL; TO AMEND SECTION 22-5-310 TO REMOVE THE REFERENCE TO THE EXCEPTION OF CAPITAL CASES RELATING TO THE JURISDICTION OF MAGISTRATES; TO AMEND SECTION 24-3-40 TO REMOVE THE REFERENCE TO A PRISONER SENTENCED TO DEATH RELATING TO THE RIGHT TO HAVE PRISONER'S ESCROWED WAGES DISTRIBUTED TO THE PERSON OF HIS CHOICE; TO AMEND SECTIONS 24-13-125, 24-13-150, AND 24-21-560 TO REMOVE THE EXCEPTION OF DEATH PENALTY CASES IN REGARDS TO THE ELIGIBILITY OF WORK RELEASE, EARLY RELEASE, DISCHARGE, OR COMMUNITY SUPERVISION FOR INMATES IN THE DEPARTMENT OF CORRECTIONS; TO AMEND SECTION 25-7-40 TO REMOVE THE PENALTY OF DEATH FOR SOMEONE WHO, DURING TIMES OF WAR, COLLECTS, RECORDS, OR ATTEMPTS TO ELICIT CERTAIN MILITARY INFORMATION OR PLANS WITH THE INTENT TO COMMUNICATE THE INFORMATION TO THE ENEMY; TO REPEAL SECTION 1-7-340 RELATING TO THE ATTENDANCE AT INQUESTS AND PRELIMINARY HEARINGS IN CAPITAL CASES BY SOLICITORS; TO REPEAL SECTION 16-3-21 RELATING TO JURY INSTRUCTIONS IN CAPITAL CASES; TO REPEAL SECTION 16-3-25 RELATING TO THE REVIEW OF DEATH PENALTY CASES BY THE SUPREME COURT; TO REPEAL SECTION 16-3-26 RELATING TO THE APPOINTMENT OF COUNSEL FOR INDIGENT DEFENDANTS IN CASES WHERE THE DEATH PENALTY IS SOUGHT AND THE PAYMENT OF COSTS AND EXPENSES BY THE OFFICE OF INDIGENT DEFENSE; TO REPEAL SECTION 16-3-28 RELATING TO THE RIGHT OF A CAPITAL DEFENDANT TO HAVE LAST ARGUMENT AT TRIAL; TO REPEAL SECTION 17-19-80 RELATING TO THE RIGHT OF A PERSON INDICTED FOR A CAPITAL OFFENSE TO HAVE A COPY OF THE INDICTMENT; TO REPEAL SECTION 17-25-370 RELATING TO THE EXECUTION OF THE DEATH SENTENCE UPON AFFIRMANCE OF JUDGEMENT OR DISMISSAL OR ABANDONMENT OF APPEAL; TO REPEAL SECTION 17-25-380 RELATING TO THE NOTICE FOR THE IMPOSITION OF THE SENTENCE OF DEATH SENT TO THE DIRECTOR OF THE DEPARTMENT OF CORRECTIONS; TO REPEAL SECTION 17-25-390 RELATING TO THE RECEIPT OF

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THE NOTICE OF THE IMPOSITION OF THE SENTENCE OF DEATH; TO REPEAL SECTION 17-25-400 RELATING TO THE SERVICE OF NOTICE OF THE IMPOSITION OF THE SENTENCE OF DEATH ON THE DEFENDANT; TO REPEAL SECTION 17-27-160 RELATING TO POST-CONVICTION RELIEF PROCEDURES FOR CAPITAL CASES; TO REPEAL SECTION 18-9-20 RELATING TO REQUIREMENT THAT THE SUPREME COURT REVIEW THE CONVICTION OF EACH CAPITAL CASE; TO REPEAL SECTION 24-21-615 RELATING TO THE REVIEW OF PRISONER BENEFITS FOR PERSONS CONVICTED OF A CAPITAL OFFENSE BY THE PAROLE BOARD; AND TO REPEAL ARTICLE 5, CHAPTER 3, TITLE 24 RELATING TO THE REQUIREMENTS OF THE IMPOSITION OF A DEATH SENTENCE BY THE DEPARTMENT OF CORRECTIONS, INCLUDING PROCEDURES, POSSIBLE WITNESSES TO THE EXECUTION, PAYMENT OF EXPENSES, AND THE DISPOSITION OF THE BODY.

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Senator MALLOY spoke on the Bill.

Remarks to be Printed

On motion of Senator FANNING, with unanimous consent, the remarks of Senator MALLOY, when reduced to writing and made available to the Desk, would be printed in the Journal.

Read the first time and referred to the Committee on Judiciary.

S. 667 -- Senator Fanning: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR DR. JAMES GILL "JIM" KNOX III, PRINCIPAL OF LEWISVILLE HIGH SCHOOL, UPON THE OCCASION OF HIS RETIREMENT AFTER FIFTY-TWO YEARS OF EXEMPLARY SERVICE IN EDUCATION, AND TO WISH HIM CONTINUED SUCCESS AND HAPPINESS IN ALL HIS FUTURE ENDEAVORS.

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The Concurrent Resolution was adopted, ordered sent to the House.

S. 668 -- Senators Peeler, J. Matthews, Grooms, Hutto, Hembree, Young, Rice, Talley, Setzler, Rankin, Jackson, Malloy, Sheheen, Nicholson, Turner and Senn: A CONCURRENT RESOLUTION TO CONGRATULATE SOUTH CAROLINA'S 2017 DISTRICT

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TEACHERS OF THE YEAR UPON BEING SELECTED TO REPRESENT THEIR RESPECTIVE SCHOOL DISTRICTS, TO EXPRESS APPRECIATION FOR THEIR DEDICATED SERVICE TO CHILDREN, AND TO WISH THEM CONTINUED SUCCESS IN THE FUTURE.

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The Concurrent Resolution was adopted, ordered sent to the House.

S. 669 -- Senator Alexander: A SENATE RESOLUTION TO CONGRATULATE MR. ROBERT O. BROCK UPON THE OCCASION OF HIS RETIREMENT FROM THE OCONEE COUNTY BOARD OF VOTER REGISTRATION AND ELECTIONS, TO COMMEND HIM FOR HIS THIRTY-SIX AND ONE-HALF YEARS OF DISTINGUISHED PUBLIC SERVICE TO OCONEE COUNTY AND THE STATE OF SOUTH CAROLINA, AND TO WISH HIM CONTINUED SUCCESS AND HAPPINESS IN ALL HIS FUTURE ENDEAVORS.

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The Senate Resolution was adopted.

H. 4197 -- Reps. Quinn, Alexander, Allison, Anderson, Anthony, Arrington, Atkinson, Atwater, Bales, Ballentine, Bamberg, Bannister, Bedingfield, Bennett, Bernstein, Blackwell, Bowers, Bradley, Brown, Burns, Caskey, Chumley, Clary, Clemons, Clyburn, Cobb-Hunter, Cogswell, Cole, Collins, Crawford, Crosby, Daning, Davis, Delleney, Dillard, Douglas, Duckworth, Elliott, Erickson, Felder, Finlay, Forrest, Forrester, Fry, Funderburk, Gagnon, Gilliard, Govan, Hamilton, Hardee, Hart, Hayes, Henderson, Henegan, Herbkersman, Hewitt, Hill, Hiott, Hixon, Hosey, Howard, Huggins, Jefferson, Johnson, Jordan, King, Kirby, Knight, Loftis, Long, Lowe, Lucas, Mack, Magnuson, Martin, McCoy, McCravy, McEachern, McKnight, Mitchell, D. C. Moss, V. S. Moss, Murphy, B. Newton, W. Newton, Norrell, Ott, Parks, Pitts, Pope, Putnam, Ridgeway, M. Rivers, S. Rivers, Robinson-Simpson, Rutherford, Ryhal, Sandifer, Simrill, G. M. Smith, G. R. Smith, J. E. Smith, Sottile, Spires, Stavrinakis, Stringer, Tallon, Taylor, Thayer, Thigpen, Toole, Weeks, West, Wheeler, Whipper, White, Whitmire, Williams, Willis and Yow: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR THE SOUTHEASTERN PIANO FESTIVAL AND TO CONGRATULATE ITS PARTICIPANTS AND

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ORGANIZERS UPON THEIR FIFTEENTH ANNIVERSARY OF THE CULTURAL SUCCESS OF THE PROGRAM.

The Concurrent Resolution was adopted, ordered returned to the House.

REPORTS OF STANDING COMMITTEES

Senator RANKIN from the Committee on Judiciary submitted a favorable report on:

H. 3137 -- Reps. Stavrinakis, McCoy, Bales, J.E. Smith, Gilliard and Bedingfield: A BILL TO AMEND SECTIONS 61-6-1140 AND 61-6-1150, CODE OF LAWS OF SOUTH CAROLINA, 1976, BOTH RELATED TO TASTINGS AND RETAIL SALES OF ALCOHOLIC LIQUORS AT LICENSED PREMISES OF A MICRO-DISTILLERY OR MANUFACTURER, SO AS TO REVISE THE OUNCE AMOUNT OF ALCOHOLIC LIQUORS DISPENSED AT LICENSED PREMISES AND TO REVISE THE SALE AT RETAIL OF ALCOHOLIC LIQUORS AT LICENSED PREMISES AND TO ALLOW MIXERS TO BE USED IN TASTINGS.

Ordered for consideration tomorrow.

Senator YOUNG from the Committee on Judiciary submitted a favorable with amendment report on:

H. 3215 -- Rep. J.E. Smith: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 16-17-770 SO AS TO CREATE THE OFFENSE OF IMPERSONATING A LAWYER AND PROVIDE GRADUATED PENALTIES.

Ordered for consideration tomorrow.

Senator YOUNG from the Committee on Judiciary submitted a favorable report on:

H. 3441 -- Rep. Gagnon: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 42-9-450 SO AS TO PROVIDE THE PAYMENTS OF WORKERS' COMPENSATION BY EMPLOYERS' REPRESENTATIVES MUST BE MADE BY CHECK OR DIRECT DEPOSIT.

Ordered for consideration tomorrow.

Senator YOUNG from the Committee on Judiciary submitted a favorable with amendment report on:

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H. 3879 -- Reps. Davis, Yow, Thayer, Anderson and Gilliard: A BILL TO AMEND SECTION 42-9-290, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MAXIMUM AMOUNT OF BURIAL EXPENSES PAYABLE UNDER WORKERS' COMPENSATION LAWS FOR ACCIDENTAL DEATH, SO AS TO INCREASE THE MAXIMUM PAYABLE AMOUNT TO SEVENTY-FIVE HUNDRED DOLLARS.

Ordered for consideration tomorrow.

HOUSE CONCURRENCES

S. 498 -- Senator Alexander: A CONCURRENT RESOLUTION TO DESIGNATE THE MONTH OF MAY 2017 AS "MENTAL HEALTH MONTH" IN SOUTH CAROLINA IN ORDER TO RAISE AWARENESS AND UNDERSTANDING OF MENTAL ILLNESS AND THE NEED FOR APPROPRIATE AND ACCESSIBLE SERVICES FOR ALL PEOPLE WITH MENTAL ILLNESS.

Returned with concurrence.

Received as information.

S. 522 -- Senator Cromer: A CONCURRENT RESOLUTION TO DECLARE AUGUST 14-21, 2017, AS "IMMUNIZATION WEEK" IN SOUTH CAROLINA AND TO SEEK TO INCREASE THE POPULATION'S AWARENESS OF THE IMPORTANCE OF RECEIVING VACCINATIONS.

Returned with concurrence.

Received as information.

S. 572 -- Senator Jackson: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME RICHARD STREET IN RICHLAND COUNTY "DEACON JAMES KNOTTS STREET" AND ERECT APPROPRIATE MARKERS OR SIGNS ALONG THIS STREET CONTAINING THIS DESIGNATION.

Returned with concurrence.

Received as information.

S. 638 -- Senator Alexander: A CONCURRENT RESOLUTION TO RECOGNIZE APRIL 27, 2017, AS "DONATED DENTAL SERVICES RECOGNITION DAY" AND TO HONOR THE SOUTH CAROLINA DENTAL ASSOCIATION, THE DENTAL LIFELINE NETWORK OF

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SOUTH CAROLINA, AND THE HUNDREDS OF DENTISTS AND DENTAL LABORATORIES THAT VOLUNTEER FOR THE DONATED DENTAL SERVICES PROGRAM.

Returned with concurrence.

Received as information.

S. 653 -- Senator Gambrell: A CONCURRENT RESOLUTION TO HONOR COACH GARY ADAMS FOR THE IMPACTFUL CONTRIBUTIONS HE HAS MADE ON THE LIVES OF THOSE IN HIS COMMUNITY AND TO CONGRATULATE HIM ON HIS PHENOMENAL WIN RECORD.

Returned with concurrence.

Received as information.

MOTION TO VARY THE ORDER OF THE DAY ADOPTED

On motion of Senator MALLOY, under Rule 32A, the Senate agreed to vary the order of the day and proceed directly to the Interrupted Debate.

THE SENATE PROCEEDED TO THE INTERRUPTED DEBATE.

AMENDED, READ THE SECOND TIME

H. 3516 -- Reps. Simrill, Lucas, White, G.M. Smith, Pope, Stringer, W. Newton, Bales, Clary, Cole, Delleney, Herbkersman, Hixon, Sandifer, Douglas, Knight, Erickson, Henegan, Ridgeway, Williams, Jefferson, Ott, Govan, Henderson, V.S. Moss, Martin, Spires, Funderburk, D.C. Moss, Brown, Whipper, Cobb-Hunter, Felder, Bernstein, J.E. Smith, Clemmons, Clyburn, Daning, Cogswell, Davis, B. Newton, Anthony, Crosby, S. Rivers, Thigpen, Hosey, Murphy, Hardee, Weeks, King, Sottile and Anderson: A BILL TO AMEND SECTION 12-28-310, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MOTOR FUEL USER FEE, SO AS TO PHASE IN AN INCREASE OF TEN CENTS ON THE FEE OVER FIVE YEARS; TO AMEND SECTIONS 56-11-410 AND 56-11-450, BOTH RELATING TO THE ROAD TAX, SO AS TO INCREASE THE ROAD TAX IN THE SAME MANNER AS THE MOTOR FUEL USER FEE; TO AMEND SECTION 56-3-620, AS AMENDED, RELATING TO THE BIENNIAL REGISTRATION OF A MOTOR VEHICLE, SO AS TO INCREASE THE FEE FOR THE REGISTRATION; BY ADDING SECTION 56-3-627 SO AS TO REQUIRE EACH

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RESIDENT TO PAY AN INFRASTRUCTURE MAINTENANCE FEE UPON FIRST REGISTERING ANY VEHICLE AND CERTAIN OTHER ITEMS IN THIS STATE AND TO SPECIFY THE MANNER IN WHICH THE FEE IS CALCULATED, CREDITED, AND ADMINISTERED; BY ADDING SECTION 56-3-645 SO AS TO IMPOSE A ROAD USE FEE ON CERTAIN MOTOR VEHICLES THAT OPERATE ON FUEL THAT IS NOT SUBJECT TO THE MOTOR FUEL USER FEE; TO AMEND SECTION 12-36-2110, RELATING TO THE MAXIMUM SALES TAX, SO AS TO INCREASE THE MAXIMUM TAX ON CERTAIN ITEMS; TO AMEND SECTION 12-36-2120, AS AMENDED, RELATING TO EXEMPTIONS FROM THE STATE SALES TAX, SO AS TO EXEMPT ANY ITEM SUBJECT TO THE INFRASTRUCTURE MAINTENANCE FEE; TO AMEND SECTION 12-36-1710, RELATING TO THE CASUAL EXCISE TAX, SO AS TO PROVIDE THAT MOTOR VEHICLES AND MOTORCYCLES ARE NOT SUBJECT TO THE TAX; AND TO AMEND ARTICLE 23, CHAPTER 37, TITLE 12, RELATING TO MOTOR CARRIERS, SO AS TO DEFINE TERMS, TO PROVIDE THAT THE ARTICLE DOES NOT APPLY TO A SMALL COMMERCIAL VEHICLE, TO PROVIDE THAT CERTAIN VEHICLES ARE ASSESSED AND APPORTIONED BASED ON A ROAD USE FEE INSTEAD OF PROPERTY TAXES, TO PROVIDE THAT THE ROAD USE FEE IS DUE AT THE SAME TIME AS REGISTRATION FEES, TO PROVIDE FOR THE DISTRIBUTION OF THE ROAD USE FEE, AND TO EXEMPT CERTAIN SEMITRAILERS, TRAILERS, LARGE COMMERCIAL MOTOR VEHICLES, AND BUSES FROM AD VALOREM TAXATION.

The Senate proceeded to a consideration of the Bill, the question being the second reading of the Bill.

Motion Adopted

Senator LEATHERMAN asked unanimous consent to make a motion that no further amendments on H. 3516 would be received on the Desk after 1:00 P.M. today.

Amendment No. 46

Senator TIMMONS proposed the following amendment (3516R096.DR.WRT), which was carried over, and subsequently withdrawn.

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Amend the bill, as and if amended, page 10, by striking lines 1-8 and inserting:

/ (5) Notwithstanding any other provision of law, revenues resulting from the maximum tax imposed pursuant to this chapter on the sale, lease, or registration of an item enumerated in item (1) which would be subject to the fee set forth in Section 56-3-627 but for the state in which it is registered, must be collected by and remitted to the Department of Motor Vehicles. Upon collection, the Department of Motor Vehicles must transfer all the revenues to the Infrastructure Maintenance Trust Fund. Fees collected pursuant to this item are limited to three vehicles per household.” /

Renumber sections to conform.

Amend title to conform.

Senator TIMMONS spoke on the amendment.

On motion of Senator TIMMONS, the amendment was carried over.

On motion of Senator TIMMONS, the amendment was withdrawn.

Amendment No. 48

Senator CLIMER proposed the following amendment (3516R100.DR.WC), which was tabled:

Amend the bill, as and if amended, by striking SECTION 7 in its entirety.

Renumber sections to conform.

Amend title to conform.

Senator CLIMER spoke on the amendment.

Senator GROOMS moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 26; Nays 15

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Kimpson

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Leatherman	Malloy	<i>Matthews, John</i>
<i>Matthews, Margie</i>	McElveen	McLeod
Nicholson	Rankin	Reese
Sabb	Senn	Setzler
Sheheen	Williams	

Total--26

NAYS

Bennett	Campsen	Climer
Corbin	Davis	Hembree
Martin	Massey	Peeler
Rice	Shealy	Talley
Timmons	Turner	Young

Total--15

The amendment was laid on the table.

Amendment No. 51

Senator KIMPSON proposed the following amendment (SA\3516C016.DKA.SA17), which was withdrawn:

Amend the bill, as and if amended, by adding an appropriately numbered SECTION to read:

/ SECTION ___. Chapter 7, Title 6 of the 1976 Code is amended by adding:

“Article 5

South Carolina Inclusionary Zoning Act

Section 6-7-510. (A) The General Assembly finds:

(1) in many counties and municipalities, there is a critical shortage of decent, safe, and affordable residential housing available to low- and moderate-income families;

(2) the affordable housing shortage constitutes a danger to the health, safety, and welfare of residents of the State, and is a barrier to sound growth and sustainable economic development for South Carolina counties and municipalities; and

(3) affordable housing may include multifamily rental, single-family rental, and single-family homeownership.

(B) The purpose of this article is to provide authority for counties and municipalities to use inclusionary zoning strategies to increase the

development of affordable housing for low- and moderate-income families.

Section 6-7-520. (A)(1) Pursuant to Section 31-22-20, ‘affordable housing’ means residential housing for rent or sale which is appropriately priced for rent or sale to a person or family whose income does not exceed eighty percent of the median income for the local area, with adjustments for household size, according to the latest figures available from the United States Department of Housing and Urban Development (HUD). South Carolina’s high cost counties may not exceed one hundred twenty percent of the Area Median Income (AMI) for sale or rental of affordable housing. The Federal Housing Administration (FHA) designates high-cost counties through its annual publication of loan limits - ‘Counties with FHA Loan Limits Between the National Floor and Ceiling’.

(2) ‘Inclusionary Zoning’ means a zoning regulation, requirement, or condition of development imposed by ordinance or regulation, or pursuant to a special or conditional permit, special exception, or subdivision plan that promotes the development of affordable dwelling units.

(B)(1) A municipality or county may adopt a land use regulation or functional plan provision or impose as a condition for approving a permit, a requirement that has the effect of establishing the sales or rental price for a new multifamily or single-family structure, or that requires a new multifamily or single-family structure to be designated for sale or rent as affordable housing.

(2) A regulation, provision, or requirement adopted or imposed pursuant to this section:

(a) may not require more than thirty percent of housing units within a multifamily structure or single-family development to be sold or rented as affordable housing. The specific percentage is determined by local municipal or county zoning ordinances;

(b) only may apply to multifamily or single-family developments containing five or more housing units;

(c) shall provide developers the option to pay a ‘fee in lieu’, in an amount determined by the municipality or county, rather than to include affordable units within their overall development; and

(d) shall provide an expedited process for developments that meet the percentage of affordable units. An expedited process may include putting these developments at the front of the line for review of

plans and other requirements, or other ways to reduce the time for the review and permitting process.

(3) A regulation, provision, or requirement adopted or imposed under item (2) shall offer developers one or more of the following incentives:

- (a) density adjustments;
- (b) modification of height, floor area, or other site-specific requirements; or
- (c) whole or partial waivers of system development charges, impact, or permit fees set by the municipality or county;
- (d) tax adjustments; or
- (e) other incentives as determined by the municipality or county.

(4) Item (2) of this subsection does not:

(a) restrict the authority of a municipality or county to offer additional incentives for building affordable housing units that are affordable to households with incomes at or below sixty percent of the AMI for the county or metropolitan statistical area; or

(b) apply to existing multifamily structures or single-family developments for sale or rent or to pending developments that have received permits prior to the municipality or county enacting an inclusionary zoning ordinance.

(5) A municipality or county is authorized to require recorded deed restrictions or restrictive covenants to ensure the affordable units within a development remain affordable for a period of time to be determined by the municipality or county.

(6)(a) A municipality or county that adopts or imposes a regulation, provision, or requirement pursuant to item (2) of this subsection shall adopt and apply only clear and objective standards, conditions, and procedures regulating the development of affordable housing units within its jurisdiction. The standards, conditions, and procedures may not have the effect, either individually or cumulatively, of discouraging development of affordable housing units through unreasonable cost or delay; and

(b) In addition to an approval process for affordable housing based on clear and objective standards, conditions, and procedures as provided in this item, a municipality or county may adopt and apply an alternative approval process for applications and permits for residential

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development based on clear and objective approval criteria regulating aesthetics, either in whole or in part.” /

Renumber sections to conform.

Amend title to conform.

Senator KIMPSON spoke on the amendment.

Point of Order

Senator MARTIN raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

Senator KIMPSON spoke on the Point of Order.

The PRESIDENT took the Point of Order under advisement.

Senator KIMPSON resumed speaking on the amendment.

On motion of Senator KIMPSON, with unanimous consent, the amendment was withdrawn.

Amendment No. 52

Senator GROOMS proposed the following amendment (3516R109.DR.LKG), which was adopted (#2):

Amend the bill, as and if amended, page 11, by striking lines 1-8.

Renumber sections to conform.

Amend title to conform.

Senator GROOMS spoke on the amendment.

The amendment was adopted.

Amendment No. 54

Senator DAVIS proposed the following amendment (3516R107.SP.TD), which was tabled:

Amend the bill, as and if amended, page 35, by striking SECTION 25 in its entirety and inserting:

/ SECTION 25. Section 57-1-350 of the 1976 Code is amended to read:

“Section 57-1-350. (A) The commission may adopt an official seal for use on official documents of the department.

(B) The commission shall elect a chairman and adopt its own rules and procedures and may select such additional officers to serve such terms as the commission may designate.

(C) Commissioners must be reimbursed for official expenses as provided by law for members of state boards and commissions as established in the annual general appropriations act.

(D) All commission members are eligible to vote on all matters that come before the commission.

(E) The commission shall hold a minimum of six regular meetings annually, and other meetings may be called by the chair upon giving at least one week's notice to all members and the public. Emergency meetings may be held with twenty-four hours' notice. Meeting materials for the regularly scheduled meetings shall be published at least twenty-four hours in advance of the meeting.

(F) The commission; a member of the commission, or a spouse thereof; or a child, grandchild, parent, sibling, niece, or nephew of a commission member, or a spouse thereof, may not enter into the day-to-day operations of the department, except in an oversight role with the secretary, and is specifically prohibited from taking part in:

- (1) the awarding of contracts;
- (2) the selection of a consultant or contractor or the prequalification of any individual consultant or contractor;
- (3) the selection of a route for a specific project;
- (4) the specific location of a transportation facility;
- (5) the acquisition of rights-of-way or other properties necessary for a specific project or program; and
- (6) the granting, denial, suspension, or revocation of any permit issued by the department.

(G)(1) A member of the commission, or a spouse thereof, or a child, grandchild, parent, sibling, niece, or nephew of a commission member, or a spouse thereof, may not have any interest, direct or indirect, in any contract, franchise, privilege, or other benefit granted or awarded by the department or the South Carolina Transportation Infrastructure Bank during the term of his appointment and for one year after the termination of the appointment. This interest may include, but is not limited to, the following:

- (a) employment or association with a company that has a direct or indirect relationship as determined in item (G)(1);

(b) involvement with a company that subcontracts with or is a supplier to a company that has a direct or indirect relationship as determined in item (G)(1); and

(c) contracts with any governmental entity or public body that either directly or indirectly receives money from a direct or indirect relationship as determined by item (G)(1).

(2) A person who knowingly violates item (1) is guilty of a misdemeanor and, upon conviction, must be fined not more than two thousand dollars or imprisoned not more than thirty days, and if the person is serving on the commission, then he must be removed immediately from the commission.” /

Amend the bill further, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. Article 1, Chapter 43, Title 11 of the 1976 Code is amended by adding:

“Section 11-43-155. (A) A member of the board of directors, or a spouse thereof; a child, grandchild, parent, sibling, niece, or nephew of a board member, or a spouse thereof; or a member of the legislature authorized by law to appoint a member of the board may not have any interest, direct or indirect, in any contract, franchise, privilege, or other benefit granted or awarded by the bank or the South Carolina Department of Transportation during the term of his appointment and for one year after the termination of the appointment. This interest may include, but is not limited to, the following:

(1) employment or association with a company that has a direct or indirect relationship as determined in Section 57-1-350(G); and

(2) involvement with a company that subcontracts with or is a supplier to a company that has a direct or indirect relationship as determined in Section 57-1-350(G); and

(3) contracts with any governmental entity or public body that either directly or indirectly receives money from a direct or indirect relationship as determined by Section 57-1-350(G).

(B) A person who knowingly violates subsection (A) is guilty of a misdemeanor and, upon conviction, must be fined not more than two thousand dollars or imprisoned not more than thirty days, and if the person is serving on the board, then he must be removed immediately from the board.” /

Renumber sections to conform.

Amend title to conform.

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Senator DAVIS spoke on the amendment.

ACTING PRESIDENT PRESIDES

Senator CROMER assumed the Chair.

RECESS

At 1:06 P.M., on motion of Senator DAVIS, the Senate receded from business until 1:36 P.M.

At 1:42 P.M., the Senate resumed.

Senator DAVIS resumed speaking on Amendment No. 54.

Point of Quorum

At 2:10 P.M., Senator MALLOY made the point that a quorum was not present. It was ascertained that a quorum was present.

Senator DAVIS resumed speaking on the amendment.

Senator GROOMS spoke on the amendment.

Senator GROOMS moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 26; Nays 16

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Kimpson
Leatherman	Malloy	<i>Matthews, John</i>
<i>Matthews, Margie</i>	McElveen	McLeod
Nicholson	Rankin	Reese
Sabb	Senn	Setzler
Sheheen	Williams	

Total--26

NAYS

Bennett	Campsen	Climer
Corbin	Davis	Hembree

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Martin	Massey	Peeler
Rice	Shealy	Talley
Timmons	Turner	Verdin
Young		

Total--16

The amendment was laid on the table.

Amendment No. 55

Senators DAVIS and CORBIN proposed the following amendment (3516R108.SP.TD), which was tabled:

Amend the bill, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. Section 11-43-140 of the 1976 Code is amended to read:

“Section 11-43-140. (A) The board of directors is the governing board of the bank. ~~The board consists of seven voting directors as follows: the Chairman of the Department of Transportation Commission, ex officio; one director appointed by the Governor who shall serve as chairman; one director appointed by the Governor; one director appointed by the Speaker of the House of Representatives; one member of the House of Representatives appointed by the Speaker, ex officio; one director appointed by the President Pro Tempore of the Senate; and one member of the Senate appointed by the President Pro Tempore of the Senate, ex officio.~~ Directors appointed by the Governor, the Speaker, and the President Pro Tempore shall serve terms coterminous with those of their appointing authority. The terms for the legislative members are coterminous with their terms of office. The vice chairman must be elected by the board. Any person appointed to fill a vacancy must be appointed in the same manner as the original appointee for the remainder of the unexpired term. The board shall be composed of one member from each congressional district, all appointed by the Governor, upon the advice and consent of the Senate. In making appointments to the board, the Governor shall take into account race, gender, and other demographic factors, such as residence in rural or urban areas, so as to represent, to the greatest extent possible, all segments of the population of the State; however, consideration of these factors in making an appointment in no way creates a cause of action or basis for an employee grievance for a person appointed or for a person who fails to be appointed.

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(B) The qualifications that each board member must possess include, but are not limited to:

- (1) a baccalaureate or more advanced degree from:
 - (a) a recognized institution of higher learning requiring face-to-face contact between its students and instructors prior to completion of the academic program;
 - (b) an institution of higher learning that has been accredited by a regional or national accrediting body; or
 - (c) an institution of higher learning chartered before 1962; or
- (2) a background of at least five years in any combination of the following fields of expertise:
 - (a) transportation;
 - (b) construction;
 - (c) finance;
 - (d) law;
 - (e) environmental issues;
 - (f) management; or
 - (g) engineering.” /

Renumber sections to conform.

Amend title to conform.

Senator DAVIS spoke on the amendment.

Senator GROOMS moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 24; Nays 17

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Grooms	Hutto	Jackson
Kimpson	Leatherman	Malloy
<i>Matthews, John</i>	<i>Matthews, Margie</i>	McElveen
McLeod	Nicholson	Rankin
Reese	Sabb	Senn
Setzler	Sheheen	Williams

Total--24

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NAYS

Bennett	Campsen	Climer
Corbin	Davis	Gregory
Hembree	Martin	Massey
Peeler	Rice	Shealy
Talley	Timmons	Turner
Verdin	Young	

Total--17

The amendment was laid on the table.

Amendment No. 56

Senator TIMMONS proposed the following amendment (3516R113.DR.WRT), which was tabled:

Amend the bill, as and if amended, page 7, by striking lines 29-41, Section 56-3-627(E), and inserting:

/ (E)(1) If, upon purchasing or leasing the item, the owner first registers the item in another state and subsequently registers the item in this State, then the fee equals two hundred fifty dollars. On July 1, 2018, the department shall permanently increase the amount of the user fee imposed pursuant to this subsection by fifty dollars, and the department shall continue to increase the fee permanently on each July first thereafter by fifty dollars until the total fee equals six hundred dollars.

(2) This subsection does not apply if the owner of the item is serving on active duty in the armed forces of the United States. The exclusion allowed by this item also extends to items owned by the spouse or dependent of a person serving on active duty in the armed forces of the United States.

(3) The department may only collect user fees imposed pursuant to this subsection on up to three vehicles per household. /

Renumber sections to conform.

Amend title to conform.

Senator TIMMONS spoke on the amendment.

Senator CAMPSEN moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 27; Nays 15

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AYES

Alexander	Allen	Bennett
Campbell	Campsen	Fanning
Gambrell	Goldfinch	Gregory
Grooms	Hutto	Jackson
Kimpson	Leatherman	Malloy
<i>Matthews, John</i>	<i>Matthews, Margie</i>	McElveen
McLeod	Nicholson	Rankin
Reese	Sabb	Senn
Setzler	Sheheen	Williams

Total--27

NAYS

Climer	Corbin	Cromer
Davis	Hembree	Martin
Massey	Peeler	Rice
Shealy	Talley	Timmons
Turner	Verdin	Young

Total--15

The amendment was laid on the table.

Amendment No. 58

Senator MASSEY proposed the following amendment (3516R116.KM.ASM), which was tabled:

Amend the bill, as and if amended, page 33, by striking lines 39-43 and page 34, by striking lines 1-3, and inserting:

/ (i)The revenue loss resulting from the exemption allowed by this item must be reimbursed and allocated to the political subdivisions of this State, including school districts, in the same manner as the Trust Fund for Tax Relief. In calculating estimated state individual and corporate income tax revenues for a fiscal year, the Board of Economic Advisors shall deduct amounts sufficient to account for the reimbursement required by this item. /

Renumber sections to conform.

Amend title to conform.

Senator MASSEY spoke on the amendment.

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Senator SHEHEEN spoke on the amendment.

Senator SHEHEEN moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 26; Nays 16

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Kimpson
Leatherman	Malloy	<i>Matthews, John</i>
<i>Matthews, Margie</i>	McElveen	McLeod
Nicholson	Rankin	Reese
Sabb	Senn	Setzler
Sheheen	Williams	

Total--26

NAYS

Bennett	Campsen	Climer
Corbin	Davis	Hembree
Martin	Massey	Peeler
Rice	Shealy	Talley
Timmons	Turner	Verdin
Young		

Total--16

The amendment was laid on the table.

Amendment No. 61

Senators HUTTO and MARTIN proposed the following amendment (3516R117.DR.CBH), which was withdrawn:

Amend the bill, as and if amended, by adding and appropriately numbered new SECTION to read:

/SECTION _____. Article 7, Chapter 3, Title 57 of the 1976 Code is amended by adding:

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“Section 57-3-619. Notwithstanding another provision of law, the Department of Transportation shall impose a toll along Interstate Highway 95 where it crosses Lake Marion in either Orangeburg County or Clarendon County. The revenue collected from the imposition of this toll must be used for the maintenance, upgrade, and expansion of the highways and interchanges of Interstate Highway 95.” /

Renumber sections to conform.

Amend title to conform.

Senator HUTTO spoke on the amendment.

On motion of Senator HUTTO, the amendment was withdrawn.

PRESIDENT PRESIDES

At 3:32 P.M., the PRESIDENT assumed the Chair.

Privilege of the Floor

On motion of Senator DAVIS, on behalf of Senator ALEXANDER, the Privilege of the Floor was extended to the Honorable Deb Peters and Christy Hartman of the National Conference of State Legislators.

Amendment No. 62

Senator MASSEY proposed the following amendment (3516R118.KM.ASM), which was tabled:

Amend the bill, as and if amended, by striking SECTION 20 in its entirety and inserting:

/ SECTION 20. A. Section 12-6-3385(A)(1) of the 1976 Code is amended to read:

“Section 12-6-3385. (A)(1) A student is allowed a refundable individual income tax credit equal to twenty-five percent, not to exceed eight hundred fifty one thousand five hundred dollars in the case of both four-year institutions and twenty five percent, not to exceed three hundred fifty dollars in the case of two-year institutions for tuition paid at an institution of higher learning or a designated institution as provided in this section during a taxable year. The amount of the tax credit claimed up to the limits authorized in this section for any taxable year may not exceed the amount of tuition paid during that taxable year.”

B. This SECTION takes effect upon approval by the Governor and applies to tax years beginning after 2017. /

Renumber sections to conform.

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Amend title to conform.

Senator MASSEY spoke on the amendment.

Senator McELVEEN moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 26; Nays 16

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Johnson
Kimpson	Leatherman	Malloy
<i>Matthews, John</i>	<i>Matthews, Margie</i>	McElveen
McLeod	Nicholson	Rankin
Sabb	Senn	Setzler
Sheheen	Williams	

Total--26

NAYS

Bennett	Campsen	Climer
Corbin	Davis	Hembree
Martin	Massey	Peeler
Rice	Shealy	Talley
Timmons	Turner	Verdin
Young		

Total--16

The amendment was laid on the table.

Amendment No. 63

Senator TURNER proposed the following amendment (3516R115.SP.RT), which was carried over and subsequently withdrawn.

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Amend the bill, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. Article 1, Chapter 43, Title 11 is amended by adding:

“Section 11-43-157. For eligible projects projected to cost more than one hundred million dollars, the board shall contract with private entities for preliminary engineering, design, environmental studies, wetlands mitigation, right-of-way acquisition, construction, maintenance, and other related functions necessary to maximize project efficiencies and cost-savings.” /

Renumber sections to conform.

Amend title to conform.

Senator TURNER spoke on the amendment.

On motion of Senator TURNER, the amendment was carried over.

On motion of Senator TURNER, the amendment was withdrawn.

Amendment No. 70

Senator SHEHEEN proposed the following amendment (3516R121.KM.VAS), which was adopted (#3):

Amend the bill, as and if amended, by striking SECTION 28 in its entirety and inserting:

/ SECTION 28. The General Assembly finds that all the provisions contained in this act relate to one subject as required by Section 17, Article III of the South Carolina Constitution in that each provision relates directly to or in conjunction with other sections to the subject of the effects of inadequate infrastructure financing and oversight.

The General Assembly further finds that a common purpose or relationship exists among the sections, representing a potential plurality but not disunity of topics, notwithstanding that reasonable minds might differ in identifying more than one topic contained in the act. /

Renumber sections to conform.

Amend title to conform.

Senator SHEHEEN spoke on the amendment.

The amendment was adopted.

Amendment No. 35

Senator TIMMONS proposed the following amendment (3516R083.KM.WRT), which was tabled:

Amend the bill, as and if amended, page 26, line 33, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. A. Chapter 4, Title 10 of the 1976 Code is amended by adding:

“ARTICLE 10.

TRANSPORTATION INFRASTRUCTURE SALES TAX ACT

Section 4-10-1000. This article may be cited as the ‘Transportation Infrastructure Sales Tax Act’.

Section 4-10-1010. For the purposes of this article ‘transportation infrastructure project’ or ‘project’ shall mean construction, improvement, maintenance, and paving for existing rural, county, municipal, or state roads and bridges. Transportation infrastructure projects may be located within or without, or both within and without, the boundaries of the local governmental entities, including the county, municipalities, and special purpose districts located in the county area.

Section 4-10-1020. Subject to the requirements of this article, the county governing body may impose a one percent sales and use tax by ordinance, subject to a referendum, within the county area for a specific project or projects and for a limited amount of time.

Section 4-10-1030. The county governing body shall consider proposals for funding transportation infrastructure projects within the county area on rural, county, or state roads and bridges with proceeds of a tax imposed pursuant to this article. The county governing body shall formulate the referendum question that is to appear on the ballot pursuant to this article.

Section 4-10-1040. (A) The sales and use tax authorized by this article is imposed by an enacting ordinance of the county governing body containing the ballot question formulated by the county governing body pursuant to Section 4-10-1030 subject to referendum approval in the county. The ordinance must specify:

(1) the type of work to be undertaken and identify the transportation infrastructure projects that will be undertaken;

(2) the maximum time, in one-year increments not to exceed five years from the date of imposition, or in the case of a reimposed tax, a period ending on April thirtieth, not to exceed four years, for which the tax may be imposed; and

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(3) any other condition precedent, as determined by the county governing body to the imposition of the sales and use tax authorized by this article or condition or restriction on the use of sales and use tax revenue collected pursuant to this article.

(B) When the tax authorized by this article is imposed for more than one project, the enacting ordinance must set forth the priority based on need in which the net proceeds are to be expended for the purposes stated. The enacting ordinance may set forth a formula or system by which multiple projects are funded simultaneously.

(C) Upon receipt of the ordinance, the county election commission must conduct a referendum on the question of imposing the sales and use tax in the area of the county that is to be subject to the tax. The referendum for imposition or reimposition of the tax must be held at the time of the next scheduled county election or general election, whichever occurs first. Two weeks before the referendum the election commission must publish in a newspaper of general circulation the question that is to appear on the ballot, with the list of projects and the cost of the projects. This notice is in lieu of any other notice otherwise required by law.

(D) The referendum question to be on the ballot must read substantially as follows:

‘Must a special one percent sales and use tax be imposed in (county) for not more than (time) to raise the amounts specified for the following purposes?

- (1) for (transportation infrastructure project);
- (2) for (transportation infrastructure project);
- (3) etc.

Yes []
No []’

(E) All qualified electors desiring to vote in favor of imposing the tax for the stated purposes shall vote ‘yes’ and all qualified electors opposed to levying the tax shall vote ‘no’. If a majority of the votes cast are in favor of imposing the tax, then the tax is imposed as provided in this article and the enacting ordinance. A subsequent referendum on this question must be held on the date prescribed in subsection (C). The election commission shall conduct the referendum under the election laws of this State, mutatis mutandis, and shall certify the result to the county governing body and to the Department of Revenue no later than thirty days after the referendum is held. Expenses of the referendum must be paid by the governmental entities that would receive the proceeds of

the tax in the same proportion that those entities would receive the net proceeds of the tax.

(F) Upon receipt of the returns of the referendum, the county governing body must, by resolution, declare the results. In that event, the results of the referendum, as declared by resolution of the county governing body, are not open to question except by a suit or proceeding instituted within thirty days from the date the resolution is adopted.

Section 4-10-1050. (A) If the sales and use tax is approved in the referendum, the tax is imposed on the first of May following the date of the referendum. If the reimposition of an existing sales and use tax imposed pursuant to this article is approved in the referendum, the new tax is imposed immediately following the termination of the earlier imposed tax and the reimposed tax terminates on the thirtieth of April, not to exceed four years from the date of reimposition. If the certification is not timely made to the Department of Revenue, the imposition is postponed for twelve months.

(B) The tax terminates the final day of the maximum time period specified for the imposition.

(C)(1) Amounts collected in excess of the required net proceeds must first be applied, if necessary, to complete a project for which the tax was imposed.

(2) If funds still remain after first using the funds as described in item (1) and the tax is reimposed, the remaining funds must be used to fund the projects approved by the voters in the referendum to reimpose the tax, in priority order as the projects appeared on the enacting ordinance.

(3) If funds still remain after first using the funds as described in item (1) and the tax is not reimposed, the remaining funds must be used for the purposes set forth in Section 4-10-1030. These remaining funds only may be expended for the purposes set forth in Section 4-10-1030 following an ordinance specifying the authorized purpose or purposes for which the funds will be used.

Section 4-10-1060. (A) The tax levied pursuant to this article must be administered and collected by the Department of Revenue in the same manner that other sales and use taxes are collected. The department may prescribe amounts that may be added to the sales price because of the tax.

(B) The tax authorized by this article is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable area that is subject to the tax imposed by Chapter 36, Title 12

and the enforcement provisions of Chapter 54, Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36, Title 12 are exempt from the tax imposed by this article. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this article. The tax imposed by this article also applies to tangible personal property subject to the use tax in Article 13, Chapter 36, Title 12.

(C) A taxpayer required to remit taxes under Article 13, Chapter 36 of Title 12 must identify the county in which the personal property purchased at retail is stored, used, or consumed in this State.

(D) A utility is required to report sales in the county in which the consumption of the tangible personal property occurs.

(E) A taxpayer subject to the tax imposed by Section 12-36-920, who owns or manages rental units in more than one county, must report separately in his sales tax return the total gross proceeds from business done in each county.

(F) The gross proceeds of sales of tangible personal property delivered after the imposition date of the tax levied under this article in a county, either under the terms of a construction contract executed before the imposition date, or a written bid submitted before the imposition date, culminating in a construction contract entered into before or after the imposition date, are exempt from the sales and use tax provided in this article if a verified copy of the contract is filed with the Department of Revenue within six months after the imposition date of the sales and use tax provided for in this article.

(G) Notwithstanding the imposition date of the sales and use tax authorized pursuant to this chapter, with respect to services that are billed regularly on a monthly basis, the sales and use tax authorized pursuant to this article is imposed beginning on the first day of the billing period beginning on or after the imposition date.

Section 4-10-1070. The revenues of the tax collected under this article must be remitted to the Department of Revenue and placed on deposit with the State Treasurer and credited to a fund separate and distinct from the general fund of the State. After deducting the amount of any refunds made and costs to the Department of Revenue of administering the tax, not to exceed one percent of the revenues, the State Treasurer shall distribute the revenues quarterly to the county treasurer in the county area in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer may

correct misallocations by adjusting subsequent distributions, but these adjustments must be made in the same fiscal year as the misallocations. However, allocations made as a result of city or county code errors must be corrected prospectively.

Section 4-10-1080. The Department of Revenue shall furnish data to the State Treasurer and to the county treasurers receiving revenues for the purpose of calculating distributions and estimating revenues. The information that must be supplied to counties and municipalities upon request includes, but is not limited to, gross receipts, net taxable sales, and tax liability by taxpayers. Information about a specific taxpayer is considered confidential and is governed by the provisions of Section 12-54-240. A person violating this section is subject to the penalties provided in Section 12-54-240.

Section 4-10-1090. Annually, and only in the month of June, funds collected by the department from the transportation infrastructure project sales tax, which are not identified as to the governmental unit due the tax, must be transferred, after reasonable effort by the department to determine the appropriate governmental unit, to the State Treasurer's Office. The State Treasurer shall distribute these funds to the county treasurer in the county area in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer shall calculate this supplemental distribution on a proportional basis, based on the current fiscal year's county area revenue collections.

Section 4-10-1100. The revenues of the tax collected under this article may be used to defray debt service on bonds issued to pay for projects authorized in this article.

Section 4-10-1110. A county may not impose the sales tax provided in this article if there is currently imposed or scheduled to be imposed a local option sales tax relating to capital improvements or transportation infrastructure projects.

Section 4-10-1120. If a county fails to approve a one percent sales and use tax by ordinance pursuant to Section 4-10-1020 on or before June 1, 2018, or having approved a one percent sales and use tax by ordinance pursuant to Section 4-10-1020, a referendum authorizing the imposition fails, then a municipality within the county may impose the Municipal Transportation Infrastructure Sales Tax Act authorized under Section 5-8-100, et seq.

B. Chapter 21, Title 5 of the 1976 Code is amended by adding:

“CHAPTER 8

Municipal Transportation Infrastructure Sales Tax Act

Section 5-8-100. This chapter may be cited as the ‘Municipal Transportation Infrastructure Sales Tax Act’.

Section 5-8-110. If a county fails to impose a one percent sales and use tax by ordinance pursuant to Section 4-10-1020 on or before June 1, 2018, or having imposed a one percent sales and use tax by ordinance pursuant to Section 4-10-1020, a referendum authorizing the imposition fails, then a municipality within the county may impose the Municipal Transportation Infrastructure Sales Tax Act authorized pursuant to this chapter.

Section 5-8-120. For the purposes of this chapter ‘transportation infrastructure project’ or ‘project’ means construction, improvement, maintenance, and paving for existing rural, county, municipal, or state roads and bridges located within the municipality’s boundaries.

Section 5-8-130. Subject to the requirements of this chapter, the municipal governing body may impose a one percent sales and use tax by ordinance, subject to a referendum, within the municipal area for a specific project or projects and for a limited amount of time.

Section 5-8-140. The municipal governing body shall consider proposals for funding transportation infrastructure projects within the municipal area on rural, county, municipal, or state roads and bridges with proceeds of a tax imposed pursuant to this chapter. The municipal governing body shall formulate the referendum question that is to appear on the ballot pursuant to this chapter.

Section 5-8-150. (A) The sales and use tax authorized by this chapter is imposed by an enacting ordinance of the municipal governing body containing the ballot question formulated by the municipal governing body pursuant to Section 5-8-130 subject to referendum approval in the municipality. The ordinance must specify:

(1) the type of work to be undertaken and identify the transportation infrastructure projects that will be undertaken;

(2) the maximum time, in one-year increments not to exceed five years from the date of imposition, or in the case of a reimposed tax, a period ending on April thirtieth, not to exceed four years, for which the tax may be imposed; and

(3) any other condition precedent, as determined by the municipal governing body to the imposition of the sales and use tax authorized by this chapter or condition or restriction on the use of sales and use tax revenue collected pursuant to this chapter.

(B) When the tax authorized by this chapter is imposed for more than one project, the enacting ordinance must set forth the priority based on need in which the net proceeds are to be expended for the purposes stated. The enacting ordinance may set forth a formula or system by which multiple projects are funded simultaneously.

(C) Upon receipt of the ordinance, the appropriate election commission must conduct a referendum on the question of imposing the sales and use tax in the municipality that is to be subject to the tax. The referendum for imposition or reimposition of the tax must be held at the time of the next scheduled county election or general election, whichever occurs first. Two weeks before the referendum the election commission must publish in a newspaper of general circulation the question that is to appear on the ballot, with the list of projects and the cost of the projects. This notice is in lieu of any other notice otherwise required by law.

(D) The referendum question to be on the ballot must read substantially as follows:

‘Must a special one percent sales and use tax be imposed in (municipality) for not more than (time) to raise the amounts specified for the following purposes?

- (1) for (transportation infrastructure project);
- (2) for (transportation infrastructure project);
- (3) etc.

Yes []

No []’

(E) All qualified electors of the municipality desiring to vote in favor of imposing the tax for the stated purposes shall vote ‘yes’ and all qualified electors opposed to levying the tax shall vote ‘no’. If a majority of the votes cast are in favor of imposing the tax, then the tax is imposed as provided in this chapter and the enacting ordinance. A subsequent referendum on this question must be held on the date prescribed in subsection (C). The election commission shall conduct the referendum under the election laws of this State, mutatis mutandis, and shall certify the result to the municipal governing body and to the Department of Revenue no later than thirty days after the referendum is held. Expenses of the referendum must be paid by the municipality.

(F) Upon receipt of the returns of the referendum, the municipal governing body must, by resolution, declare the results. In that event, the results of the referendum, as declared by resolution of the municipal governing body, are not open to question except by a suit or proceeding instituted within thirty days from the date the resolution is adopted.

Section 5-8-160. (A) If the sales and use tax is approved in the referendum, the tax is imposed on the first of May following the date of the referendum. If the reimposition of an existing sales and use tax imposed pursuant to this chapter is approved in the referendum, the new tax is imposed immediately following the termination of the earlier imposed tax and the reimposed tax terminates on the thirtieth of April, not to exceed four years from the date of reimposition. If the certification is not timely made to the Department of Revenue, the imposition is postponed for twelve months.

(B) The tax terminates the final day of the maximum time period specified for the imposition.

(C)(1) Amounts collected in excess of the required net proceeds must first be applied, if necessary, to complete a project for which the tax was imposed.

(2) If funds still remain after first using the funds as described in item (1) and the tax is reimposed, the remaining funds must be used to fund the projects approved by the voters in the referendum to reimpose the tax, in priority order as the projects appeared on the enacting ordinance.

(3) If funds still remain after first using the funds as described in item (1) and the tax is not reimposed, the remaining funds must be used for the purposes set forth in Section 5-8-140. These remaining funds only may be expended for the purposes set forth in Section 5-8-140 following an ordinance specifying the authorized purpose or purposes for which the funds will be used.

Section 5-8-170. (A) The tax levied pursuant to this chapter must be administered and collected by the Department of Revenue in the same manner that other sales and use taxes are collected. The department may prescribe amounts that may be added to the sales price because of the tax.

(B) The tax authorized by this chapter is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable area that is subject to the tax imposed by Chapter 36, Title 12 and the enforcement provisions of Chapter 54, Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36, Title 12 are exempt from the tax imposed by this chapter. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this chapter. The tax imposed by this chapter also applies to tangible

personal property subject to the use tax in Article 13, Chapter 36, Title 12.

(C) A taxpayer required to remit taxes under Article 13, Chapter 36 of Title 12 must identify the municipality in which the personal property purchased at retail is stored, used, or consumed in this State.

(D) A utility is required to report sales in the municipality in which the consumption of the tangible personal property occurs.

(E) A taxpayer subject to the tax imposed by Section 12-36-920, who owns or manages rental units in more than one municipality, must report separately in his sales tax return the total gross proceeds from business done in each municipality.

(F) The gross proceeds of sales of tangible personal property delivered after the imposition date of the tax levied under this chapter in a municipality, either under the terms of a construction contract executed before the imposition date, or a written bid submitted before the imposition date, culminating in a construction contract entered into before or after the imposition date, are exempt from the sales and use tax provided in this chapter if a verified copy of the contract is filed with the Department of Revenue within six months after the imposition date of the sales and use tax provided for in this chapter.

(G) Notwithstanding the imposition date of the sales and use tax authorized pursuant to this chapter, with respect to services that are billed regularly on a monthly basis, the sales and use tax authorized pursuant to this chapter is imposed beginning on the first day of the billing period beginning on or after the imposition date.

Section 5-8-180. The revenues of the tax collected under this chapter must be remitted to the Department of Revenue and placed on deposit with the State Treasurer and credited to a fund separate and distinct from the general fund of the State. After deducting the amount of any refunds made and costs to the Department of Revenue of administering the tax, not to exceed one percent of the revenues, the State Treasurer shall distribute the revenues quarterly to the municipality in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer may correct misallocations by adjusting subsequent distributions, but these adjustments must be made in the same fiscal year as the misallocations. However, allocations made as a result of city or county code errors must be corrected prospectively.

Section 5-8-190. The Department of Revenue shall furnish data to the State Treasurer and to the municipality receiving revenues for the

purpose of calculating distributions and estimating revenues. The information that must be supplied to counties and municipalities upon request includes, but is not limited to, gross receipts, net taxable sales, and tax liability by taxpayers. Information about a specific taxpayer is considered confidential and is governed by the provisions of Section 12-54-240. A person violating this section is subject to the penalties provided in Section 12-54-240.

Section 5-8-200. Annually, and only in the month of June, funds collected by the department from the transportation infrastructure project sales tax, which are not identified as to the governmental unit due the tax, must be transferred, after reasonable effort by the department to determine the appropriate governmental unit, to the State Treasurer's Office. The State Treasurer shall distribute these funds to the municipality in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer shall calculate this supplemental distribution on a proportional basis, based on the current fiscal year's municipal revenue collections.

Section 5-8-210. The revenues of the tax collected under this chapter may be used to defray debt service on bonds issued to pay for projects authorized in this chapter.

Section 5-8-220. A municipality may not impose the sales tax provided in this article if there is currently imposed or scheduled to be imposed a local option sales tax relating to capital improvement or transportation infrastructure projects.

Section 5-8-230. If a municipality imposes a sales tax authorized by this chapter, the county governing body may impose a one cent sales and use tax pursuant to section 4-10-1020 in the unincorporated and incorporated areas of the counties that do not have a municipal transportation infrastructure sales tax. A referendum imposing a sales tax in the remaining areas of the county pursuant to this section shall not include any municipality that has an existing municipal transportation infrastructure sales and use tax. This county imposition shall expire on the same date of an existing municipal tax and a reimposition of all transportation infrastructure sales and use taxes must encompass the entire county, including any municipalities that have previously enacted a municipal transportation infrastructure sales and use tax."

C. The provisions contained in this SECTION are effective July 1, 2017. /

Renumber sections to conform.

Amend title to conform.

WEDNESDAY, APRIL 26, 2017

Senator TIMMONS spoke on the amendment.

Point of Order

Senator McELVEEN raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

Senator CLIMER spoke on the Point of Order.

The PRESIDENT overruled the Point of Order.

Senator McELVEEN moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 29; Nays 12

AYES

Alexander	Allen	Campbell
Corbin	Cromer	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Johnson
Kimpson	Leatherman	Malloy
Martin	Massey	<i>Matthews, John</i>
<i>Matthews, Margie</i>	McElveen	McLeod
Nicholson	Reese	Senn
Setzler	Shealy	Sheheen
Verdin	Young	

Total--29

NAYS

Bennett	Campsen	Climer
Davis	Fanning	Hembree
Peeler	Rankin	Rice
Talley	Timmons	Turner

Total--12

The amendment was laid on the table.

Amendment No. 13

Senator CLIMER proposed the following amendment (3516R059.SP.WC), which was withdrawn:

Amend the bill, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. Section 12-28-2740(H) of the 1976 Code is amended to read:

“(H) For purposes of this subsection, ‘donor county’ means a county that contributes to the ‘C’ fund an amount in excess of what it receives under the allocation formula as stated in subsection (A). In addition to the allocation to the counties pursuant to subsection (A), the Department of Transportation annually shall transfer from the state highway fund to ~~the each donor counties county~~ an amount equal to ~~nine and one half million dollars in the ratio of the individual donor county’s contribution in excess of ‘C’ fund revenue allocated to the county under subsection (A) to the total excess contributions of all donor counties~~ ~~the difference between revenue allocated to the county under subsection (A) and the amount that the county contributes to the ‘C’ fund.”~~ /

Renumber sections to conform.

Amend title to conform.

Senator CLIMER spoke on the amendment.

On motion of Senator CLIMER, the amendment was withdrawn.

Amendment No. 23

Senators MALLOY, SHEHEEN and FANNING proposed the following amendment (SA)3516C007.BH.AHB17), which was withdrawn:

Amend the bill, as and if amended, by adding an appropriately numbered PART to read:

/ PART ___. A.

SECTION ___. Section 6-1-320 of the 1976 Code, as last amended by Act 276 of 2016, is further amended to read:

“Section 6-1-320. (A) Notwithstanding Section 12-37-251(E), a local governing body may increase the millage rate imposed for general operating purposes above the rate imposed for such purposes for the preceding tax year only to the extent of the increase in the average of the twelve monthly consumer price indices for the most recent twelve-month period consisting of January through December of the preceding

calendar year, plus, beginning in 2007, the percentage increase in the previous year in the population of the entity as determined by the Office of Research and Statistics of the Revenue and Fiscal Affairs Office. If the average of the twelve monthly consumer price indices experiences a negative percentage, the average is deemed to be zero. ~~If an entity experiences a reduction in population, the percentage change in population is deemed to be zero.~~ However, in the year in which a reassessment program is implemented, the rollback millage, as calculated pursuant to Section 12-37-251(E), must be used in lieu of the previous year's millage rate.

(2) ~~There may be added to the operating millage increase allowed pursuant to item (1) of this subsection any such increase, allowed but not previously imposed, for the three property tax years preceding the year to which the current limit applies.~~

(B) Notwithstanding the limitation upon millage rate increases contained in subsection (A), the millage rate limitation may be suspended and the millage rate may be increased ~~upon a two thirds vote of the membership of the local governing body~~ for the following purposes:

- (1) the deficiency of the preceding year;
- (2) any catastrophic event outside the control of the governing body such as a natural disaster, severe weather event, act of God, or act of terrorism, fire, war, or riot;
- (3) compliance with a court order or decree;
- (4) taxpayer closure due to circumstances outside the control of the governing body that decreases by ten percent or more the amount of revenue payable to the taxing jurisdiction in the preceding year; ~~or~~
- (5) compliance with a regulation promulgated or statute enacted by the federal or state government after the ratification date of this section for which an appropriation or a method for obtaining an appropriation is not provided by the federal or state government;
- (6) purchase by the local governing body of undeveloped real property or of the residential development rights in undeveloped real property near an operating United States military base which property has been identified as suitable for residential development but which residential development would constitute undesirable residential encroachment upon the United States military base as determined by the local governing body. The local governing body shall enact an ordinance authorizing such purchase and the ordinance must state the nature and extent of the potential residential encroachment, how the purchased

property or development rights would be used and specifically how and why this use would be beneficial to the United States military base, and what the impact would be to the United States military base if such purchase were not made. Millage rate increases for the purpose of such purchase must be separately stated on each tax bill and must specify the property, or the development rights to be purchased, the amount to be collected for such purchase, and the length of time that the millage rate increase will be in effect. The millage rate increase must reasonably relate to the purchase price and must be rescinded five years after it was placed in effect or when the amount specified to be collected is collected, whichever occurs first. The millage rate increase for such purchase may not be reinstated unless approved by a majority of the qualified voters of the governmental entity voting in a referendum. The cost of holding the referendum must be paid from the taxes collected due to the increased millage rate; or

(7) to purchase capital equipment and make expenditures related to the installation, operation, and purchase of the capital equipment including, but not limited to, taxes, duty, transportation, delivery, and transit insurance, in a county having a population of less than one hundred thousand persons and having at least forty thousand acres of state or national forest land. For purposes of this section, 'capital equipment' means an article of nonexpendable, tangible, personal property, to include communication software when purchased with a computer, having a useful life of more than one year and an acquisition cost of fifty thousand dollars or more for each unit.

If a tax is levied to pay for items (1) through (5) above, then the amount of tax for each taxpayer must be listed on the tax statement as a separate surcharge, for each aforementioned applicable item, and not be included with a general millage increase. Each separate surcharge must have an explanation of the reason for the surcharge. The surcharge must be continued only for the years necessary to pay for the deficiency, for the catastrophic event, or for compliance with the court order or decree.

(C) ~~The millage increase permitted by subsection (B) is in addition to the increases from the previous year permitted pursuant to subsection (A) and shall be an additional millage levy above that permitted by subsection (A). The millage limitation provisions of this section do not apply to revenues, fees, or grants not derived from ad valorem property tax millage or to the receipt or expenditures of state funds. The millage rate limitation provided for in subsection (A) may be overridden and the millage rate may be further increased by a positive majority vote of the~~

appropriate governing body. The vote must be taken at a specially called meeting held solely for the purpose of taking a vote to increase the millage rate. The governing body must provide public notice of the meeting notifying the public that the governing body is meeting to vote to override the limitation and increase the millage rate. Public comment must be received by the governing body before the override vote.

(D) The restriction contained in this section does not affect millage that is levied to pay bonded indebtedness or payments for real property purchased using a lease-purchase agreement or used to maintain a reserve account. Nothing in this section prohibits the use of energy-saving performance contracts as provided in Section 48-52-670.

(E) Notwithstanding any provision contained in this article, this article does not and may not be construed to amend or to repeal the rights of a legislative delegation to set or restrict school district millage, and this article does not and may not be construed to amend or to repeal any caps on school millage provided by current law or statute or limitation on the fiscal autonomy of a school district that are more restrictive than the limit provided pursuant to subsection (A).

(F) The restriction contained in this section does not affect millage imposed to pay bonded indebtedness or operating expenses of a special tax district established pursuant to Section 4-9-30(5), but the special tax district is subject to the millage rate limitations in Section 4-9-30(5).

(G)(1) Notwithstanding the limitation upon millage rate increases contained in subsection (A), a fire district's governing body may adopt an ordinance or resolution requesting the governing body of the county to conduct a referendum to suspend the millage rate limitation for general operating purposes of the fire district. If the governing body of the county agrees to hold the referendum and subject to the results of the referendum, the millage rate limitation may be suspended and the millage rate may be increased for general operating purposes of the fire district. The referendum must be held at the time of the general election, and upon a majority of the qualified voters within the fire district voting favorably in the referendum, the millage rate may be increased in the next fiscal year. The referendum must include the amount of the millage increase. The actual millage levy may not exceed the millage increase specified in the referendum.

(2) This subsection only applies to a fire district that existed on January 1, 2014, and serves less than seven hundred homes.

(H) Notwithstanding the limitation upon millage rate increases contained in subsection (A), the governing body of a county may adopt

an ordinance, subject to a referendum, to suspend the millage rate limitation for the purpose of imposing up to six-tenths of a mill for mental health. The referendum must be held at the time of the general election, and upon a majority of the qualified voters within the county voting favorably in the referendum, this special millage may be imposed in the next fiscal year. The state election laws apply to the referendum mutatis mutandis. This special millage may be removed only upon a majority vote of the local governing body. The amounts collected from the increased millage:

- (1) must be deposited into a mental health services fund separate and distinct from the county general fund and all other county funds;
- (2) must be dedicated only to expenditures for mental health services in the county; and
- (3) must not be used to supplant existing funds for mental health programs in the county.

(I) The positive majority vote of the governing body required by this section does not apply to school districts that have their budgets approved by qualified electors at a town meeting.”

SECTION _____. A. Section 11-11-150(A)(1) of the 1976 Code is amended to read:

“(1) Reserved Section 12-37-251 for the residential property tax exemption;”

B. This section is effective for fiscal years beginning after June 30, 2016.

SECTION _____. A. Section 12-37-220(B)(47) of the 1976 Code is amended to read:

~~“(47)(a) Effective for property tax years beginning after 2006 and to the extent not already exempt pursuant to Section 12-37-250, one hundred percent of the fair market value of owner occupied residential property eligible for and receiving the special assessment ratio allowed owner occupied residential property pursuant to Section 12-43-220(e) is exempt from all property taxes imposed for school operating purposes but not including millage imposed for the repayment of general obligation debt.~~

~~(b) Notwithstanding any other provision of law, property exempted from property tax in the manner provided in this item is considered taxable property for purposes of bonded indebtedness pursuant to Section 15 of Article X of the Constitution of this State.~~

~~(c) The exemptions allowed by this item may not be deleted or reduced except by a legislative enactment receiving a recorded roll call~~

~~vote of at least a two-thirds majority of the membership of each house of the General Assembly. Reserved~~

B. This section is effective for property tax years beginning after 2016.

SECTION _____. A. Section 12-37-270(A) of the 1976 Code is amended to read:

“(A) As provided in Section 11-11-150, there must be credited to the Trust Fund for Tax Relief in a fiscal year an amount sufficient to pay the reimbursement provided by this section. From the trust fund, the department annually shall pay to the county treasurer of the county in which the dwelling is situate for the account of each county, school district, or special district in it a sum equal to the amount of taxes that was not collected for the county, school district, or special district by reason of the exemption provided for in Section 12-37-250. The department also annually, from the trust fund, shall pay to the governing body of the municipality in which the dwelling is situate a sum equal to the amount of taxes that was not collected for the municipality by reason of the exemption provided for in Section 12-37-250. ~~However, no reimbursement must be paid pursuant to this section for revenue for school operations not collected because of the exemption allowed pursuant to Section 12-37-250.~~ The county treasurer and municipal governing body shall furnish the department on or before April first following the tax year, or during an extension authorized by the department not to exceed sixty days, an accounting or statement as prescribed by the department that reflects the amount of county, municipal, school district, or special district taxes that was not collected because of the exemption. Funds paid by the department as the result of an erroneous or improper application must be returned to the department for deposit in the general fund of the State.”

B. This section is effective for fiscal years beginning after June 30, 2017.

SECTION _____. A. Section 12-37-251 of the 1976 Code is amended to read:

“Section 12-37-251. (A) ~~RESERVED (1) The Trust Fund for Tax Relief must contain an amount equal to the revenue necessary to fund a property tax exemption of one hundred thousand dollars based on the fair market value of property classified pursuant to Section 12-43-220(c) calculated on the school operating millage imposed for tax year 1995 or the current school operating millage, whichever is lower, excluding taxes levied for bonded indebtedness and payments pursuant to lease purchase agreements for capital construction. The 1995 tax year school operating~~

millage or the current school operating millage, whichever is lower, is the base year millage for purposes of calculating the amount necessary to fund the Trust Fund for Tax Relief in accordance with this section. However, in years in which the values resulting from a countywide reassessment and equalization program are implemented, the base year millage must be adjusted to an equivalent millage rate in the manner that the Department of Revenue shall prescribe. Funds distributed to a taxing district as provided in subsection (B) must be used to provide a uniform property tax exemption for all property in the taxing district which is classified pursuant to Section 12-43-220(c), excluding taxes levied for bonded indebtedness and payments pursuant to lease purchase agreements for capital construction.

(2) Notwithstanding the provisions of this subsection, a school district whose operating millage falls below the 1995 school year operating millage may request to receive tax relief based on the 1995 operating millage, or equivalent millage rate, if one of the following conditions are met:

(a) the current operating millage per pupil plus the current debt service millage is equal to or less than the total millage per pupil for 1995;

(b) the operating millage per pupil for the 1995 tax year reduced by the amount by which the total millage per pupil for all purposes in the current year exceeds the total millage per pupil for the 1995 tax year but not below the actual operating millage per pupil for the current year.

The Department of Revenue is responsible for certifying that the conditions are met based on the latest completed fiscal year data of the requesting district.

Any funds received by an eligible school district in excess of its current millage under this subsection may be used by the district to pay bonded indebtedness.

(B) RESERVED(1) School districts must be reimbursed from revenues credited to the Trust Fund for Tax Relief for a fiscal year, in the manner provided in Section 12-37-270, for the revenue lost as a result of the homestead exemption provided in this section. Ninety percent of the reimbursement must be paid in the last quarter of the calendar year on December first. From funds appropriated to the Office of the Comptroller General in the annual general appropriations act, the Comptroller shall make the calculations and distributions required pursuant to this subsection. If amounts received by a school district pursuant to this subsection are insufficient to reimburse fully for the base

year operating millage, the local school board, within its authority, shall decide how to make up the shortfall, if necessary. Amounts received by a district in excess of the amount necessary to reimburse the district for the base year operating millage must first be used to reduce any operating millage imposed since the 1995 base year, must next be used for school debt service purposes, and any funds remaining may then be retained by the district.

(2) School districts must be reimbursed on a per capita basis, but a district may not receive as a reimbursement for a fiscal year an amount less than the actual reimbursement amount it received in fiscal year 1998-1999. If amounts credited to the Trust Fund for Tax Relief for a fiscal year pursuant to item (1) of this subsection are insufficient to pay the full amount of the reimbursements provided by this item, then all amounts credited to the trust fund for a fiscal year for this reimbursement in excess of the amount of the reimbursements paid pursuant to this section in fiscal year 1998-1999 must be allocated only to those districts receiving less than the full per capita reimbursement, and this allocation must be on a per capita basis among only those counties receiving some part of this allocation.

(3) Operating millage levied in a county for alternative schools, career and technology centers, and county boards of education whether or not levied countywide or on a school district by school district basis in a county also is considered school operating millage to which the property tax exemption provided by this section applies. County treasurers shall consider these operating millages in determining revenue lost when making disbursements to school districts from trust funds for tax relief funds under this section.

(C) RESERVED Notwithstanding any other provision of law, property exempted from property taxation in the manner provided in this section is considered taxable property for purposes of bonded indebtedness pursuant to Sections 14 and 15 of Article X of the Constitution of this State, and for purposes of computing the 'index of taxpaying ability' pursuant to Section 59-20-20(3).

(D) RESERVED

(E) Rollback millage is calculated by dividing the prior year property taxes levied as adjusted by abatements and additions by the adjusted total assessed value applicable in the year the values derived from a countywide equalization and reassessment program are implemented. This amount of assessed value must be adjusted by deducting assessments added for property or improvements not previously taxed,

for new construction, and for renovation of existing structures, and ~~assessments attributable to increases in value due to an assessable transfer of interest.~~

(F) RESERVED The exemption allowed by this section is conditional on full funding of the Education Finance Act and on an appropriation by the General Assembly each year reimbursing school districts an amount equal to the Office of Research and Statistics of the Revenue and Fiscal Affairs Office's estimate of total school tax revenue loss resulting from the exemption in the next fiscal year.

(G) If the boundaries of a municipality extend into more than one county and those counties implement the countywide appraisal and equalization programs required pursuant to Section 12-43-217 on different schedules, then the governing body of the municipality shall set an equivalent millage to be used to compute municipal ad valorem property taxes. The equivalent millage to be set by the municipal governing body must be determined by methodology established by the respective county auditors which must be consistent with the methodology for calculating equivalent millage to be established by the Department of Revenue for use in these situations for the purpose of equalizing the municipal property tax on real property situated in different counties."

B. The property tax exemption and reimbursement for the exemption allowed by this section are effective for property tax years beginning after 2016.

SECTION _____. Section 11-11-157 of the 1976 Code is repealed.

SECTION _____. A. Article 7, Chapter 10, Title 4 of the 1976 Code is repealed.

B. Sections 11-11-155 and 11-11-156 of the 1976 Code are repealed.

C. Article 11, Chapter 36, Title 12 of the 1976 Code is repealed.

D. Subsections B and C of this section take effect July 1, 2017.

B.

SECTION _____. A. Section 12-37-3130 of the 1976 Code is amended to read:

“Section 12-37-3130. As used in this article:

(1) ‘Additions’ or ‘improvements’ mean an increase in the value of an existing parcel of real property because of:

(a) new construction;

(b) reconstruction;

(c) major additions to the boundaries of the property or a structure on the property;

- (d) remodeling; or
- (e) renovation and rehabilitation, including installation.

Additions or improvements do not include minor construction or ongoing maintenance and repair of existing structures. The repair or reconstruction of a structure damaged or destroyed by a disaster, to include, but not limited to, construction defects, defective materials, fire, wind, hail, flood, and acts of God, is not an addition or improvement to the extent that the structure as repaired or reconstructed is similar in size, utility, and function of the structure damaged or destroyed, and the rebuilding or reconstruction is begun within eight years after determination of the damage or destruction. Construction of facilities in a home that make the home handicap accessible is not an addition or improvement if the utility and function of the structure remains unchanged. The installation of a fire sprinkler system in a commercial or residential structure when the installation is not required by law, regulation, or code is not an addition or improvement if the utility and function of the structure remains unchanged.

(2) 'Adjustments' mean changes in fair market value ~~as determined in and property tax value resulting from~~ periodic countywide appraisal and equalization programs conducted pursuant to Section 12-43-217 ~~as allowed pursuant to Section 6, Article X of the Constitution of this State, but adjustments are subject to the limits on increases provided in that Section 6 and as further provided in Section 12-37-3140(B).~~

(3) 'Appraisal' or 'appraised' means the process provided by law for the property tax assessor to determine the fair market value of real property and additions and improvements to real property.

(4) 'Assessable transfer of interest' means a transfer of an existing interest in real property that ~~subjects the real property to appraisal triggers a step-up~~. For purposes of this definition, an existing interest in real property includes life estate interests.

(5) **RESERVED**

(6) 'Commonly controlled' means persons having relationships as described in Section 267(b) of the Internal Revenue Code as defined in Section 12-6-40(A).

(7)(6) 'Conveyance' means the date of the transfer of an assessable transfer of interest in real property. Failure to record legal instruments evidencing a transfer of interest gives rise to no inference as to whether or not an assessable transfer of interest has occurred.

(7) 'Fair market value' means the fair market value of real property and improvements to real property determined by appraisals of the

property tax assessor based on initial appraisals and periodic reappraisals conducted pursuant to Section 12-43-217.

(8) 'Property tax assessor' means the county assessor, an assessor appointed to handle multiple county assessments pursuant to an intergovernmental agreement, or the Department of Revenue, as applicable.

(9) 'Property tax value' means the value determined pursuant to item (7) when the application of the limit imposed pursuant to Section 12-37-3140(B) results in an amount less than fair market value. For all purposes of property tax, property tax value is deemed fair market value when it is less than fair market value.

(10) 'Step-up' means the substitution of fair market value for property tax value triggered when a parcel of real property undergoes an assessable transfer of interest."

B. Section 12-37-3140 of the 1976 Code is amended to read:

"Section 12-37-3140. (A)(1) For property tax years beginning after 2006, the ~~fair market~~ value of real property is its fair market value applicable for the later of:

- (a) the base year, as defined in subsection (C);
- (b) December thirty-first of the year in which an assessable transfer of interest ~~has occurred~~ triggers a step-up;
- (c) as determined on appeal; or
- (d) as it may be adjusted ~~as determined~~ in a countywide reassessment program conducted pursuant to Section 12-43-217, ~~but limited to increases in such value as provided in subsection (B) of this section with any increase limited to property tax value.~~

(2) To the fair market value and ~~property tax value~~ of real property as determined at the time provided in item (1) of this subsection, there must be added the fair market value of subsequent improvements and additions to the property.

(B) ~~Any An~~ increase in the fair market value of real property attributable to the periodic countywide appraisal and equalization program implemented pursuant to Section 12-43-217 is limited to fifteen percent within a five-year period to the otherwise applicable fair market value. This limit must be calculated ~~separately~~ on ~~the~~ land and improvements ~~as a whole~~. However, this limit does not apply to the fair market value of additions or improvements to real property in the year those additions or improvements are first subject to property tax, nor ~~do they apply to the fair market value of real property when an assessable~~

~~transfer of interest occurred in the year that the transfer value is first subject to tax does it the year a step-up is implemented.~~

(C) For purposes of determining a 'base year' fair market value pursuant to this section, the fair market value of real property is its appraised value applicable for property tax year 2007.

(D) Real property valued by the unit valuation concept is excluded from the limits provided pursuant to subsection (B).

(E) Value attributable to additions and improvements, and ~~changes in value resulting from assessable transfers of interest occurring in a property tax year step-ups~~ are first subject to property tax in the following tax year except as provided pursuant to Section 12-37-670(B)."

C. That portion of Section 12-37-3150(A) of the 1976 Code preceding item (1) is amended to read:

"(A) An assessable transfer of interest triggers a step-up in value of a parcel of real property effective as provided in Section 12-37-3140(E). For purposes of determining when a parcel of real property must be appraised, an An assessable transfer of interest in real property includes, but is not limited to, the following transactions or circumstances:"

D. Section 12-60-2510(A)(1)(b) of the 1976 Code is amended to read:

"(b) property tax value as limited by Article 25, Chapter 37, Title 12 defined pursuant to Section 12-37-3130(9);"

SECTION _____. This Part ____ B. is effective for property tax years beginning after 2016. Property tax assessors shall conform the values of parcels of real property which underwent an assessable transfer of interest in any tax year beginning after 2006 and before 2017 and before the effective date of this section, to the fair market value and property tax value of these parcels as determined pursuant to Article 25, Chapter 37, Title 12 of the 1976 Code, the South Carolina Real Property Valuation Reform Act, as amended by this section. No refund is allowed as a result of these adjustments.

C.

SECTION _____. A. If an amendment to Section 6, Article X of the Constitution of this State is ratified during the 122nd Session of the General Assembly that (1) eliminates the fifteen percent over five years constitutional 'cap' on increases in the fair market value of real property for purposes of imposition of the property tax; and (2) eliminates an 'assessable transfer of interest' as an event which may change the value of real property for purposes of imposition of the property tax, then

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Article 25, Chapter 37, Title 12 of the 1976 Code, the South Carolina Real Property Valuation Reform Act, is repealed for property tax years beginning after the year of ratification. Effective for the property tax years beginning after this repeal, the value of real property for purposes of the property tax is the fair market value of the property, as that term was defined pursuant to the former provisions of Section 12-37-3130(7) of the 1976 Code, as that had been most recently determined pursuant to the former provisions of Article 25, Chapter 37, Title 12 of the 1976 Code. Thereafter, the value of real property for purposes of imposition of the property tax is its fair market value determined in the manner provided by law.

B. If the provisions of subsection A of this section take effect, then effective for property tax years beginning after the ratification date described in subsection A of this section:

(1) Section 12-43-220 of the 1976 Code is amended by deleting the last undesignated paragraph which reads:

“As used in this section, fair market value with reference to real property means fair market value determined in the manner provided pursuant to Article X of the Constitution of this State, Section 12-37-930 and Article 25, Chapter 37 of this title.”

(2) Section 12-60-30(19) of the 1976 Code is amended to read:

“(19) ‘Property tax assessment’ means a valuation or determination of property value for annual property tax purposes arrived at by multiplying the ~~lower of~~ fair market value, ~~property tax value, as defined pursuant to Section 12-37-3130(9)~~, or special use value of the property by the appropriate assessment ratio for the taxable property’s classification.”

(3) Section 12-60-2510(A)(1)(b) of the 1976 Code is amended to read:

~~“(b) value as limited by Article 25, Chapter 37, Title 12;~~
RESERVED:”

D.

SECTION _____. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining

any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws. /

Renumber sections to conform.

Amend title to conform.

Senator MALLOY spoke on the amendment.

On motion of Senator MALLOY, the amendment was withdrawn.

Amendment No. 27

Senator SENN proposed the following amendment (3516R076.KM.SS), which was withdrawn:

Amend the bill, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. Title 6 of the 1976 Code is amended by adding:

“CHAPTER 14

Local Option Motor Fuel User Fee

Section 6-14-10. This chapter may be cited as the ‘Local Option Motor Fuel User Fee Act.’

Section 6-14-20. For purposes of this chapter:

(1) ‘Motor fuel’ means:

(a) all gasoline, gasohol, or blended fuels containing gasoline that are used or consumed for any purpose in this State; and

(b) all diesel fuel, substitute fuels, or alternative fuels, or blended fuels containing diesel fuel that are used or consumed in this State in producing or generating power for propelling motor vehicles.

(2) ‘Retail sales’ has the same meaning as provided in Section 12-36-110.

(3) ‘Road improvement projects’ and ‘road maintenance’ consists of any work that is planned and performed to maintain or preserve the condition of a highway or roadway system or to respond to specific conditions and events that restore a roadway to an adequate level of service. Such activities include, but are not limited to:

- (a) construction of roadway projects;
- (b) crack filling;
- (c) pothole patching and isolated overlays;
- (d) chip seal;
- (e) signage of routes;

- (f) pavement marking;
- (g) pavement reconstruction;
- (h) pavement resurfacing;
- (i) cleaning of roadside ditches and structures; and
- (j) the permitting process associated with any of items (a) through (i).

‘Road improvement projects’ do not include environmental or habitat conservation, preservation, mitigation, green space development, or similar activities except as provided in Section 6-14-70.

(4) ‘Mass transit projects’ include public transportation projects and may include pedestrian sidewalks and paths, bicycle paths, and greenspaces.

Section 6-14-30. Subject to the requirements of this chapter, a county may impose, by ordinance approved by referendum, a user fee on retail sales of motor fuel within the county for the sole purpose of road improvement projects and road maintenance within the county.

Section 6-14-40. (A) The local governing body of the county may vote to impose a user fee authorized by this chapter, subject to a referendum, by enacting an ordinance. The ordinance must specify:

(1) the specific road improvement projects for which the proceeds of the user fee are to be used and the total estimated capital costs associated with the projects;

(2) the maximum time, stated in calendar years, calendar quarters, or a combination thereof, for which the user fee may be imposed; and

(3) the time when the referendum shall be held. The referendum may be held on the first Tuesday ninety days after the adoption of the ordinance or on the first Tuesday following the first Monday in November of an even-numbered year so long as at least ninety days have passed since the adoption of the ordinance.

At least two weeks before second reading of an ordinance calling for a referendum, the local governing body of the county shall publish notice in a newspaper of general circulation within the jurisdiction a description of the ordinance and the time and place of the meeting to discuss the ordinance. The local governing body of the county also must publish the notice on its website in the same manner. The local governing body only may give second reading to the ordinance at a meeting for which notice has been given.

(B) Upon the adoption of an ordinance calling for a referendum, the county election commission shall conduct a referendum at the time specified in the ordinance on the question of implementing the motor

fuel user fee within the county. The state election laws apply to the referendum, mutatis mutandis. The county election commission shall publish the results of the referendum and certify them to the local governing body. The user fee must not be imposed in the county unless a majority of the qualified electors voting in the referendum vote in favor of the referendum.

(C)(1) The ballot must clearly identify each road improvement project to be funded by the motor fuel user fee increase together with a description of the road improvement project. The road improvement projects must be listed in order of priority on the ballot immediately following the question presented. The question presented on the referendum ballot must read as follows:

‘Should a _____ cent per gallon motor fuel user fee on each gallon of motor fuel sold at retail be levied in _____ County for not more than _____ years for the purpose of funding the following road improvement projects?

- (1) [Road Improvement Project and Description]
- (2) [Road Improvement Project and Description]
- (3) [Etc.]

Yes
No

(2) If the question is not approved at the initial referendum, the local governing body of the county may, by an ordinance meeting the requirements of this section, call for another referendum on the question. However, following the initial referendum, a referendum for this purpose must not be held more often than once in a twenty-four month period on the Tuesday following the first Monday in November in even-numbered years.

(3) Once a week for the four weeks immediately preceding the referendum, the local governing body of the county shall publish notice in a newspaper of general circulation within the jurisdiction a description of and the specific uses for the user fee. The local governing body must also publish notice on its website in the same manner.

(D) The imposition date of the user fee allowed pursuant to this chapter is the first day of the first month beginning more than sixty days after the local governing body files a certified copy of the ordinance and a certified copy of the results of the referendum with the South Carolina Department of Revenue.

(E) Once a certified copy of the ordinance and a certified copy of the results of the referendum are filed with the Department of Revenue, for

the period of imposition provided in the ordinance, the department may not accept as filed any additional ordinance or referendum results from the county that in any way relate to the user fee allowed to be imposed pursuant to this chapter except an ordinance or the referendum results rescinding or reducing the existing user fee. The department shall accept for filing a certified copy of an ordinance and referendum results reducing or repealing the user fee, and that reduction or repeal applies in the manner provided in subsection (D) for imposition.

(F) Pursuant to Section 6-14-50(C), revenues collected pursuant to the imposition of the user fee must be used only for the purpose stated in the imposition ordinance and referendum.

Section 6-14-50. (A) The user fee imposed pursuant to this chapter must be administered and collected by the Department of Revenue in the same manner that sales and use tax are collected. The department may prescribe amounts that may be added to the sales price because of the user fee. The sales tax return shall contain a line reporting gallons of gasoline sold for the purpose of calculating the user fee.

(B) When the local motor fuel user fee is imposed for more than one project, the local governing body authorizing the referendum for the user fee shall follow the priority listed for the expenditure of the net proceeds of the user fee as stated in the referendum although the governing body may elect to begin multiple road improvement projects simultaneously, so long as the governing body honors the priority of the projects as set forth in the referendum.

(C) The revenues of the user fee collected in each county pursuant to this chapter must be remitted to the State Treasurer and credited to a fund separate and distinct from the general fund of the State. After deducting the amount of refunds made and costs to the Department of Revenue of administering the user fee, not to exceed one percent of the revenues, the State Treasurer shall distribute the revenues quarterly to the county in which the user fee is imposed. These revenues must be used only for the purpose stated in the imposition ordinance and referendum. The State Treasurer may correct misallocation costs or refunds by adjusting subsequent distributions, but these adjustments must be made in the same fiscal year as the misallocation.

Section 6-14-60. The Department of Revenue shall furnish data to the State Treasurer and to the counties receiving revenues for the purpose of calculating distributions and estimating revenues. The information that must be supplied to the counties and municipalities upon request includes, but is not limited to, gross receipts, net taxable sales, and tax

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liability by taxpayers. Information about a specific taxpayer is considered confidential and is governed by the provisions of Section 12-54-240. A person violating this section is subject to the penalties provided in Section 12-54-240.

Section 6-14-70. The revenues of the user fee collected in each county may only be allocated to funding road improvement projects contained in the referendum. Revenue collected in excess of that which is needed to fund road improvement projects contained in the referendum must be divided among the county and municipalities located within the county based upon the proportion of sales subject to the tax imposed pursuant to this chapter which occur in the county and those that occur in each municipality within the county. Excess revenue may then be allocated to other road improvement projects, mass transit projects, pedestrian sidewalks and paths, bicycle paths, or greenspaces in the county or municipality, as appropriate, that were not identified in the referendum.

Section 6-14-80. The revenues of the user fee collected in each county shall be distributed proportionately between the county and any municipality where a particular road improvement project encompasses roads or bridges in both the county and the municipality. These revenues must be used only for the purpose stated in the imposition ordinance and referendum, or the case of excess revenue, only for the purposes allowed for the expenditure of excess revenue pursuant to Section 6-14-60.

Section 6-14-90. Following any successful referendum, a county may not alter the priority listing of projects as contained in the referendum.

Section 6-14-100. The Department of Revenue may promulgate regulations necessary to implement this chapter.” /

Renumber sections to conform.

Amend title to conform.

Senator SENN spoke on the amendment.

On motion of Senator SENN, the amendment was withdrawn.

Amendment No. 34

Senator CLIMER proposed the following amendment (3516R056.DR.WC), which was withdrawn:

Amend the bill, as and if amended, by striking SECTION 9 in its entirety.

Renumber sections to conform.

Amend title to conform.

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Senator CLIMER spoke on the amendment.

On motion of Senator CLIMER, the amendment was withdrawn.

Amendment No. 40

Senator CLIMER proposed the following amendment (3516R089.SP.WC), which was tabled:

Amend the bill, as and if amended, page 6, by striking lines 37-41 and inserting:

/ (2) This subsection does not apply if the owner of the item is serving on or was honorably discharged from active duty in the armed forces of the United States. The exclusion allowed by this item also extends to items owned by the spouse or dependent of a person who is serving on or was honorably discharged from active duty in the armed forces of the United States. /

Renumber sections to conform.

Amend title to conform.

Senator CLIMER spoke on the amendment.

Senator GROOMS moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 23; Nays 16

AYES

Alexander	Allen	Campbell
Campsen	Fanning	Gambrell
Gregory	Grooms	Hutto
Jackson	Kimpson	Leatherman
Malloy	<i>Matthews, John</i>	<i>Matthews, Margie</i>
McElveen	McLeod	Nicholson
Rankin	Reese	Senn
Setzler	Sheheen	

Total--23

NAYS

Bennett	Climer	Corbin
Cromer	Davis	Hembree

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Martin	Massey	Peeler
Rice	Shealy	Talley
Timmons	Turner	Verdin
Young		

Total--16

The amendment was laid on the table.

Amendment No. 47

Senator ALEXANDER proposed the following amendment (3516R097.SP.TCA), which was adopted (#4):

Amend the bill, as and if amended, page 24, by striking line 35 and inserting:

/ years, or ~~twenty five~~ forty dollars for a license that is valid for ~~ten~~ eight /

Renumber sections to conform.

Amend title to conform.

Senator ALEXANDER spoke on the amendment.

The amendment was adopted.

Amendment No. 49A

Senator TALLEY proposed the following amendment (3516R103.DR.SFT), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. A. Section 57-1-310 through Section 57-1-330 of the 1976 Code, as last amended by Act 275 of 2016, are further amended to read:

“Section 57-1-310. (A) The congressional districts of this State are constituted and created Department of Transportation Districts of the State, designated by numbers corresponding to the numbers of the respective congressional districts. The Commission of the Department of Transportation shall be composed of one member from each transportation district and one member from the State at large, all appointed by the Governor, upon the advice and consent of the Senate, subject to the provisions of Section 57-1-325. In making appointments

to the commission, the Governor shall take into account race, gender, and other demographic factors, such as residence in rural or urban areas, so as to represent, to the greatest extent possible, all segments of the population of the State; however, consideration of these factors in making an appointment in no way creates a cause of action or basis for an employee grievance for a person appointed or for a person who fails to be appointed.

(B) ~~The at large appointment made by the Governor must be transmitted to the Joint Transportation Review Committee.~~

(C) The qualifications that each commission member must possess, include, but are not limited to:

(1) a baccalaureate or more advanced degree from:

(a) a recognized institution of higher learning requiring face-to-face contact between its students and instructors prior to completion of the academic program;

(b) an institution of higher learning that has been accredited by a regional or national accrediting body; or

(c) an institution of higher learning chartered before 1962; or

(2) a background of at least five years in any combination of the following fields of expertise:

(a) transportation;

(b) construction;

(c) finance;

(d) law;

(e) environmental issues;

(f) management; or

(g) engineering.

(D) A member of the General Assembly or member of his immediate family may not be appointed to the commission while the member is serving in the General Assembly; nor shall a member of the General Assembly or a member of his immediate family be appointed to the commission for a period of four years after the member either:

(1) ceases to be a member of the General Assembly; or

(2) fails to file for election to the General Assembly in accordance with Section 7-11-15.

Section 57-1-320. A county within a Department of Transportation district may not have a resident commission member for more than eight consecutive years and in no event shall any two persons from the same county serve as a commission member simultaneously.

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Section 57-1-325. (A) The Governor shall submit his transportation district appointees to the Senate and the House of Representatives for referral to the appropriate legislative delegation. Legislative delegation for these purposes means legislators residing in the congressional district corresponding to the transportation district of the appointee.

(B) Upon receipt of a referral, the legislative delegation shall meet to approve or disapprove the Governor's appointee. The legislative delegation shall report its findings to the House of Representatives, the Senate, and the Governor. If the legislative delegation approves the Governor's appointee, the appointment shall be referred to the Joint Transportation Review Committee. If the delegation disapproves the appointee, the Governor shall make another appointment. If the legislative delegation fails to approve of the Governor's appointee within forty-five days of the appointee's referral to the delegation, the appointee is deemed to have been disapproved.

Section 57-1-330. (A) All commission members are appointed to serve at the pleasure of the Governor to a term of office of four years ~~which expires on February fifteenth of the appropriate year~~. However, a commission member may not serve more than ~~two~~ eight consecutive ~~terms~~ full years, and may not serve more than twelve years, regardless of when the ~~term was~~ years were served ~~so long as four full years have passed since the commissioner last served~~. ~~Commissioners shall continue to serve until their successors are appointed and confirmed, provided that a commissioner only may serve in a hold-over capacity for a period not to exceed six months. If either the eight consecutive year limit or the twelve total years limit is met, a vacancy occurs, and the commissioner may not serve in a holdover capacity.~~ Any vacancy occurring in the office of commissioner shall be filled by appointment in the manner provided in this article ~~for the unexpired term only~~. Except for the at-large member, a person is not eligible to serve as a commission member who is not a resident of that district at the time of his appointment. Failure by such commission member to maintain residency in the district for which he is appointed shall result in the forfeiture of his office.

(B) The at-large commission member may be appointed from any county in the State unless another commission member is serving from that county. Failure by the at-large commission member to maintain residence in the State shall result in a forfeiture of his office.

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~~Commission members may be removed from office at the discretion of the Governor subject to the prior approval of the appropriate legislative delegation.”~~

B. Article 7, Chapter 1, Title 57 of the 1976 Code is repealed.

C. This SECTION takes effect July 1, 2017, except that the members of the Commission of the Department of Transportation serving on June 30, 2017 shall continue to serve until their current term expires and until their successor is appointed and confirmed. If a vacancy occurs in the seat of a member serving on June 30, 2017, before the member's term otherwise expires, then the vacancy must be filled in the manner specified in Chapter 1, Title 57 of the 1976 Code, as amended by this act, and the member filling the vacancy shall serve until the term expires. Commissioners serving on June 30, 2017 and any commissioners serving for the remainder of their term do not serve at the pleasure of the Governor. The members serving on June 30, 2017, if otherwise eligible, may be reappointed pursuant to Section 57-1-310, as amended by this act. /

Renumber sections to conform.

Amend title to conform.

Senator TALLEY spoke on the amendment.

On motion of Senator TALLEY, the amendment was carried over.

On motion of Senator TALLEY, the amendment was withdrawn.

Amendment No. 50

Senator CLIMER proposed the following amendment (3516R101.SP.WC), which was tabled:

Amend the bill, as and if amended, page 24, by striking lines 33-35 and inserting:

/ “Section 56-1-140. (A) Upon payment of a fee of twelve dollars and fifty cents for a license that is valid for five years, or twenty-five dollars for a license that is valid for ~~ten~~ eight /

Renumber sections to conform.

Amend title to conform.

Senator CLIMER spoke on the amendment.

Senator SETZLER moved to lay the amendment on the table.

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The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 27; Nays 16

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Johnson
Kimpson	Leatherman	Malloy
<i>Matthews, John</i>	<i>Matthews, Margie</i>	McElveen
McLeod	Nicholson	Rankin
Reese	Sabb	Senn
Setzler	Sheheen	Williams

Total--27

NAYS

Bennett	Campsen	Climer
Corbin	Davis	Hembree
Martin	Massey	Peeler
Rice	Shealy	Talley
Timmons	Turner	Verdin
Young		

Total--16

The amendment was laid on the table.

Amendment No. 53

Senator HEMBREE proposed the following amendment (3516R104.KM.GH), which was tabled:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. A. Section 12-6-510 of the 1976 Code is amended to read:

“Section 12-6-510. (A) For taxable years beginning after 1994, a tax is imposed on the South Carolina taxable income of individuals, estates, and trusts and any other entity except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the

following rates with the income brackets indexed in accordance with Section 12-6-520:

Not over \$2,220	2.5 percent of taxable income
Over \$2,220 but not over \$4,440	\$56 plus 3 percent of the excess over \$2,220;
Over \$4,440 but not over \$6,660	\$123 plus 4 percent of the excess over \$4,440;
Over \$6,660 but not over \$8,880	\$212 plus 5 percent of the excess of \$6,660;
Over \$8,880 but not over \$11,100	\$323 plus 6 percent of the excess over \$8,880;
Over \$11,100	\$456 plus 7 percent of the excess over \$11,100.

(B) For tax year 2018, a tax is imposed on the South Carolina taxable income of individuals, estates, trusts, and any other entities except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates:

Not over \$3,120	0 percent of taxable income;
Over \$3,120 but not over \$9,000	3 percent of the excess over \$3,120;
Over \$9,000 but not over \$15,000	\$176 plus 5 percent of the excess of \$9,000;

and

Over \$15,000	\$476 plus 7 percent of the excess over \$15,000.
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(C) For tax year 2019, a tax is imposed on the South Carolina taxable income of individuals, estates, trusts, and any other entities except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates:

Not over \$3,500	0 percent of taxable income;
Over \$3,500 but not over \$9,200	3 percent of the excess over \$3,500;
Over \$9,200 but not over \$18,000	\$171 plus 5 percent of the excess of \$9,200;

and

Over \$18,000	\$611 plus 7 percent of the excess over \$18,000.
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(D) For tax year 2020, a tax is imposed on the South Carolina taxable income of individuals, estates, trusts, and any other entities except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates:

Not over \$3,870	0 percent of taxable income;
Over \$3,870 but not over \$9,400	3 percent of the excess over \$3,870;
Over \$9,400 but not over \$21,000	\$165 plus 5 percent of the excess of \$9,400;

and

Over \$21,000	\$745 plus 7 percent of the excess over \$21,000.
---------------	---

(E) For tax year 2021, a tax is imposed on the South Carolina taxable income of individuals, estates, trusts, and any other entities except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates:

Not over \$4,250	0 percent of taxable income;
Over \$4,250 but not over \$9,600	3 percent of the excess over \$4,250;
Over \$9,600 but not over \$24,000	\$160 plus 5 percent of the excess of \$9,600;

and

Over \$24,000	\$880 plus 7 percent of the excess over \$24,000.
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(F) For tax year 2022, a tax is imposed on the South Carolina taxable income of individuals, estates, trusts, and any other entities except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates:

<u>Not over \$4,620</u>	<u>0 percent of taxable income;</u>
<u>Over \$4,620 but not over \$9,800</u>	<u>3 percent of the excess over \$4,620;</u>
<u>Over \$9,800 but not over \$27,000</u>	<u>\$155 plus 5 percent of the excess of \$9,800;</u>

and

<u>Over \$27,000</u>	<u>\$1,015 plus 7 percent of the excess over \$27,000.</u>
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(G) For tax year 2023 and each tax year thereafter, a tax is imposed on the South Carolina taxable income of individuals, estates, trusts, and any other entities except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates with the income brackets indexed in accordance with Section 12-6-520 for tax years after tax year 2023:

<u>Not over \$5,000</u>	<u>0 percent of taxable income;</u>
<u>Over \$5,000 but not over \$10,000</u>	<u>3 percent of the excess over \$5,000;</u>
<u>Over \$10,000 but not over \$30,000</u>	<u>\$150 plus 5 percent of the excess of \$10,000;</u>

and

<u>Over \$30,000</u>	<u>\$1,150 plus 7 percent of the excess over \$30,000.</u>
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(B)(H) The department may prescribe tax tables consistent with the rates set pursuant to subsection (A) this section.”

B. Section 12-6-520 of the 1976 Code is amended to read:

“Section 12-6-520. Each December 15, the department shall cumulatively adjust the brackets in Section 12-6-510 in the same manner that brackets are adjusted in Internal Revenue Code Section (1)(f). However, the adjustment ~~is limited to one half of the adjustment determined by Internal Revenue Code Section (1)(f)~~, may not exceed four percent a year, and the rounding amount provided in (1)(f)(6) is ten dollars. The brackets, as adjusted, apply in lieu of those provided in Section 12-6-510 for taxable years beginning in taxable year 2024 and succeeding calendar years the ~~succeeding calendar year~~. Inflation adjustments must be made cumulatively to the income tax brackets.”

SECTION 2. Section 57-11-20(A) of the 1976 Code is amended to read:

“Section 57-11-20. (A)(1) All state revenues and state monies dedicated by statute to the operation of the department must be deposited into either the ‘State Highway Fund,’ or the ‘State Non-Federal Aid Highway Fund,’ or the ‘Infrastructure Maintenance Trust Fund.’ ~~Both~~ All funds must be held and managed by the State Treasurer separate and distinct from the general fund, except as to monies utilized by the State Treasurer for the payment of principal or interest on state highway bonds

as provided by law. Interest income from the State Highway Fund must be deposited to the credit of the State Highway Fund. Interest income from the Non-Federal Aid Highway Fund must be deposited to the credit of the Non-Federal Aid Highway Fund. Interest income from the Infrastructure Maintenance Trust Fund must be deposited to the credit of the Infrastructure Maintenance Trust Fund. The commission may commit up to the maximum annual debt service provided in Article X, Section 13 of the South Carolina Constitution into a special fund to be used for the sole purpose of paying the principal and interest, as it comes due, on bonds issued for the construction or maintenance of state highways, or both. This special account will be designated as the State Highway Construction Debt Service Fund.

(2) The Infrastructure Maintenance Trust Fund must be used exclusively for repairs, maintenance, and improvements to the existing transportation system.”

SECTION 3. A. Section 12-28-310 of the 1976 Code is amended by adding subsections at the end to read:

“(D) On July 1, 2017 and each July first thereafter until after July 1, 2022, the department shall permanently increase the amount of the user fee imposed pursuant to subsection (A) by two cents, for a total of twelve cents. All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.

(E) The department shall increase the amount of the motor fuel user fee imposed pursuant to subsections (A) and (D) on an annual basis by an inflation factor equal to the annual average percentage adjustment over the last ten completed calendar years of the Consumer Price Index for all urban consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, but not to exceed two percent. Upon determining the increase, the department shall round the price to the nearest one-tenth of a cent. If the increase is exactly between two-tenths of a cent, the department must round the price up to the higher of the two. The department shall determine the increase in the motor fuel user fee by March thirty-first of each year, and the increase shall take effect the following July first. The department must notify affected taxpayers of the motor fuel user fee to be in effect for the coming July first to June thirtieth period.”

B. The first CPI adjustment made pursuant to this SECTION takes effect July 1, 2023.

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SECTION 4. A. Section 56-11-410 of the 1976 Code is amended to read:

“Section 56-11-410. (A) A road tax for the privilege of using the streets and highways in this State is imposed upon every motor carrier. The tax is equivalent to ~~sixteen cents a gallon~~ the user fee imposed pursuant to Section 12-28-310, calculated on the amount of gasoline or other motor fuel used by the motor carrier in its operations within this State. Except as credit for certain taxes as provided for in this chapter, taxes imposed on motor carriers by this chapter are in addition to taxes imposed upon the carriers by any other provision of law.

(B) Notwithstanding any other provision of law, all of the road tax funds collected in excess of sixteen cents a gallon, after accounting for the credit provided in Section 56-11-450, must be credited to the Infrastructure Maintenance Trust Fund.”

B. Section 56-11-450(A) of the 1976 Code is amended to read:

“56-11-450.(A) Every motor carrier subject to the tax imposed under this chapter is entitled to a credit on the tax equivalent to ~~sixteen cents per gallon~~ the user fee imposed pursuant to Section 12-28-310 on all gasoline or other motor fuel purchased by the carrier within this State for use in operations either within or without this State and upon which gasoline or other motor fuel the tax imposed by the laws of this State has been paid by the carrier. Evidence of the payment of the tax in such form as may be required by or is satisfactory to the Department of Motor Vehicles must be furnished by each carrier claiming the credit.”

SECTION 5. A. Section 56-3-620 of the 1976 Code is further amended to read:

“Section 56-3-620. (A) For persons sixty-five years of age or older or persons who are handicapped, as defined in Section 56-3-1950, the biennial registration fee for every private passenger motor vehicle, excluding trucks, is ~~twenty thirty-six~~ dollars.

(B) ~~Beginning July 1, 1987, for~~ For persons under the age of sixty-five years, the biennial registration fee for every private passenger motor vehicle, excluding trucks, is ~~twenty four forty~~ dollars.

(C) For persons sixty-five years of age or older, the biennial registration fee for a property-carrying vehicle with a gross weight of six thousand pounds or less is ~~thirty forty-six~~ dollars.

(D) For persons who are sixty-four years of age, the biennial registration fee for a private passenger motor vehicle, excluding trucks, is ~~twenty two thirty-eight~~ dollars.

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(E) Applicable truck fees, established by Section 56-3-660, are not negated by this section.

(F) Annual license plate validation stickers which are issued for nonpermanent license plates on certified South Carolina public law enforcement vehicles must be issued without charge.

(G) From each biennial registration and license fee collected, sixteen dollars must be credited to the Infrastructure Maintenance Trust Fund.”

B. This SECTION takes effect January 1, 2018.

SECTION 6. A. Article 5, Chapter 3, Title 56 of the 1976 Code is amended by adding:

“Section 56-3-645. (A) In addition to the registration fees imposed by this chapter, the owner of motor vehicles that are powered:

(1) exclusively by electricity, hydrogen, or any fuel other than motor fuel, as defined in Section 12-28-110(39), that are not subject to motor fuel user fees imposed by Chapter 28, Title 12 shall pay a biennial road use fee of one hundred twenty dollars; and

(2) by a combination of motor fuel subject to motor fuel user fees imposed by Chapter 28, Title 12 and electricity, hydrogen, or any fuel other than motor fuel that is not subject to motor fuel user fees imposed by Chapter 28, Title 12 shall pay a biennial road use fee of sixty dollars.

(B) All of the fees collected pursuant to this section must be credited to the Infrastructure Maintenance Trust Fund.

(C) The Department of Motor Vehicles shall collect this fee at the same time that the vehicle subject to the fee is registered.”

B. This SECTION takes effect January 1, 2018.

SECTION 7. A. Section 12-36-2110(A) of the 1976 Code is amended to read:

“Section 12-36-2110. (A)(1) The maximum tax imposed by this chapter ~~is three hundred dollars for each the sale made after June 30, 1984, or lease executed after August 31, 1985, of each item identified in item (A)(2) is:~~

(a) four hundred dollars beginning on July 1, 2017 and ending on June 30, 2018;

(b) five hundred dollars beginning on July 1, 2018 and ending on June 30, 2019; and

(c) six hundred dollars beginning on July 1, 2019 and thereafter.

(+) (2) The maximum tax imposed pursuant to item (A)(1) shall be imposed on the sale or lease executed of each:

(a) aircraft, including unassembled aircraft which is to be assembled by the purchaser, but not items to be added to the unassembled aircraft;

(2)(b) motor vehicle;

(3)(c) motorcycle;

(4)(d) boat;

(5)(e) trailer or semitrailer, pulled by a truck tractor, as defined in Section 56-3-20, and horse trailers, but not including house trailers or campers as defined in Section 56-3-710 or a fire safety education trailer;

(6)(f) recreational vehicle, including tent campers, travel trailer, park model, park trailer, motor home, and fifth wheel; or

(7)(g) self-propelled light construction equipment with compatible attachments limited to a maximum of one hundred sixty net engine horsepower.

(3) In the case of a lease, the total tax rate required by ~~law this section~~ applies on each payment until the total tax paid equals ~~three hundred dollars the tax imposed by this subsection~~. Nothing in this section prohibits a taxpayer from paying the total tax due at the time of execution of the lease, or with any payment under the lease. To qualify for the tax limitation provided by this section, a lease must be in writing and specifically state the term of, and remain in force for, a period in excess of ninety continuous days.

(4) Of the revenue collected pursuant to the maximum tax imposed by this subsection:

(a) twenty percent of the first three hundred dollars must be credited to the South Carolina Education Improvement Act of 1984 Fund, and the remaining eighty percent must be credited to the general fund of this State; and

(b) any additional revenue collected must be credited to the Infrastructure Maintenance Trust Fund.”

B. Section 12-36-2647(A) of the 1976 Code is amended to read:

“Section 12-36-2647. (A) Notwithstanding the provisions of Section 59-21-1010, the revenues of sales, use, and casual excise taxes derived pursuant to Sections 12-36-2620(1) and 12-36-2640(1) on the sale, use, or titling of a motor vehicle required to be licensed and registered by the South Carolina Department of Motor Vehicles, otherwise required to be credited as provided pursuant to Section 59-21-1010, instead must be credited to the State Highway Fund as established by Section 57-11-20, to be distributed as provided in this section. The credit to the state highway fund during 2017 shall be equal to five-sixths of the revenues

on the sale, use, or titling of a motor vehicle derived pursuant to Sections 12-36-2620(1) and 12-36-2640(1). Each year thereafter, until 2023, an additional one-sixth of the revenue collected shall be deducted from the credit to the State Highway Fund, until none of the revenue collected is credited to the State Highway Fund.”

SECTION 8. Section 56-1-140 of the 1976 Code is amended to read:

“Section 56-1-140. (A) Upon payment of a fee of twelve twenty-five dollars and ~~fifty cents~~ for a license that is valid for ~~five~~ four years, or twenty five fifty dollars for a license that is valid for ~~ten~~ eight years, the Department of Motor Vehicles shall issue to every qualified applicant a driver’s license as applied for by law. The license must bear on it a distinguishing number assigned to the licensee, the full name, date of birth, residence address, a brief description and laminated colored photograph of the licensee, and a facsimile of the signature of the licensee, or a space upon which the licensee shall write his usual signature with pen and ink immediately upon receipt of the license. ~~No~~ A license is not valid until it has been ~~so~~ signed by the licensee. The license authorizes the licensee to operate only those classifications of vehicles as indicated on the license.

(B) An applicant for a new, renewed, or replacement South Carolina driver’s license may apply to the Department of Motor Vehicles to obtain a veteran designation on the front of his driver’s license by providing:

(1) a United States Department of Defense discharge certificate, also known as a DD Form 214, that shows a characterization of service, or discharge status of ‘honorable’ or ‘general under honorable conditions’ and establishes the person’s qualifying military service in the United States Armed Forces; and

(2) payment of a one dollar fee that must be collected by the department and placed by the Comptroller General into the State Highway Fund as established by Section 57-11-20, to be distributed as provided in Section 11-43-167.

The Department of Motor Vehicles may determine the appropriate form of the veteran designation on the driver’s license authorized pursuant to this section.

(C) The fees collected pursuant to this section must be credited to the Department of Transportation State Non Federal Aid Highway Fund. All of the fees collected pursuant to this section must be credited to the Infrastructure Maintenance Trust Fund.”

SECTION 9. A. Article 23, Chapter 37, Title 12 of the 1976 Code is amended to read:

“ARTICLE 23
Motor Carriers

Section 12-37-2810. As used in this article, unless the context requires otherwise:

(A) ‘Motor carrier’ means a person who owns, controls, operates, manages, or leases a commercial motor vehicle or bus for the transportation of property or persons in intrastate or interstate commerce except for scheduled intercity bus service and farm vehicles using FM tags as allowed by the Department of Motor Vehicles. A motor carrier is defined further as being a South Carolina-based International Registration Plan registrant or owning or leasing real property within this State used directly in the transportation of freight or persons.

(B) ‘Commercial motor ~~Motor~~ vehicle’ means a motor propelled vehicle used for the transportation of property on a public highway ~~with a gross vehicle weight of greater than twenty-six thousand pounds, except for farm vehicles using FM tags as allowed by the Department of Motor Vehicles.~~

(C) ‘Large commercial motor vehicle’ means a commercial motor vehicle with a ~~gross vehicle weight of greater than twenty-six thousand pounds that is registered under the International Registration Plan or used on a highway for the transportation of property.~~

(D) ‘Small commercial motor vehicle’ means a commercial motor vehicle with a ~~gross vehicle weight of less than or equal to twenty-six thousand pounds that is registered under the International Registration Plan or used on a highway for the transportation of property.~~

(E) ‘Highway’ means all public roads, highways, streets, and ways in this State, whether within a municipality or outside of a municipality.

(F) ‘Person’ means any individual, corporation, firm, partnership, company or association, and includes a guardian, trustee, executor, administrator, receiver, conservator, or a person acting in a fiduciary capacity.

(G) ‘Semitrailers’ means every vehicle with or without motive power, other than a pole trailer, designed for carrying property and for being drawn by a motor vehicle and constructed so that a part of its weight and of its load rests upon or is carried by another vehicle.

(H) ‘Trailers’ means every vehicle with or without motive power, other than a pole trailer, designed for carrying property and for being drawn by a motor vehicle and constructed so that no part of its weight rests upon the towing vehicle.

(G)I ‘Bus’ means every motor vehicle designed for carrying more than sixteen passengers and used for the transportation of persons, for compensation, other than a taxicab or intercity bus.

(J) ‘South Carolina apportionment factor’ means the ratio of miles operated by a fleet of vehicles in South Carolina to the miles operated by the fleet of vehicles everywhere, which is used to apportion the registration fees of the fleet under the International Registration Plan.

Section 12-37-2815. The provisions contained in this article do not apply to small commercial motor vehicles that must be licensed and registered and pay ad valorem taxes as otherwise provided by law.

Section 12-37-2820. (A) The Department of Revenue Motor Vehicles annually shall assess, equalize, and apportion the valuation of all large commercial motor vehicles and buses of motor carriers registered for use in this State under the International Registration Plan or otherwise pursuant to Section 56-3-190. The valuation must be based on fair market value for the motor vehicles and an assessment ratio of nine and one-half percent as provided by Section 12-43-220(g). Fair market value is determined by depreciating the gross capitalized cost of each motor carrier's large commercial motor vehicle or bus by an annual percentage depreciation allowance down to ten percent of the cost as follows:

(1) Year One	--	.90
(2) Year Two	--	.80
(3) Year Three	--	.65
(4) Year Four	--	.50
(5) Year Five	--	.35
(6) Year Six	--	.25
(7) Year Seven	--	.20
(8) Year Eight	--	.15
(9) Year Nine	--	.10

(B) ‘Gross capitalized cost’, as used in this section, means the original cost upon acquisition for income tax purposes, not to include taxes, interest, or cab customizing. However, for a motor vehicle which is fueled wholly or partially by alternative fuel as defined in Section 12-28-110(1), and that was acquired after 2015 but before 2026, the gross capitalized cost is reduced by the differential costs of a comparable diesel or gasoline powered vehicle, not to exceed thirty percent of the total acquisition cost of the motor vehicle. This reduction shall apply for the first ten property tax years for which tax is due following the acquisition of the vehicle.

Section 12-37-2830. The value of a motor carrier's large commercial motor vehicles and buses subject to property taxes road use fees in this State must be determined based on the ratio of total mileage operated within this State during the preceding calendar year to the total mileage of its fleet operated within and without this State during the same preceding calendar year according to the South Carolina apportionment factor for the fleet of which the commercial vehicle is a part.

Section 12-37-2840. (A) Motor carriers must file an annual property tax return with the Department of Revenue no later than June 30 for the preceding calendar year and remit one half of the tax due or the entire tax due as stated on the return. If the motor carrier fails to pay either one half of the tax due or the entire tax due as of June 30, the department must issue a proposed assessment for the entire tax to the motor carrier. The tax as shown in the proposed assessment must be paid in full by cashier's check, money order, or cash within thirty days of the issuance of the proposed assessment, or the taxpayer may appeal the proposed assessment within thirty days using the procedures provided in subarticle 1, Article 5, Chapter 60 of this title.

(B)(1) If one half of the tax is remitted on or before June 30, the remaining one half of the tax due must be paid to the Department of Revenue on or before December 31 of that year. If the motor carrier fails to remit the remaining tax due pursuant to this section, the department shall issue a proposed assessment to the motor carrier.

(2) The tax shown in the proposed assessment must be paid in full by cashier's check, money order, or cash or appealed within thirty days of the issuance of the proposed assessment. The taxpayer may appeal the proposed assessment using the procedures provided in subarticle 1, Article 5, Chapter 60 of this title.

(C) If a motor carrier fails to timely file the return as required by this section, the department shall issue a proposed assessment which assumes all mileage of the motor carrier's fleet was driven within this State. A taxpayer may appeal this proposed assessment using the procedures provided in subarticle 1, Article 5, Chapter 60 of this title.

(D) A twenty-five percent penalty must be added to the property tax due if the motor carrier fails to file a return or pay any tax due, including the one half of the tax due on June 30, as required by this section. The penalty must be applied the day after the date that the return was due to be filed or the tax was due to be paid. This penalty is instead of all other penalties and interest required by law, except those provided in Section 12-54-44.

(E) If the motor carrier fails to remit the tax due within thirty days of receipt of the proposed assessment and the taxpayer fails to appeal the proposed assessment as provided in subsection (B), the department shall assess the tax. Tax due pursuant to this section is subject to the collection procedures provided in Chapter 54 of this title, except that the penalty provisions of Section 12-54-43 do not apply. A motor carrier registering a large commercial motor vehicle or bus must pay the road use fee due on the vehicle at the time and in the manner that the person pays the registration fees on the vehicle pursuant to Section 56-3-660. A person choosing to pay registration fees on a large commercial motor vehicle or bus in quarterly installments pursuant to Section 56-3-660 also must pay the road use fee on the vehicle in the same quarterly installments.

Section 12-37-2842. (A) The Department of Motor Vehicles, at the time of first registration by a motor carrier as defined in this article, shall notify the registrant of the Department of Revenue's registration and filing requirements and supply the required registration forms.

(B) The motor carrier must register with the Department of Revenue within thirty days following the year in which the vehicle or bus was first registered for operation in South Carolina.

(C) A motor carrier must notify the Department of Revenue, on forms supplied by the department, of a motor vehicle or bus that is disposed of before December 31.

Section 12-37-2850. Beginning on January 1, 2019, the The Department of Revenue Motor Vehicles shall assess annually the taxes road use fee due on large commercial motor vehicles and buses based on the value determined in Section 12-37-2820 and an average millage for all purposes statewide for the preceding calendar year and shall publish the average millage for the preceding year by June 1 July first of each year. The Department of Revenue, in consultation with the Revenue and Fiscal Affairs Office, shall calculate the millage to be used to calculate the road use fee by June first of each year for the following calendar year. The taxes road use fee assessed must be paid to the Department of Revenue no later than December 31 of each year and may be made in two equal installments Motor Vehicles, in addition to the registration fees required pursuant to Sections 56-3-660 and 56-3-670, at the time and in the manner that the registration fees on the vehicle are paid pursuant to Sections 56-3-660 and 56-3-670. Distribution of the taxes fees paid must be made by the State Treasurer's Office of the State Treasurer based on the distribution formula contained provided in Section 12-37-2870 Sections 12-37-2865 and 12-37-2870.

Section 12-37-2860. (A) In addition to the property tax exemptions allowed pursuant to Section 12-37-220, one hundred percent of the fair market value of semitrailers and trailers, as defined in Section 12-37-2810, and commonly used in combination with large commercial motor vehicles, as defined pursuant to Section 12-37-2810, is exempt from property tax.

(B) Instead of the any property taxes tax and the registration requirements contained provided in Sections 56-3-110 and 56-3-700 on semitrailers and trailers of motor carriers as defined in Section 12-37-2810, and commonly used in combination with a large commercial motor vehicle, a one-time fee payable to the Department of Motor Vehicles in the amount of eighty-seven dollars is due imposed on all semitrailers and trailers currently registered and subsequently on each semitrailer and trailer before being placed in service.

(C) The fee imposed pursuant to subsection (B) and the registration requirements of this article are in lieu of any local road use fee, registration fees, or any other vehicle-related fee imposed by a political subdivision of this State on a trailer or semitrailer.

(B)(D) Twelve dollars of the one-time fee must be distributed to the Department of Revenue Motor Vehicles and may be retained by the Department of Revenue Motor Vehicles and expended in budgeted operations to record and administer the fee. The remaining seventy-five dollars of the fee must be distributed based on the distribution formula contained provided in Section Sections 12-37-2865 and 12-37-2870 and must occur by the fifteenth day of the month following the month in which the fees are collected.

(E) The fee required by this section is due on or before March 31, 1998, for the initial registration.

(D)(E) The Department of Motor Vehicles shall design a permanent tag for display on the exterior of the rear of the trailer or semitrailer in a conspicuous place.

(F) If the apportioned registration fees of a large commercial motor vehicle or bus and the road use fees for large commercial motor vehicles required under this chapter are equal to or exceed four hundred dollars, the fees may be remitted to the Department of Motor Vehicles quarterly, provided that each installment is made online. A motor carrier that fails to make a quarterly payment on a timely basis may no longer make installment payments and must remit to the department the balance of the fees owed for any previous calendar year before the Department of Motor Vehicles will renew registration for the current calendar year. A

motor carrier that opts out of installment payments must make full payment of fees at the time of registration.

Section 12-37-2865. Seventy-five percent of the revenues from the road use fee assessed pursuant to Section 12-37-2850 and the one-time fee assessed pursuant to Section 12-37-2860 must be distributed by the State Treasurer as provided in Section 12-37-2870. Distributions must be made by the last day of the next month succeeding the month in which the fee is paid. The remaining twenty-five percent must be credited to the Infrastructure Maintenance Trust Fund to be used to finance expansion and improvements to existing mainline interstates.

Section 12-37-2870. The distribution of the fee revenues required to be distributed pursuant to Section 12-37-2865(B) for each county must be determined on the ratio of total federal and state highway miles within each county during the preceding calendar year to the total federal and state highway miles within all counties of this State during the same preceding calendar year. The county must distribute the revenue from the payment-in-lieu of taxes received pursuant to this section within thirty days of its receipt to every governmental entity levying a property tax in the manner set forth below. For each governmental entity levying a property tax, the entire assessed value of the taxable property within its boundaries and the county area must be multiplied by the millage rate imposed by the governmental entity. That figure constitutes the numerator for that governmental entity. The total of the numerators for all property tax levying entities within the county area constitutes the denominator. The numerator for each governmental entity must be divided by the denominator. The resulting percentage must be multiplied by the payment in lieu of tax fee revenue received pursuant to this section and that amount distributed to the general fund of the appropriate governmental entity. The distribution of taxes and fees paid must be made by the last day of the next month succeeding the month in which the taxes and fees were paid.

Section 12-37-2880. (A) In addition to the property tax exemptions allowed pursuant to Section 12-37-220, one hundred percent of the fair market value of all large commercial motor vehicles and buses registered for use in this State under the International Registration Plan or otherwise, pursuant to Section 56-3-190, is exempt from property tax and is instead subject to the road use fee imposed pursuant to this article.

(B) The ad valorem taxes authorized road use fee imposed by this article are is in lieu of all other ad valorem taxes upon the large commercial motor vehicles or buses of motor carriers and any road use

or other vehicle-related fees imposed by a political subdivision of this State if registered for use in this State under the International Registration Plan. The fee in lieu of property taxes and registration requirements authorized by this article are in lieu of all other ad valorem taxes upon trailers and semitrailers of motor carriers.

~~Section 12-37-2890. (A) Upon request by the Department of Revenue, and after the time period for all appeals of tax due is exhausted, the Department of Motor Vehicles shall suspend the driver's license and vehicle registration of a person that fails to file or pay a motor carrier property tax on a vehicle, pursuant to this article. The request to suspend must be an electronic notification from the Department of Revenue to the Department of Motor Vehicles. Before notification is sent to the Department of Motor Vehicles, the Department of Revenue shall notify the delinquent taxpayer by certified letter of the pending suspension and of the steps necessary to prevent the suspension from being entered on the taxpayer's driving and registration records. The department shall allow thirty days for payment of taxes before notifying the Department of Motor Vehicles to suspend the driver's license and vehicle registration.~~

~~(B) Notwithstanding the provisions of Sections 56-1-460 and 56-9-500, a charge of driving under suspension when the suspension is solely for failure to file or pay a motor carrier property tax or the reinstatement fee required for the property tax does not require proof of financial responsibility. A person is not subject to a custodial arrest solely for being under suspension pursuant to this section. Upon conviction of a violation of this section, the taxpayer is subject to:~~

- ~~(1) for a first offense a fine not to exceed fifty dollars;~~
- ~~(2) for a second offense a fine not to exceed two hundred fifty dollars; and~~
- ~~(3) for a third or subsequent offense under this section, the penalty is a fine not to exceed five hundred dollars or imprisonment not to exceed thirty days, or both.~~

~~(C) Notwithstanding the provisions of subsections (A) and (B) of this section or the provisions of Section 56-1-460, a charge of driving under suspension issued solely as a result of this section must be dismissed if the taxpayer provides proof on the taxpayer's court date that the personal property taxes on the vehicle which resulted in the charge being issued have been paid.~~

~~(D) Before the reinstatement of a driver's license or vehicle registration suspended due to a violation of this section, a fee of fifty dollars must be paid to the Department of Motor Vehicles. The~~

~~Department of Motor Vehicles may retain revenues generated by payment of the reinstatement fees pursuant to this section for use in defraying costs associated with suspension and reinstatement actions pursuant to this section. Fees collected in excess of actual departmental direct costs related to suspension and reinstatement actions pursuant to this section must be deposited to the credit of the general fund of the State at the end of each fiscal year.”~~

B. Section 56-3-376 of the 1976 Code is amended to read:

“Section 56-3-376. (A) All vehicles except those vehicles designated in Section 56-3-780 are designated as distinct classifications and must be assigned an annual registration period as follows:

(1) Classification (1). Vehicles for which the biennial registration fee is one-hundred sixty dollars or more. The Department of Motor Vehicles may register and license a vehicle for which the biennial registration fee is one-hundred sixty dollars or more or for a semiannual or one-half year upon application to the department by the owner and the payment of one-fourth of the specified biennial fee. Biennial registrations and licenses expire at midnight on the last day of the twenty-fourth month for the period for which they were issued. Semiannual or half-year registrations and licenses expire at midnight of the sixth month for the period for which they were issued and no person shall drive, move, or operate a vehicle upon a highway after the expiration of the registration and license until the vehicle is registered and licensed for the then current period. Trucks, truck tractors, or road tractors with an empty or unloaded weight of over five thousand pounds or less, or gross vehicle weight of eight thousand pounds or less also must be placed in this classification but may not be registered for less than a full biennial period.

(2) Classification (2). Other vehicles. All other vehicles except those vehicles described in ~~classification classifications~~ (1) and (3) of this section are assigned a staggered biennial registration which expires on the last day of the month for the period for which they were issued.

(3) Classification (3). Large commercial motor vehicles and buses registered by motor carriers, as defined in Section 12-37-2810, are assigned a staggered annual registration which expires on the last day of the month for the period for which they were issued.

(B) Notwithstanding the registration periods provided in this section, upon appropriate notice, the department may revise the established renewal dates to allow renewals to be assigned an expiration date pursuant to a staggered monthly basis.”

C. Section 56-3-120(5) of the 1976 Code is amended to read:

~~“(5) a trailer or semitrailer of a motor carrier commonly used in combination with a large commercial motor vehicle, as defined in Section 12-37-2810, for which trailer or semitrailer the fee in lieu of taxes and registration requirements has been paid fee imposed pursuant to Section 12-37-2860 has been paid; applicable registration requirements provided pursuant to Article 23, Chapter 37, Title 12 have been met; and a distinctive permanent plate has been issued pursuant to Section 12-37-2860.”~~

D. Section 56-3-610 of the 1976 Code is amended to read:

“Section 56-3-610. (A) ~~Except as provided in subsection (B), the~~ The owner of every motor vehicle, trailer, semitrailer, pole trailer, and special mobile equipment vehicle required to be registered and licensed under this chapter shall pay to the Department of Motor Vehicles at the time of registering and licensing the vehicle and biennially after that time registration and license fees as set forth in this article.

(B) A large commercial motor vehicle or bus for which is imposed the road use fee provided pursuant to Article 23, Chapter 37, Title 12 is required to be registered and licensed annually pursuant to this chapter and the scheduled fees adjusted as provided pursuant to Section 56-3-660(E).”

E. Section 56-3-660(A) of the 1976 Code is amended to read:

“Section 56-3-660. (A) The determination of gross vehicle weight to register and license self-propelled property carrying vehicles is the empty weight of the vehicle or combination of vehicles and the heaviest load to be transported by the vehicle or combination of vehicles as declared by the registered owner. All determinations of weight must be made in units of one thousand pounds or major fraction of one thousand pounds. The declared gross vehicle weight applies to all self-propelled property carrying vehicles operating in tandem with trailers or semitrailers except that the gross weight of a trailer or semitrailer is not required to be included when the operation is to be in tandem with a self-propelled property carrying vehicle licensed for six thousand pounds or less gross weight, and the gross vehicle weight of the combination does not exceed nine thousand pounds. The Department of Motor Vehicles may register and license a ~~vehicle of this classification~~ small commercial motor vehicle, as defined in Section 12-37-2810, for which the biennial registration and license fee is one-hundred and sixty dollars or more for an annual or one-year period beginning on April first and ending on March thirty-first of the next year upon application to the

department by the owner and the payment of one-half the specified biennial fee or for a semiannual or one-half year beginning on April first and ending on September thirtieth of the same year upon application to the department by the owner and the payment of the appropriate fees. The registration and license fee for small commercial motor vehicles ~~in this classification~~ which are registered for the remaining twenty-four months or less of the twenty-four month biennial period or for the eleven months or less of the twelve-month year ending on March thirty-first or the remaining five months or less for the one-half period ending on September thirtieth is the proportionate part of the specified biennial fee for the remainder of the twenty-four month period or year or one-half year based on one twenty-fourth of the specified twenty-four-month fee for each month or part of a month remaining in the biennial registration period or license year or one-half year. ~~No~~ A proportionate fee may not be reduced lower than ten dollars. A person making application for a registration and license for a motor vehicle of this classification shall declare the true unloaded or empty weight of the vehicle."

F. Section 56-3-660 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

"() Fees for licensing and registration, and fees imposed pursuant to Article 23, Chapter 37, Title 12, may be credited or prorated as prescribed by the Department of Motor Vehicles."

G. Section 56-3-660(E) of the 1976 Code is amended to read:

"(E) The department may register ~~an apportionable~~ a large commercial motor vehicle, as defined in Section 12-37-2810, for the payment of one-half of this State's portion of the license and road fee for a vehicle whose portion of the license and road fee owed to this State exceeds eight four hundred dollars. The department may require any information necessary to complete the transaction."

H. Section 58-23-620 of the 1976 Code is amended to read:

"Section 58-23-620. (A) ~~No~~ A municipality or county in this State ~~shall~~ may not impose a license fee or license tax upon a holder of a certificate A or a certificate B, and ~~no~~ a municipality or county ~~shall~~ may not impose a license fee or license tax on the holder of a certificate E or a certificate F, Certificate of Compliance, or a common or contract motor carrier of property, except the ~~city or town~~ municipality of such the carrier's residence or the location of his the carrier's principal place of business. However, the fee required of a holder of a certificate C is in addition to any license tax or license fee charged by a municipality.

(B) If a municipality or county imposes a license fee or license tax pursuant to subsection (A), the fee or tax in the case of any certificate holder or common or contract motor carrier of property that operates its vehicles both within and without this State must be apportioned in the ratio that the miles traveled by the vehicles operated by the certificate holder in this State bears to miles traveled by those vehicles in all states.”

I. Article 21, Chapter 37, Title 12 of the 1976 Code is amended by adding:

“Section 12-37-2600. Motor carriers, as defined in Section 12-37-2810, are exempt from ad valorem taxes imposed pursuant to this chapter on large commercial motor vehicles and buses.”

J. Section 12-37-2610 of the 1976 Code, as last amended by Act 87 of 2015, is further amended to read:

“Section 12-37-2610. The tax year for licensed motor vehicles begins with the last day of the month in which a registration required by Section 56-3-110 is issued and ends on the last day of the month in which the registration expires or is due to expire. ~~No~~ A registration may not be issued for motor vehicles until the ad valorem tax is paid for the year for which the registration is to be issued. ~~Motor vehicles registered under the International Registration Plan may pay ad valorem property taxes on a semiannual basis~~ Large commercial motor vehicles and buses, as defined in Section 12-37-2810, must pay road use fees pursuant to Article 23, Chapter 37, Title 12 in lieu of ad valorem property taxes. The provisions of this section do not apply to the transfer of motor vehicle registrations as specified in Section 12-37-2675 or to sales of motor vehicles by a licensed motor vehicle dealer. Notice of the sales must be furnished to the Department of Motor Vehicles by the dealer, along with other documents necessary for the registration and licensing of the vehicle concerned. The notice must be received by the Department of Motor Vehicles as a prerequisite to the registration and licensing of the vehicle and must include the name and address of the purchaser, the vehicle identification number, and the year and model of the vehicle. The notice must be an original and one copy, and the copy must be provided by the department to the auditor of the county in which the vehicle is taxable. All ad valorem taxes on a vehicle are due and payable one hundred twenty days from the date of purchase. The notice and the time in which to pay the tax applies to motor vehicles that are serviced and delivered by a licensed motor vehicle dealer for the benefit of an out-of-state dealer.”

K. The first paragraph of Section 12-37-2650 of the 1976 Code is amended to read:

“The auditor shall prepare a tax notice of all vehicles owned by the same person and licensed at the same time for each tax year within the two-year licensing period. A notice must describe the motor vehicle by name, model, and identification number. The notice must set forth the assessed value of the vehicle, the millage, the taxes due on each vehicle, and the license period or tax year. The notice must be delivered to the county treasurer who must collect or receive payment of the taxes. One copy of the notice must be in the form of a bill or statement for the taxes due on the motor vehicle and, when practical, the treasurer shall mail that copy to the owner or person having control of the vehicle. When the tax and all other charges included on the tax bill have been paid, the treasurer shall issue the taxpayer a paid receipt. The receipt or a copy may be delivered by the taxpayer to the Department of Motor Vehicles with the application for the motor vehicle registration. A record of the payment of the tax must be retained by the treasurer. The auditor shall maintain a separate duplicate for motor vehicles. ~~No A~~ registration may not be issued by the Department of Motor Vehicles unless the application is accompanied by the receipt, a copy of the notification required by Section 12-37-2610 or notice from the county treasurer, by other means satisfactory to the Department of Motor Vehicles, of payment of the tax. ~~Motor vehicles registered under the International Registration Plan may pay ad valorem property taxes on a semiannual basis, and a proportional receipt must be issued by the treasurer subject to penalties in Section 12-37-2730. Large commercial motor vehicles and buses, as defined in Section 12-37-2810, must pay road use fees pursuant to Article 23, Chapter 37, Title 12 in lieu of ad valorem property taxes.~~ The treasurer, tax collector, or other official charged with the collection of ad valorem property taxes in each county may delegate the collection of motor vehicle taxes to banks or banking institutions, if each institution assigns, hypothecates, or pledges to the county, as security for the collection, federal funds or federal, state, or municipal securities in an amount adequate to prevent any loss to the county from any cause. Each institution shall remit the taxes collected daily to the county official charged with the collections. The receipt given to the taxpayer, in addition to the information required in this section and by Section 12-45-70, must contain the name and office of the treasurer or tax collector of the county and must also show the name of the banking institution to which payment was made.”

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L. (1) Notwithstanding any provision to the contrary within this SECTION, a person who registers a vehicle for use in this State pursuant to Article 23, Chapter 37, Title 12, as amended by this act, must register his vehicle during calendar year 2019 and is required to pay the road fees calculated based on the fair market value of the vehicle as specified in Sections 12-37-2820 and 12-37-2850 at the time the vehicle's registration fees are paid.

(2) Notwithstanding the provisions in Section 12-37-2865(B) and (C), as contained in this SECTION, to the contrary, during calendar year 2019, the first four hundred thousand dollars of fee revenue collected pursuant to Section 12-37-2865 must be retained by the Department of Motor Vehicles to defray programming costs.

(3) The initial millage required by Section 12-37-2850 must be calculated on or before June 1, 2018.

M. This SECTION takes effect January 1, 2019, except that the Department of Revenue, in consultation with the Revenue and Fiscal Affairs Office, shall calculate the millage to be used to calculate the road use fee provided in Section 12-37-2850 by July 1, 2018.

SECTION 10. Unless otherwise provided for in this act, this act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

Senator HEMBREE spoke on the amendment.

ACTING PRESIDENT PRESIDES

At 6:50 P.M., Senator CROMER assumed the Chair.

Senator HEMBREE resumed speaking on the amendment.

Senator HUTTO moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 24; Nays 17

AYES

Alexander	Allen	Campbell
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Johnson	Kimpson

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Leatherman	<i>Matthews, John</i>	<i>Matthews, Margie</i>
McElveen	McLeod	Nicholson
Rankin	Reese	Sabb
Senn	Setzler	Sheheen

Total--24

NAYS

Bennett	Campsen	Climer
Corbin	Davis	Hembree
Malloy	Martin	Massey
Peeler	Rice	Shealy
Talley	Timmons	Turner
Verdin	Young	

Total--17

The amendment was laid on the table.

PRESIDENT PRESIDES

At 7:20 P.M., the PRESIDENT assumed the Chair.

Amendment No. 65

Senators YOUNG, DAVIS and RICE proposed the following amendment (3516R122.SP.TRY), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, page 37, by inserting an appropriately numbered new subsection to read:

/ () The Secretary shall prepare and publish organizational performance metrics regarding the operation and efficiency of the agency in the delivery of its annual programs and responsiveness to customer service inquiries. This information shall be published on the agency's website and readily accessible to the public. The Secretary may at his or her discretion incorporate measures regarding other internal management initiatives into the publication.” /

Renumber sections to conform.

Amend title to conform.

Senator YOUNG spoke on the amendment.

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On motion of Senator YOUNG, the amendment was carried over.

On motion of Senator YOUNG, the amendment was withdrawn.

Amendment No. 66

Senator YOUNG proposed the following amendment (3516R120.DR.TRY) which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, by adding an appropriately numbered new SECTION to read:

/SECTION ___. A. Section 57-1-310 through Section 57-1-330 of the 1976 Code are amended to read:

“Section 57-1-310. (A) The congressional districts of this State are constituted and created Department of Transportation Districts of the State, designated by numbers corresponding to the numbers of the respective congressional districts. The Commission of the Department of Transportation shall be composed of one member from each transportation district and one two member members from the State at large, all appointed by the Governor, upon the advice and consent of the Senate, ~~subject to the provisions of Section 57-1-325~~. In making appointments to the commission, the Governor shall take into account race, gender, and other demographic factors, such as residence in rural or urban areas, so as to represent, to the greatest extent possible, all segments of the population of the State; however, consideration of these factors in making an appointment in no way creates a cause of action or basis for an employee grievance for a person appointed or for a person who fails to be appointed. The members of the commission shall represent the transportation needs of the State as a whole and may not subordinate the needs of the State to those of any particular area of the State.

(B) ~~The at large appointment made by the Governor must be transmitted to the Joint Transportation Review Committee.~~

(C) The qualifications that each commission member must possess, include, but are not limited to:

(1) a baccalaureate or more advanced degree from:

(a) a recognized institution of higher learning requiring face-to-face contact between its students and instructors prior to completion of the academic program;

(b) an institution of higher learning that has been accredited by a regional or national accrediting body; or

- (c) an institution of higher learning chartered before 1962; or
- (2) a background of at least five years in any combination of the following fields of expertise:
 - (a) transportation;
 - (b) construction;
 - (c) finance;
 - (d) law;
 - (e) environmental issues;
 - (f) management; or
 - (g) engineering.

~~(D)~~(C) A member of the General Assembly or member of his immediate family may not be appointed to the commission while the member is serving in the General Assembly; nor shall a member of the General Assembly or a member of his immediate family be appointed to the commission for a period of four years after the member either:

- (1) ceases to be a member of the General Assembly; or
- (2) fails to file for election to the General Assembly in accordance with Section 7-11-15.

Section 57-1-320. A county within a Department of Transportation district may not have a resident commission member for more than eight consecutive years and in no event shall any two persons from the same county serve as a commission member simultaneously.

~~Section 57-1-325. (A) The Governor shall submit his transportation district appointees to the Senate and the House of Representatives for referral to the appropriate legislative delegation. Legislative delegation for these purposes means legislators residing in the congressional district corresponding to the transportation district of the appointee.~~

~~(B) Upon receipt of a referral, the legislative delegation shall meet to approve or disapprove the Governor's appointee. The legislative delegation shall report its findings to the House of Representatives, the Senate, and the Governor. If the legislative delegation approves the Governor's appointee, the appointment shall be referred to the Joint Transportation Review Committee. If the delegation disapproves the appointee, the Governor shall make another appointment. If the legislative delegation fails to approve of the Governor's appointee within forty five days of the appointee's referral to the delegation, the appointee is deemed to have been disapproved.~~

Section 57-1-330. (A) All commission members are appointed to serve at the pleasure of the Governor to a term of office of four years which expires on February fifteenth of the appropriate year. However, a

commission member may not serve more than two eight consecutive ~~terms full years~~, and may not serve more than twelve years, regardless of when the ~~term was years were~~ served ~~so long as four full years have passed since the commissioner last served~~. ~~Commissioners shall continue to serve until their successors are appointed and confirmed, provided that a commissioner only may serve in a hold over capacity for a period not to exceed six months. If either the eight consecutive year limit or the twelve total years limit is met, then a vacancy occurs, and the commissioner may not serve in a hold over capacity.~~ Any vacancy occurring in the office of commissioner shall be filled by appointment in the manner provided in this article ~~for the unexpired term only~~. Except for the at-large member, a person is not eligible to serve as a commission member who is not a resident of that district at the time of his appointment. Failure by such commission member to maintain residency in the district for which he is appointed shall result in the forfeiture of his office.

(B) The at-large commission member may be appointed from any county in the State unless another commission member is serving from that county. Failure by the at-large commission member to maintain residence in the State shall result in a forfeiture of his office.

Commission members may be removed from office at the discretion of the Governor ~~subject to the prior approval of the appropriate legislative delegation.~~"

B . Article 7, Chapter 1, Title 57 of the 1976 Code is repealed.

C. This SECTION takes effect July 1, 2017, except that the members of the Commission of the Department of Transportation serving on June 30, 2017, shall continue to serve until their current term expires, and until their successor is appointed and confirmed. If a vacancy occurs in the seat of a member serving on June 30, 2017, before the member's term otherwise expires, the vacancy must be filled in the manner specified in Chapter 1, Title 57 of the 1976 Code, as amended by this act, and the member filling the vacancy shall serve until the term expires. Commissioners serving on June 30, 2017, and anyone serving for the remainder of their term do not serve at the pleasure of the Governor. The members serving on June 30, 2017, if otherwise eligible, may be reappointed pursuant to Section 57-1-310, as amended by this act. /

Renumber sections to conform.

Amend title to conform.

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Senator HUTTO spoke on the amendment.

ACTING PRESIDENT PRESIDES

At 7:52 P.M., Senator CROMER assumed the Chair.

Senator HUTTO resumed speaking on the amendment.

PRESIDENT PRESIDES

At 8:10 P.M., the PRESIDENT assumed the Chair.

Senator HUTTO resumed speaking on the amendment.

ACTING PRESIDENT PRESIDES

At 8:40 P.M., Senator CROMER assumed the Chair.

Senator HUTTO resumed speaking on the amendment.

PRESIDENT PRESIDES

At 8:55 P.M., the PRESIDENT assumed the Chair.

Senator CAMPBELL spoke on the amendment.

On motion of Senator CAMPBELL, the amendment was carried over.

On motion of Senator YOUNG, the amendment was withdrawn.

Motion Adopted

On motion of Senator SETZLER, with unanimous consent, the Senate agreed to allow one additional amendment to be placed on the desk.

Amendment No. 71

Senators GROOMS, SETZLER, SHEHEEN, SABB, McELVEEN, M.B. MATTHEWS, SENN, KIMPSON, and CAMPBELL proposed the following amendment (3516R126.SP.LKG), which was adopted:

Amend the bill, as and if amended, page 31, beginning at line 19, by striking SECTION 20.A. in its entirety and inserting:

/ SECTION 20. A. Section 12-6-3385(A)(1) of the 1976 Code is amended to read:

“Section 12-6-3385. (A)(1)(a) A student is allowed a refundable individual income tax credit equal to ~~twenty-five~~forty percent, not to

exceed ~~eight hundred fifty one thousand five hundred dollars~~ in the case of ~~both~~ four-year institutions and ~~twenty five percent, not to exceed three hundred fifty dollars in the case of~~ two-year institutions, for tuition paid an institution of higher learning or a designated institution as provided in this section, during a taxable year. The amount of the tax credit claimed up to the limits authorized in this section for any taxable year may not exceed the amount of tuition paid during that taxable year.

(b) The maximum amount of credits allowed by this section for all taxpayers may not exceed forty million dollars in tax year 2018. For all tax years after 2018, the maximum amount of credits for all taxpayers may not exceed the maximum amount in tax year 2018, plus a cumulative amount equal to the percentage increase in the Higher Education Price Index, not to exceed more than three percent a year. If the total amount of credits claimed in a tax year exceeds the maximum amount, then the amount of each credit must be reduced proportionately.

(c) In addition to the credit allowed pursuant to subitem (a), a student, including a student who is a dependent of a taxpayer as provided in item (3), who claims the earned income tax credit (EITC) allowed, pursuant to Internal Revenue Code Section 32, and attends a two-year or four-year institution may add an additional twenty-five percent to the percentage allowed in subitem (a), subject to the maximum amount set forth in subitem (b).

(d) In addition to the credit allowed pursuant to subitems (a) and (c), an eligible student attending a four-year institution who is at least a sophomore and who is majoring in a science, technology, engineering, or mathematics (STEM) related discipline, as those terms are defined by the Commission on Higher Education pursuant to Section 59-149-15, may claim a credit of up to one thousand two hundred fifty dollars, not to exceed the cost of tuition paid and subject to the maximum amount set forth in subitem (b).

(e) In addition to the credit allowed pursuant to subitems (a) and (c), an eligible student attending a two-year institution who has earned enough credits to be considered a second year student and who is pursuing an associate degree in a STEM-related discipline, as those terms are defined by the Commission on Higher Education pursuant to Section 59-149-15, may claim an additional credit of up to one thousand two hundred fifty dollars, not to exceed the cost of tuition paid and subject to the maximum amount set forth in subitem (b).

(f) Notwithstanding any other provision of this section, the Revenue and Fiscal Affairs Office annually shall estimate a maximum

credit that may be permitted under this section for a taxable year based on the number of taxpayers expected to claim the credit and the expected amount claimed. The Revenue and Fiscal Affairs Office shall certify the maximum credit to the Department of Revenue, and for the applicable taxable year, the maximum credit amount must not exceed the lesser of the certified estimate or the maximum amount set forth in subitem (a). If the certified estimate exceeds the maximum amount set forth in subitem (b), then the credits set forth in subitems (a), (c), (d), and (e) each must be reduced by a pro-rata amount that the certified estimate exceeds the maximum set forth in subitem (b).

(g) The Commission on Higher Education, the State Board for Technical and Comprehensive Education, and each public institution of higher learning, as defined in Section 59-103-5, must develop a plan to notify each student of the tax credit allowed by this section and shall promote resources that may be available on campus, or in the community, that would assist students in applying for the tax credit as applicable.” /

Amend the bill further, as and if amended, page 34, line 33, by striking SECTION 24 in its entirety and inserting:

/ SECTION 24. Section 57-1-310(A) and (B) of the 1976 Code is amended to read:

“Section 57-1-310. (A) The congressional districts of this State are constituted and created Department of Transportation Districts of the State, designated by numbers corresponding to the numbers of the respective congressional districts. The Commission of the Department of Transportation shall be composed of one member from each transportation district and one member two members from the State at large, all appointed by the Governor, upon the advice and consent of the Senate, subject to the provisions of Section 57-1-325. In making appointments to the commission, the Governor shall take into account race, gender, and other demographic factors, such as residence in rural or urban areas, so as to represent, to the greatest extent possible, all segments of the population of the State; however, consideration of these factors in making an appointment in no way creates a cause of action or basis for an employee grievance for a person appointed or for a person who fails to be appointed. The members of the commission shall represent the transportation needs of the State as a whole and may not subordinate the needs of the State to those of any particular area of the State.

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~~(B) The at large appointment made by the Governor must be transmitted to the Joint Transportation Review Committee.” /~~

Amend the bill further, as and if amended, by adding an appropriately numbered new SECTION to read:

/ SECTION ___. Section 57-1-330(B) of the 1976 Code is amended to read:

“(B) The at-large commission member may be appointed from any county in the State unless another commission member is serving from that county. Failure by the at-large commission member to maintain residence in the State shall result in a forfeiture of his office.

Commission members may be removed from office at the discretion of the Governor ~~subject to the prior approval of the appropriate legislative delegation.” /~~

Renumber sections to conform.

Amend title to conform.

Senator GROOMS spoke on the amendment.

The question then was the adoption of the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 35; Nays 8

AYES

Alexander	Allen	Bennett
Campbell	Campsen	Climer
Cromer	Fanning	Gambrell
Goldfinch	Gregory	Grooms
Hutto	Jackson	Johnson
Kimpson	Leatherman	Malloy
Massey	<i>Matthews, John</i>	<i>Matthews, Margie</i>
McElveen	McLeod	Nicholson
Rankin	Reese	Sabb
Senn	Setzler	Shealy
Sheheen	Talley	Turner
Williams	Young	

Total--35

NAYS

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Corbin	Davis	Hembree
Martin	Peeler	Rice
Timmons	Verdin	

Total--8

The amendment was adopted.

Recorded Vote

Had he been present in the Chamber, Senator SCOTT would have voted in favor of the adoption of the amendment.

Motion Adopted

Senator LEATHERMAN moved that if and when the Senate stands adjourned, it stand adjourned to meet at 10:00 A.M. tomorrow.

There was no objection.

Senator DAVIS spoke on the Bill.

Motion Under Rule 15A Adopted

Senator LEATHERMAN moved under the provisions of Rule 15A that the debate on the entire matter of H. 3516 be brought to a close.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 26; Nays 16

AYES

Alexander	Bennett	Campbell
Cromer	Gambrell	Goldfinch
Gregory	Grooms	Hembree
Hutto	Jackson	Johnson
Kimpson	Leatherman	Massey
<i>Matthews, John</i>	<i>Matthews, Margie</i>	Nicholson
Reese	Sabb	Senn
Setzler	Shealy	Talley
Turner	Young	

Total--26

NAYS

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Allen	Campsen	Climer
Corbin	Davis	Fanning
Malloy	Martin	McElveen
McLeod	Peeler	Rankin
Rice	Timmons	Verdin
Williams		

Total--16

Having received the necessary vote, the motion under Rule 15A was adopted.

The question then was second reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

Ayes 33; Nays 10

AYES

Alexander	Allen	Bennett
Campbell	Campsen	Cromer
Fanning	Gambrell	Goldfinch
Gregory	Grooms	Hutto
Jackson	Johnson	Kimpson
Leatherman	Malloy	Massey
<i>Matthews, John</i>	<i>Matthews, Margie</i>	McElveen
McLeod	Nicholson	Rankin
Reese	Sabb	Senn
Setzler	Shealy	Sheheen
Talley	Turner	Williams

Total--33

NAYS

Climer	Corbin	Davis
Hembree	Martin	Peeler
Rice	Timmons	Verdin
Young		

Total--10

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There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

Recorded Vote

Had he been present in the Chamber, Senator SCOTT would have voted in favor of the adoption of the amendment.

Motion Adopted

Senator SETZLER asked unanimous consent that H. 3516 remain in Interrupted Debate and be taken up immediately after the Local Uncontested Calendar.

There was no objection.

THE SENATE PROCEEDED TO A CALL OF THE UNCONTESTED LOCAL AND STATEWIDE CALENDAR.

REMOVED FROM CONSENT CALENDAR

S. 648 -- Senators Scott, Setzler, McLeod, Jackson and McElveen: A BILL TO AMEND SECTION 59-53-1784, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISPOSAL OF SURPLUS PROPERTY BY THE MIDLANDS TECHNICAL COLLEGE ENTERPRISE CAMPUS AUTHORITY, SO AS TO PROVIDE THAT THE EXEMPTION OF THE AUTHORITY FROM SURPLUS PROPERTY LAWS APPLIES TO REAL, PERSONAL, AND MIXED PROPERTY IN CERTAIN CIRCUMSTANCES.

On motion of Senator HUTTO, the Bill was moved to the Statewide Second Reading Calendar.

REMOVED FROM CONSENT CALENDAR

H. 3531 -- Reps. Crawford, Clemons, Fry, Duckworth, Hixon, Hardee, V.S. Moss, Forrest and Martin: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 2 TO TITLE 47 SO AS TO DEFINE CERTAIN TERMS, TO PROHIBIT CERTAIN PERSONS FROM OWNING, POSSESSING, IMPORTING, PURCHASING, OR SELLING A LARGE WILD CAT, NON-NATIVE BEAR, OR GREAT APE, TO AUTHORIZE CONFISCATION OF THESE ANIMALS UNDER CERTAIN CIRCUMSTANCES, AND TO PROVIDE THAT LOCAL GOVERNMENTAL BODIES MAY ADOPT ORDINANCES THAT REGULATE THE POSSESSION OF THESE ANIMALS, TO

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REGULATE THE TREATMENT OF THESE ANIMALS, AND TO PROVIDE A PENALTY; AND TO AMEND SECTION 47-5-50, RELATING TO THE PROHIBITION OF THE SALE OF WILD CARNIVORES AS PETS AND THE SALE OF DOMESTICATED FERRETS, SO AS TO DELETE THE PROVISION THAT ALLOWS THE PUBLIC DISPLAY, SHOWING, OR EXHIBITION OF CERTAIN WILD CARNIVORES, PRIMATES, OR OTHER ANIMALS.

On motion of Senator CORBIN, the Bill was moved to the Statewide Second Reading Calendar.

REMOVED FROM CONSENT CALENDAR

H. 3559 -- Reps. Pitts, Ott, Putnam, Gagnon, Atkinson, Dillard, Martin, West, Hill, Bedingfield, Gilliard, Kirby, Davis, King, Whipper and Govan: A BILL TO AMEND CHAPTER 55, TITLE 46, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CULTIVATION OF INDUSTRIAL HEMP, SO AS TO REVISE THE DEFINITIONS OF TERMS CONTAINED IN THIS CHAPTER, TO PROVIDE A DEFINITION FOR THE TERM "HUMAN CONSUMPTION", TO CREATE THE SOUTH CAROLINA INDUSTRIAL HEMP PROGRAM, TO PROVIDE THAT INDUSTRIAL HEMP IS AN AGRICULTURAL CROP UPON WHICH AN INSTITUTION OF HIGHER EDUCATION MAY CONDUCT RESEARCH, TO PROVIDE THAT INDUSTRIAL HEMP OR HEMP PRODUCTS MAY NOT BE CONSIDERED AN ADULTERANT, TO PROVIDE PROVISIONS THAT REGULATE THE GROWING, SELLING, AND IMPORTATION OF INDUSTRIAL HEMP AND HEMP SEED, TO DELETE THE PROVISION THAT EXCLUDES INDUSTRIAL HEMP FROM THE DEFINITION OF MARIJUANA, TO REVISE THE PROVISION THAT SPECIFIES THAT CERTAIN CONDUCT REGARDING THE MANUFACTURING, DISTRIBUTION, PURCHASE, AND OTHER ACTIVITIES RELATING TO DISGUIISING MARIJUANA TO MAKE IT APPEAR TO BE INDUSTRIAL HEMP, AND TO PROVIDE FOR LABORATORY TESTING OF INDUSTRIAL HEMP.

On motion of Senator CORBIN, the Bill was moved to the Statewide Second Reading Calendar.

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SECOND READING BILL

The following Bill, having been read the second time, was ordered placed on the Third Reading Calendar:

S. 662 -- Senators J. Matthews and Hutto: A BILL TO CONSOLIDATE THE SCHOOL DISTRICTS IN ORANGEBURG COUNTY INTO ONE SCHOOL DISTRICT TO BE KNOWN AS THE ORANGEBURG COUNTY SCHOOL DISTRICT; TO PROVIDE FOR THE ORDERLY TRANSITION TO A SINGLE SCHOOL DISTRICT; TO PROVIDE FOR THE MEMBERSHIP OF THE BOARD OF TRUSTEES, ITS ELECTION, POWERS, AND DUTIES; TO PROVIDE THAT A DISTRICT SUPERINTENDENT IS THE CHIEF OPERATING OFFICER OF THE DISTRICT AND IS RESPONSIBLE TO THE BOARD FOR THE PROPER ADMINISTRATION OF ALL AFFAIRS OF THE DISTRICT AND SUBJECT TO ALL OTHER PROVISIONS OF LAW RELATING TO HIS DUTIES.

THE SENATE PROCEEDED TO A CONSIDERATION OF BILLS AND RESOLUTIONS RETURNED FROM THE HOUSE.

NONCONCURRENCE

H. 3720 -- Ways and Means Committee: A BILL TO MAKE APPROPRIATIONS AND TO PROVIDE REVENUES TO MEET THE ORDINARY EXPENSES OF STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, TO REGULATE THE EXPENDITURE OF SUCH FUNDS, AND TO FURTHER PROVIDE FOR THE OPERATION OF STATE GOVERNMENT DURING THIS FISCAL YEAR AND FOR OTHER PURPOSES.

The House returned the Bill with amendments, the question being concurrence in the House amendments.

On motion of Senator LEATHERMAN, with unanimous consent, the Senate nonconcurred in the House amendments and a message was sent to the House accordingly.

NONCONCURRENCE

H. 3721 -- Ways and Means Committee: A JOINT RESOLUTION TO APPROPRIATE MONIES FROM THE CAPITAL RESERVE FUND FOR FISCAL YEAR 2016-2017, AND TO ALLOW UNEXPENDED FUNDS APPROPRIATED TO BE CARRIED

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FORWARD TO SUCCEEDING FISCAL YEARS AND EXPENDED
FOR THE SAME PURPOSES.

The House returned the Bill with amendments, the question being concurrence in the House amendments.

On motion of Senator LEATHERMAN, with unanimous consent, the Senate nonconcurred in the House amendments and a message was sent to the House accordingly.

Motion Adopted

On motion of Senator LEATHERMAN, the Senate agreed to stand adjourned.

**LOCAL APPOINTMENT
Confirmation**

Having received a favorable report from the Senate, the following appointment was confirmed in open session:

Initial Appointment, Laurens County Magistrate, with the term to commence April 30, 2015, and to expire April 30, 2019

Thomas L. Copeland, 154 Templeton Road, Laurens, SC 29360

ADJOURNMENT

At 10:52 P.M., on motion of Senator LEATHERMAN, the Senate adjourned to meet tomorrow at 10:00 A.M.

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