**A** **BILL**

TO AMEND SECTION 6‑1‑320, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MILLAGE RATE INCREASE LIMITATION, SO AS TO PROVIDE THAT ANY FEE IMPOSED AFTER JULY 1, 2011, OR ANY INCREASE IN FEE, SHALL APPLY TO THE MILLAGE LIMITATION; AND TO AMEND SECTION 6‑1‑330, AS AMENDED, RELATING TO LOCAL FEE IMPOSITIONS, SO AS TO PROVIDE THAT ANY FEE AUTHORIZED BY REFERENDUM AFTER JULY 1, 2011, ALSO MUST BE APPROVED BY REFERENDUM.

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

SECTION 1. Section 6‑1‑320 of the 1976 Code, as last amended by Act 410 of 2008, is further amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding subsection (C), any fee initially imposed after July 1, 2011, or any increase in fee over the amount of the fee in fiscal year 2010‑2011, shall apply to the millage limitation of this section. In imposing a new fee or increasing an existing fee, the local governing body shall estimate the amount of revenue to be collected from the fee and divide the estimate by the value of a mill within the local governing body. The quotient shall apply to the millage limitation of this section.”

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

“(A)(1) A local governing body, by ordinance approved by a positive majority, is authorized to charge and collect a service or user fee. A local governing body must provide public notice of any new service or user fee being considered and the governing body is required to hold a public hearing on any proposed new service or user fee prior to final adoption of any new service or user fee. Public comment must be received by the governing body prior to the final reading of the ordinance to adopt a new service or user fee. A fee adopted or imposed by a local governing body prior to December 31, 1996, remains in force and effect until repealed by the enacting local governing body, notwithstanding the provisions of this section.

(2)(a) Any service or user fee authorized by ordinance after July 1, 2011, also must be approved by referendum. The election commission of the local governing body shall conduct a referendum on the Tuesday following the first Monday in November on the question of implementing the service or user fee. The state election laws apply to the referendum mutatis mutandis. The election commission shall publish the results of the referendum and certify them to the local governing body. The service or user fee must not be imposed in the county area, unless a majority of the qualified electors voting in the referendum approve the question. In the case of a special purpose district, the county election commission shall conduct the referendum, and the county election commission must be reimbursed by the special purpose district.

(b) The ballot must read substantially as follows:

‘Must a service or user fee of \_\_\_\_\_\_\_\_\_dollars levied in \_\_\_\_\_\_\_\_\_\_ for the purpose of \_\_\_\_\_\_\_?

Yes 

No ’

(c) If the question is not approved at the initial referendum, the local governing body may 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 twelve months and must be held on the Tuesday following the first Monday in November.

(d) Two weeks before the referendum the local governing body shall publish in a newspaper of general circulation within the jurisdiction a description of and use of the fee.”

SECTION 3. This act takes effect upon approval by the Governor and first applies for fiscal year 2011‑2012.

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