~~Indicates Matter Stricken~~

Indicates New Matter

RECALLED

April 6, 2022

**H. 5097**

Introduced by Reps. Kirby, Jordan and Lowe

S. Printed 4/6/22--H.

Read the first time March 9, 2022.

**A** **BILL**

TO AMEND SECTION 4‑11‑290, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISSOLUTION OF SPECIAL PURPOSE DISTRICTS, SO AS TO ALLOW A HOSPITAL DISTRICT THAT IS UNDERGOING DISSOLUTION TO TRANSFER ITS ASSETS TO AN AFFILIATED ORGANIZATION THAT IS EXEMPT FROM TAX UNDER SECTION 501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE OF 1986.

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

SECTION 1. Section 4‑11‑290(J) of the 1976 Code is amended to read:

“(J) In the event the district being dissolved has title to real or personal assets, those assets shall be disposed of as provided in this subsection.

(1) To the extent that the district is authorized by the act creating or establishing the district to provide services and one or more of those services are as of the date of dissolution provided by another political subdivision of the State of South Carolina, the Secretary of State:

(a) must convey to such political subdivision:

(i) any and all assets of the district necessary, useful, or otherwise related to the provision of the service or services by the political subdivision; and

(ii) any assets then being used by the political subdivision to provide the service or services to the political subdivision; and

(b) must execute and deliver any deeds, bills of sale, or other evidence of conveyance of the property as may be required by law to make the asset conveyance effective.

(2) In the event that a political subdivision has assumed indebtedness of the district being dissolved as provided in subsection (B)(3), all assets securing such indebtedness must be conveyed to the political subdivision in accordance with this subsection. The Secretary of State is authorized to convey by his signature title to any and all assets as provided in this subsection, and his signature on any deed, bill of sale, or other instrument of conveyance shall be effective and binding for that purpose.

(3) Notwithstanding another provision of law, in the event the district being dissolved is a hospital district that has an affiliated organization exempt from tax under Section 501(c)(3) or (4) of the Internal Revenue Code of 1986, then the district may transfer its assets to its affiliated organization.

(4) All other assets of the district shall escheat to the State and shall be disposed of in accordance with Chapter 27 ~~of~~ , Title 19.”

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

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