

Statement of Estimated State Revenue Impact

Date: March 5, 2011

Bill Number: H.B. 3084

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Committee Requesting Impact: House Ways & Means Committee

Bill Summary

A bill to enact the "South Carolina Conservation Bank Reauthorization and Stabilization Act" by amending Act 200 of 2002, which enacted the "South Carolina Conservation Bank Act" and provided for its funding, so as to delete the sunseting of that Act otherwise effective July 1, 2013, and to delete the provision providing for the suspension of crediting of deed recording fees and other appropriated funds to the South Carolina Conservation Bank Trust Fund for a fiscal year based on specified fiscal circumstances and to make various sections of that Act permanent law by designating Sections 3, 6, 8, 10, and 11 of Act 200 of 2002, relating respectively to the portion of the deed recording fee dedicated to the South Carolina Conservation Bank Trust Fund, conservation easements, biennial reports to the General Assembly, use of Conservation Bank funds for beach conservation, and use of Conservation Bank funds to acquire land for state parks as Sections 12-24-96, 48-59-65, 27-8-37, 48-59-150, 48-59-160, and 48-59-170, all of the Code of Laws of South Carolina, 1976.

REVENUE IMPACT ^{1/}

This bill would decrease General Fund documentary stamp tax revenue by an estimated \$7,887,460 in FY2010-11 if enacted before the close of FY2010-11. The revenue impact in future fiscal years is dependent upon economic conditions.

Explanation

This act may be cited as the "South Carolina Conservation Bank Reauthorization Act". Currently, the South Carolina Conservation Bank is scheduled to be repealed July 1, 2013 unless reenacted or extended by the General Assembly. This bill would delete Section 7 of Act 200 of 2002 (Conservation Bank Act) to remove all references to the repeal of the Conservation Bank by removing the sunseting date of the act.

This bill would also delete Section 5 of Act 200 of 2002 (Conservation Bank Act) to delete Section 48-59-75 to remove the restrictions on the transfer of deed recording fees from the General Fund to the Conservation Bank Trust Fund. Currently, Section 48-59-75 states that in a fiscal year when the General Assembly in the annual general appropriations act provides less appropriations than what was provided for the previous year to at least one-half of the state agencies or departments contained in the act, or in any year when the Budget and Control Board orders across-the-board cuts to state agencies and departments in the manner provided by law, no further transfer of deed recording fees or other appropriated funds, state or local, may be credited to the trust fund for the fiscal year or balance of the fiscal year.

The BEA estimate of the transfer of General Fund revenue to the Conservation Bank is \$7,887,460 in FY2010-11. These funds, however, remained in the General Fund pursuant to Section 48-59-75, because more than one-half of state agencies had their appropriations reduced compared to the previous year. Also, there were no across-the-board reductions to state agencies ordered by the Budget & Control Board. If this bill is enacted before the close of FY2010-11, this bill would require the transfer of \$7,887,460 from the state General Fund to the South Carolina Conservation Bank Trust Fund. In FY2011-12 and thereafter, this bill would require the transfer of twenty-five cents of the one dollar thirty-cent state deed recording fee to be credited to the South Carolina Conservation Bank

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Trust Fund regardless of reductions in appropriations to state agencies and departments in the annual appropriation act or across-the-board reductions authorized by the Budget and Control Board.

This bill also makes several Sections of Act 200 of 2002 part of permanent law by designating sections of the Code of Laws as follows:

Section 3 of Act 200 of 2002 would become Section 12-24-96 to allow twenty-five cents of the one dollar thirty-cent state deed recording fee must be credited to the South Carolina Conservation Bank Trust Fund.

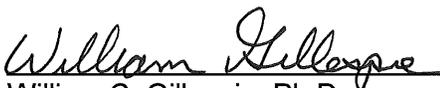
Section 6 of Act 200 of 2002 would become Section 27-8-37 to allow the provisions of Section 27-8-30(E)(3) do not apply to an easement conveyed by a county or municipality if the county or municipality is compensated for the easement for the Conservation Bank Trust Fund, or if the donation of an easement by a municipality or county is an integral part of a larger proposal for which a grant or loan is made from the Conservation Bank Trust Fund.

Section 8 of Act 200 of 2002 would become Section 48-59-150 to direct the Board of the Conservation Bank to perform a biennial review of the plight of land loss by small landowners and holders of heir's property. The results of this review must be published in an official board report and submitted to the South Carolina general Assembly for its use.

Section 10 of Act 200 of 2002 would become Section 48-59-160 to allow the Department of Parks, Recreation and Tourism as an eligible trust fund recipient is authorized but not required to use monies it receives from the Conservation Bank Trust Fund to provide for beach conservation at the State Parks System.

Section 11 of Act 200 of 2002 would become Section 48-59-170 to allow the Department of Parks, Recreation and Tourism as an eligible trust fund recipient is authorized but not required to use monies it receives from the Conservation Bank Trust Fund to provide as a priority for the acquisition of lands adjoining the State Parks System to be used as part of the State Parks System.

This act takes effect upon approval by the Governor.



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Chief Economist

Analyst: Martin

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.