

Statement of Estimated State Revenue Impact

Date: March 8, 2013
Bill Number: H.B. 3766 (Joint Resolution)
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Committee Requesting Impact: House Ways & Means Committee

Bill Summary

A joint resolution to direct a transfer to replenish the accounts that were used to fund emergency repairs to the USS Laffey; to grant the Patriots Point Development Authority a three-year period, beginning on May 1, 2014, during which it shall make interest-only payments on the amount used to replenish the original source accounts at an interest rate and terms to be determined by the Office of the State Treasurer; and beginning May 1, 2017, to require the Patriots Point Development Authority to commence annual payments of \$400,000 until May 1, 2028, at which time a final payment of \$6,068,867.72 shall become due and payable.

REVENUE IMPACT ^{1/}

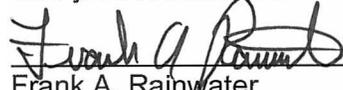
This joint resolution would reduce state General Fund revenue by \$8,700,000 in FY2012-13. Beginning in FY2013-14, the state General Fund would increase by the pay down schedule below.

Explanation

This joint resolution would direct the Office of the State Treasurer to transfer \$8,700,000 on or before May 1, 2013 from the state General Fund to satisfy the remaining principal balance due on a loan made to conduct emergency repairs to the USS Laffey. The loan was the result of an agreement executed by and between the Patriots Point Development Authority, the South Carolina State Budget and Control Board, and the State Treasurer dated June 30, 2009. After the date of the satisfaction of the remaining principle balance, Patriots Point Development Authority will make annual, interest only payments on the unpaid balance to the State Treasurer according to the following pay down schedule:

Date	Effect on General Fund
May 1, 2013	(\$8,700,000)
May 1, 2014	+\$174,000
May 1, 2015	+\$174,000
May 1, 2016	+\$174,000
May 1, 2017	+\$400,000
May 1, 2018	+\$400,000
May 1, 2019	+\$400,000
May 1, 2020	+\$400,000
May 1, 2021	+\$400,000
May 1, 2022	+\$400,000
May 1, 2023	+\$400,000
May 1, 2024	+\$400,000
May 1, 2025	+\$400,000
May 1, 2026	+\$400,000
May 1, 2027	+\$400,000
May 1, 2028	+\$6,068,867.72

This joint resolution takes effect upon approval by the Governor.



Frank A. Rainwater
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 of Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.