

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: March 20, 2009

Bill Number: H.B. 3395

Authors: Harrell; Thompson; Cooper; Erickson; Bingham, *et. al.*

Committee Requesting Impact: House Ways & Means Committee

Bill Summary

A bill to amend Section 11-11-310, as amended, of the Code of Laws of South Carolina, 1976, relating to the General Reserve Fund, so as to make conforming amendments to reflect any change in the amount required to be held in the General Reserve Fund pursuant to the Constitution of this state and the rate of replenishment of that amount.

REVENUE IMPACT ^{1/}

Because this bill does not change any taxes or fees, and the earliest the Constitutional amendment could be put before the qualified electors of the state is November 2010, this bill is not expected to have an impact on General Fund revenue in FY2009-10.

Explanation

This bill is the enabling legislation to H.B.3396 conditional upon passage of a Constitutional amendment that would provide for an increase in the percentage to be set aside to fund the General Reserve Fund from three percent to five percent. This bill would amend Section 11-11-310 to allow the transfer of funds to the General Reserve Fund until the accumulated total in the fund reaches an amount equal to three percent, "or such other percentage as may be required pursuant to Section 36, Article III of the Constitution of this State," of the general fund revenue of the latest completed fiscal year. Because this bill does not change any taxes or fees, and the earliest the Constitutional amendment could be put before the qualified electors of the state is November 2010, this bill is not expected to have an impact on General Fund revenue in FY2009-10.

/s/ WILLIAM C. GILLESPIE, PH.D.

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^{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.