

FISCAL IMPACT STATEMENT ON BILL NO. **S.294, as Amended**

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TO: The Honorable W. Brian White, Chairperson, House Ways and Means Committee
FROM: State Budget Division, Budget and Control Board
ANALYSTS: K. Earle Powell
DATE: May 20, 2014 SBD: 2014244

AUTHOR: Senator Cleary PRIMARY CODE CITE: 6-4-10
SUBJECT: Local Accommodation Tax Revenues

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

Senate Bill 294, as Amended, revises conditions for the expenditure of local accommodations tax revenues, so as to clarify that in certain situations, funds may be used for beach renourishment. The Bill establishes a procedure that allows a municipality or county, upon a two-thirds vote of the membership of the local governing body, to hold these funds for more than two years so long as the funds are exclusively committed to the control and repair of waterfront erosion, including beach renourishment.

EXPLANATION OF IMPACT:

There is no impact to the General Fund of the State or Federal and/or Other funds.

LOCAL GOVERNMENT IMPACT:

The State Budget Division surveyed local governments to assess the impact of this Bill. Municipal respondents indicated there was no fiscal impact. No counties have responded to date, but their responses will be forwarded upon receipt.

SPECIAL NOTES:

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:



Brenda Hart
Assistant Director, State Budget Division