

## PRESS CONFERENCE AGENDA

February 15, 2023

9:45 a.m.

2<sup>nd</sup> Floor, S.C. State House, 1100 Gervais St, Columbia, SC 29208



Tim Goodwin, Chair

Mayor, City of Folly Beach

Marilyn Hatley, Vice-Chair

Mayor, City of North Myrtle Beach

Blanche Brown, Secretary

GM, DeBordieu Colony Comm. Assn.

Janet Curry

Director Public Works, Myrtle Beach

Patrick O'Neil

Mayor, Town of Sullivan's Island

Phillip Pounds

Mayor, City of Isle of Palms

Brian Henry

Mayor, Town of Pawleys Island

Jeff Buckalew

Town Engineer, Town of Hilton Head

Stephanie Tillerson

Administrator, Town of Kiawah Isl.

Mark Aakhus

Administrator, Town of Edisto Beach

Sel Hemmingway, Ex-Officio

Former Administrator, Georgetown Co.

Linda Lovvorn Tucker, Ex-Officio

Former Administrator, Isle of Palms

Bill Otis, Ex-Officio

Former Mayor, Pawley's Island

Will Connor, Ex-Officio

Formerly w Kiawah Island Comm. Assn.

Nicole Elko, Ph.D., Exec. Director

President, Elko Coastal Consulting

Science Director, American Shore and

Beach Preservation Assn.

South Carolina Beach Advocates

P.O. Box 1832

Folly Beach, SC 29439

(843) 371-7082

[exdir@scbeaches.org](mailto:exdir@scbeaches.org)

Moderator: Senator George E. "Chip" Campsen, III, District 43

Speakers: Representative William G. "Bill" Herbkersman, District 118  
Mayor Tim Goodwin, City of Folly Beach

- Welcome press – help us educate about the importance of S.C. beaches to the state
- S.C. needs a dedicated state fund for beach preservation, S. 282
- Beaches increase resilience and reduce flooding and storm damage costs – acting like levees along our coast.
- South Carolinians in every county in the state own a 2<sup>nd</sup> home on the South Carolina coast.
- Beaches are a statewide treasure that need a strategic, long-term investment in cyclic maintenance.
- Beach tourism generates state revenue. In 2022, S.C.'s 5 coastal counties generated:
  - \$82.6 million in State Accommodations Taxes,
  - \$31.1 million in State Admissions Taxes (56% of state's total),
  - Over 50% of State Sales Taxes.
  - This revenue far outweighs the state's cost of beach maintenance (renourishment) - about \$10 million per year.

### Participants

Members of the South Carolina Beach Advocates Board of Directors

Senator Stephen L. Goldfinch, District 34

Representative William G. "Bill" Herbkersman, District 118

Representative Lee Hewitt, District 108

Representative Elizabeth "Spencer" Wetmore, District 115

Representative Joe Bustos, District 112

Representative Thomas C. "Case" Brittain, Jr., District 107

Representative Matthew Leber, District 116

South Carolina Beach Advocates

[www.scbeaches.org](http://www.scbeaches.org)

For more information:

Nicole Elko, Executive Director

[exdir@scbeaches.org](mailto:exdir@scbeaches.org)

(843) 371-7082



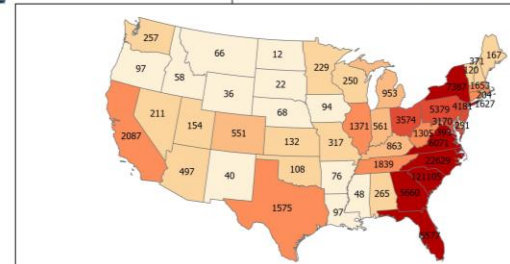
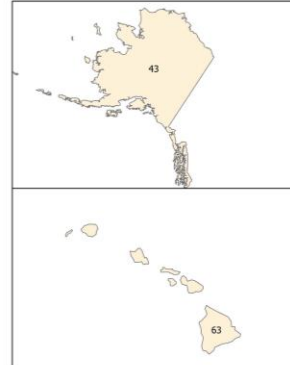
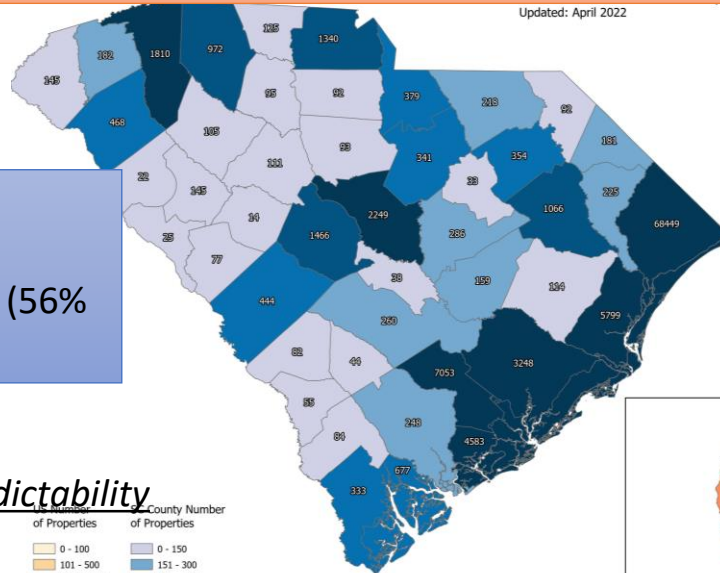
# South Carolina needs a dedicated state fund for beach preservation

Beaches fuel the state tourism economy while reducing flooding and storm damage costs

S.C. beaches are a statewide treasure! S.282 is a strategic, long-term investment in cyclic maintenance

In 2022, S.C.'s 5 coastal counties generated:  
**\$82.6 million** in State Accommodations Taxes  
**\$31.1 million** of Total State Admissions Taxes (56% of state's total)

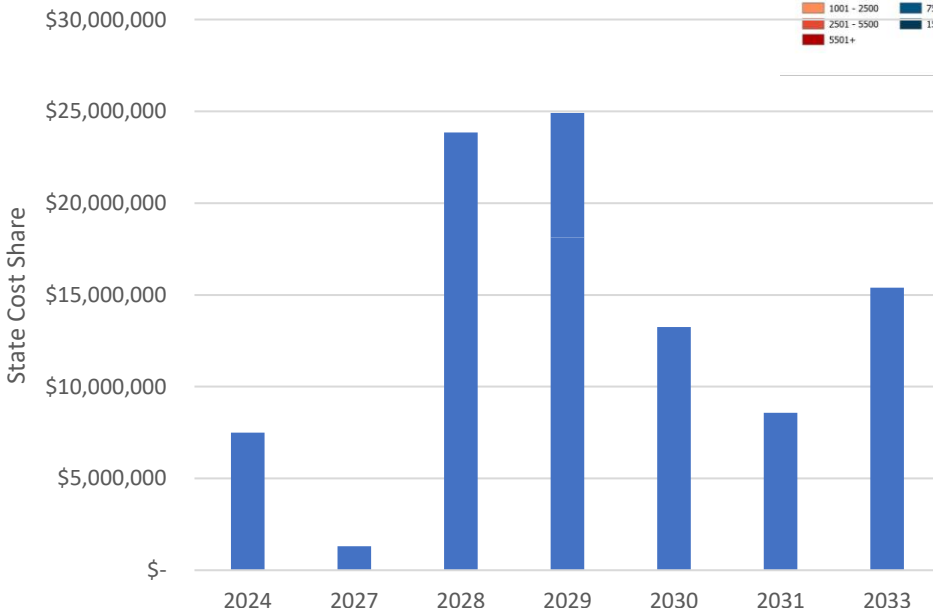
# Constituents who own a 2<sup>nd</sup> home on the S.C. coast\* - Rental properties generate income for non-coastal property owners & statewide tax revenues



**Set \$10M/yr aside now:**

**Avoid a \$50M deficit in 2028-29 = Budget Predictability**

Future State Beach Funding Needs



## Other State Funding Models

STATE <sup>+</sup>	STATE FUNDING SOURCE(S)	% STATE COST SHARE	ANNUAL FUNDING
NJ	Real Estate transfer fee	75%	\$25 M*
FL	Real Estate transfer fee	50%	\$50 M
DE	<u>State</u> tourist tax (1%)	100%	\$1.5 M +
NC	General Fund	50%	\$10M
TX	General Fund	75%	\$17-22M

<sup>+</sup> NY and LA also have state funds

\* 2019-20 bill to increase to \$50M



# S.282, H.3930: A dedicated state fund for beaches

## Where did the language come from?

Most of the language in the bills is taken directly from Chapter 40, Section 48-40-10, the South Carolina Beach Restoration and Improvement Trust Act

## What changes were made?

The bills move the fund from SCDHEC OCRM to SCPRT, and Dedicates 25% of existing Admissions Tax general revenues (~\$10 million) annually into a state beach fund.

## Why move the fund to SCPRT?

A Beach Trust Fund has existed, under the auspices of DHEC OCRM since 1999. It has never been funded.

The state legislature appropriated \$46 million to PRT for beach nourishment in 2017-2019 but no recurring funding.

OCRM regulates; PRT distributes state funds

## What is Admissions Tax?

A 5% state tax on tickets for amusements like golf & movies. In 2022, it generated \$55.8 million.

## Why not defer tax revenues to the local level?

Economic benefits of S.C. beaches do not accrue only to beach communities. They provide statewide economic benefits (see reverse). A dedicated state fund shows the state is invested in its beaches, sending the right message to federal partners.

## What is the Return on Investment (ROI)?

Beaches provide an excellent statewide ROI. By investing \$10 million, the 5 coastal counties return over \$1 BILLION annually in Admissions & A-Taxes (see reverse): a 10,000% ROI!

## Does this help other state programs?

It helps state legislators to have budget predictability. Healthy beaches not only generate revenue, at the same time they reduce flooding and storm damage costs. When we invest in beaches, SCDOT does not have to deploy emergency operations to clear sand from roads, and SCDNR does not declare repetitive beachfront loss properties. Beaches and dunes provide storm protection infrastructure.

## How much do we need to set aside annually?

Projections indicate a \$50 million state cost-share requirement in 2028-2029. This does not include the local and federal shares of beach projects. Setting aside \$10 million annually will avoid a surprise deficit in the future.

## Who can apply for funds from PRT and what are the uses?

Publicly accessible beaches are eligible for state funding. The language of the bill was not changed from the 1999 act, which defined uses of the fund to be for beach and dune nourishment (sand) and groin construction and repair. This is consistent with the eligible applicants and uses of the 2017-2019 PRT funding.



## South Carolina has a goose that lays golden eggs – Beach Tourism

Economic impact of tourism in S.C.: \$23.8 billion (2019)

S.C. state tax revenue from tourism: \$1.2 billion (US Travel Association 2020)

S.C. beach tourism generates 2/3 of this revenue

## South Carolina's beaches are the state's greatest single attraction

S.C. beaches: 140 million annual day visits vs. All National Parks combined: 83 million annual day visits

Top 3 places where people wanted to go after the pandemic (Booking.com 2020)

1. Orlando
2. **Myrtle Beach**
3. Miami Beach



Myrtle Beach, South Carolina

Photo Source: Sun News, Josh Bell

Some gold must be spent to feed the goose that lays the golden eggs!

Sand is the food for South Carolina beach tourism. Beach nourishment has worked very well here to maintain wide sandy beaches for tourism and storm protection. Nourishment protects the state's most important asset.

**For every \$1 the state invests in beaches, tourists generate over \$1200 in South Carolina economic developed and over \$250 in state taxes.**

Senate Bill 282 makes economic sense for South Carolina.

Sources: <https://www.scprt.com/articles/south-carolina-tourism-reports-record-year>; The economic value of beach nourishment in South Carolina. Houston, 2021; <https://scbeaches.org/press-release>





Matt Doherty



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## Green

# The Jersey Shore Partnership Reinforces Importance of Beach Protection a decade after Sandy

## Beach renourishment projects vital for Jersey Shore



Sea Bright Councilman Read Murphy and Grace Hanlon, Executive Director of The Jersey Shore Partnership, worked to rehabilitate Sea Bright's beaches just days after SuperStorm Sandy in 2012.

Courtesy of Grace Hanlon

By JACK SLOCUM

Published October 30, 2022 at 7:17 PM

Last Updated October 30, 2022 at 7:17 PM

HOLMDEL, NJ — The 10-year Anniversary of Superstorm Sandy is a time to think about protecting our beaches. After looking back on the devastation caused to Jersey Shore neighborhoods and beaches, the Jersey Shore Partnership has been vocal on how vital protecting our beaches is to the environment and shore communities.

The Jersey Shore Partnership, based in Holmdel, was created after the infamous 1991 Halloween Storm that rocked southern and central New Jersey in an effort **to secure state and federal funding to protect the coast** from storm damage. The nonprofit, non-partisan organization is “dedicated to raising the awareness of state and federal officials and the public to the need for safeguarding the shoreline through beach restoration and other shore protection methods.”

The Jersey Shore Partnership’s effort in 1991 resulted in the enactment of an annual \$15 million **dedicated Shore Protection Fund** a year later, the first such legislation to be passed in the country. In 1998, the funding was increased to **\$25 million annually**, where it remains today.

According to Grace Hanlon, Executive Director of The Jersey Shore Partnership, the 10th Anniversary of SuperStorm Sandy should remind citizens and government officials of the importance of beach protection. “The 10th anniversary of SuperStorm Sandy is a stark reminder of the importance of a defensive infrastructure,” Hanlon said in a press release. “The Jersey Shore Partnership supports and commends the state's efforts to advance and adapt innovative resiliency strategies to protect our coastal and inland communities from the impacts of sea level rise, while seeking alternatives to further development in vulnerable coastal areas.”

Other organizations have also made the importance of beach protection very clear, with [a study from the Joint Research Center of the European Commission](#) saying that almost half of the world’s beaches will be destroyed 80 years from now due to rising seas and climate change. Reports say that action now is “critical” to maintain our coastlines.

**“Periodic beach/dune renourishment projects are critical** in protecting what is behind the beach – millions of people, roads, walkways, homes, commercial and municipal buildings, restaurants, small businesses, utility infrastructure, schools, and more,” Hanlon said. “In the aftermath of SuperStorm Sandy, coastal replenishment projects were overwhelmingly supported in a bi-partisan manner by our Democratic President, our Republican Governor, and our Democratic-controlled state Legislature.”

“Today, **beach protection has bi-partisan support in the New Jersey Legislature** recognizing that the threats of sea level rise require a resilient coastal infrastructure,” she continued. “We continue to applaud our champions at the state, federal and local level for supporting these projects and protecting our coastline and shore communities.”

[Read More TAPinto Belmar/Lake Como News](#)

# Fish, Game and Forestry

GEORGE E. "CHIP" CAMPSEN III  
CHAIRMAN

THE SENATE OF SOUTH CAROLINA  
305 GRESSETTE OFFICE BUILDING  
P.O. BOX 142  
COLUMBIA, SOUTH CAROLINA 29202



BRIAN COHL  
DIRECTOR OF RESEARCH  
  
JULIE BOWERS  
ADMINISTRATIVE ASSISTANT  
  
TEL: (803)212-6340  
FAX: (803) 212-6356  
EMAIL: SFGFCOMM@SCSENATE.GOV

## **FULL COMMITTEE** **AGENDA**

Wednesday, February 15, 2023  
10:15 a.m., Room 308, Gressette Building

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### **LEGISLATION**

- I. [S. 282](#): Beach Preservation Trust Fund
  - II. [S. 484](#): South Carolina Waterways Protection Act
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Last Updated: Thursday, February 9, 2023, at 4:00 p.m.