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FOR IMMEDIATE RELEASE:

July 21, 2021

Richland County, SCDOR Reach Agreement on Transportation Penny Tax Program

(Richland PIO) – County Council has approved the terms of a settlement agreement to end long-running litigation involving the County, the Central Midlands Regional Transportation Authority and the S.C. Department of Revenue (SCDOR) over the County's Transportation Penny tax program.

The settlement agreement requires no payment by the County to SCDOR. Rather, the County will invest an additional \$15.5 million into penny tax program projects. The agreement also states that SCDOR's audit of the penny tax program did not find any fraud on Richland County's behalf. County officials view the settlement as an opportunity for taxpayers to reestablish confidence in the program that voters approved nine years ago to fund infrastructure improvements.

Key points from the settlement agreement state that:

- SCDOR's audit contained "no findings of civil or constructive fraud, self-dealing, improper relationship or civil conspiracy on the part of Richland County."
- Richland County took "significant steps to ensure that its constituents have confidence" in the penny tax program and "has demonstrated a continuing commitment to fostering and maintaining and open government and being transparent to taxpayers."
- Richland County benefited taxpayers by bringing administration of the penny tax program in-house to be run by County staff.

To view the full settlement agreement, visit www.richlandcountysc.gov/transportation.

QUOTES

"For the citizens, our employees and this Council, it was time to put this dispute behind us and focus on delivering the penny tax projects approved by our citizens. We have brought this program in-house, and our employees are doing an excellent job of managing the program in accordance with Department of Revenue guidelines, a fact that is acknowledged in the settlement agreement.

“I want to thank SCDOR Director Hartley Powell and his staff for their assistance, and I also want to commend the members of County Council for their support of this settlement.” – **Richland County Chair Paul Livingston, District 4**

“This settlement agreement provides the County the ability to move forward in our efforts to reestablish trust from the community and individuals concerned about the operations of local government.

“As stated in the settlement agreement, the County has demonstrated a continuing commitment to fostering and maintaining an open government and being transparent to taxpayers regarding the Penny program, and we’ve taken significant steps to improve the operation of the program. These efforts should ensure residents have confidence in the program, which I believe is great news for the community.

“The agreement puts an end to the uncertainty residents may have had about planned projects. Further, it gives the Transportation staff the reassurance it needs to continue its work of effectively serving the citizens of Richland County.

“After years of litigation, it is exciting to have a final resolution and be able to focus squarely on doing the work the program is charged with doing: addressing the infrastructure needs in our community.” – **Richland County Administrator Leonardo Brown**

FAST FACTS

- In 2012, Richland County residents voted to approve the referendum for the Transportation Penny program.
- The tax program imposes a 1 percent sales tax.
- Sales tax collections began in May 2013.
- The program is set to collect \$1.037 billion – which will be utilized for 22 years or until the budget has been depleted – for roads, bikeways, greenways and pedestrian safety improvements.
- More than 250 projects have been completed since the program’s inception.

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