

SOUTH CAROLINA CASE LAW UPDATE

To: Chief Administrative Officer; County Attorney
From: SCAC Legal Staff

SCAC legal staff compiles a regular update of appellate court opinions impacting county government operations. CAOs/Attorneys are encouraged to forward this update to impacted county departments.

South Carolina Supreme Court

The Town of Hilton Head Island, South Carolina, John J. McCann and Stephen G. Riley v. Beaufort County, Appellate Case No. 2025-001773, Opinion No. 28341. June 24, 2026

Areas of Law: Service/User Fees, SC Code 6-1-300(6).

For decades, the Town of Hilton Head Island contracted with the Beaufort County Sheriff's Office for law enforcement services while other municipalities in the county provided their own local police services. In 2019 the town substantially reduced its annual contractual payments to the Sheriff's Office. In response, the County enacted Ordinance 2020-29, imposing a law enforcement service charge and user fee on all real property located in the town. The town and two residents challenged the ordinance. Specifically, they alleged that ordinance did not provide a unique benefit to the fee payers and instead charged town residents for services the sheriff already provided to residents of the county. The circuit court rejected this argument, finding that "there is little doubt" the residents significantly benefited by having a full range of municipal police services provided by the county. The court found that while the sheriff responded to 100% of service calls in the Town, the response rate was around 12% in other municipalities.

The Supreme Court affirmed the circuit court holding that the ordinance clearly satisfied the requirements of S.C. Code section 6-1-300(6). That section holds that for a service or user fee to be valid it must:

1. be used to benefit the payers, even if the general public also benefits;
2. only be used for the specific improvement contemplated;
3. not exceed the cost of the improvements; and
4. be uniformly imposed on all payers.

The Court agreed that the payers received a direct benefit from the services provided, and such services were provided at a level much greater than those provided to residents of other municipalities in the county. The Appellants also failed to present any evidence that the revenue exceeded the cost of service or that the fee was not imposed uniformly on all residents of the Town.

The court also highlighted the fact that the General Assembly had amended section 6-1-300(6) as a result of the 2021 *Burns* decision striking down a Greenville County service/user fee for road maintenance. The amendment removed the heightened-benefit standard and instead codified that a fee/service charge must only benefit the payers even if the general public may also benefit.

The full opinion can be found here:

<https://www.sccourts.org/media/opinions/HTMLFiles/SC/28341.pdf>