COMMITTEE REPORT

April 14, 2010

**S. 1323**

Introduced by Senators Matthews, Elliott, Malloy, Leventis, Leatherman, Land, McGill and Williams

S. Printed 4/14/10--S.

Read the first time March 25, 2010.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 1323) to amend Title 11 of the 1976 Code, relating to public finance, by adding Chapter 54 to establish the “I‑95 Corridor Authority Act” and to provide for, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, page 2, by striking line 39 and inserting:

/ of directors that is composed of nineteen members. The members /

Amend the bill further, as and if amended, page 4, by striking lines 2 through 23 and inserting:

/ quorum is present. A quorum consist of a majority of the members appointed pursuant to (A)(1-9).

Section 11‑54‑30. (A) The authority shall receive state funds as appropriated by the General Assembly.

(B) In addition to funding sources listed in subsection (A), the authority is authorized to solicit and accept private and public donations, grants, gifts, and federal funds. All funds received by the authority, regardless of their source, are to be held and accounted for by the State Treasure in a separate account to be known as the ‘I‑95 Corridor Authority Fund’. This fund is separate and distinct from all other funds. Earnings and interest on this fund must be credited to it and any balance in this fund at the end of a fiscal year carries forward in the fund in the succeeding fiscal year. Disbursements from the Authority Fund must only be made upon the signature of the chairmen of the board of directors, or a designee of the board, upon written warrants of the Comptroller General drawn on the state treasurer to the payee designated in the requisition.

(C) The authority must distribute funds throughout the member counties as grants, in a manner which fulfills the charge in Section 11‑54‑10. The authority must create guidelines to govern the selection of recipients of grants and the distribution of grant funds.

(D) The authority must be audited annually by the State Auditor or by an independent certified public accounting firm approved by the State Auditor.

Section 11-54-35. The authority, in consultation with the South Carolina Research Authority, shall develop a process by which the I-95 Corridor Authority may execute recommendations of the I-95 Corridor Human Needs Assessment regarding technology-based economic development, including, but not limited to, test and deployment of bio‑technology to remediate brown-fields, crop and algae development for bio-fuels, water purification and freshwater aquaculture, and agricultural waste-to energy applications. The authority may hire the South Carolina Research Authority to execute the recommendations.” /

Renumber sections to conform.

Amend title to conform.

HUGH K. LEATHERMAN, SR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT 1/**

Because this bill is concerned with the appropriation of funds, this bill would not affect state general fund revenue in FY2010-11.

## Explanation

This bill would add Chapter 54 to Title 11 to establish a public body and State agency named the I-95 Corridor Authority. The Authority would carry out economic development and educational improvement activities that would improve the economic conditions in its member counties. The member counties of the Authority are those counties that are contiguous with I-95, are located within thirty miles of I-95, and had a total population of less than 40,000 as calculated by the 2000 census. The twelve counties along the I-95 corridor include Allendale, Bamberg, Calhoun, Clarendon, Colleton, Dillon, Hampton, Jasper, Lee, Marlboro, Marion, and Williamsburg counties. The Authority is governed by a board of directors composed of fifteen members that have sufficient experience in the fields of education, economic development, or business management. The members are chosen for terms of two or five years depending upon the appointing authorities. To carry out its duties, the Authority shall receive state funds as appropriated by the General Assembly, as well as the solicitation of private and public donations, grants, gifts, and federal funds. All funds would be held by the State Treasurer in a separate and distinct fund styled the “I-95 Corridor Authority Fund”. The Authority must distribute funds throughout the member counties as grants that would improve the economic conditions in its member counties. The Authority must be audited annually by the State Auditor or by an independent certified public accounting firm approved by the State Auditor. This act takes effect upon approval by the Governor.

*Approved By:*

William C. Gillespie

Board of Economic Advisors

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.

**A** **BILL**

TO AMEND TITLE 11 OF THE 1976 CODE, RELATING TO PUBLIC FINANCE, BY ADDING CHAPTER 54 TO ESTABLISH THE “I‑95 CORRIDOR AUTHORITY ACT” AND TO PROVIDE FOR THE COMPOSITION, DUTIES, AND POWERS OF THE AUTHORITY.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Title 11 of the 1976 Code is amended by adding:

“Chapter 54

I‑95 Corridor Authority Act

Section 11‑54‑5. This chapter may be cited as the ‘I‑95 Corridor Authority Act’.

Section 11‑54‑10. There is established the I‑95 Corridor Authority. The authority must:

(1) carry out economic development and educational improvement activities which, in the opinion of the authority, will improve the economic conditions in its member counties;

(2) oversee the implementation of the recommendations contained in the I‑95 Corridor Human Needs Assessment published in December 2009; and

(3) report to the General Assembly, at least annually, on the progress made related to its charge, any modification of the laws of this State needed to allow the authority to better fulfill its charge, programs, and operations.

Section 11‑54‑15. The authority is a public body, politic and corporate, and an agency of the State and may:

(1) adopt bylaws, procedures, and regulations for the directors, officers, and employees and for implementation and operation of the programs authorized by this act;

(2) sue and be sued in its own name;

(3) enter into such contracts, agreements, and instruments and make such offers to contract with such persons, partnerships, firms, corporations, agencies, or entities, whether public or private, considered desirable in the furtherance of its purpose;

(4) acquire by purchase, donation, exchange, or otherwise, hold, improve, mortgage, pledge, or otherwise, encumber, manage, lease, convey, transfer, or dispose of any real or personal property, whether tangible or intangible, together with such rights and privileges as may be incidental and appurtenant thereto. To the extent that administrative funds are involved, the authority must comply with the provisions of the South Carolina Consolidated Procurement Code. To the extent that the liability of the authority is limited to program funds, any such acquisition or disposition may be pursuant to public or private sale upon such terms and conditions as the authority may approve in accordance with prudent business practices;

(5) appoint officers, agents, employees, and consultants, prescribe their duties, and fix their compensation; and

(6) participate in and cooperate with any agency or instrumentality of the United States and with any agency or political subdivision of this State in the administration of any of the programs authorized by this act.

Section 11‑54‑20. The member counties of the authority consist of all counties that:

(1) are contiguous with I‑95; or

(2)(a) have some point which is located within thirty miles of I‑95, and

(b) had total population of under forty thousand as calculated by the 2000 census.

Section 11‑54‑25. (A) The authority is governed by a board of directors that is composed of fifteen members. The members must be appointed as follows:

(1) three members appointed by the senators whose districts include the member counties;

(2) three members appointed by the representatives whose districts include the member counties;

(3) one member, to serve as chairman, appointed by the senators and representatives whose districts include the member counties, with each senator and representative casting a vote weighted to be proportional to the percentage of the member counties’ total population they represent;

(4) one member, appointed by the Senate Finance Committee Chairman;

(5) one member, appointed by the Chairman of the House Ways and Means Committee;

(6) one member, appointed by the senators whose districts include the member counties, who is a president of a technical college located in a member county;

(7) one member, appointed by the representatives whose districts include the member counties, who is a president of a technical collage located in a member county;

(8) the President of Francis Marion University, or his designee;

(9) the President of South Carolina State University, or his designee; and

(10) six nonvoting members, one appointed by each individual Regional Council of Government that cover the member counties.

No two members designated in items (1) through (5) may reside in the same county. All members designated in items (1) through (5) must have sufficient experience in the fields of education, economic development, or business management to deem them qualified as determined by the appointing senators, representatives, or Chairman.

(B) Except as provided in subsection (C), members must serve a five‑year term. Any vacancy on the authority must be filled in the same manner as the original appointment. Members of the authority shall serve without mileage, per diem, and subsistence. (C) Initial appointments to the authority shall be made within sixty days of the enactment of this section. Two of the members appointed pursuant to item (A)(1), one of the members appointed pursuant to item (A)(2), and the members appointed pursuant to (A)(4) and (A)(5) must serve an initial term of two years. The appointing authorities must designate in their initial appointments if the term of the member chosen is to be two or five years.

(D) The initial meeting of the authority shall be convened by the chairman as soon as practical after the initial appointments are made. Business of the authority may only be conducted when a quorum is present. A quorum consist of a majority of the total membership.

Section 11‑54‑30. (A) The authority shall receive state funds as appropriated by the General Assembly.

(B) In addition to funding sources listed in subsection (A), the authority is authorized to solicit and accept private and public donations, grants, gifts, and federal funds. All funds received by the authority, regardless of their source, are to be held and accounted for by the State Treasure in a separate account to be known as the ‘I‑95 Corridor Authority Fund’. Disbursements from the Authority Fund must only be made upon the signature of the chairmen of the board of directors, or a designee of the board, upon written warrants of the Comptroller General drawn on the state treasurer to the payee designated in the requisition.

(C) The authority must distribute funds throughout the member counties as grants, in a manner which fulfills the charge in Section 11‑54‑10. The authority must create guidelines to govern the selection of recipients of grants and the distribution of grant funds.

(D) The authority must be audited annually by the State Auditor or by an independent certified public accounting firm approved by the State Auditor.”

SECTION 2. This act takes effect upon approval by the Governor.

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