CHAPTER 127

South Carolina State University

ARTICLE 1

General Provisions

**SECTION 59‑127‑10.** Establishment of South Carolina State University.

There shall be established within this State a normal, industrial, agricultural and mechanical college for the higher education of the youth of the State, and such college shall be known as South Carolina State University.

HISTORY: 1962 Code Section 22‑551; 1952 Code Section 22‑551; 1942 Code Section 5800; 1932 Code Section 5800; Civ. C. ‘22 Section 2819; Civ. C. ‘12 Section 1879; Civ. C. ‘02 Section 1293; 1896 (22) 174; 1954 (48) 1722; 1972 (57) 2494.

**SECTION 59‑127‑15.** South Carolina State College changed to South Carolina State University.

South Carolina State College is changed to South Carolina State University, effective July 1, 1992, and wherever in the 1976 Code or in any other provision of law the name South Carolina State College appears, it must be construed to mean South Carolina State University.

HISTORY: 1992 Act No. 272, Section 3.

**SECTION 59‑127‑20.** Board of trustees; election; terms.

(A) South Carolina State University is managed and controlled by a board of trustees, composed of thirteen members, twelve of whom are elected by the General Assembly, one member from each congressional district and five at large for terms of four years each and until their successors are elected and qualify. In electing members of the board, the General Assembly shall elect members based on merit regardless of race, color, creed, or gender and shall strive to assure that the membership of the board is representative of all citizens of the State of South Carolina. The Governor of the State or his designee is ex officio, the thirteenth member of the board of trustees. In case of a vacancy on the board, the Governor may fill it by appointment until the next session of the General Assembly. Members of the board are entitled to subsistence, per diem, and mileage authorized for members of state boards, committees, and commissions.

Each position on the board constitutes a separate office and the seats on the board are numbered consecutively, one corresponding in number to each congressional district and Seats Eight‑Twelve at large. The Governor or his designee occupies Seat Thirteen. Effective July 1, 2012, the member from former Seat Seven is transferred to Seat Eight, the member from former Seat Eight is transferred to Seat Nine, the member from former Seat Nine is transferred to Seat Ten, the member from former Seat Ten is transferred to Seat Eleven, and the member from former Seat Eleven is transferred to Seat Twelve.

The terms of the present members of the board who are elected by the General Assembly expire on the thirtieth day of June of the year in which the terms are scheduled to expire. The General Assembly shall elect successors to the elective trustees not earlier than the first day of April for a term to begin the following July first. Elections to fill vacancies on the board which are caused by the death, resignation, or removal of an elective trustee may be held earlier than the first day of April of the year in which the unexpired term terminates, but the term of the person elected to fill the vacancy expires on the last day of June of the year in which the term of the former member would have expired.

(B) Beginning with members elected to the board during 1992, terms of members are four years. In 1993, members from Seats 1, 2, 3, 4, 5, and 11 must be elected, and the term of the member elected in 1993 from Seat 3 shall be one year, the terms of the members elected in 1993 from Seats 1, 2, and 4 shall be two years each, the term of the member elected in 1993 from Seat 11 shall be three years, and the term of the member elected in 1993 from Seat 5 shall be four years. Thereafter, successors to the members of the board elected in 1993 and successors to members of the board provided six‑year terms by the provisions of this subsection must be elected for terms of four years each.

HISTORY: 1962 Code Section 22‑552; 1952 Code Section 22‑552; 1942 Code Section 5800; 1932 Code Section 5800; Civ. C. ‘22 Section 2819; Civ. C. ‘12 Section 1879; Civ. C. ‘02 Section 1293; 1896 (22) 174; 1954 (48) 1722; 1960 (51) 1529; 1966 (54) 2149; 1983 Act No. 130, Section 14; 1983 Act No. 132, Section 10; 1984 Act No. 354, Section 8; 1988 Act No. 510, Section 14; 1991 Act No. 248, Section 6; 1992 Act No. 392, Section 1; 1993 Act No. 47, Section 1; 2012 Act No. 176, Section 11, eff May 25, 2012.

Editor’s Note

2012 Act No. 176, Section 18 and 19, provide as follows:

“SECTION 18. Notwithstanding any other provision of law to the contrary, any person elected or appointed to serve, or serving, as a member of any board or commission to represent a Congressional district, whose residency is transferred to another district by a change in the composition of the district, may serve, or continue to serve, the term of office for which he was elected or appointed; however, the appointing or electing authority shall appoint or elect an additional member on that board or commission from the district which loses a resident member as a result of the transfer to serve until the term of the transferred member expires. When a vacancy occurs in the district to which a member has been transferred, the vacancy must not be filled until the full term of the transferred member expires.

“SECTION 19. In the event that elections for incumbent university board of trustees’ seats whose terms are expiring this year are not held prior to June 30, 2012, current board members will retain their seats until the General Assembly reconvenes and holds elections.”

2015 Act No. 121, eff May 7, 2015, Section 1, provides as follows:

“SECTION 1. (A) Immediately upon the appointment of an Interim South Carolina State University Board of Trustees pursuant to subsection (B), the current members of the Board of Trustees of South Carolina State University are hereby removed from service, and their positions, powers, and duties are hereby transferred to the newly appointed Interim Board of Trustees pursuant to subsection (B).

“(B) Section 59‑127‑20 of the South Carolina Code, relating to the South Carolina State University Board of Trustees, election, and term, is suspended until June 30, 2018. There is established a new Interim Board of Trustees of South Carolina State University, to be composed of:

“(1) one member appointed by the Governor;

“(2) one member appointed by the State Treasurer;

“(3) one member appointed by the chairman of the Ways and Means Committee of the House of Representatives;

“(4) one member appointed by the chairman of the Senate Finance Committee;

“(5) one member appointed by the State Superintendent of Education;

“(6) one member appointed by the chairman of the Ways and Means Higher Education and Technical Colleges Subcommittee;

“(7) one member appointed by the chairman of the Senate Finance Higher Education Subcommittee;

“(8) the President of the South Carolina State University National Alumni Association, to serve ex officio and nonvoting; and

“(9) the South Carolina State University Student Government Association President, to serve ex officio and nonvoting.

“The members of the Interim Board of Trustees must be appointed no later than seven days following the effective date of this joint resolution. The Interim Board of Trustees shall meet as soon as practical and elect a chairman and other officers from its membership. Vacancies must be filled in the manner of the original appointment.

“(C) Unless extended by the General Assembly, the Interim Board of Trustees established pursuant to subsection (B) shall serve until June 30, 2018, or until a full new Board of Trustees is elected and qualified pursuant to Chapter 127, Title 59. The term of office for each seat on the Board of Trustees shall be suspended as of the date of removal pursuant to subsection (A) until a new member of the Board of Trustees is elected to that seat pursuant to Chapter 127, Title 59, after June 30, 2018. Initial terms of the new members of the Board of Trustees shall be the unexpired terms of the seats to which they are elected.

“(D) The Interim Board of Trustees is responsible solely for the selection, periodic evaluation, and retention or termination of the university’s president.

“(E) The Interim Board of Trustees shall ensure there is a clear and appropriate distinction between the policy‑making functions of the Interim Board of Trustees and the responsibility of the university’s president, administration, and faculty to administer and implement policies and that the university has a clearly defined organizational structure that delineates responsibility for the administration of policies.

“(F) The Interim Board of Trustees shall ensure that the university has qualified administrative and academic officers with the experience and competence necessary to lead the university.

“(G) Notwithstanding any other provision of law, the Interim Board of Trustees is authorized to develop programmatic, personnel, and related policies it deems necessary to ensure that the university operates within its appropriated and authorized budget. The policies the Interim Board of Trustees develops may be across all operations of the university including, but not limited to, administration, academics, auxiliary operations, public service activities, and athletics. Programmatic and personnel policies developed by the Interim Board of Trustees pursuant to this subsection must be reported as information to the Commission on Higher Education and the State Division of Human Resources, respectively, as soon as is practicable after implementation.

“(H) The Interim Board of Trustees, in consultation with the president, shall review both the educational accreditation of the university and the past and current financial situation of the university and make recommendations regarding the path that the university must pursue in order to lead the university out of the current financial crisis with an emphasis on having the university return to the valuable and functional institution of higher learning that it has been in the past. Any recommendations made by the Interim Board of Trustees also shall be provided as information to the Executive Budget Office and made public on the university’s website.

“(I) The Interim Board of Trustees shall be indemnified in the same manner as members of the Retirement System Investment Commission, mutatis mutandis.”

2016 Act No. 286, Section 4, provides as follows:

“SECTION 4. (A) Notwithstanding any other provision of law, beginning in Fiscal Year 2016‑2017 and ending Fiscal Year 2021‑2022, the agency head of South Carolina State University may institute a mandatory employee furlough program of not more than twenty working days in each fiscal year. The program must meet the requirements provided in subsection (B).

“(B) The furlough must be inclusive of all employees of the university or within a designated department or program regardless of source of funds, place of work, or tenure status, and must include employees in classified positions and unclassified positions in the designated area. A furlough program also may be implemented by pay band for classified employees and by pay rate for unclassified employees. Law enforcement employees, employees who provide direct patient or client care, and front‑line employees who deliver direct customer services may be exempted from a mandatory furlough. If the furlough includes the entire university, the furlough must include the agency head. Scheduling of furlough days, or portions of days, shall be at the discretion of the university, but under no circumstances shall the university close completely. If an employee participates in a voluntary furlough program from Fiscal Year 2016‑2017 through Fiscal Year 2021‑2022, the furlough days taken voluntarily must count toward the furlough days required by the mandatory furlough authorized in this section. During this furlough, affected employees shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits which require employer and employee contributions, including, but not limited to, contributions to the South Carolina Retirement System or the optional retirement program, the university will be responsible for making both employer and employee contributions during the time of the furlough if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the employee remains solely responsible for making those contributions. Placement of an employee on furlough under this provision does not constitute a grievance or appeal under the State Employee Grievance Procedure Act. The university may allocate the employee’s reduction in pay over the balance of the fiscal year for payroll purposes regardless of the pay period within which the furlough occurs. The university is encouraged to consult the State Division of Human Resources of the Department of Administration in the development of the furlough plan to ensure that the plan meets the requirements of this section. The university shall report information regarding furloughs to the State Division of Human Resources as requested.”

Effect of Amendment

The 2012 amendment rewrote subsection (A).

**SECTION 59‑127‑30.** Quorum at board meetings.

A majority of the board of trustees shall be necessary for the transaction of any business.

HISTORY: 1962 Code Section 22‑553; 1952 Code Section 22‑553; 1942 Code Section 5804; 1932 Code Section 5804; Civ. C. ‘22 Section 2823; Civ. C. ‘12 Section 1883; Civ. C. ‘02 Section 1297; 1896 (22) 174.

**SECTION 59‑127‑40.** Management and control of Claflin College.

The board of trustees of South Carolina State University may take charge of, manage and control all of the real and personal property belonging to Claflin College, in whosesoever hands or custody the same may be now or hereafter found, and shall hold the same in trust for the benefit and uses of South Carolina State University.

HISTORY: 1962 Code Section 22‑554; 1952 Code Section 22‑554; 1942 Code Section 5801; 1932 Code Section 5801; Civ. C. ‘22 Section 2820; Civ. C. ‘12 Section 1880; Civ. C. ‘02 Section 1294; 1896 (22) 174; 1954 (48) 1722.

**SECTION 59‑127‑50.** College shall be separate from Claflin University and other institutions under religious control.

South Carolina State University shall forever be, and remain, free and separate from Claflin University and all other colleges, schools or other institutions which are wholly or in part under the direction or control of any church or religious or sectarian denomination or society.

HISTORY: 1962 Code Section 22‑554.1; 1952 Code Section 22‑554.1; 1942 Code Section 5802; 1932 Code Section 5802; Civ. C. ‘22 Section 2821; Civ. C. ‘12 Section 1881; Civ. C. ‘02 Section 1295; 1896 (22) 174; 1909 (26) 213; 1954 (48) 1722.

**SECTION 59‑127‑60.** General powers of board.

In the management of affairs of said college whenever it is found necessary to protect or to promote the interests of the State or whenever the trustees deem it right and proper or expedient for any reason the trustees may sell, purchase or exchange real estate. And the trustees shall fix the time and duration of all vacations to be given the students of the institution. South Carolina State University shall have all the rights and privileges possessed prior to March 3, 1896 by Claflin College.

HISTORY: 1962 Code Section 22‑555; 1952 Code Section 22‑555; 1942 Code Section 5802; 1932 Code Section 5802; Civ. C. ‘22 Section 2821; Civ. C. ‘12 Section 1881; Civ. C. ‘02 Section 1295; 1896 (22) 174; 1909 (26) 213; 1954 (48) 1722.

**SECTION 59‑127‑70.** Buildings; courses of study; appliances; staff.

The board of trustees of South Carolina State University may provide all necessary suitable buildings upon a proper site for the purpose, establish a course of study covering the normal, industrial, agricultural and mechanical sciences, provide the necessary appliances for proper instruction in the same and select a proper corps of professors and instructors and fix their salaries.

HISTORY: 1962 Code Section 22‑556; 1952 Code Section 22‑556; 1942 Code Section 5803; 1932 Code Section 5803; Civ. C. ‘22 Section 2822; Civ. C. ‘12 Section 1822; Civ. C. ‘02 Section 1296; 1896 (22) 174; 1954 (48) 1722; 1972 (57) 2494.

**SECTION 59‑127‑75.** Felton‑Laboratory School at South Carolina State University; funds received; calculation.

Of the funds distributed pursuant to the higher education formula of the Commission on Higher Education, the Felton‑Laboratory School at South Carolina State University shall receive each year one hundred percent of the funds it would have received for that year under the Education Finance Act, under the Education Improvement Act, and under aid to school districts‑fringe benefits, as if it were a special school district. The calculation of the amount of funds which the Felton‑Laboratory School is entitled to receive each year shall be made by the Department of Education.

HISTORY: 1995 Act No. 145, Part II, Section 111.

**SECTION 59‑127‑80.** One half of land scrip fund vested in board.

One half of the fund known as the land scrip fund, to wit: Ninety‑five thousand and nine hundred dollars, shall be for the benefit of the South Carolina State University and shall be a perpetual fund, which shall forever remain undiminished, and the board of trustees is authorized to use the income thereon, to wit: Six per cent per annum, payable semiannually, from July 1, 1889 for the use and maintenance of such college.

HISTORY: 1962 Code Section 22‑557; 1952 Code Section 22‑557; 1942 Code Section 5805; 1932 Code Section 5805; Civ. C. ‘22 Section 2824; Civ. C. ‘12 Section 1884; Civ. C. ‘02 Section 1298; 1889 (20) 299; 1868 (14) 169; 1879 (17) 86; 1896 (22) 173; 1954 (48) 1722; Const. Art. 11, Section 8.

**SECTION 59‑127‑85.** South Carolina State University Board of Trustees; authority to enter into ground lease agreements.

The Board of Trustees of South Carolina State University with the approval of the Department of Administration or State Fiscal Accountability Authority, as appropriate, may enter into one or more ground lease agreements with a private entity whereby the private entity will provide all services necessary for the creation and operation of an on‑campus student housing facility including, but not limited to, financing, designing, construction, managing, operating, maintaining, and related services. Upon expiration of the ground lease agreement term, the private entity shall surrender unto South Carolina State University, such premises with the existing buildings, other structures and improvements constructed and located thereon and therein, in the same condition as when the construction of the buildings, other structures, and improvements were completed, only natural and normal wear and tear excepted. The Department of Administration or State Fiscal Accountability Authority, as appropriate, must first approve all ground lease agreement terms and conditions including the consideration involved, and the full faith and credit of the State toward the lease obligations must not be pledged, and any statement to the contrary is deemed null and void as a matter of public policy. The private entity may be a nonprofit organization. The Department of Administration or State Fiscal Accountability Authority, as appropriate, approval required shall be in lieu of or a substitute for any other approval required by any other provision of law or regulation in connection with the undertaking of the private entity and South Carolina State University; however, the private entity and South Carolina State University shall adhere to fire, life, and safety codes as required by the Office of the State Engineer.

Neither this section, nor the approval required by this section, exempts any transaction or entity from complying with Chapter 35 of Title 11.

HISTORY: 2001 Act No. 63, Section 1; 2008 Act No. 275, Section 5, eff June 5, 2008.

Code Commissioner’s Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

Effect of Amendment

The 2008 amendment added the undesignated paragraph at the end relating to compliance with the Procurement Code.

ARTICLE 3

Special Obligation Bonds

**SECTION 59‑127‑310.** Definitions.

Unless the context clearly requires otherwise, as used in this article:

(1) “Admission fee” means the special fee or charge, in addition to other charges, imposed upon each person admitted to a “home” football game, except a freshman or intramural game, in Dawson Football Stadium at South Carolina State University or at any other location where a “home” game is played by the South Carolina State University varsity football team, excluding students admitted as a result of student fees paid to the institution for a regular session.

(2) “Bonds” means the Stadium Improvement Revenue Bonds of South Carolina State University authorized by this article.

(3) “University” means South Carolina State University, located at Orangeburg, South Carolina.

(4) “Dawson Football Stadium” means the football stadium of South Carolina State University located at Orangeburg, South Carolina.

(5) “Debt Service Fund” means the fund established by this article for the payment of the principal and interest on the bonds.

(6) “Improvements” means the enlargement and improvements to Dawson Football Stadium, including necessary equipment.

(7) “Special student fee” means the fee authorized by this article to be established by the university to provide funds to assist in the repayment of bonds authorized under this article and imposed upon each person in attendance at any regular session, excluding summer sessions, of the university, who is enrolled in a sufficient number of classes or courses for which credit is given toward any degree offered by the university to be classified as a regular full‑time student for the purpose of assessing other student fees.

(8) “Authority” means the State Fiscal Accountability Authority.

(9) “Trustees” means the Board of Trustees of South Carolina State University.

(10) “Net athletic revenues” means the entire revenues derived by the athletic department of the University for any fiscal year after payment of the operating and maintenance expenses of the department but before provision is made for depreciation, amortization, nonmandatory transfers, and interest expenses of the department for the fiscal year.

HISTORY: 1992 Act No. 514, Section 2; 1997 Act No. 103, Section 1.

Code Commissioner’s Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

**SECTION 59‑127‑320.** Authority of trustees to construct, operate, and maintain improvements; limited authority to issue bonds; university authorized to apply other funds to stadium improvements.

(A) The right of the trustees to construct the improvements and then to operate and maintain them is affirmed.

(B) Subject to obtaining the approval of the State Fiscal Accountability Authority or Department of Administration, as appropriate, expressed by resolution duly adopted, the trustees are authorized to issue not more than twenty million dollars of bonds for the purpose of acquiring, constructing, reconstructing, renovating, or equipping athletic facilities and for the purpose of refunding any previous series of bonds authorized by this section. Bonds issued pursuant to this section are payable from the admission fee, the special student fee, and net athletic revenues.

(C) It is not intended by this article to limit the university in the construction of the improvements to the sums provided in this article, and if the university obtains funds from other sources for the purposes of enlarging and improving the football stadium, then it is empowered to apply the funds to the improvements as now contemplated or to provide further improvements for the football stadium.

HISTORY: 1992 Act No. 514, Sections 3, 4 and 19; 1997 Act No. 103, Section 2.

Code Commissioner’s Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

**SECTION 59‑127‑330.** Full faith and credit of State not pledged; no personal liability for executing bonds.

The faith and credit of the State of South Carolina must not be pledged for the payment of the principal and interest on the bonds and there must be on the face of each bond a statement plainly worded to that effect. Neither the trustees nor any other persons executing the bonds are personally liable for them.

HISTORY: 1992 Act No. 514, Section 5.

**SECTION 59‑127‑340.** Trustees to adopt resolutions for issuance of bonds; single issue or separate issues authorized.

In order to utilize the authorizations of this article, the trustees, on behalf of the university, shall adopt resolutions providing for the issuance of the bonds within the limitations mentioned, and by that resolution shall prescribe the tenor, terms, and conditions of the bonds and the obligations of the university incurred in connection with their issuance. The bonds may be issued as a single issue or as several separate issues. In the event that the bonds are issued as two or more issues, then all bonds must be on a parity in all respects inter se and are equally and ratably entitled to payment from the sources provided in this article.

HISTORY: 1992 Act No. 514, Section 6.

**SECTION 59‑127‑350.** Requirements of bonds.

The bonds must be issued as serial bonds, maturing in equal or unequal amounts, at those times and on those occasions, and in denominations as the trustees determine. However, the last maturing bonds of any issue must be expressed to mature not later than twenty years from their date, and the first maturing bonds of any issue must fall due not later than five years from their date. The bonds shall bear a rate of interest, payable on occasions as the trustees prescribe, and must be payable in a medium of payment and at a place as the resolutions prescribe. Bonds may be issued with provisions permitting their redemption before their stated maturity, at a time and under conditions as the trustees prescribe. Bonds made subject to redemption before their stated maturities may contain a provision requiring the payment of a premium for the privilege of exercising the right of redemption, in an amount the trustees prescribe. All bonds that are subject to redemption must contain a statement to that effect on the face or reverse of each bond. A resolution authorizing redeemable bonds must contain provisions specifying the manner of call and the notice that must be given.

HISTORY: 1992 Act No. 514, Section 7.

**SECTION 59‑127‑360.** Registration of bonds.

The bonds may be in the form of fully registered bonds, payable to the registered owner as shown on the books of the treasurer of the university, or on registry books kept for the university by the State Treasurer or by any corporate registrar, upon conditions the trustees prescribe.

HISTORY: 1992 Act No. 514, Section 8.

**SECTION 59‑127‑370.** Tax exempt status of bonds and interest.

The bonds and all interest to become due on them must have the tax exempt status pursuant to Section 12‑2‑50.

HISTORY: 1992 Act No. 514, Section 9.

**SECTION 59‑127‑380.** Persons who may lawfully invest in bonds.

It is lawful for all executors, administrators, guardians and fiduciaries, and all sinking fund commissions to invest any monies in their hands in the bonds.

HISTORY: 1992 Act No. 514, Section 10.

**SECTION 59‑127‑390.** Execution and delivery of bonds.

The bonds must be executed in the name of the university in a manner and by those persons the trustees determine, and the seal of the university must be reproduced, affixed to, or impressed on each bond. The delivery of the bonds so executed is valid notwithstanding changes in officers or seal occurring after the execution and before the delivery.

HISTORY: 1992 Act No. 514, Section 11.

**SECTION 59‑127‑400.** Sale of bonds.

All bonds must be disposed of in a manner the trustees determine, except that a sale, privately negotiated without public advertisement, must not be made unless the approval of the State Fiscal Accountability Authority is obtained.

HISTORY: 1992 Act No. 514, Section 12; 1997 Act No. 103, Section 3.

Code Commissioner’s Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

**SECTION 59‑127‑410.** Disposition of proceeds of sale of bonds.

The proceeds of all bonds must be delivered to the State Treasurer and retained in a special fund or funds and applied solely to the purposes for which the bonds are issued. Withdrawals from the Debt Service Fund must be made on the order or requisition of the university and must be in a manner the State Treasurer prescribes. The State Treasurer may make temporary investments of funds derived from the proceeds of bonds in obligations enumerated in Section 11‑9‑660 with maturities consonant with the need for the funds.

HISTORY: 1992 Act No. 514, Section 13.

**SECTION 59‑127‑420.** Authorization of special fees for repayment of bonds.

To provide for the adequate payment of the principal of and interest on the bonds, the trustees are authorized to place into effect either the admission fee or the special student fee, or both. If only one of the fees is imposed at the time the bonds are issued, the trustees, at any time the bonds are outstanding, by resolution, may impose the other fee to further secure payment of the bonds. The fees must be established on a basis and in an amount necessary to provide for the payment of the principal and interest on the bonds as they mature and to provide cushion or reserve for them in the Debt Service Fund that the trustees consider prudent. Either the admission fee or the special student fee, or both, may be imposed as soon after the effective date of this article as the trustees determine. It is the duty of the trustees to calculate the debt service requirements of the bonds not less frequently than annually and at that time, appropriate revisions of the admission fee or the special student fee, or both, may be made if required to make adequate provisions for the payment of principal and interest on the bonds and the maintenance of the cushion or reserve in the fund.

The special student fee must bear nomenclature as the trustees prescribe and, in the discretion of the trustees, it may be included as a part of any other fees. However, it is the duty of the trustees to account for the receipts from the special student fee to the State Treasurer.

HISTORY: 1992 Act No. 514, Section 14.

**SECTION 59‑127‑430.** Disposition of monies from other sources for repayment of bonds.

Except to the extent other monies are restricted inconsistent with these provisions, the trustees are empowered to deposit, in the Debt Service Fund, before the issuance of any bonds, monies derived from other sources, including funds raised by the athletic department of the university. They also are empowered throughout the life of the bonds to make payments from these other sources to the fund, and in calculating the amount or rate of the admission fee or the special student fee, or both, for any year, they may take into account all monies then actually paid to the fund from the other sources which then are available to meet the payment of the principal and interest on the bonds for the year.

HISTORY: 1992 Act No. 514, Section 15.

**SECTION 59‑127‑440.** Powers of trustees in authorizing issuance of bonds.

In the resolutions authorizing the issuance of the bonds, the trustees are empowered to:

(1) covenant and agree throughout the life of the bonds that the admission fee or the special student fee, or both, are imposed, maintained, and revised when necessary, in an amount, without limitation as to rate, as is sufficient, when added to net athletic revenues in any year, to meet the payment of the principal and interest for the bonds as they become due, and to create a cushion or reserve fund as the trustees consider prudent. The cushion or reserve must be used only to meet the payment of the principal and interest on the bonds under the conditions as the trustees prescribe and must be maintained in a manner as to insure its availability for repayment;

(2) establish the Debt Service Fund, which must be maintained at the hands of the State Treasurer;

(3) covenant that all revenues derived from the admission fee or the special student fee, or both, are paid to the State Treasurer for deposit in the fund in a manner prescribed by the State Treasurer;

(4) establish appropriate rules requiring the payment of the admission fee or the special student fee, or both;

(5) covenant as to the use of the proceeds of the sale of the bonds;

(6) provide for the terms, form, registration, exchange, execution and authentication of bonds, and for the replacement of lost, destroyed, or mutilated bonds;

(7) covenant for the mandatory redemption of bonds on terms and conditions as the resolutions authorizing the bonds prescribe;

(8) prescribe the procedure, if any, by which the terms of the contract with the bondholders may be amended, the number of bonds whose holders must consent to amendment, and the manner in which the consent is given;

(9) covenant to insure the football stadium against loss by fire or other casualty;

(10) operate and maintain the football stadium in good repair;

(11) prescribe the events of default and the terms and conditions upon which all or any bonds are or may be declared due before maturity, and the terms and conditions upon which the declaration and its consequences may be waived;

(12) reserve the right to issue additional bonds payable from the sources provided in this article for the payment of the bonds pursuant to Section 59‑127‑460 or to the extent to which the trustees may become authorized to issue additional bonds by legislation enacted, if it is necessary in the future to further enlarge or improve the football stadium and to prescribe the conditions under which additional bonds may be issued; and

(13) make further covenants and agreements as necessary or desirable in order to market the bonds.

HISTORY: 1992 Act No. 514, Section 16; 1997 Act No. 103, Section 4.

**SECTION 59‑127‑450.** Responsibilities of State Treasurer.

The State Treasurer is authorized to accept custody of receipts and revenues derived from the imposition of the admission fee and any special student fee imposed by the trustees, to deposit them in the Debt Service Fund, and to utilize the proceeds of the fund for the payment of the principal and interest on the bonds and for the establishment of a cushion or reserve for their payment. The trustees shall make adequate provisions for the transmission of the revenues derived from the fees to the State Treasurer in a manner prescribed by the State Treasurer. Monies in the fund may be invested and reinvested by the State Treasurer in obligations enumerated in Section 11‑9‑660, with maturities consonant with the needs of the fund.

HISTORY: 1992 Act No. 514, Section 17.

**SECTION 59‑127‑460.** Authority of trustees to issue additional bonds; purposes for which additional bonds may be issued.

The trustees are authorized to issue additional bonds in one or more series as provided in the resolutions authorizing the original series of bonds for the purpose of refunding or retiring the bonds or for the purpose of enlarging or improving the football stadium.

HISTORY: 1992 Act No. 514, Section 18; 1997 Act No. 103, Section 5.

**SECTION 59‑127‑470.** Committee to conduct feasibility study for law school at South Carolina State University in Orangeburg; membership; report.

There is established a committee to study the feasibility and need for a School of Law at the South Carolina State University in Orangeburg. This committee shall consist of nine members as follows:

(1) three to be appointed by the Senate Pro Tempore;

(2) three to be appointed by the Speaker of the House; and

(3) three to be appointed by the Legislative Black Caucus.

These members are to be appointed no later than July 1, 2004. The senior member of the Legislative Black Caucus is to call the first meeting of the committee no later than July 15, 2004, and is to serve as chairman until such time as the committee elects a chairman. This committee is to produce a report to be provided to the members of the General Assembly and the Governor no later than December 31, 2004. The report is to address the following:

(1) feasibility of having a law school at South Carolina State University;

(2) need for additional attorneys in the State of South Carolina;

(3) cost of implementation; and

(4) impact to the economy.

HISTORY: 2004 Act No. 187, Section 19, eff March 17, 2004.

ARTICLE 4

South Carolina State University Academic and Administrative Facilities Bond Act

**SECTION 59‑127‑480.** Citation of article.

This article may be cited as the “South Carolina State University Academic and Administrative Facilities Bond Act”.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑490.** Definitions.

As used in this article:

(1) “Board” means the Board of Trustees of South Carolina State University.

(2) “Equipment” means items with a useful life of at least fifteen years.

(3) “Academic and administrative buildings” means the real and personal property and equipment to be utilized by the College of Engineering, Science and Mathematics, the College of Education, Humanities and Social Science, and the College of Business and Applied Professional Sciences, whether or not the acquisition or construction of these facilities are financed from the proceeds of bonds, notes, or other indebtedness issued pursuant to the provisions of this article.

(4) “Fees and revenues” means the special student fees, auxiliary fees, and revenues derived or to be derived from the operation, sale, lease, or other disposition of the facilities.

(5) “University” means South Carolina State University.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑500.** Power to issue facilities improvement bonds

Subject to the approval of the Joint Bond Review Committee and the State Fiscal Accountability Authority or Department of Administration, as appropriate, by resolution adopted, the university may issue bonds, notes, or other forms of indebtedness for the purpose of financing or refinancing in whole or in part the cost of acquisition, construction, reconstruction, renovation, and improvement of land, buildings, and other improvements to real property and equipment for the purpose of providing certain academic and administrative buildings as defined in this article serving the needs of the university.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

Code Commissioner’s Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

**SECTION 59‑127‑510.** Resolution provisions.

Bonds, notes, or other forms of indebtedness issued pursuant to the provisions of this article must be authorized by a resolution or resolutions of the board of the university. The resolution of the university, in the discretion of the board, may contain provisions that constitute a part of the contract between the university and the holders of the bonds, notes, or other forms of indebtedness as to any of the following:

(1) the custody, security, use, expenditure, or application of the proceeds of the bonds, notes, or other forms of indebtedness including, without limitation, the use of bonds, notes, or other forms of indebtedness proceeds to pay the cost of acquisition, construction, reconstruction, or renovation of facilities, expenses of issuance of the bonds, notes, or other forms of indebtedness, interest on the bonds, notes, or other forms of indebtedness for a period of time the board may determine, and the cost of bond, note, or other form of indebtedness insurance or other credit enhancement and to fund reserves established with respect to the bonds, notes, or other forms of indebtedness;

(2) the acquisition, renovation, construction, reconstruction, or completion of the facilities for which the bonds, notes, and other forms of indebtedness are issued;

(3) the use, regulation, operation, maintenance, insurance, or disposition of the facilities, the fees and revenues from which are pledged to secure payments with respect to the bonds, notes, and other forms of indebtedness or restrictions on the exercise of the powers of the board to dispose of or to limit or regulate the use of these facilities;

(4) the payment of the principal of, redemption premium, if any, or interest on the bonds, notes, and other forms of indebtedness and the sources and the methods of the payment, the rank or priority of the bonds, notes, and other forms of indebtedness as to a lien or security, or the acceleration of the maturity of the bonds, notes, and other forms of indebtedness;

(5) the use and disposition of the fees and revenues including, without limitation, the pledging, setting aside, or depositing with a trustee all or part of the fees and revenues to secure the payment of the principal of, redemption premium, if any, and interest on the bonds, notes, and other forms of indebtedness and the payment of expenses of operation and maintenance of the facilities;

(6) the setting aside of bond, note, or other form of indebtedness proceeds, the fees and revenues or other available funds of reserves or sinking funds, and the source, custody, security, regulation, and disposition of them;

(7) the determination of the fees and revenues, subject to the provisions of Section 59‑127‑580, or other available funds to be pledged as security for payments with respect to the bonds, notes, and other forms of indebtedness and for the expenses of operation and maintenance of the facilities;

(8) the fixing, establishment, collection, and enforcement of the rentals, fees, or other charges from students, faculty members, and others using or being served by, or having the right to use or be served by, the facilities, the fees and revenues from which are pledged to secure payments with respect to the bonds, notes, and other forms of indebtedness and the disposition and application of the fees and revenues charged and collected;

(9) limitations on the issuance of additional bonds, notes, and other forms of indebtedness or other obligations or the incurrence of indebtedness payable from the same fees and revenues from which the bonds, notes, and other forms of indebtedness are payable;

(10) rules to ensure the use of the facilities by students or members of the faculty of the university to the maximum extent to which the building or equipment is capable of serving the students or faculty members;

(11) the procedure, if any, by which the terms of a covenant or contract with, or duty to, the holders of the bonds, notes, and other forms of indebtedness may be amended or abrogated, the amount of bonds, notes, and other forms of indebtedness to which the holders shall consent, and the manner in which the consent may be given or evidenced; and

(12) any other matter or course of conduct which, by recital in the resolution or resolutions authorizing or providing for the bonds, notes, and other forms of indebtedness, is declared to further secure the payment of the principal of or the interest on the bonds, notes, and other forms of indebtedness or to further the purposes for which the facilities are being acquired, constructed, reconstructed, renovated, or equipped and the bonds, notes, and other forms of indebtedness being issued.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑520.** Form and content of bonds; negotiability.

Bonds, notes, and other forms of indebtedness may be issued in one or more series at those prices, may bear the date, may mature at the time, not exceeding forty years from their respective date, may bear interest at the fixed or variable rate, may be payable in the medium of payment and at the place, may be in the denomination, may be in the form, either coupon or registered and either certified or uncertified, may carry the registration privileges, may be subject to the terms of redemption before maturity, with or without premium, and may contain terms, covenants, and conditions as the resolution authorizing the issuance of the bonds, notes, and other forms of indebtedness may provide. Except as otherwise specified in the authorizing resolution, the bonds, notes, and other forms of indebtedness are fully negotiable within the meaning of and for all the purposes of the Uniform Commercial Code.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑530.** Exemption from taxes.

The bonds, notes, and other forms of indebtedness are exempt from all state, county, municipal, and school taxes and franchise and license fees.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑540.** Signature and seal; facsimile signatures.

The bonds, notes, and other forms of indebtedness must be signed in the corporate name of the university by the manual or facsimile signature of the acting chairman of the board of the university, under the corporate seal of the university attested by the manual or facsimile signature of the acting secretary of the board. Interest coupons attached to the bonds, notes, and other forms of indebtedness must be signed by the facsimile signatures of these officers. The bonds, notes, and other forms of indebtedness may be issued notwithstanding that any of the officials signing them or whose facsimile signatures appear on the coupons have ceased to hold office at the time of the issue or at the time of the delivery of the bonds, notes, and other forms of indebtedness to the purchaser.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑550.** Terms and conditions of sale.

The bonds, notes, and other forms of indebtedness must be sold at public or private sale upon the terms and conditions as the board of the university considers advisable.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑560.** Filing description of obligations with State Treasurer.

The board or its proper administrative officers shall file with the State Treasurer within thirty days from the date of their issuance a complete description of all obligations entered into by the board, with the rates of interest, maturity dates, annual payments, and all pertinent data.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑570.** Enforcement rights.

All provisions of a resolution authorizing or providing for the issuance of the bonds, notes, and other forms of indebtedness in accordance with Section 59‑127‑500 and of the covenants and agreements constitute valid and legally binding contracts between the university and the several holders of the bonds, notes, and other forms of indebtedness, regardless of the time of issuance of the bonds, notes, and other forms of indebtedness, and are enforceable by the holder or holders by mandamus or other appropriate action, suit, or proceeding at law or in equity in a court of competent jurisdiction.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.

**SECTION 59‑127‑580.** Revenue sources for payment; liability of board members.

The bonds, notes, and other forms of indebtedness must be made payable only from all or the portion of the fees and revenues as the university in its discretion may designate pursuant to the authorizing resolution and also from other available funds of the university designated by the university pursuant to the authorizing resolution except funds of the university derived from appropriations received from the General Assembly and tuition funds pledged to the repayment of state institution bonds, notes, and other forms of indebtedness. The use of academic fees must be approved by the university’s board. The bonds, notes, and other forms of indebtedness are not general obligations of the State. Neither the members of the board nor a person signing the bonds, notes, and other forms of indebtedness is liable personally for the bonds, notes, and other forms of indebtedness. Bonds, notes, and other forms of indebtedness may not be issued pursuant to the provisions of this article unless an identified source of revenue is designated for the repayment of the bonds, notes, and other forms of indebtedness.

HISTORY: 2005 Act No. 44, Section 1, eff May 3, 2005.