

# REPORT OF THE PROPERTY TAX SUBCOMMITTEE

(G.R.Smith, Clyburn, Merrill, Huggins & Skelton - Staff Contact: Emily Heatwole)

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## HOUSE BILL 3502

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H. 3502 -- Reps. Murphy, Vick, Goldfinch, K.R. Crawford, Harrell, Horne, M.S. McLeod and Owens: A BILL TO AMEND SECTION 59-121-55, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE TRANSFER OF FUNDS OR PROPERTY BY THE CITADEL BOARD OF VISITORS TO A NONPROFIT ELEEMOSYNARY CORPORATION ESTABLISHED BY THE BOARD, SO AS TO REMOVE A LIMIT ON THE AMOUNT OF FUNDS OR PROPERTY THAT THE BOARD MAY TRANSFER TO THE CORPORATION.

***Summary of Bill:***

Eliminates the \$20 million limit on non state property or appropriated funds that may be transferred by the Citadel Board of Trustees to a nonprofit established by the board.

***Introduced:*** 02/06/2013

***Received by Ways and Means:*** 02/07/2013

***Estimated Fiscal Impact:***

PENDING

***Subcommittee Recommendation:***

Favorable as Amended

***Full Committee Recommendation:***

Pending

***Other Notes/Comments:***

[CLICK HERE to Edit Notes/Comments](#)

HOUSE  
AMENDMENT

THIS AMENDMENT  
ADOPTED

GOOD/LEE  
APRIL 17, 2013

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CLERK OF THE HOUSE

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THE PROPERTY TAX SUBCOMMITTEE PROPOSES THE  
FOLLOWING AMENDMENT No. TO H. 3502  
(COUNCIL\NL\3502C001.NL.DG13):

REFERENCE IS TO THE BILL AS INTRODUCED.

**AMEND THE BILL, AS AND IF AMENDED, BY  
STRIKING ALL AFTER THE ENACTING WORDS AND  
INSERTING:**

**/ SECTION 1. SECTION 59-121-55(B) OF THE  
1976 CODE IS AMENDED TO READ:**

**“(B) THE BOARD OF VISITORS IS FURTHER  
AUTHORIZED TO TRANSFER ~~NOT EXCEEDING~~  
~~TWENTY MILLION DOLLARS OF NONSTATE~~  
~~APPROPRIATED~~ FUNDS AND PROPERTY IF**

PRIVATELY DONATED TO THE COLLEGE, AND  
INCOME OR PROCEEDS DERIVED FROM THESE  
PRIVATELY DONATED FUNDS AND PROPERTY,  
THAT THE BOARD HOLDS IN ITS NAME OR IN THE  
COLLEGE'S NAME FOR SCHOLARSHIP AND OTHER  
COLLEGE SUPPORT PURPOSES TO THE NONPROFIT  
CORPORATION FORMED PURSUANT TO  
SUBSECTION (A). THESE FUNDS, ~~AND~~ PROPERTY,  
AND INCOME AND PROCEEDS DERIVED FROM  
THEM, MUST BE USED BY THE NONPROFIT  
CORPORATION FOR ITS STATED PURPOSES,  
EXCEPT THAT ANY RESTRICTIONS OR  
LIMITATIONS APPLICABLE TO A SPECIFIED  
PORTION OF THESE FUNDS OR PROPERTY  
CONTINUE TO BE APPLICABLE AFTER THE  
TRANSFER OF ~~THOSE~~ THE FUNDS, ~~OR~~ PROPERTY,  
AND INCOME AND PROCEEDS DERIVED FROM  
THEM, TO THE NONPROFIT CORPORATION. ANY  
ENCUMBRANCES OR LIABILITY ON THE FUNDS,  
~~AND~~ PROPERTY, AND INCOME AND PROCEEDS  
DERIVED FROM THEM SO TRANSFERRED MUST BE  
ASSUMED BY THE NONPROFIT CORPORATION.”

**SECTION 2. THIS ACT TAKES EFFECT UPON  
APPROVAL BY THE GOVERNOR./**

**RENUMBER SECTIONS TO CONFORM.  
AMEND TITLE TO CONFORM.**

FISCAL IMPACT STATEMENT ON BILL NO. **H.3502**

(Doc. No. 19887ab13.docx)

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TO: The Honorable W. Brian White, Chairperson, House Ways and Means Committee  
FROM: State Budget Division, Budget and Control Board  
ANALYSTS: Nicole Jennings  
DATE: April 3, 2013 SBD: 2013218

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AUTHOR: Representative Murphy PRIMARY CODE CITE: 59-121-55  
SUBJECT: Citadel Board of Visitors

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

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**BILL SUMMARY:**

House Bill 3502 amends Section 59-121-55 by removing of the limit on funds that The Citadel Board of Visitors may transfer to The Citadel's nonprofit eleemosynary corporation.

**EXPLANATION OF IMPACT:**

The Citadel indicates this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds. Any future transfers would be reflected as a "Transfer Out" on The Citadel's financial statements and a "Transfer In" on The Citadel Trust's financial statements, with a zero dollar net impact to The Citadel's audited consolidated financial statements issued at fiscal year-end.

**LOCAL GOVERNMENT IMPACT:**

None.

**SPECIAL NOTES:**

None.

Approved by:



Brenda Hart  
Assistant Director, State Budget Division

1 ~~Indicates Matter Stricken~~

2 Indicates New Matter

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4 INTRODUCED

5 February 6, 2013

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## H. 3502

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9 Introduced by Reps. Murphy, Vick, Goldfinch, K.R. Crawford,  
10 Harrell, Horne, M.S. McLeod and Owens

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12 S. Printed 2/6/13--H.

13 Read the first time February 6, 2013.

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**A BILL**

TO AMEND SECTION 59-121-55, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE TRANSFER OF FUNDS OR PROPERTY BY THE CITADEL BOARD OF VISITORS TO A NONPROFIT ELEEMOSYNARY CORPORATION ESTABLISHED BY THE BOARD, SO AS TO REMOVE A LIMIT ON THE AMOUNT OF FUNDS OR PROPERTY THAT THE BOARD MAY TRANSFER TO THE CORPORATION.

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

SECTION 1. Section 59-121-55(B) of the 1976 Code is amended to read:

“(B) The Board of Visitors is further authorized to transfer ~~not exceeding twenty million dollars of~~ nonstate appropriated funds and property it holds in its name or in the college’s name for scholarship and other college support purposes to the nonprofit corporation formed pursuant to subsection (A). These funds and property must be used by the nonprofit corporation for its stated purposes, except that any restrictions or limitations applicable to a specified portion of these funds or property continue to be applicable after the transfer of those funds or property to the nonprofit corporation. Any encumbrances or liability on the funds and property so transferred must be assumed by the nonprofit corporation.”

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

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