

**REPORT OF THE  
GENERAL GOVERNMENT,  
PERSONNEL & BENEFITS SUBCOMMITTEE**  
(Anthony, Pitts, Herbkersman, Hayes & Whitmire - Staff Contact: Blythe Littlefield & Kara Brurok)

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**HOUSE BILL 3663**

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H. 3663 -- Reps. Bingham and Mitchell: A JOINT RESOLUTION TO REMOVE THE CURRENT MEMBERS OF THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY AND DEVOLVE THE BOARD'S POWERS UPON THE STATE BUDGET AND CONTROL BOARD AND DIRECT THE STATE BUDGET AND CONTROL BOARD TO REMOVE THE CURRENT PRESIDENT OF SOUTH CAROLINA STATE UNIVERSITY AND EMPLOY AN INTERIM CHIEF EXECUTIVE OFFICER WHO SHALL SERVE AT-WILL AT THE PLEASURE OF THE BOARD TO AID IN DIRECTING THE UNIVERSITY IN A NEW DIRECTION WITH AN EMPHASIS ON ADDRESSING AND CORRECTING THE ONGOING FINANCIAL DIFFICULTIES OF THE UNIVERSITY IN ORDER TO KEEP THE UNIVERSITY FUNCTIONAL AND MAINTAIN ITS ACCREDITATION.

***Summary of Bill:***

The Joint Resolution removes the current Board of Trustees of South Carolina State University and replaces them temporarily with members of the State Budget and Control Board. The current president is also removed and an interim chief operating officer is appointed by the B&CB and shall serve until the General Assembly appoints a new BOT who will hire a president.

***Introduced:***

02/12/2015

***Received by Ways and Means:***

02/12/2015

***Estimated Revenue Impact:***

This Joint Resolution would have an expenditure impact of \$427,386 to the General Fund. There is no expenditure impact to Federal Funds or Other Funds.

The university indicates a total expenditure impact of \$427,386 which includes a salary pay-out of \$397,375 for the period of March 2015 through June 15, 2017 as well as an annual leave pay-out of \$30,011 for 45 days.

The B&CB indicates that the impact to the 5 member Budget and Control Board serving in their official capacities would be minimal to the agency itself. Any costs associated with the five member B&CB serving in the capacity as the university's Board of Trustees would be absorbed by the university, as is existing practice for the university to support its existing BOT.

***Subcommittee Recommendation:***

Favorable

***Full Committee Recommendation:***

Pending

***Other Notes/Comments:***



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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Bill Number: H. 3663  
 Author: Bingham  
 Requestor: House Ways and Means  
 Date: March 2, 2015  
 Subject: SCSU Board of Trustees  
 RFA Analyst(s): Fulmer

**Estimate of Fiscal Impact**

	<b>FY 2015-16</b>	<b>FY 2016-17</b>
<b>State Expenditure</b>		
General Fund	\$427,386	N/A
Other and Federal	\$0	N/A
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
<b>Local Expenditure</b>	N/A	N/A
<b>Local Revenue</b>	N/A	N/A

**Fiscal Impact Summary**

This bill would have an expenditure impact of \$427,386 to the General Fund. There is no expenditure impact to Federal Funds or Other Funds.

**Explanation of Fiscal Impact**

**State Expenditure**

This bill would remove the current members of the Board of Trustees of South Carolina State University and devolve the Board's powers upon the Budget and Control Board. This bill further directs the Budget and Control Board to remove the current president and employ an interim Chief Executive Officer.

**South Carolina State University.** The university indicates a total expenditure impact of \$427,386 which includes a salary pay-out of \$397,375 for the period of March 2015 through June 15, 2017 as well as an annual leave pay-out of \$30,011 for forty-five days.

**Budget and Control Board.** The Board indicates that the impact to the five member Budget and Control Board serving in their official capacities would be minimal to the agency itself. Any costs associated with the five member Budget and Control Board serving in the capacity as the University's Board of Trustees would be absorbed by the University, as is existing practice for the University to support its existing Board of Trustees.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A

  
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Frank A. Rainwater, Executive Director

**South Carolina General Assembly**  
121st Session, 2015-2016

**H. 3663**

**STATUS INFORMATION**

Joint Resolution

Sponsors: Reps. Bingham and Mitchell

Document Path: I:\council\bill\agm\18538ahb15.docx

Introduced in the House on February 12, 2015

Currently residing in the House Committee on **Ways and Means**

Summary: SCSU Board of Trustees

**HISTORY OF LEGISLATIVE ACTIONS**

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
2/12/2015	House	Introduced and read first time ( <a href="#">House Journal-page 50</a> )
2/12/2015	House	Referred to Committee on <b>Ways and Means</b> ( <a href="#">House Journal-page 50</a> )

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**VERSIONS OF THIS BILL**

[2/12/2015](#)

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**A JOINT RESOLUTION**

TO REMOVE THE CURRENT MEMBERS OF THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY AND DEVOLVE THE BOARD’S POWERS UPON THE STATE BUDGET AND CONTROL BOARD AND DIRECT THE STATE BUDGET AND CONTROL BOARD TO REMOVE THE CURRENT PRESIDENT OF SOUTH CAROLINA STATE UNIVERSITY AND EMPLOY AN INTERIM CHIEF EXECUTIVE OFFICER WHO SHALL SERVE AT-WILL AT THE PLEASURE OF THE BOARD TO AID IN DIRECTING THE UNIVERSITY IN A NEW DIRECTION WITH AN EMPHASIS ON ADDRESSING AND CORRECTING THE ONGOING FINANCIAL DIFFICULTIES OF THE UNIVERSITY IN ORDER TO KEEP THE UNIVERSITY FUNCTIONAL AND MAINTAIN ITS ACCREDITATION.

Whereas, the members of the General Assembly recognize the rich historical significance of South Carolina State University and that it is critical that this institution of higher learning continues to remain open and functional to serve current and future students seeking the valuable educational experience that South Carolina State University can and should continue to provide; and

Whereas, removing the current members of the Board of Trustees of South Carolina State University and replacing the board temporarily with the members of the State Budget and Control Board and removing the current President in favor of an interim chief operating officer to guide the institution out of its current financial difficulties is a wise decision at this point in South Carolina State University’s history. Now, therefore,

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

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SECTION 1. (A) The members of the Board of Trustees of South Carolina State University currently serving on the effective date of this joint resolution are hereby removed from service and the powers and duties of the board are transferred to and devolved upon the State Budget and Control Board. The State Budget and Control Board is directed to remove the current president of South Carolina State University and is directed to employ an interim chief executive officer who shall serve at-will at the pleasure of the State Budget and Control Board.

(B) The interim chief executive officer whose actions must be overseen by the board shall review both the educational accreditation of the university and the past and current financial situation of the university and make recommendations both to the board and to the General Assembly 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.

SECTION 2. The General Assembly recognizes and values the belief that to be effective, the governing board of a university must be allowed to operate without unreasonable intrusions or undue influence from the government, but that circumstances render actions taken by the General Assembly in this joint resolution to be entirely reasonable and long overdue to preserve and restore the institution to meet the expectations of a university worthy of accreditation.

SECTION 3. The board and the interim chief executive officer shall serve in their respective capacities until the election of new members of the board of trustees for South Carolina State University by the General Assembly.

SECTION 4. This joint resolution takes effect upon approval by the Governor.

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