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Summary: Charleston University Act

**HISTORY OF LEGISLATIVE ACTIONS**

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**VERSIONS OF THIS BILL**

[2/18/2014](file:///p:\pprever\2013-14\1021_20140218.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT THE “CHARLESTON UNIVERSITY ACT” BY ADDING CHAPTER 120 TO TILE 59 SO AS TO CREATE CHARLESTON UNIVERSITY TO EVENTUALLY BE CONSTITUTED BY MERGING THE COLLEGE OF CHARLESTON AND THE MEDICAL UNIVERSITY OF SOUTH CAROLINA, INCLUDING ITS HOSPITAL AUTHORITY, INTO ONE INSTITUTION AS DETERMINED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY; TO PROVIDE THIS MERGER MUST OCCUR BEFORE JULY 1, 2016; TO PROVIDE THAT THE FORMER COLLEGE OF CHARLESTON MUST BE KNOWN AS THE “CHARLESTON UNIVERSITY CAMPUS” AND THE FORMER MEDICAL UNIVERSITY OF SOUTH CAROLINA MUST BE KNOWN AS THE “CHARLESTON UNIVERSITY MEDICAL CAMPUS”; TO CREATE A BOARD OF TRUSTEES OF THE UNIVERSITY; TO PROVIDE FOR THE COMPOSITION, POWERS, AND DUTIES OF THE BOARD AND MISCELLANEOUS MATTERS CONCERNING THE BOARD; TO PROVIDE THAT UNTIL THE MERGER OCCURS THE PRIMARY FOCUS OF THE CHARLESTON UNIVERSITY BOARD OF TRUSTEES MUST BE THE COMPLETION OF A MERGER PLAN; TO PROVIDE THIS PLAN MUST BE PRESENTED TO THE GOVERNOR AND THE GENERAL ASSEMBLY BEFORE JULY 1, 2015, AND TO PROVIDE CONTENT REQUIREMENTS FOR THE REPORT; AND TO PROVIDE CERTAIN REQUIREMENTS FOR APPROPRIATIONS, CAPITAL IMPROVEMENT BONDS, AND REVENUE BONDS; TO AMEND SECTION 59‑107‑10, RELATING TO STATE SUPPORTED INSTITUTIONS OF HIGHER LEARNING IN SOUTH CAROLINA, SECTION 59‑123‑10, RELATING TO THE NAME OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA, SECTION 59‑123‑40, AS AMENDED, RELATING TO THE MANAGEMENT AND CONTROL OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA, SECTION 59‑123‑60, RELATING TO THE BOARD OF TRUSTEES OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA, ALL SO AS TO MAKE CONFORMING CHANGES; TO PROVIDE THAT ANY REFERENCE TO THE COLLEGE OF CHARLESTON, UNIVERSITY OF CHARLESTON, MEDICAL UNIVERSITY OF SOUTH CAROLINA IN A LEGISLATIVE ENACTMENT, STATUTE, OR REGULATION MUST BE CONSTRUED TO MEAN CHARLESTON UNIVERSITY; TO REDESIGNATE CHAPTER 123, TITLE 59 AS “CHARLESTON UNIVERSITY MEDICAL CAMPUS AND THE HOSPITAL AUTHORITY”; TO REDESIGNATE CHAPTER 130, TITLE 59 AS “CHARLESTON UNIVERSITY CAMPUS”; AND TO REPEAL SECTION 59‑123‑50, RELATING TO THE ELECTION OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA BOARD OF TRUSTEES, SECTION 59‑130‑10 RELATING TO THE BOARD OF TRUSTEES OF THE COLLEGE OF CHARLESTON, SECTION 59‑130‑30 RELATING TO POWERS OF THE BOARD OF TRUSTEES OF THE COLLEGE OF CHARLESTON, AND SECTION 59‑130‑40 RELATING TO MEETINGS OF THE BOARD OF TRUSTEES OF THE COLLEGE OF CHARLESTON.

Whereas, the General Assembly finds that both the College of Charleston and the Medical University of South Carolina are treasures of South Carolina and forever shall be; and

Whereas, the General Assembly finds that the economy of Charleston has fully transformed from one dependent on military and defense concerns to one of broad diversification demanding a highly trained and multitalented workforce; and

Whereas, the General Assembly finds that an overwhelming number of the nation’s top one hundred metropolitan areas have a full‑scale comprehensive research university, but that Charleston regrettably is not among them; and

Whereas, the General Assembly finds that by merging the extraordinary assets and talents of the College of Charleston and the Medical University of South Carolina to form a full‑scale comprehensive research university will enable Charleston to forever solidify its place as a leader in higher education and ensure its continued economic prosperity. Now, therefore,

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

SECTION 1. This act must be known and may be cited as the “Charleston University Act”.

PART I

CHARLESTON UNIVERSITY CREATED

SECTION 2. Title 59 of the 1976 Code is amended by adding:

“CHAPTER 120

Charleston University

Section 59‑120‑110. Effective July 1, 2014 there is created a comprehensive research university known as ‘Charleston University’ to be located in Charleston, South Carolina. Charleston University is to be constituted from the eventual merger of the College of Charleston and the Medical University of South Carolina, including the Medical University of South Carolina Hospital Authority. The College of Charleston and the Medical University of South Carolina, including the Medical University of South Carolina Hospital Authority, must remain as separate institutions until the board of trustees of Charleston University, established in this chapter, determines they must be merged into one institution, which must occur before July 1, 2016. After the merger, the former College of Charleston portion of the university must be known as the ‘Charleston University Campus’ and the former Medical University of South Carolina portion of the university must be known as the ‘Charleston University Medical Campus’.

Section 59‑120‑120. (A) There is created a board of trustees for Charleston University. The respective boards of trustees of the College of Charleston and the Medical University of South Carolina and their respective powers and duties shall remain in place until the board of trustees of Charleston University determines that the two institutions must be merged into one institution. At that time the board of trustees for both the College of Charleston and the Medical University of South Carolina and their respective powers and duties are dissolved, and their powers and duties are devolved to the board of trustees of Charleston University.

(B)(1) The board of trustees of Charleston University is compromised of twenty‑three members.

(2) The initial membership of this board must be constituted of individuals that are currently serving on either the College of Charleston or Medical University of South Carolina board of trustees on July 1, 2014. Until the College of Charleston and the Medical University of South Carolina are merged into one institution, the members of the Charleston University board of trustees shall serve in an ex officio capacity.

(3) The board will be first appointed in the following manner:

(a) one member from each congressional district appointed by the Speaker of the House of Representatives;

(b) three members appointed from the state at‑large by the Speaker of the House of Representatives to hold Seats 1, 2, 3, 4, 5, 6, 7, 15, 16 and 19;

(c) one member from each congressional district appointed by the President Pro Tempore of the Senate to hold Seats 8, 9, 10, 11, 12, 13, and 14;

(d) three members appointed from the state at‑large by the President Pro Tempore of the Senate to hold Seats 17, 18, and 20;

(e) one member appointed from the state at‑large by the Governor, who holds Seat 21;

(f) the Governor or his designee, who is a voting ex officio member of the board, who holds Seat 22;

(g) one alum of either the College of Charleston, the Medical University of South Carolina, or Charleston University, who holds Seat 23; and

(h) the first term of Seat 23 will be held by the current alumni representative on the College of Charleston board of trustees for a term of four years. Upon the expiration of this initial term, Seat 23 will be held by a representative of the Charleston University Alumni Association.

(4) Members appointed by the Speaker of the House of Representatives to fill Seats 5, 6, 7, and 19 and members appointed by the President Pro Tempore of the Senate to fill Seats 8, 9, 10, 11 and 20 must be members of an allied health profession, which for the purposes of this chapter means the professions of medicine, dental medicine, nursing, pharmacy, or physical therapy or occupational therapy. A member of an allied health profession may not be appointed to a seat on the board of trustees if he is not a member in good standing with any licensing authority that has granted him a license in an allied health profession.

(5) An appointment under this section must be made 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 this State.

(C) Each position on the board constitutes a separate office, identified by number as provided as follows:

(1) Seats 1 and 8 represent the 1st congressional district;

(2) Seats 2 and 9 represent the 2nd congressional district;

(3) Seats 3 and 10 represent the 3rd congressional district;

(4) Seats 4 and 11 represent the 4th congressional district;

(5) Seats 5 and 12 represent the 5th congressional district;

(6) Seats 6 and 13 represent the 6th congressional district;

(7) Seats 7 and 14 represent the 7th congressional district;

(8) Seats 15, 16, 17, 18, 19, 20 and 21 represent the State at‑large;

(9) Seat 22 is represented by the Governor or his designee; and

(10) Seat 23 is represented by an alum.

(D) The Speaker of the House of Representatives, President Pro Tempore of the Senate, and the Governor shall make their respective appointments within thirty days after the effective date of this act, but no later than July 1, 2014. Because all trustees must currently be serving in a similar capacity on either the College of Charleston or the Medical University of South Carolina boards they will be considered qualified upon appointment, and are not subject to screening otherwise required of college and university trustees.

(E) The initial terms of office of each seat must be staggered such that:

(1) Seats 1, 2, 5, 6, 10, 11, 14, 16, 17, and 20 are for terms of four years each;

(2) Seats 3, 4, 7, 8, 9, 12, 13, 15, 18, and 19 are for terms of two years each;

(3) at the expiration of each initial term, Seats 1 through 20 must be elected by the General Assembly each for a term of four years and may serve until their successors are elected and qualified; and

(4) the members appointed by the Governor to serve at‑large thereafter serve conterminous with the Governor.

Section 59‑120‑130. (A)(1) Before July 15, 2014, the board shall or a majority of its members shall meet in a suitable location in Charleston, South Carolina to:

(a) appoint officers and adopt bylaws as provided in Section 59‑120‑140;

(b) begin development of a merger plan and the related report required pursuant to Section 59‑120‑160; and

(c) address other matters as it considers appropriate.

(2) Staff assistance to the board must be provided by the Office of the President.

(B) After the initial meeting provided in subsection (A), the board shall meet in Charleston not less than four times each year, the time and place to be fixed by the chairman or as the board provides. The chairman shall preside and, in his absence, a member shall preside as the board may select. The chairman or a majority of the members has the power to call a special meeting and fix the time and place of the meeting. A majority of the members constitutes a quorum for the transaction of all business of the board. A majority vote of the entire board is required for the appointment, election, or removal of the president.

(C) Notice of the time and place of all meetings of the board must be mailed by the secretary or his assistant to each trustee not less than five days before each meeting, and must comply with the Freedom of Information Act.

(D) Members may receive per diem and mileage as provided for state boards and commissions.

Section 59‑120‑140. (A)(1) Until such time that the board of trustees determines that the College of Charleston and the Medical University of South Carolina, including the Medical University of South Carolina Hospital Authority must be merged into one institution, the primary focus of the Charleston University Board of Trustees must be the completion of a merger plan pursuant to Section 59‑120‑150.

(2) Prior to the merger date established by the Charleston University Board of Trustees, the individual respective boards of trustees for the College of Charleston and the Medical University of South Carolina shall maintain daily operational oversight of their respective institutions pursuant to Chapter 130 for the College of Charleston and Chapter 123 for the Medical University of South Carolina.

(3) Notwithstanding another provision of law, the Charleston University Board of Trustees withholds the right to revoke, delay or amend any decision made by the respective boards of trustees of the College of Charleston and the Medical University of South Carolina.

(B) Upon the date that the Charleston University Board of Trustees determines the College of Charleston and the Medical University of South Carolina, including the Medical University of South Carolina Hospital Authority must be merged into one institution, the boards of trustees for the College of Charleston and the Medical University of South Carolina are dissolved. The Charleston University Board of Trustees may:

(1) have perpetual succession;

(2) sue and be sued by the corporate name;

(3) have a seal and to alter it at pleasure;

(4) make contracts and to have, to hold, to purchase, and to lease real estate and personal property for corporate purposes, and to sell and dispose of personal property and any building considered by it as surplus property or not further needed, and any buildings that it may need to do away with for the purpose of making room for other construction. The board does not have power to sell or dispose of any of its real estate, other than buildings, except with the consent of the State Fiscal Accountability Authority (SFAA);

(5) appoint a chairman and to appoint or otherwise provide for the appointment of subordinate and assistant officers and agents, faculty members, instructors, and other employees, prescribing the terms of their employment and their duties and fixing their compensation;

(6) make bylaws and regulations for the management of its affairs and its own operations not inconsistent with law;

(7) condemn land for corporate purposes as provided by law;

(8) fix tuition fees and other charges for students attending the college, not inconsistent with law;

(9) confer degrees upon students and other persons as the board considers qualified;

(10) accept, receive, and hold all monies or other properties, real, personal, and mixed, that may be given, conveyed, bequeathed, or devised to the college and to use them for the benefit of the college, but in those cases where the money or property is received, charged with any trust, the money or property must be held and used strictly in accordance with the terms of the trust; provided, however, that if the terms of the trust require something to be done other than to administer the trust, no obligation in receiving the trust over and above its administration is binding upon the college or the State, except any obligation accepted by the General Assembly;

(11) assign any member of the faculty without additional salary to additional duties in any other college department than that in which the faculty member may at the time be working;

(12) compel by subpoena, rule, and attachment witnesses to appear and testify and papers to be produced and read before the board in all investigations relating to the affairs of the college;

(13) adopt measures and make regulations as the board considers necessary for the proper operation of the college;

(14) appoint for the college a board of visitors of a number as it may determine, to regulate the terms during which the members of the board of visitors serve, and to prescribe their functions;

(15) remove any officer, faculty member, agent, or employee for incompetence, neglect of duty, violation of college regulations, or conduct unbecoming a person occupying such a position;

(16) appoint an executive committee not exceeding five members of the board who have the powers of the board during the interim between meetings of the board but not the power to do anything inconsistent with the policy or action taken by the board, and the executive committee at each meeting of the board shall report fully all action taken by it during the interim;

(17) appoint committees of the board or officers or members of the faculty of the college with authority and for purposes in connection with the operation of the college as the board considers necessary;

(18) appoint a president. The president shall report to and seek approval of his actions and those of his subordinates from the board, and shall appoint a chancellor for the Charleston University Campus and a chancellor for the Medical Campus;

(19) issue revenue bonds as provided by law; and

(20) establish, appoint and empower a board of directors for the hospital authority;

(C) In addition to the powers and duties provided in this section, the board shall exercise all powers and duties with respect to the Charleston University Campus and the Medical Campus as provided for the boards of the former College of Charleston in Chapter 130 and the former Medical University of South Carolina as provided in Chapter 123, respectively, except that to the extent such a power or provision conflicts with or is inconsistent with the provisions of this chapter, the provisions of this chapter shall prevail.

Section 59‑120‑150. (A) The board shall develop and render a comprehensive report to the Governor and the General Assembly before July 1, 2015, concerning the most efficient and effective for merging the College of Charleston and the Medical University of South Carolina, including the Medical University of South Carolina Hospital Authority, together with recommendations that it considers appropriate. The report must include recommendations of the management and organizational structure for Charleston University, and any changes needed in the general laws of this State not otherwise provided in this act to effectuate the merger.

(B) The contents of such a plan must, at a minimum:

(1) ensure that the culture of both the College of Charleston and the Medical University of South Carolina are forever protected;

(2) ensure that the current academic and clinical reputations are preserved;

(3) ensure clear separation of the Medical University of South Carolina Hospital Authority from the greater institution;

(4) establish a budgeting process in which Charleston University is addressed as at least two separate budget programs, medical education and undergraduate education; and

(5) ensure all financial and legal contracts are maintained.

Section 59‑120‑160. (A) Beginning with the 2014‑2015 annual general appropriations act, the General Assembly shall fund Charleston University and each of its components in the manner it determines appropriate. Until the Charleston University Board of Trustees merges with the College of Charleston and the Medical University of South Carolina, including the Medical University of South Carolina Hospital Authority, the existing entities to be merged into Charleston University shall continue to utilize the funding and appropriations they each receive as separate entities.

(B) Capital improvement or revenue bonds previously issued before the merger date, in the former names of the component parts of Charleston University, namely the Medical University of South Carolina, the Medical University of South Carolina Hospital Authority, and the College of Charleston, including in the name of any of their related entities or auxiliaries, must be construed to mean the appropriate new names as provided in this act.

(C) After the merger date, the Board of Trustees of Charleston University may authorize and issue capital improvement or revenue bonds on behalf of the three component parts of Charleston University in the name of that component part in the manner authorized by the general law of this State applicable to that component part.”

PART II

CONFORMING AND MISCELLANEOUS PROVISIONS

SECTION 3. Section 59‑107‑10 of the 1976 Code is amended to read:

“Section 59‑107‑10. (A) The several state‑supported institutions of higher learning, within the contemplation of this chapter, are declared to be:

The University of South Carolina~~,~~;

Charleston University~~,~~;

Clemson University, in Clemson~~,~~;

The Citadel~~,~~;

~~the Medical University of South Carolina,~~

Winthrop University~~,~~;

South Carolina State University~~,~~;

Francis Marion University~~,~~;

Lander University~~,~~;

~~The College of Charleston,~~

Coastal Carolina University~~,~~; and

Technical Education Colleges and Centers.

(B) Hereafter in this chapter such institutions shall be denoted by the term ‘state institution’.”

SECTION 4. Section 59‑123‑10 of the 1976 Code is amended to read:

“Section 59‑123‑10. The name of the Medical College of South Carolina is hereby changed to the ‘~~The~~ Medical ~~University of South Carolina,~~ Campus of Charleston University’, it being the intent that this institution will limit its programs to those in the health area. It is further intended that any new programs undertaken by the institution will first be approved by the Commission on Higher Education and that no organizational changes in the operation and management of the institution shall be made as a result of the change in name. The name of the Medical University of South Carolina Hospital Authority is hereby changed to the ‘Hospital Authority of Charleston University’. References to the Medical University or the Hospital Authority as contained in this chapter or other provisions of law must be accordingly construed to mean appropriate references.”

SECTION 5. Section 59‑123‑40 of the 1976 Code, as last amended by Act 176 of 2012, is further amended to read:

“Section 59‑123‑40. ~~The management and control of The university shall be vested in a board of trustees, to be composed as follows: the Governor or his designee, ex officio, fourteen members to be elected by the General Assembly in joint assembly and one member to be appointed by the Governor. The Governor shall make the appointment 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 governing board of Charleston University as established by the General Assembly by law must be the governing board of the Medical University of South Carolina of Charleston University and the Medical University of South Carolina Hospital Authority of Charleston University. All references to the governing board are considered to be appropriate references.”

SECTION 6. Section 59‑123‑60(A) of the 1976 Code is amended to read:

“(A) ~~The board of trustees shall elect one of its members to be chairman and is authorized to elect a university president, one or more vice presidents, and a secretary, prescribe their duties and terms of office, and fix their compensation. It shall elect teachers of professorial rank in the various colleges which make up the Medical University of South Carolina and other officers and employees as may be necessary for the proper conduct of the university and fix their compensation, the fees and charges of students, and the rules for the government of the university.~~ In addition to the powers of the Charleston University board of trustees provided in Chapter 120, the board ~~of trustees~~ also has the following powers:”

SECTION 7. Any reference to the College of Charleston, University of Charleston, or the Medical University of South Carolina in any legislative enactment, statute, or regulation must be construed to mean Charleston University.

SECTION 8. (A) Chapter 123, Title 59 of the 1976 Code is redesignated “Charleston University Medical Campus and the Hospital Authority”.

(B) Chapter 130, Title 59 of the 1976 Code is redesignated “Charleston University Campus”.

(C) Sections 59‑123‑50, 59‑130‑10, 59‑130‑30, and 59‑130‑40 of the 1976 Code are repealed.

SECTION 9. Except as otherwise provided herein, the provisions of this act are effective upon approval by the Governor.

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