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Indicates New Matter

AMENDED

April 29, 2014

**H. 4632**

Introduced by Reps. Stavrinakis, Merrill, McCoy, Daning, Murphy and Harrell

S. Printed 4/29/14--H.

Read the first time February 6, 2014.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

**EXPLANATION OF IMPACT:**

Commission on Higher Education

The commission indicates that it anticipates this would result in a cost to the general fund. However, additional details on the merger process would be required to enable the agency to quantify projected costs and financial implications.

University of Charleston

The university indicates it anticipates a cost to the general fund. However, the institution is not in a position to determine the fiscal impact of the proposed legislation without further details.

Medical University of South Carolina (MUSC)

MUSC indicates the institution is unable to calculate the fiscal impact at the present time, based on the current proposal. The institution anticipates being able to provide specific cost estimates when specific degree program requirements are determined.

*Approved By:*

Brenda Hart

Office of State Budget

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑103‑22 SO AS TO DESIGNATE THE UNIVERSITY OF CHARLESTON, SOUTH CAROLINA, AS A RESEARCH INSTITUTION ELIGIBLE TO PARTICIPATE IN THE SOUTH CAROLINA RESEARCH CENTERS OF ECONOMIC EXCELLENCE, TO REQUIRE THE UNIVERSITY SHALL SUBMIT A CORRESPONDING MISSION STATEMENT TO THE COMMISSION ON HIGHER EDUCATION AND THAT THE COMMISSION SHALL APPROVE THE MISSION STATEMENT PURSUANT TO CERTAIN DEADLINES, TO PROVIDE THE UNIVERSITY SHALL NOT DUPLICATE ANY DEGREE PROGRAMS OFFERED IN THE CHARLESTON REGION, TO PROVIDE THAT COLLEGE OF CHARLESTON SHALL REMAIN A FOUR‑YEAR LIBERAL ARTS COLLEGE, AND TO PROVIDE THE UNIVERSITY OF CHARLESTON, SOUTH CAROLINA, AND THE COLLEGE OF CHARLESTON MUST EACH BE ESTABLISHED AS SEPARATE BUDGET SECTIONS IN THE ANNUAL APPROPRIATIONS BILL; AND TO AMEND SECTION 59‑2‑75, RELATING TO THE SOUTH CAROLINA RESEARCH CENTERS OF ECONOMIC EXCELLENCE ACT, SO AS TO ADD THE UNIVERSITY OF CHARLESTON, SOUTH CAROLINA, TO THE SENIOR RESEARCH UNIVERSITIES ELIGIBLE FOR CERTAIN INCENTIVES AND PROVIDED WITH CERTAIN POWERS RELATING TO RAISING CAPITAL FROM THE PRIVATE SECTOR TO FUND CERTAIN ENDOWMENTS RELATED TO RESEARCH, AMONG OTHER THINGS, AND TO PROVIDE THAT THE UNIVERSITY OF CHARLESTON, SOUTH CAROLINA, SHALL NOT DUPLICATE ANY DEGREE PROGRAMS OFFERED IN THE CHARLESTON REGION.

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. Article 1, Chapter 103, Title 59 is amended by adding:

“Section 59‑103‑22. The University of Charleston, South Carolina, as provided for in this chapter is hereby designated a ‘research institution’ as provided in Section 59‑103‑15 (B)(1), and as such is eligible to participate in South Carolina Research Centers of Economic Excellence as provided in Title 2, Chapter 75. The University of Charleston, South Carolina, shall submit a mission statement corresponding with its designation as a research institution before January 1, 2015, and this mission statement must be approved by the Commission on Higher Education before April 1, 2015. The University of Charleston, South Carolina, shall not duplicate any degree programs offered in the Charleston region. The provisions of this section do not alter the designation of the College of Charleston as a four year liberal arts college. The University of Charleston, South Carolina, and the College of Charleston must each be established as separate budget sections in the annual appropriations bill.”

SECTION 2. Section 2‑75‑5 of the 1976 Code is amended to read:

“Section 2‑75‑5. (A) This chapter is known and may be cited as the ‘South Carolina Research Centers of Economic Excellence Act’.

(B) The General Assembly finds that:

(1) it is in the public interest to create incentives for the senior research universities of South Carolina consisting of Clemson University, the Medical University of South Carolina, the University of Charleston, South Carolina, and the University of South Carolina to raise capital from the private sector to fund endowments for professorships in research areas targeted to create well‑paying jobs and enhanced economic opportunities for the people of South Carolina;

(2) these endowed professorships should be used to recruit and maintain leading scientists and engineers at the senior research universities of South Carolina for the purposes of developing and leveraging the research capabilities of the universities for the creation of well‑paying jobs and enhanced economic opportunities in knowledge‑based industries for all South Carolinians;

(3) in communities across the United States in which better paying jobs and enhanced economic development in knowledge‑based industries has flourished, the local or state government has created incentives and made a long‑term commitment to public and private funding for a significant number of endowments for professorships in targeted knowledge‑based industries;

(4) the South Carolina Education Lottery provides a source of funding and an incentive for the senior research universities to raise, in dollar‑for‑dollar matching amounts, sums from nonstate sources sufficient to create endowed professorships;

(5) these endowed professorships should be awarded to the senior research universities through a competitive application process, provided that the competitive process must encourage the senior research universities to submit cooperative applications with one another as well as in cooperation with other institutions of higher education; ~~and~~

(6) these endowed professorships, funded equally from the South Carolina Education Lottery and from other nonstate sources, provide a foundation for the creation of centers of economic excellence; and

(7) these endowed professorships and senior research universities shall seek collaboration and develop partnerships with similarly focused programs at the state’s technical colleges to meet the workforce demands of South Carolina’s growing economy.”

SECTION 3. This act takes effect upon approval by the Governor.

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