RECALLED

May 18, 2016

**S. 1166**

Introduced by Senators Leatherman, Setzler, Allen, J. Matthews, Jackson, M.B. Matthews, Malloy, Lourie, Williams, Sheheen, Nicholson, Johnson, Scott, Sabb, Hutto and Kimpson

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Read the first time April 13, 2016.

**A** **JOINT RESOLUTION**

TO PROVIDE FOR ANNUAL INSTALLMENT PAYMENTS BY SOUTH CAROLINA STATE UNIVERSITY ON OUTSTANDING LOANS MADE TO THE UNIVERSITY BY THE STATE OF SOUTH CAROLINA AND LIABILITIES INCURRED PURSUANT TO SECTION 2‑65‑70, TO PROVIDE FOR WHEN THE INSTALLMENT PAYMENTS ARE DUE, TO PROVIDE FOR THE AMOUNT OF THE INSTALLMENT PAYMENTS, TO PROVIDE FOR A PROCESS THROUGH WHICH THE DEBT INCURRED MAY BE RELIEVED, AND TO EXTEND FLEXIBILITY RELATED TO FURLOUGHS AS PROVIDED IN ACT 120 OF 2015.

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

PART I

Debt Restructuring

SECTION 1. South Carolina State University shall make annual installment payments to the State of South Carolina to retire the debt incurred by the university pursuant to Proviso 19.2, Part IB of Act 286 of 2014, Proviso 19.4, Part IB of Act 91 of 2015, the Budget and Control Board April 30, 2014, loan, and outstanding liabilities incurred by the university pursuant to Section 2‑65‑70 as of December 31, 2015. Any repayment terms on any of the debt identified in this SECTION contrary to the provisions in this act are null and void.

SECTION 2. Installment payments shall be due on June 30th each year, beginning June 30, 2016, until the outstanding debt is satisfied.

SECTION 3. The installment payment due on June 30, 2016, shall be $355,036.00. Subsequent installment payments shall be $355,036.00 unless the outstanding principal amount of the debt is reduced pursuant to SECTION 4. In the event of a reduction in the outstanding principal amount, the preceding year’s installment payment shall be proportionately reduced. The Executive Budget Office shall calculate the amount of each installment payment and provide the university with that amount on or before July 30th each year.

SECTION 4. The State of South Carolina shall relieve one million dollars of the university’s outstanding debt identified in SECTION 1 for each fiscal year that the university ends without an operating budget deficit as certified by the Executive Budget Office.

PART II

Furlough Authority Extension

SECTION 5. (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 Budget and Control Board 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.

SECTION 6. This joint resolution takes effect upon approval by the Governor.

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