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COMMITTEE AMENDMENT ADOPTED

January 11, 2022

**S. 376**

Introduced by Senators Talley, Hembree and Setzler

S. Printed 1/11/22--S. [SEC 1/12/22 10:57 AM]

Read the first time January 12, 2021.

**A** **BILL**

TO ENACT THE “STATE INSTITUTION OF HIGHER EDUCATION EFFICIENCY ACT”; TO AMEND TITLE 59 OF THE 1976 CODE, RELATING TO EDUCATION, BY ADDING CHAPTER 157, TO ALLOW THE BOARD OF TRUSTEES OF AN INSTITUTION OF HIGHER EDUCATION TO ESTABLISH BY RESOLUTION AN AUXILIARY DIVISION AS PART OF THE COLLEGE OR UNIVERSITY, TO PROVIDE THAT THE AUXILIARY DIVISION IS EXEMPT FROM VARIOUS STATE LAWS, TO REQUIRE THAT CERTAIN PERMANENT IMPROVEMENT PROJECTS MUST BE SUBMITTED TO THE JOINT BOND REVIEW COMMITTEE AND THE EXECUTIVE BUDGET OFFICE, TO PROVIDE THAT A BOARD OF TRUSTEES MAY ADOPT FOR AN AUXILIARY DIVISION A PROCUREMENT POLICY, AND TO PROVIDE REPORTING REQUIREMENTS; TO AMEND SECTION 8‑11‑260 OF THE 1976 CODE, RELATING TO EXEMPTIONS FROM CERTAIN REQUIREMENTS FOR STATE OFFICERS AND EMPLOYEES, TO PROVIDE THAT EMPLOYEES OF CERTAIN RESEARCH UNIVERSITIES AND NON-RESEARCH, FOUR‑YEAR COLLEGES AND UNIVERSITIES ARE EXEMPT; TO AMEND SECTION 11-35-710(A)(6) OF THE 1976 CODE, RELATING TO EXEMPTIONS FROM THE SOUTH CAROLINA CONSOLIDATED PROCUREMENT CODE, TO PROVIDE THAT THE STATE FISCAL ACCOUNTABILITY AUTHORITY MAY EXEMPT PRIVATE GIFTS, AUXILIARY DIVISIONS, AND OTHER SALES AND SERVICES; AND TO DEFINE NECESSARY TERMS.

Amend Title To Conform

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

“State Institution of Higher Education Efficiency Act”.

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

“CHAPTER 157

Efficiency of State Institutions of Higher Education

Section 59‑157‑10. As used in this chapter:

(1) ‘Board of trustees’ means the boards of trustees of the colleges and universities listed in Section 59‑101‑10.

(2) ‘Capital project’ means the construction, improvement, equipment, renovation, or repair of any buildings, structure, facility, or other permanent improvement project; the acquisition of land to construct or establish a building, structure, or facility; or a permanent improvement project as defined in Section 2‑47‑50.

(3) ‘Institution’ means a research university identified in Section 11‑51‑30(5) or a nonresearch, four‑year college or university described in Section 59‑103‑15(B)(2), (B)(3), and (B)(4).

Section 59‑157‑30. (A) Notwithstanding any other provision of the law, any permanent improvement project, as defined in Section 2‑47‑50, that costs more than five million dollars for research universities as identified in Section 11‑51‑30(5) and more than two and one-half million dollars for all other institutions as described in Section 59‑103‑15(B)(2), (B)(3), and (B)(4), that requires the use of lease‑purchase agreements, state institution bond funds, capital improvement bond funds, capital reserve funds, state general‑appropriated funds, or state infrastructure bond funds or student tuition and fee funds for its funding must be submitted to the Commission on Higher Education and the Joint Bond Review Committee for review and the State Fiscal Accountability Authority for approval after full architecture and engineering design work is completed but prior to execution of a construction contract, and thereafter to the Executive Budget Office for publication upon approval.

(B) The Chairman of the Joint Bond Review Committee may, on behalf of the committee, request to review and comment on any other permanent improvement project, as defined in Section 2‑47‑50, that costs more than five million dollars for research universities as identified in Section 11‑51‑30(5) and more than two and one-half million dollars for all other institutions as described in Section 59‑103‑15(B)(2), (B)(3), and (B)(4).

Section 59‑157‑40. Institutions are exempt from the requirements of Section 2‑47‑50 for permanent improvement projects that cost less than five million dollars for research universities as identified in Section 11‑51‑30(5) and less than two and one-half million dollars for all other institutions as described in Section 59‑103‑15(B)(2), (B)(3), and (B)(4). However, such projects that exceed one million dollars are subject to Joint Bond Review Committee staff review, and may be referred to the committee if staff, after consultation with the chairman, determines necessary. Nothing in this section may be construed to approve such a project without an institution’s governing board having first voted to approve the project in a public session. Institutions shall provide a report of projects approved by their governing boards pursuant to this subsection to the Chairman of the Commission on Higher Education, the Joint Bond Review Committee, and the State Fiscal Accountability Authority by September thirtieth of each year.

Section 59‑157‑50. The board of trustees shall provide on an annual basis a fiscal year report of property acquired and any capital projects which cost less than five million dollars for research universities and less than two and one-half million dollars for all other institutions, commenced under the authority granted in this chapter, to the Governor, the Senate Finance Committee, and the House of Representatives Ways and Means Committee. The report must be submitted annually by September thirtieth.”

SECTION 3. The repeal or amendment by this act of any law, whether temporary, permanent, civil, or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon or alter, discharge, release, or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 4. This act takes effect upon approval by the Governor.

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