**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 59 TO TITLE 11 SO AS TO PROVIDE FISCAL ACCOUNTABILITY OF QUASI‑STATE AGENCIES BY THE SENATE FINANCE COMMITTEE AND THE HOUSE WAYS AND MEANS COMMITTEE, TO REQUIRE SUCH AGENCIES TO PROVIDE CERTAIN FINANCIAL INFORMATION, OPERATING PLANS, BONDING INFORMATION, AND CERTAIN INFORMATION RELATING TO REAL ESTATE TRANSACTIONS.

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

SECTION 1. Title 11 of the 1976 Code is amended by adding:

“CHAPTER 59

Fiscal Accountability of Quasi‑State Agencies

Section 11‑59‑10. For purposes of this chapter:

(1) ‘Authority’ means the State Fiscal Accountability Authority.

(2) ‘Committee’ or ‘committees’ means the Senate Finance Committee and the House Ways and Means Committee.

(3) ‘Quasi‑state agency’ includes: the Charleston Naval Complex Redevelopment Authority, the Myrtle Beach Air Force Base Redevelopment Authority, the Patriots Point Development Authority, the South Carolina Education Assistance Authority, the South Carolina State Housing Finance and Development Authority, the South Carolina Jobs‑Economic Development Authority, the South Carolina Lottery Commission, the South Carolina Public Railways, the South Carolina Public Service Authority, the South Carolina Research Authority, the South Carolina State Ports Authority, and the South Carolina Transportation Infrastructure Bank.

Section 11‑59‑20. The Senate Finance Committee and the House Ways and Means Committee shall provide fiscal accountability of each quasi‑state agency and review each quasi‑state agency no less frequently than every two years. The committees shall provide a report with findings to the Senate Legislative Oversight Committee and the House Legislative Oversight Committee.

Section 11‑59‑30. (A) Every two years, or as often as requested by either committee, each agency must submit to the committees:

(1) annual audited financial statements;

(2) projected and actual annual revenue;

(3) actual annual expenditures;

(4) any debt issuances in the previous five years, whether short‑term or long‑term;

(5) percent of annual revenues utilized for administration. For purposes of this item, ‘administration’ includes executive level employees compensation and other operating costs;

(6) organizational flow chart displaying the position titles and name of executive‑level employees;

(7) major components of any long‑term capital plan, including timing and cost estimates, and financing plan for such capital investments whether paid from operations or debt;

(8) performance objectives and results;

(9) performance measurements used to evaluate program effectiveness;

(10) any outstanding litigation issues; and

(11) planning documents and progress reports, including budgeted and actual expenditures.

(B) Each quasi‑state agency must post its annual audited financial report in a conspicuous place on the quasi‑state agency’s website and distribute the reports to members of the General Assembly.

(C) Any problems or issues of concern that arise during this oversight process may be forwarded to the State Inspector General for investigation after a vote of either committee. The Inspector General is granted the authority to complete the investigation.

Section 11‑59‑40. (A) When a quasi‑state agency issues bonds, notes, or other indebtedness, it must notify the committees of such in writing and include:

(1) the date of issuance;

(2) the issuance amount;

(3) sources of payment; and

(4) any ratings assigned to the debt, including the reports of the rating services.

(B)(1) If a quasi‑state agency is authorized to issue revenue bonds, once revenue debt outstanding meets or exceeds sixty percent of debt capacity, any new issuances of debt must be reviewed by the Joint Bond Review Committee and approved by the State Fiscal Accountability Authority.

(2) The issuance of conduit debt by the South Carolina Jobs‑Economic Development Authority and the South Carolina State Housing Finance and Development Authority is subject to the review and approval required by this provision. The sixty percent capacity threshold is determined by the revenue indebtedness of the borrower.

(C) The State Fiscal Accountability Authority shall submit an annual report to the General Assembly and the Joint Bond Review Committee of all outstanding bonded indebtedness related to each quasi‑state agency. Each agency is required to provide any assistance requested by the authority’s executive director.

Section 11‑59‑50. (A) By September first of each year, each quasi‑state agency shall provide an annual report regarding every transaction involving an interest in real property and executed during the preceding twelve months, including:

(1) a summary of the key terms of all contracts effectuating or related to such transactions; and

(2) parties involved in the transaction, including all entities or persons with any type of ownership interest or authority to control.

The State Fiscal Accountability Authority, after review and comment by the Joint Bond Review Committee, may adopt instructions which must be followed by the quasi‑state agency that submitted the report required by this subsection.

(B) A transfer of any interest in real property, regardless of the value of the transaction, by a quasi‑state agency requires review by the Joint Bond Review Committee and approval of the State Fiscal Accountability Authority.

Section 11‑59‑60. A quasi‑state agency that participates in the South Carolina Retirement System may not offer or provide any additional retirement program to its employees. Any monetary bonus, or nonmonetary compensation paid to its employees, regardless of source, must be included in the report required by Section 11‑59‑30.

Section 11‑59‑70. Each quasi‑state agency is a public body for purposes of the Freedom of Information Act.

Section 11‑59‑80. The requirements imposed on a quasi‑state agency pursuant to this chapter are in addition to any other requirements of law. If any provision of this chapter conflicts with another provision of law, the provisions of this chapter shall control to the extent of the conflict.”

SECTION 2. This act takes effect upon approval by the Governor.

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