

**SOUTH CAROLINA**  
**HOUSE AMENDMENT**

AMENDMENT NO. \_\_\_\_\_

David Good  
April 24, 2024

ADOPTED	REJECTED	TABLED	ADJOURN DEBATE	RECONSIDERED	ROO

\_\_\_\_\_  
Clerk of the House

ADOPTION NO. \_\_\_\_\_

**BILL NO: S. 314**

(Reference is to the original version)

Rep. Ballentine proposes the following amendment (LC-314.DG0010H):

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

SECTION 1. Section 2-47-40(B) of the S.C. Code is amended to read:

~~(B) All institutions of higher learning shall submit permanent improvement project proposal and justification statements to the authority, through the Commission on Higher Education, which shall forward all such statements and all supporting documentation received to the authority together with its comments and recommendations. The recommendations of the Commission on Higher Education, among other things, shall include all of the permanent improvement projects requested by the several institutions listed in the order of priority deemed appropriate by the~~

~~Commission on Higher Education without regard to the sources of funds proposed for the financing of the projects requested.~~

~~—The authority shall forward a copy of each project proposal and justification statement and supporting documentation received together with the authority's recommendations on such projects to the committee for its review and action. The recommendations of the Commission on Higher Education shall be included in the materials forwarded to the committee by the authority~~  
Reserved.

SECTION 2. Section 2-47-50(D) through (F) of the S.C. Code is amended to read:

Section 2-47-50. (D) For purposes of this chapter, ~~a with regard to all institutions of higher learning,~~ permanent improvement project is any improvement meeting the definition of a capital improvement under generally accepted accounting principles, including without limitation~~defined as:~~

(1) ~~acquisition of land, regardless of cost, with staff level review of the committee and the State Fiscal Accountability Authority, up to two hundred fifty thousand dollars;~~

(2) ~~acquisition, as opposed to the construction, of buildings or other structures, regardless of cost, with staff level review of the committee and the State Fiscal Accountability Authority, up to two hundred fifty thousand dollars;~~

(3) ~~work on existing facilities for any given project including their renovation, repair, maintenance, alteration, or demolition in those instances in which the total cost of all work involved is one million dollars or more;~~

~~—(4) architectural and engineering and other types of planning and design work, regardless of cost, which is intended to result in a permanent improvement project. Master plans and feasibility studies are not permanent improvement projects and are not to be included;~~

~~—(5) capital lease purchase of anya facility acquisition or construction in which the total cost is one million dollars or more;~~

(4) new construction;

(5) work on existing facilities including their renovation, repair, maintenance, alteration, or demolition, except that this item does not apply to a research university or other public institution of higher learning so long as the amount does not exceed the applicable limit set forth in Section 2-47-52 regardless of the source of funds;

(6) architectural and engineering and other types of planning and design work that is intended to result in a permanent improvement project; excluding, however, master plans and feasibility studies;

~~(7)(6) equipment that either becomes a permanent fixture of a facility or does not become permanent but is included in the construction contract shall be included as a part of a project in which the total cost is one million dollars or more; and~~

~~(8)(7) subject to the exception set forth in item (5), any project new construction of a facility that exceeds a total cost of five hundred thousand dollars.~~

~~(E) Any permanent improvement project that meets the above definition must become a project, regardless of the source of funds. However, an institution of higher learning that has been authorized or by the General Assembly including without limitation any project funded by appropriated capital improvement bond funds, capital reserve funds, or state appropriated funds, or state infrastructure bond funds by the General Assembly for capital improvements shall process a permanent improvement project, regardless of the amount.~~

(E) Any capital improvement that meets the definition set forth in subsection (D) must be established as a permanent improvement project in accordance with the provisions of this chapter, regardless of the source of funds.

~~(F) For purposes of establishing permanent improvement projects, Clemson University Public Service Activities (Clemson PSA) and South Carolina State University Public Service Activities (SC State PSA) are subject to the provisions of this chapter.~~

SECTION 3. Chapter 47, Title 2 of the S.C. Code is amended by adding:

Section 2-47-52. (A) For purposes of this chapter, except as provided in subsection (B), permanent improvement projects are subject to review by the committee and approval by the authority where the costs of the permanent improvements exceed two hundred fifty thousand dollars.

(B) For purposes of this chapter, permanent improvement projects proposed by public institutions of higher learning as defined in Section 59-103-5, including their related public service activities, are exempt from the requirements of Section 2-47-50 where the costs of the permanent improvements do not exceed ten million dollars for research universities as identified in Section 11-51-30(5) or five million dollars for all other public institutions of higher learning so long as the institution's governing board 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, and work on existing facilities including their renovation, repair, maintenance, alteration, or demolition, to the Joint Bond Review Committee and the State Fiscal Accountability Authority of the previous fiscal year's approved projects that meet the same criteria of this subsection by November fifteenth of each year.

(C) State agencies and institutions may advertise, interview, and engage the services of professional firms for architectural, engineering, planning, and design work as set forth in Section 2-47-50(D)(6) to inform the project estimate prior to the review of the committee; provided, however, that the costs of such engagements do not exceed ten million dollars for research universities as identified in Section 11-51-30(5), five million dollars for all other public institutions of higher learning, or one hundred thousand dollars for all other agencies subject to the provisions of this chapter.

(D) Where the funding for a proposed permanent improvement project includes proceeds from the issuance of bonds or other indebtedness, including any obligation for an agency or institution to make payments pursuant to a lease or other agreement securing indebtedness in connection with or on behalf of the permanent improvement project, approval of the permanent improvement

project is the responsibility of the Department of Administration, and approval of the issuance of bonds, where required pursuant to the applicable bond enabling act, or other indebtedness in accordance with the provisions of this subsection, is the responsibility of the State Fiscal Accountability Authority.

(E) Notwithstanding the costs maximums set forth in subsection (B) and (C) for research universities and other public institutions of higher learning, beginning in Fiscal Year 2025-2026, and each fiscal year thereafter, the amounts must be increased each fiscal year in a percentage amount equal to the increase in the Higher Education Price Index in the preceding fiscal year using the most recently available data, as determined by the Revenue and Fiscal Affairs Office. The Director of the Revenue and Fiscal Affairs Office shall submit the adjustment for the upcoming fiscal year to the State Register for publication pursuant to Section 1-23-40(2) by February first of each year.

SECTION 4. Section 2-47-55 and Section 2-47-56 are amended to read:

Section 2-47-55. (A) All state agencies responsible for providing and maintaining physical facilities are required to submit a Comprehensive Permanent Improvement Plan (CPIP) to the Joint Bond Review Committee and the authority by September first of each year. The CPIP must include all of the agency's permanent improvement projects anticipated and proposed over the next five years beginning with the fiscal year starting July first after submission in the current fiscal year. The purpose of the CPIP process is to provide the authority and the committee with an outline of each agency's permanent improvement activities for the next five years. Agencies must submit a CPIP to the committee and the authority on or before a date to be determined by the committee and the authority. ~~The CPIP for each higher education agency, including the technical colleges, must be submitted through the Commission on Higher Education which must review the CPIP and provide its recommendations to the authority and the committee. The authority and the committee must approve the CPIP after submission and may develop policies~~

and procedures to implement and accomplish the purposes of this section.

(B) The State shall define a permanent improvement only in terms of capital improvements, as defined by generally accepted accounting principles, for reporting purposes to the State.

Section 2-47-56. Each state agency and institution may accept gifts-in-kind for architectural and engineering services and construction of a value less than two hundred fifty thousand dollars with the approval of the ~~Commission of Higher Education or its designated staff, the director of the department,~~ and the Joint Bond Review Committee or its designated staff. No other approvals or procedural requirements, including the provisions of Section 11-35-10, may be imposed on the acceptance of such gifts.

SECTION 5.A. Section 59-119-940 of the S.C. Code is amended to read:

Section 59-119-940. Upon receiving the approval of the State Fiscal Accountability Authority or the Department of Administration, as appropriate, and upon review by the Joint Bond Review Committee, the trustees may from time to time borrow such sums as necessary to accomplish the purpose of this article and to evidence such borrowings by bonds issued pursuant to this article in the aggregate principal amount as they determine, ~~except that other provisions of this article to the contrary notwithstanding, there must not be outstanding at any time bonds issued pursuant to this article in the aggregate principal amount as they determine, except that other provisions of this article to the contrary notwithstanding, there must not be outstanding at any time bonds issued pursuant to this article in excess of two hundred million dollars.~~

B. Section 9D of Act 518 of 1980, as last amended by Act 17 of 2007, is further amended to read:

D. May Issue Bonds.

Subject to obtaining the approval of the state board expressed by resolution duly adopted, the trustees are authorized to issue from time to time bonds for the purpose of acquiring, constructing, reconstructing, renovating, or equipping athletic facilities and for the purpose of refunding any previous series of bonds authorized by this section. If the trustees, in authorizing the issuance of bonds pursuant to this section, prescribe by resolution that there must be on deposit in the Bond Reserve Fund certain sums at the time of the delivery of the bonds, the trustees are empowered to utilize a portion of the proceeds of any series of bonds issued pursuant to this section in order to meet the requirement.

SECTION 6.A. Section 59-119-940 of the S.C. Code is amended to read:

Section 59-119-940. Upon receiving the approval of the State Fiscal Accountability Authority or the Department of Administration, as appropriate, and upon review by the Joint Bond Review Committee, the trustees may from time to time borrow such sums as necessary to accomplish the purpose of this article and to evidence such borrowings by bonds issued pursuant to this article in the aggregate principal amount as they determine, except that other provisions of this article to the contrary notwithstanding, there must not be outstanding at any time bonds issued pursuant to this article in the aggregate principal amount as they determine, except that other provisions of this article to the contrary notwithstanding, there must not be outstanding at any time bonds issued pursuant to this article in excess of ~~two~~ five hundred million dollars.

B. Section 9D of Act 518 of 1980, as last amended by Act 17 of 2007, is further amended to read:

D. May Issue Bonds.

Subject to obtaining the approval of the state board expressed by resolution duly adopted, the trustees are authorized to issue from time to time not exceeding ~~two~~five hundred million dollars of bonds for the purpose of acquiring, constructing, reconstructing, renovating, or equipping athletic facilities and for the purpose of refunding any previous series of bonds authorized by this section. If the trustees, in authorizing the issuance of bonds pursuant to this section, prescribe by resolution that there must be on deposit in the Bond Reserve Fund certain sums at the time of the delivery of the bonds, the trustees are empowered to utilize a portion of the proceeds of any series of bonds issued pursuant to this section in order to meet the requirement.

SECTION 7. Section 1-11-55(2) of the S.C. Code is amended to read:

(2) The Division of General Services of the Department of Administration is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to ~~one~~two hundred thousand dollars annually for each property or facility.

SECTION 8. Section 59-103-110 of the S.C. Code is repealed.

SECTION 9. The repeal or amendment by this act of any law, whether temporary or permanent or 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 10. This act takes effect upon approval by the Governor.

Renumber sections to conform.

Amend title to conform.