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JOINT LEGISLATIVE COMMITTEE TO SCREEN
CANDIDATES FOR COLLEGE AND UNIVERSITY
BOARD OF TRUSTEES

Wednesday, March 27, 2013

9:00 a.m.

1101 Pendleton Street
The Gressette Building, Room 201
Columbia, South Carolina

REPORTED BY:

DEBORAH L. DUSSELJEE, Registered Professional Reporter

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1 MEMBERS IN ATTENDANCE:

- 2 SENATOR THOMAS C. ALEXANDER
- 3 SENATOR ROBERT W. HAYES, JR.
- 4 REPRESENTATIVE PHYLLIS HENDERSON
- 5 REPRESENTATIVE DAVID J. MACK, III
- 6 REPRESENTATIVE PETER M. McCOY, JR.
- 7 SENATOR J. YANCEY McGILL
- 8 SENATOR HARVEY S. PEELER, JR., CHAIRMAN
- 9 REPRESNATIVE WILLIAM R. WHITMIRE

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11 STAFF IN ATTENDANCE:

- 12 MARTHA CASTO
- 13 JULIE PRICE

1 9:08 a.m.

2 CHAIRMAN PEELER: How are you this morning?

3 MS. NOVINGER: Fine. Thank you, Senator.

4 CHAIRMAN PEELER: I need to swear you in.

5 (The candidate was placed under oath by The
6 Chairman.)

7 CHAIRMAN PEELER: Would you like to share
8 briefly why you would like to serve on the South
9 Carolina State University Board of Trustees?

10 MS. CASTO: Mr. Chairman, her information is
11 behind Tab O in your notebook.

12 MS. NOVINGER: Senator, I don't think it is
13 any secret that that institution is in dire need of some
14 leadership and some fiscal accountability and probably
15 many, many other things.

16 And I think from my experience chairing the
17 board at South -- at the Technical College State Board
18 -- I was on that board for twelve years, chaired it for
19 four. I also -- when I was at SCANA Corporation, I was
20 there as a senior vice president; but I managed the H.R.
21 function, the procurement function, the governmental
22 affairs, economic development, and most of the admin
23 functions. And I really think that experience has given
24 me, I guess, an entry into some leadership opportunities
25 at S.C. State.

1 My husband and I were first generation
2 college-bound students. I say "bound" because I never
3 really got a four-year degree. And I understand most of
4 those students down there are first generation
5 college-bound students. And I just have a heart for
6 them, and I have a heart for education, and I think I
7 can help, and they need help.

8 CHAIRMAN PEELER: Thank you.

9 It is on our information that you currently
10 serve on a Central Midlands Council of Government.

11 Would that rise to the level of a dual-office
12 holding if she was successful?

13 MS. CASTO: You are appointed by whom?

14 MS. NOVINGER: City council.

15 MS. CASTO: No.

16 CHAIRMAN PEELER: Okay, good.

17 Any questions or comments?

18 Senator from Oconee, Senator Alexander.

19 SENATOR ALEXANDER: Thank you, Mr. Chairman.

20 Good morning.

21 MS. NOVINGER: Morning.

22 SENATOR ALEXANDER: I appreciate your
23 willingness to serve and consistently be with the
24 candidates for not only this board but other ones.

25 With your different responsibilities, would

1 being involved and attending the meetings and being
2 engaged, would that be an issue for you?

3 MS. NOVINGER: Senator, I'm on several boards,
4 and I do plan to resign from several because I think
5 that's going to take a lot of time and attention, and
6 I'm willing to commit to that.

7 SENATOR ALEXANDER: Also, you mentioned
8 briefly the deficit. I would assume that you have
9 concern about them continuing to run a deficit.

10 MS. NOVINGER: Oh, yes, serious concern. Not
11 only should they not run a deficit, they should have a
12 reserve account for emergency-type things that come up,
13 maintenance.

14 SENATOR ALEXANDER: Thank you, Mr. Chairman.

15 CHAIRMAN PEELER: You're welcome.

16 Any other questions?

17 SENATOR MCGILL: Mr. Chairman.

18 CHAIRMAN PEELER: Senator McGill.

19 SENATOR MCGILL: Let me -- Cathy, let me say
20 to you not just for your years of not just corporate
21 leadership but also your ag. business. It goes on and
22 on, and such a great career. And you have made a big
23 difference in this state; and there is no question that
24 you will be a great member, if elected.

25 And there is no question that you carry a

1 respect from one end of this state to the other end, but
2 it would really be wonderful to be screened out today
3 and then have that opportunity to talk with all the
4 Senate and House members, but your reputation is
5 impeccable.

6 MS. NOVINGER: Thank you.

7 SENATOR MCGILL: I want to say that for the
8 record. We are delighted to hear that you are running.

9 MS. NOVINGER: Thank you, and I'm hopeful that
10 we can get South Carolina State's reputation impeccable
11 too. And they didn't get in this situation overnight,
12 and it will take some time and leadership.

13 CHAIRMAN PEELER: Thank you.

14 Any other questions?

15 Hearing none, what is the desire of the
16 Committee?

17 SENATOR HAYES: Favorable.

18 CHAIRMAN PEELER: The motion is a favorable
19 report.

20 SENATOR ALEXANDER: Second.

21 CHAIRMAN PEELER: Seconded.

22 All in favor, please raise your right hand.

23 It is unanimous.

24 Thank you. I appreciate your willingness to
25 serve.

1 MS. NOVINGER: Thank you.

2 CHAIRMAN PEELER: Next candidate.

3 MS. CASTO: The next candidate is Ann Hurst
4 from Orangeburg. This is for the Lander Board.
5 Ms. Hurst was unable to be with us on Monday, and she is
6 running unopposed. She is the incumbent. Her
7 opposition withdrew on Monday.

8 CHAIRMAN PEELER: Okay. Good morning.

9 MS. HURST: Good morning.

10 CHAIRMAN PEELER: I need to swear you in.

11 (The candidate was placed under oath by The
12 Chairman.)

13 CHAIRMAN PEELER: I must ask you, what were
14 you -- dog, cat, cow? What were you working on when you
15 had a --

16 MS. HURST: It was a dog morning. I apologize
17 for that, but sometimes it just is.

18 CHAIRMAN PEELER: I am just glad it wasn't a
19 cow. Thank you.

20 Would you like to share with the Committee
21 briefly why you would like to serve?

22 MS. HURST: Before you, you have a bit of a
23 handwritten note from me as to why I want to continue to
24 serve on the Board of Trustees at Lander University.

25 I was raised in a higher education family in a

1 little town called Clemson. My father was an
2 administrator during my formative years, and some of his
3 most heightened activities were when the Board of
4 Trustees arrived in town, and he had a great deal of
5 respect for the functioning of the Board of Trustees.

6 It has been my privilege for the past several
7 years to serve on the Lander University Board, and my
8 committee has been Academic Affairs. I know as a
9 private citizen, as a business owner, as a person with a
10 great deal of higher education in my background, that it
11 is the key to the success of this state to continue to
12 have institutions where people can learn and be
13 gainfully employed and to lead South Carolina in the way
14 it needs to be led.

15 It has been my privilege and I feel my duty to
16 go to Lander to help. I'm about a hundred miles down
17 the road. My little town is Orangeburg, and I must say
18 that I reach a beautiful level of sanity when I arrive
19 in Greenwood, but I read the paper in Orangeburg every
20 single day. So I, I feel that my work at Lander is, is
21 being noted by not making the front page of the paper on
22 a regular basis.

23 CHAIRMAN PEELER: Thank you.

24 Representative Whitmire has a question.

25 REPRESENTATIVE WHITMIRE: Welcome, Ms. Hurst.

1 Would you fill us in a little bit on this 2011
2 fine and disciplinary action by the Board of
3 Veterinarian Examiners?

4 MS. HURST: Yes. My profession is regulated
5 by Labor, Licensing and Regulation. It is the right of
6 any citizen to make a complaint against any veterinarian
7 for anything that they feel was not done properly.

8 In this particular instance, I had a client
9 come in who was not happy, who fell out of communication
10 with me and with my staff, and it was most certainly his
11 right to lodge a complaint.

12 Now, once that occurred, I was a part of the
13 process of finding what the situation was; and
14 essentially what the situation was, is my documentation
15 of what happened that day was inadequate for the members
16 of the board.

17 The result of that was that I had to do a
18 study of -- a documentation of 17 pages of better record
19 keeping. The result of that, of course, and I'm happy
20 to say, is that our record keeping within our hospital
21 is ever so much better than it was, much more
22 documentation of every single step we take.

23 We were doing quite a good job before. We are
24 doing an even better job now. I say "we" because I'm
25 ultimately responsible for everything that is documented

1 and done within my hospital.

2 CHAIRMAN PEELER: Thank you.

3 Any other questions or comments?

4 SENATOR ALEXANDER: Mr. Chairman.

5 CHAIRMAN PEELER: Senator Alexander.

6 SENATOR ALEXANDER: Thank you, sir.

7 Good morning.

8 MS. HURST: Morning.

9 SENATOR ALEXANDER: On your tenure on the
10 Board, what has been your record of attendance during
11 that period of time?

12 MS. HURST: I have missed one Board meeting
13 from illness.

14 SENATOR ALEXANDER: Okay. Thank you.

15 CHAIRMAN PEELER: Thank you.

16 Senator Hayes.

17 SENATOR HAYES: As far as your vision for
18 Lander for the future, where do you see Lander needing
19 to go?

20 MS. HURST: I believe that if we continue to
21 pursue an online institution, I think that that is going
22 to be something that is going to help students quite a
23 bit. We are looking at the programs. Very much at this
24 institution what we are looking at is where can students
25 find gainful employment after their degree.

1 And we had just a very, very, very favorite
2 program most recently that we decided we couldn't
3 graduate students. We thought we had something two or
4 three years ago. It was in a -- in something that ended
5 up being so technical that our students really were not
6 prepared for it. It was unique. It was fantastic, but
7 we couldn't graduate students.

8 So what we are looking for primarily are the
9 areas where our students can succeed, where we can bring
10 in a student and at the end of that education experience
11 they are ready to hit a workforce that is ready for
12 them.

13 CHAIRMAN PEELER: Any other questions?

14 I'm curious, where did you go to vet school?

15 MS. HURST: University of Georgia.

16 CHAIRMAN PEELER: Are you going to the first
17 Clemson/Georgia game this year?

18 MS. HURST: Oh, no.

19 CHAIRMAN PEELER: Good answer.

20 MS. HURST: I will probably be working that
21 day.

22 CHAIRMAN PEELER: Thank you.

23 Any other questions?

24 What's the desire of the Committee?

25 COMMITTEE MEMBER: Move favorable.

1 CHAIRMAN PEELER: Motion is favorable.

2 COMMITTEE MEMBER: Second.

3 CHAIRMAN PEELER: And a second.

4 All in favor, please raise your right hand.

5 Unanimous.

6 Thank you for your service.

7 MS. HURST: Thank you.

8 CHAIRMAN PEELER: Next candidate.

9 MS. CASTO: The next board and the final board
10 you have to screen is the Medical University.

11 The first candidate is for the 1st
12 Congressional District, the lay seat, Michael
13 Stavrinakis.

14 That is behind Tab A. We are back to the
15 front of the notebook. Sorry.

16 MR. STAVRINAKIS: Morning.

17 CHAIRMAN PEELER: Good morning.

18 I need to swear you in. If you would, please
19 raise your right hand.

20 (The candidate was placed under oath by The
21 Chairman.)

22 CHAIRMAN PEELER: Would you like to share with
23 the Committee briefly why you would like to serve on the
24 Board?

25 MR. STAVRINAKIS: Yes, sir, Mr. Chairman.

1 I would like to thank you for the opportunity
2 for you and for other board members.

3 Starting at -- MUSC to me is a very special
4 place. I was born and raised in Charleston. I have had
5 a lot of personal contact with the University. My wife
6 is an alum.

7 Other than that, I have had some really good
8 personal experiences there. My father was -- had taken
9 ill; and as far as I'm concerned, MUSC not only saved
10 his life but added years to his life. The MUSC is a
11 university and a caring center that touches everybody's
12 life at some point or another in Charleston.

13 Going on, I think I'm pretty qualified for the
14 Board. I have a lot of business experience. I run
15 three restaurants in Charleston. I meet five payrolls
16 every week. I have other businesses.

17 I think the University is looking ahead at
18 some very challenging times with health-care reform, and
19 the amount of dollars required for health care is
20 shrinking, and I think that money needs to be maximized
21 going forward.

22 The amount of people that MUSC cares for that
23 don't have insurance is a very large figure; and, and
24 there again, I think that we need to make sure that
25 there is enough business people on that board to move

1 forward.

2 I actually have to provide health care for a
3 number of my employees, so I'm a little bit familiar
4 with the process. And I think as a business-community
5 person and as MUSC grows outside to serve rural South
6 Carolina, which I think is very important, I think that
7 they are going to need more business people on the Board
8 that have a little bit more of a pulse on the times, the
9 technology, and going forward, what's going on in our --
10 in the insurance field.

11 CHAIRMAN PEELER: Thank you.

12 Any questions or comments?

13 Representative McCoy.

14 REPRESENTATIVE McCOY: Thank you,
15 Mr. Chairman.

16 Mr. Stavrinakis, thank you for being up here
17 with us today, and thank you for your willingness to
18 serve.

19 We have heard from a lot of folks lately, over
20 the past couple of days, for different boards and
21 different trustee positions for different universities;
22 and it is all very important; but MUSC is very important
23 to me. It has affected my family, and it's helped my
24 family, and I appreciate your willingness to step up.

25 If you could, could you tell the panel a

1 little bit about the restaurants that you own and how
2 long you have been and owned businesses in Charleston.

3 MR. STAVRINAKIS: Sure. I would love to.

4 I started my first restaurant over twenty
5 years ago, borrowed the money off of a credit card and
6 -- true story. I have now grown that restaurant into
7 five restaurants in three different states. We are
8 actually franchising. I deal a lot with the federal
9 government as far as the franchising industry. It is a
10 very heavily regulated industry.

11 But down in Charleston, we have three
12 locations. It is a Mediterranean restaurant. I'm from
13 a family of Greek immigrants, so we are -- we were
14 raised, obviously, cooking but also hard working.

15 And I think that, as you legislators know, I
16 have been working real hard to get this seat on this
17 board because I do want to serve. I feel an obligation
18 to serve coming from such a great state as South
19 Carolina.

20 And I think that both you Representatives and
21 Senators that have seen me up here working -- I think if
22 there is any consolation or any resemblance of how hard
23 I will work on that board, I can promise you, I will
24 work hard.

25 REPRESENTATIVE McCOY: And you brought up a

1 good point, Mr. Stavrinakis. You know, these boards and
2 running for these seats take time, it takes energy, and
3 it takes away from your practice of your business where
4 you are in Charleston. We have seen you up here lately,
5 and we have seen you working.

6 Is, is -- do you think this is the best
7 process in terms of being able to be appointed to a
8 board or elected to a board, by coming in front of the
9 legislature and having to talk to 124 Representatives
10 and 46 Senators?

11 MR. STAVRINAKIS: I personally think it is a
12 great process. I think the process that, that the
13 General Assembly has allows a person like me to serve on
14 a board who probably wouldn't normally get that
15 opportunity.

16 I think that it is important that I make an
17 effort to try to get to know as many legislators as I
18 can. You are entrusting me with a lot of financial
19 resources, if I'm honored to get this position. And I
20 think it is pretty important or -- to you, as
21 legislators, to try to get to know who you are putting
22 on these boards, more than anything.

23 And I will be honest with you. I have been
24 working hard, and I have been pretty heavily vetted by a
25 lot of legislators. They have called me in. They have

1 wanted to see me. They have asked me some pretty hard
2 questions to try to get to know me, but I think that's
3 fair, and I think that's the way it should be.

4 I also want to add that being up here, as long
5 as I have, working as hard as I have, gives me a little
6 bit more affinity for what you gentlemen do. Just
7 taking the one or two days out of the week for me has
8 been a tremendous negative back home. I just have more
9 respect for the General Assembly taking three days a
10 week out of your -- you know, we appreciate you guys
11 serving as well.

12 REPRESENTATIVE McCOY: I appreciate that. It
13 does take some time as a candidate as well, so thank
14 you.

15 And I'm familiar with your work on the
16 Aviation Authority, and I know you have been on there
17 for a short period of time, not an incredible long
18 period of time.

19 And I don't know the legal ramifications of
20 it; but if you were fortunate enough to be appointed to
21 this particular board, legally if it was required, would
22 you then resign your position or step down from the
23 Aviation Authority?

24 MR. STAVRINAKIS: Absolutely. I would
25 certainly follow the letter of the law.

1 REPRESENTATIVE McCOY: Okay. We have also
2 heard a lot from different colleges that are also in
3 Charleston, such as the College of Charleston, and the
4 efforts to make reach-out programs to MUSC and to, you
5 know, do a lot more work between the two schools.

6 What would be your vision as a board member of
7 MUSC in trying to reach out into the community and
8 trying to have links with the other schools or other
9 facilities that are in the area?

10 MR. STAVRINAKIS: I think that's a great idea.
11 I think that the more that MUSC and College of
12 Charleston can do together, I think gives it a greater
13 opportunity, not only for educational purposes but for
14 employment purposes. MUSC is an economic engine in
15 Charleston; and I think that the more that they can
16 generate together, the more far reaching it can be
17 throughout the state.

18 REPRESENTATIVE McCOY: And just in wrapping up
19 just to make a comment, I have known you,
20 Mr. Stavrinakis, and I have known your family for a long
21 time. It has been an absolute honor and privilege to
22 have your friendship. I'm appreciative of you doing
23 this. I think with your business background, you would
24 make an excellent member of the MUSC Board.

25 MR. STAVRINAKIS: Thank you.

1 REPRESENTATIVE McCOY: Thank you,
2 Mr. Chairman.

3 CHAIRMAN PEELER: Mr. Mack.

4 REPRESENTATIVE MACK: Thank you, Mr. Chairman.

5 Mr. Stavrinakis, I want to say just for the
6 record that I have had an opportunity to know you for
7 some time; and I have known you to be a person of
8 integrity, a great business person but yet still very
9 well connected to the community. And I think that's a
10 tremendous asset to have. I think, as you mentioned,
11 your business background would be, I think, a great
12 asset to the Medical University Board.

13 And I just wanted to say that for the record.
14 I think that in spite of your brother Leon, you are
15 great for the Board.

16 MR. STAVRINAKIS: Thank you, Mr. Mack.

17 CHAIRMAN PEELER: Senator Alexander.

18 SENATOR ALEXANDER: Thank you, Mr. Chairman.

19 And good morning.

20 I heard you talk about the length of time that
21 you have been up campaigning or been around the State
22 House.

23 So obviously, from a time standpoint, as far
24 as being able to give what is required -- do you have an
25 idea of what would be required as a board member from a

1 time commitment standpoint?

2 MR. STAVRINAKIS: MUSC, as I know the Board --
3 the Board meets for two days every other month. That
4 being said, that would not hamper -- I would be able to
5 serve that. And I would anticipate serving more, if I
6 need to be.

7 SENATOR ALEXANDER: So those time commitments
8 would not be an issue?

9 MR. STAVRINAKIS: No, sir.

10 SENATOR ALEXANDER: Certainly I have the great
11 respect for the president of MUSC, Dr. Greenberg.

12 What do you see as the role of a board member?
13 I know you spoke to the vision of the University; but as
14 a board member, what do you see as your role from that
15 standpoint?

16 MR. STAVRINAKIS: From my seat, as a
17 nonmedical, my role as a board member would be to help
18 to manage, to grow, to use my business experience, and
19 help the University, help the budget, so to speak, and
20 move that forward, but also help to ensure that the
21 mission statement of the University is protected. And
22 that's to educate the best doctors in the world while
23 serving the general public through the hospital portion
24 of it.

25 SENATOR ALEXANDER: And you mentioned that

1 it's important to the Charleston area.

2 Do you see that -- the Medical University of
3 South Carolina as being something that serves all of the
4 state of South Carolina, or is it mainly focused just in
5 the Charleston area?

6 MR. STAVRINAKIS: I think it's all the state.
7 I would think it would be all the state, and I would
8 like to see the University reach out even more. I think
9 there is a need in the rural areas for more, more
10 coverage.

11 SENATOR ALEXANDER: Thank you, Mr. Chairman.

12 CHAIRMAN PEELER: Thank you.

13 Any other questions?

14 The Committee has been presented some
15 information from Darby Gatling. We don't have a
16 precedent for someone speaking for and against a
17 candidate in this type forum; but I would like to recess
18 for five minutes, allow the members to read this
19 information; and then we will go from there.

20 So, Mr. Stavrinakis, you are still -- be here,
21 just stick around. Give us about five minutes
22 Senate-time.

23 MR. STAVRINAKIS: Yes, sir.

24 CHAIRMAN PEELER: We will recess for five
25 minutes.

1 (A recess transpired.)

2 CHAIRMAN PEELER: I call us back to order.

3 Like I said, with my history on the Committee,
4 there is not a precedent of having someone speak for or
5 against a potential candidate; but this was unusual,
6 that this was brought today; but we have received the
7 information; and each member of the Committee has
8 received the information; and we can act accordingly.

9 So with that, any other questions or comments?

10 REPRESENTATIVE HENDERSON: Yes, sir.

11 CHAIRMAN PEELER: Representative Henderson.

12 REPRESENTATIVE HENDERSON: Senator, we have
13 had a couple conversations over the last few days about
14 possibly having some rules and different things that we,
15 as a group, want to do going ahead.

16 While I feel like if, if, if there is -- a
17 member of the public has something they want to say
18 about a candidate, they are always free to mail me
19 information, mail anybody individual information.

20 But I think that if we are to establish some
21 kind of rules, that if we receive this kind of
22 information to the Committee, I think that it should be
23 directed to individual members and not the Committee as
24 a whole. Otherwise, we will be getting statements and
25 testimonies and all kinds of things from neighbors and

1 relatives and, you know, on and on for every single
2 candidate.

3 I think as a rule we should not allow, you
4 know, these kind of things to be distributed to us at
5 the meetings, if that makes sense, just as a comment in
6 the future. This is irregular.

7 CHAIRMAN PEELER: Thank you. That's a point
8 well taken.

9 I have said that our mission is to decide
10 whether these candidates are qualified to serve, whether
11 they are either qualified or not. It is up to the
12 individual members of the General Assembly, then once
13 the candidates are released, to get commitments to lobby
14 for or against a candidate.

15 So I would think that would be the proper time
16 and the proper venue. If not, we -- these hearings
17 would turn into a cheerleading contest for and against
18 any candidate.

19 With that, I just -- under an abundance of
20 caution, I wanted everyone to know what was going on.
21 This was something new, but we received it, so thank
22 you.

23 MR. STAVRINAKIS: Yes, sir.

24 CHAIRMAN PEELER: Any other questions or
25 comments?

1 Hearing none, what's the desire of the
2 Committee?

3 REPRESENTATIVE MACK: Move favorably.

4 REPRESENTATIVE McCOY: Second.

5 CHAIRMAN PEELER: Thank you.

6 Motion favorable and seconded.

7 All in favor, please raise your right hand.

8 Unanimous. Thank you.

9 MR. STAVRINAKIS: Thank you, Mr. Chairman.

10 CHAIRMAN PEELER: Thank you for your
11 willingness to serve.

12 MS. CASTO: The next candidate, also for the
13 1st Congressional District, the lay seat, is Susan
14 Pearlstine from Charleston.

15 CHAIRMAN PEELER: Good morning.

16 MS. PEARLSTINE: Good morning.

17 CHAIRMAN PEELER: Raise your right hand.

18 (The candidate was placed under oath by The
19 Chairman.)

20 CHAIRMAN PEELER: Thank you.

21 Would you like to share with the Committee why
22 you would like to serve on the MUSC Board?

23 MS. PEARLSTINE: I would love that.

24 Thank you all for letting me be here today.

25 In life they say that timing is everything. And when

1 the General Assembly reopened this seat and allowed me
2 to file just a couple months ago, that was perfect
3 timing as my fairly large family business -- I was a
4 fifth generation chairwoman of it -- had just been sold.
5 It was Pearlstine Distributers. We operated in seven
6 counties in South Carolina.

7 Also at the same time, I have been around MUSC
8 quite a bit because I have been involved both in terms
9 of time and resources in a really large research
10 initiative that I'm very proud of.

11 I suffer from an autoimmune disease that
12 affects South Carolinians at ten times the national
13 average, and I had an opportunity to look at where I
14 could better help the lives of patients throughout the
15 country, and I determined that MUSC was the best place
16 to do this research and continue to help the lives of
17 the patients and their families who suffer with this.

18 But going back, I actually got my start as a
19 candy striper in the 1970s. Somebody wrote a letter in
20 support of me and said I was a candy stripper. That was
21 a typo. I was a candy striper.

22 CHAIRMAN PEELER: Well, I may have to
23 reconsider now.

24 MS. PEARLSTINE: Yeah. That was a badly
25 placed mistype.

1 I, I, I got an early education in fair and
2 compassionate health care by volunteering over there. I
3 have a clear memories of being a 15-year-old and going
4 in and out of waiting rooms and in and out of hospital
5 rooms and the people that I met over there and the
6 service they were providing.

7 I went on to serve on the Children's Hospital
8 Board with Dr. Darby at a time when we grew that board.
9 And as you know, that Children's Hospital has doctors
10 that are world renown and continue to show up in the top
11 100 list of doctors. I'm very proud of that.

12 CHAIRMAN PEELER: Let, let me stop. The first
13 time I have messed up in a long time. I don't think I
14 swore you in.

15 REPRESENTATIVE HENDERSON: Yes, you did.

16 CHAIRMAN PEELER: So -- did I?

17 MS. PEARLSTINE: Yeah, I think -- but I will
18 do it again.

19 CHAIRMAN PEELER: No, no. I did?

20 THE REPORTER: You did.

21 MS. PEARLSTINE: It was the candy stripper
22 thing.

23 CHAIRMAN PEELER: Well, I have been bragging
24 on my staff for the last three days.

25 MS. PEARLSTINE: I know, it's been a long

1 three days.

2 CHAIRMAN PEELER: Let the record show that it
3 wasn't me.

4 MS. CASTO: That is correct.

5 CHAIRMAN PEELER: I apologize.

6 MS. PEARLSTINE: No, that's no problem at all.

7 CHAIRMAN PEELER: I will tell you, screening
8 90 people --

9 MS. PEARLSTINE: I feel for you, and it's the
10 last day.

11 CHAIRMAN PEELER: Anyway, I'm sorry I
12 interrupted you.

13 MS. PEARLSTINE: No. It's fine. So, yeah,
14 from the Children's Hospital Board.

15 CHAIRMAN PEELER: You are on the record.

16 MS. PEARLSTINE: I am on the record.

17 CHAIRMAN PEELER: Thank you.

18 MS. PEARLSTINE: I then, along with my family,
19 we took a blighted parking lot at the Hollings Cancer
20 Center and turned it into a beautiful healing garden.
21 It provides an amazing respite for cancer patients, and
22 we saw firsthand that year that was needed, when my
23 mother was a cancer patient and passed away 16 years
24 ago.

25 And recently I was on the Board of Visitors;

1 and it turns out that while this is Melvin Berlinsky's,
2 a blessed memory, open seat that I was running for, I
3 was his last appointment to that Board of Visitors. And
4 I think Melvin would be very proud that I'm putting
5 myself forward to serve the State to be on this board,
6 which I am passionate about that organization, and my
7 record of history and commitment bears that out.

8 CHAIRMAN PEELER: Thank you.

9 Questions or comments?

10 Representative McCoy.

11 REPRESENTATIVE McCOY: Ms. Pearlstine, thank
12 you for being here with us today. It is always good to
13 have fellow Charlestonians in here. So I appreciate
14 your time, and I appreciate your willingness to serve.

15 If you could, could you fill the panel in on
16 your family business and how long your family has
17 actually had this business and how long they have
18 actually been involved in Charleston.

19 MS. PEARLSTINE: Yeah. It has only been 147
20 years.

21 REPRESENTATIVE McCOY: That's a long time.

22 MS. PEARLSTINE: It was -- I'm the fifth
23 generation leader of that business.

24 It was started in 1865, and we started as a
25 wholesale food and grocery business and grew to --

1 during prohibition, we bought a company that sold a
2 nonalcoholic beverage that Anheuser-Busch produced. So
3 then after prohibition, we moved into the beer business
4 with Anheuser-Busch.

5 Right at 200 employees. We were always on the
6 South Carolina top 20 list of privately-held businesses
7 here. I know what it is like to run a big business, not
8 nearly as big as the Medical University; but I do bring
9 business experience.

10 In October we received an unsolicited offer
11 for that business; and the next generation, the oldest
12 is going to be an attorney. She graduates in May, and
13 the youngest was 16. So we sort of took a look at what
14 we could do and what was next, and I had this desire to
15 be a humanitarian, as I mentioned my project at MUSC.

16 And so that's it. We are out of the
17 distribution business, but we also worked out a deal for
18 my father. And I do want to mention my father has
19 served four governors of this state; so I am following
20 in his footsteps, putting myself out here to serve.

21 He has now bought Palmetto Brewery in
22 Charleston, South Carolina. So we are still beer
23 people. We are just tiny beer people.

24 REPRESENTATIVE McCOY: That's great, and
25 that's good to hear.

1 And as you have heard, and I will ask
2 everybody that is up here, that comes up here for MUSC
3 -- it is very important to my heart. It has helped my
4 family more than I can even express in words. And the
5 process that folks have to go through to be vetted and
6 also to be elected to the board as a member is obviously
7 coming to the legislature and talking to a bunch of
8 Representatives and a bunch much Senators.

9 What's your opinion of that process, and how
10 do you view taking the time to come up here and do that?

11 MS. PEARLSTINE: Well, quite frankly, it is
12 very challenging.

13 I did not run all of last year for this seat,
14 and I don't have political ambitions. And quite
15 frankly, I don't have a lot of political connections.

16 I know Leon, but I'm not his sister. So I
17 haven't been up here. I don't even know how I'm
18 expected to possibly get to know as many people as
19 Michael knows for having been up here.

20 That said, my, my, my hope is that this, this
21 process, while it has been a who-you-know sort of
22 process, that it will switch now that a candidate like
23 myself has offered themselves to serve; and I think I
24 bring a better level of experience and credentials to
25 the seat opportunity. And that's what I am hoping will

1 win the day.

2 REPRESENTATIVE McCOY: And we also heard a lot
3 from folks who are interested in trying to get on boards
4 of other schools and how they want to reach out and what
5 they see as a vision for their particular schools.

6 And when we are thinking about, talking about
7 a vision for MUSC, do you see yourself more as a type to
8 reach out and to better MUSC itself or to reach out and
9 also establish links and relationships with other
10 schools in the area?

11 Because I have also sat down with a bunch of
12 deans from MUSC as well, who are dealing with basically
13 big financial issues.

14 So would you --

15 MS. PEARLSTINE: Right.

16 REPRESENTATIVE McCOY: Would you view yourself
17 as more of a board member who would want to reach out
18 and help grow and establish MUSC and make connections or
19 someone who would want to focus on a particular budget?

20 MS. PEARLSTINE: Both. Okay. I mean, I know
21 what -- we had a saying in our business that the only
22 thing constant was change.

23 And I do think that I can serve in both roles
24 because having done this in my own business, we have to
25 be willing to be flexible, to reach out and be

1 collaborative.

2 I read online what the strategic vision of the
3 Board is doing. I know the words
4 "inter-professionalism" and "interdisciplinary". And it
5 is important, particularly as we get into the
6 challenging times here. They are coming.

7 I mean, I don't know the Board details
8 intimately, but I do read the paper every day. That
9 cost-saving measures, to your second point, and
10 collaboration and benchmarking across all departments, I
11 think the experience I can bring is having done this in
12 a fairly large business, that I will be able to be open
13 as these ideas come up, whether it be collaborations
14 with other schools or just improving the process within.

15 REPRESENTATIVE McCOY: And you made an
16 interesting point about time possibly coming up here and
17 how long that takes, and it's -- it's -- unfortunately
18 it is a situation that every candidate has to go
19 through.

20 Does that correlate or does that relate at all
21 to the time you would want to put into MUSC? Would
22 there be a problem with you and your time that you would
23 want to put into MUSC with being a board member?

24 MS. PEARLSTINE: Well, I could not have been
25 chairwoman of my business and done all of what Michael

1 did all last year. I couldn't have left that business
2 to get up here. It was just the sale of that business
3 that allowed me to be open, to be able to put myself
4 forward to serve.

5 So I regret that that's the status quo; but as
6 an active and competent and successful businesswoman, I
7 don't think I could have done it last year. But now, as
8 I said, we don't have that large company anymore, which
9 was exactly why timing was everything and I was able to
10 come up here and do this.

11 REPRESENTATIVE McCOY: Thank you for
12 entertaining my questions. Appreciate it.

13 Mr. Chairman, thank you.

14 CHAIRMAN PEELER: You are welcome.

15 Representative Mack.

16 REPRESENTATIVE MACK: Thank you, Mr. Chairman.

17 Ms. Pearlstine, in terms of -- what is your
18 thought process as relates to the role of a board
19 member? You mentioned, and rightfully so, that all
20 hospitals will have some tremendous challenges as far as
21 costs and economics and money and those types of things.

22 What's your position as relates to the role of
23 a board member as opposed to the administration?

24 MS. PEARLSTINE: Well, I think we are going to
25 have to be, as a board member, malleable and flexible

1 and willing and open and available to learn.

2 One thing I didn't mention, but it is on my
3 dossier here, is, I do sit on a national health board,
4 the Foundation for Sarcoidosis Research. It allows me,
5 albeit in pulmonology, to get a peek behind the curtain
6 of other hospitals across the country and what they are
7 doing.

8 We are going to have to rise to the top to
9 meet the financial challenges and to remain the -- the
10 importance to the state and reach out into the rural
11 communities. I know there is a telemedicine initiative
12 underway that I'm really anxious to learn more about.

13 And you know, the governing board right now is
14 not representative of the citizens and the people that
15 work there, and I want that opportunity to kind of right
16 that wrong. And I think I can bring that and be that
17 person that sits on the Board to achieve balance.

18 A little long-winded. I'm sorry.

19 CHAIRMAN PEELER: Representative Henderson.

20 REPRESENTATIVE HENDERSON: Thank you,
21 Mr. Chairman.

22 I appreciate your willingness to serve; and I
23 do understand when you have a business, it is hard.
24 This is a very long process, and I always do appreciate
25 everyone who runs for boards and all the time they spend

1 here when they could be doing other things.

2 But I have to ask you this because of what we
3 just went through because it was highly irregular. I
4 mean, have you or anybody in your staff or family ever
5 had any kind of contact with a person named Darby
6 Gatling?

7 MS. PEARLSTINE: No. I just met her this
8 morning.

9 REPRESENTATIVE HENDERSON: Well, I -- that's
10 all I wanted to know. Thank you.

11 CHAIRMAN PEELER: Thank you.

12 Senator Alexander.

13 SENATOR ALEXANDER: Thank you, Mr. Chairman.

14 And good morning.

15 MS. PEARLSTINE: Hi.

16 SENATOR ALEXANDER: For the record, I
17 understand you sold the company; but you also list here
18 Family Companies. I assume that's just the part of
19 being -- that you -- the smaller company or the smaller
20 beer company. Is that --

21 MS. PEARLSTINE: Well, the Pearlstine Family
22 Companies is the holding arm for everything that we are
23 doing, from property development to other businesses we
24 get in, to succession and generational planning. It is
25 sort of the larger organization that everything falls

1 under.

2 SENATOR ALEXANDER: So it was the owner of the
3 larger beer company that would have prevented you from
4 being able to serve.

5 MS. PEARLSTINE: Right.

6 SENATOR ALEXANDER: That you sold that part of
7 the business that would have precluded you from that
8 standpoint.

9 MS. PEARLSTINE: Exactly.

10 SENATOR ALEXANDER: Thank you for your service
11 on the MUSC Children's Hospital. That's a great
12 calling. I know Dr. Darby does a great job at that
13 hospital.

14 What was your attendance record when you were
15 on the hospital board, the Children's Hospital and the
16 Board of Visitors?

17 MS. PEARLSTINE: Well, Children's -- I'm a
18 good attender. The last half of my -- the last two
19 meetings of the Board of Visitors I had to miss because
20 of surgery and some complications with it on my
21 shoulder. So I wasn't there at the last two meetings,
22 but it was fantastic service. And we got to tour a lot
23 of the colleges and meet a lot of the deans, and it was
24 a great role.

25 SENATOR ALEXANDER: And your service on the

1 Children's Hospital Board, your attendance would have
2 been high, 80 percent, 90 percent?

3 MS. PEARLSTINE: Oh, yes, sir. I'm an
4 attender.

5 SENATOR ALEXANDER: Well, well, and -- you
6 know, not just being an attender but, obviously, a
7 participator but --

8 MS. PEARLSTINE: Yes.

9 SENATOR ALEXANDER: I guess my point is, you
10 were able to have that commitment, so I would assume you
11 would have that ability to do that in the role as a
12 board member for MUSC as well?

13 MS. PEARLSTINE: Well, that's what I'm looking
14 forward to.

15 I have been asked to get on some other
16 community boards in Charleston, good boards; but this is
17 where my passion is; and I really would like the
18 opportunity to work for this State and for these
19 citizens on this board.

20 SENATOR ALEXANDER: Thank you, Mr. Chairman.

21 CHAIRMAN PEELER: Thank you.

22 Questions?

23 REPRESENTATIVE WHITMIRE: Move for a favorable
24 report.

25 CHAIRMAN PEELER: I have a couple of questions

1 before we take a vote.

2 Did y'all not have to sign a covenant not to
3 compete? I was curious.

4 MS. PEARLSTINE: We are not competing. They
5 are our customer now, so we sell them the beer that we
6 make.

7 CHAIRMAN PEELER: Oh, okay. Well, good.
8 Y'all --

9 MS. PEARLSTINE: And then I have to say,
10 Michael has been a great customer, too.

11 CHAIRMAN PEELER: Well, I was curious if his
12 restaurants --

13 MS. PEARLSTINE: Yes. Great customers.

14 And the Stavrinakises and the Pearlstines are
15 friends and will remain friends. This is just politics,
16 as I am learning.

17 CHAIRMAN PEELER: And I love words. "I'm a
18 good attender." I like that.

19 I tell my caucus, I say, the three P's of
20 politics: to be present, be prepared, and be patient.
21 The three P's of politics, that third one I have trouble
22 with. I'm not patient.

23 And I tell all the candidates, brevity is a
24 plus; but I don't think y'all listen to me.

25 But anyway, we will proceed to a vote.

1 All in favor of the motion of a favorable
2 report, please raise your right hand.

3 (Each committee member's hand is raised.)

4 CHAIRMAN PEELER: Thank you.

5

6 MS. PEARLSTINE: Thank you.

7 CHAIRMAN PEELER: We sure appreciate your
8 willingness to serve. We have great candidates. We
9 have screened several great candidates, and our
10 colleagues are going to have a tough, tough decision to
11 make. We have great candidates.

12 Next candidate.

13 MS. CASTO: The next candidate is William
14 Bingham. He is from the 2nd Congressional District. He
15 is currently the incumbent and is running unopposed from
16 Cayce.

17 CHAIRMAN PEELER: Morning, sir.

18 MR. BINGHAM, SR.: Morning, sir. Thank you.

19 CHAIRMAN PEELER: I want to make sure to swear
20 you in.

21 (The candidate was placed under oath by The
22 Chairman.)

23 CHAIRMAN PEELER: Would you like to make a
24 statement -- I won't say brief. Would you like to make
25 a statement on why you would like to continue to serve?

1 MR. BINGHAM, SR.: Yes, sir.

2 First of all, I would like to express my
3 appreciation for the screening committee and the time
4 you spend in order to do the work that you do.

5 And on my list of why I'd like to serve on the
6 Board of Trustees, I have served on the Board of
7 Trustees for the last 11 years. I have been involved in
8 the planning and building program at MUSC.

9 And as a retired engineer, doing engineering
10 and construction my entire life, I feel like that I can
11 give back to my constituents through the entire state
12 through MUSC because MUSC is associated with the entire
13 state, not just with Charleston. I realize that it is a
14 Charleston place. And when I go there, I am dedicated
15 to MUSC and what is right for MUSC.

16 So during the past five years, my first thing
17 was, as being a chairman of the Facility Committee for
18 the last nine of the eleven years, we have completed the
19 Dental School. We've -- did the Bioengineering and Drug
20 Discovery Building.

21 We made a master plan so that that master plan
22 wouldn't get changed back and forth, so that we could
23 stay on deal. The first thing when I went on was to
24 participate in the master plan.

25 Because before, it looked like each time --

1 whenever things happened in the past, that the master
2 plan was always varied from; and that costs money. And
3 I came from the place that you don't throw things away.
4 You don't spend people's money. You put it in the right
5 perspective; and that is, don't do something that's
6 going to be tore down tomorrow or don't do something
7 that you got to do -- you didn't do your thinking. If
8 you are going to spend it, think about it.

9 And so I felt like -- that with my experience,
10 that I could better serve my constituents in my last
11 years of my life. So I'm passionate about MUSC, and I
12 would like to serve.

13 Thank you.

14 CHAIRMAN PEELER: Thank you.

15 Questions or comments?

16 Representative McCoy.

17 REPRESENTATIVE McCOY: Thank you,

18 Mr. Chairman.

19 Mr. Bingham, thank you for being here with us
20 today and thank you for your 11 years of service at
21 MUSC. It is commendable that you have done that, and I
22 appreciate that more than you know.

23 MR. BINGHAM, SR.: Yes, sir.

24 REPRESENTATIVE McCOY: I know your son, son
25 well. He's been mighty good to me and mighty kind to

1 me.

2 And just like I have asked a lot of folks that
3 have been up here before that are screening for this
4 position, in particular, I have sat down with the dean
5 of the Dental School multiple times. And I know they
6 have an issue with their building in terms of the
7 finances and maybe some money that they are actually
8 paying back that have caused the tuition basically for
9 dental students to go pretty high, even for in-state.

10 I heard a statistic the other day that it's
11 actually less expensive for a South Carolinian to go to
12 Chapel Hill Dental School as it is to go to MUSC Dental
13 School in state.

14 Is there any help or anything that we can do
15 to -- do you see any end to the deal that's going on
16 right now with the Dental School and their building?

17 MR. BINGHAM, SR.: Well, the Dental School
18 falls into the budget for the entire school. It falls
19 underneath that deal, and it is put back out.

20 And we are -- we are striving because, without
21 pointing fingers or saying it, you can't give us no more
22 than you have got. And we have got to be able to figure
23 out how in order to handle it.

24 And our budget has been cut by the State. You
25 know, as well as anybody else, that it has been cut.

1 And we have strived to keep the people we have without
2 laying off people.

3 We are doing a study now; and like I said,
4 there is other people on our committee that is more
5 familiar with the financial end of it. And I stick
6 strictly to what I know best, and I use the information
7 from the other board members.

8 We have got people that is in accounting and
9 people that know exactly what, that needs to be done,
10 and I try to support them in entirety.

11 So how we can do this? I don't think nobody
12 has got that answer because we have -- we have to take
13 what the State gives us and do the best we can in order
14 to do it. We don't want to cut quality.

15 So the financial end of it, we can get through
16 that. We, we have done it before, and we will do it
17 now. It is just a matter of time. And just like the
18 State, they will get through it too. We will, we will
19 come back and get more employees; but when we get the
20 money, we can do it.

21 And they are not suffering any more -- the
22 Dental School is not suffering any more than any other
23 dean in the place. We are all in this together.

24 REPRESENTATIVE McCOY: Yes, sir.

25 And you made a very good point, too, in your

1 opening statement by saying not only is MUSC an asset to
2 Charleston, which it is -- it provides a lot of jobs --
3 but it is an asset to our entire state.

4 MR. BINGHAM, SR.: Yes, sir.

5 REPRESENTATIVE McCOY: And I'm right there
6 with you, and I understand that the funding is part of
7 that aspect too, when it deals with the different
8 schools and the buildings.

9 And I want to say thank you for what you have
10 done and thank you for your service, and hopefully we
11 can get you more money from the State as well.

12 MR. BINGHAM, SR.: Thank you.

13 REPRESENTATIVE McCOY: Thank you.

14 Thank you, Mr. Chairman.

15 CHAIRMAN PEELER: You are welcome.

16 Representative Mack.

17 REPRESENTATIVE MACK: Thank you, Mr. Chairman.

18 Mr. Bingham, I'm always interested -- and I
19 also thank you for your service.

20 MR. BINGHAM, SR.: Thank you, sir.

21 REPRESENTATIVE MACK: Eleven years, you have
22 seen quite a bit. What are some of your thoughts in
23 terms of how -- what has evolved over the past 11 years
24 and your thoughts of the future moving on?

25 MR. BINGHAM, SR.: Well, the first thing I

1 thought was to do a master plan. That's my business.
2 And to get a right steering in so that we can spend the
3 money that is given to us wisely, as I mentioned before.

4
5 And I came from a poor family, a family that
6 my mother graduated from the fifth grade. My father
7 died when I was two. And so I know from my experience
8 of coming up -- I graduated from the University of South
9 Carolina first. First child, first family. And if you
10 be conservative, you can go forward and do the things
11 that need to be done to get you where you need to go.

12 And I'm at a loss to, to say I have got all
13 the answers. I have been there 11 years, and everything
14 that we have done we have not had to undo. And that's
15 the best I can tell you. We haven't. We are on a
16 successful route.

17 And I'd like to say -- I'd like to serve on
18 that in order to continue to do those things and see
19 that the steering course -- now we're talking about that
20 I'd like to go in that direction, and that's what --
21 that's my goal.

22 CHAIRMAN PEELER: Any other -- Senator Hayes.

23 SENATOR HAYES: You have been on for a number
24 of years, and it looks like you are going to be on for a
25 few more years since you are running unopposed.

1 What is your vision? I know you talked about
2 facilities and a master plan. Putting that aside, what
3 other vision do you have for MUSC?

4 MR. BINGHAM, SR.: I would like to grow MUSC,
5 and I'm on the Foundation Board as a representative from
6 the Board of Trustees. In other words, there is two of
7 us, me and Dr. Tommy Rowland.

8 And by doing that, there is a research going
9 on. We want to be able to do research work. Right now
10 we say that the research that we do hasn't been done
11 before. And when a person comes to us and there is no
12 cure, we try to do a research on that and find the cure.

13 And so my goal is to support the president,
14 the administration, and everybody to move us forward to
15 be the top tier. We are getting there. But I'm
16 supportive of doing Dr. Ray Greenberg's initiative.

17 And like I said, you've got to have a place to
18 work. You have got to have the right things to do it.
19 And so I felt like if I put my focus on those things,
20 then that will let us grow and be one of the -- I reckon
21 the outstanding in the United States.

22 I don't know whether I answered your question
23 or not, but I tried.

24 SENATOR HAYES: That's it. Thank you.

25 CHAIRMAN PEELER: Senator Alexander.

1 SENATOR ALEXANDER: Thank you, Mr. Chairman.

2 It's really not a question, and I know he has
3 provided us his written testimony, but I do want to read
4 into the record that out of his 11 years of service, you
5 have only missed one meeting in that --

6 MR. BINGHAM, SR.: And my wife was being
7 operated on, but I attended my committee. I did the
8 work I had to do on the Board of Trustees day of
9 meeting, and I had someone else to just explain to the
10 Board of Trustees what took place in that committee.

11 I drove down, did that committee, and then
12 come back home. My wife was operated on, on Friday.
13 And that's the only meeting that I know of that I have
14 missed, but I did not miss the opportunity to do the
15 work.

16 And I have -- like I said, I have served on
17 the Foundation Board, too. And I have never missed a
18 board meeting there. And so I don't intend to miss
19 no -- I have been thankful for having good health to do
20 that.

21 SENATOR ALEXANDER: That's an example of good
22 service, public service; and we appreciate your
23 commitment once you've -- when you ask to be placed on
24 this board, that you take it seriously and have been
25 involved.

1 And I want the record to reflect that,
2 Mr. Chairman.

3 CHAIRMAN PEELER: Thank you.

4 Mr. Bingham, you have an outstanding
5 reputation. I appreciate your willingness to serve.

6 MR. BINGHAM, SR.: Thank you.

7 CHAIRMAN PEELER: I really do. The State of
8 South Carolina is fortunate to have men like you giving
9 up their time to serve, and I appreciate that.

10 MR. BINGHAM, SR.: Thank you, sir.

11 CHAIRMAN PEELER: One quick question that --
12 are you familiar with what Clemson University is trying
13 to do to emulate or copy what MUSC is doing with the
14 Authority?

15 They are trying to create an enterprise. Are
16 you familiar with --

17 MR. BINGHAM, SR.: No, sir, I am not.

18 CHAIRMAN PEELER: Okay. Well --

19 MR. BINGHAM, SR.: The only thing I know of it
20 is, we have some Clemson students or Clemson engineers
21 that's working on our campus with us in our research
22 operation. We have got some people behind me that have
23 been on it a lot longer than I have, and I'm sure they
24 can fill you in, sir, on that item.

25 CHAIRMAN PEELER: It has nothing to do with

1 your qualifications. I was just curious because my
2 Clemson friends are really interested in that. And so
3 maybe we could talk sometime about it --

4 MR. BINGHAM, SR.: Thank you kindly.

5 CHAIRMAN PEELER: -- having to do with it
6 sometime.

7 I look forward to hearing your institutional
8 knowledge about it.

9 MR. BINGHAM, SR.: Thank you, sir.

10 CHAIRMAN PEELER: Any other questions or
11 comments?

12 SENATOR HAYES: Move for favorable.

13 REPRESENTATIVE MACK: Second.

14 CHAIRMAN PEELER: A second is heard.

15 All in favor, please raise your right hand.

16 Unanimous.

17 Thank you again.

18 SENATOR ALEXANDER: Mr. Chairman.

19 On that note of the Clemson legislation, I
20 might point out that MUSC is supportive of that Clemson
21 legislation as well.

22 CHAIRMAN PEELER: Good, good.

23 Next candidate.

24 MS. CASTO: The next candidate is Charles
25 Shulze from Greenwood. He is an incumbent from the 3rd

1 Congressional District, lay seat; and he is running
2 unopposed.

3 MR. SHULZE: Good morning.

4 CHAIRMAN PEELER: Good morning, sir.

5 (The candidate was placed under oath by The
6 Chairman.)

7
8 CHAIRMAN PEELER: Do you have a brief
9 statement to the Committee on why you would like to
10 continue to serve?

11 MR. SHULZE: Yes, sir, very brief.

12 I'm in my eleventh year also, like
13 Mr. Bingham. I love a challenge. I can tell you over
14 those last 11 years, we have had a lot of challenges for
15 a lot of reasons. We survived each one of those
16 challenges; but looking forward, we are going to have a
17 lot more difficult challenges.

18 I think I bring some unusual -- not unusual
19 but some expertise that other board members don't have,
20 having been a CPA for almost forty years working with
21 large, complex, international companies down to the
22 mom-and-pop stores. I have basically seen it all.

23 I would like to continue to use that knowledge
24 and expertise in facing what I think is going to be some
25 very tough challenges over the next five to six years.

1 And I will be happy to answer any questions.

2 CHAIRMAN PEELER: Okay. You received your
3 undergrad from Georgia?

4 MR. SHULZE: Yes, sir.

5 CHAIRMAN PEELER: Are you going to be at the
6 Clemson/Georgia game?

7 MR. SHULZE: I knew you were going to ask me
8 that.

9 No, sir. I think not being there will bring
10 my team a little bit better luck. I missed the last
11 game up there, and I think we did quite well without me.
12 But I would like to point out, too, that I'm a Carolina
13 graduate also in grad school.

14 CHAIRMAN PEELER: That doesn't help you,
15 either.

16 (Indistinct personal chatter and laughter)

17 CHAIRMAN PEELER: Any questions or comments?
18 Representative Henderson.

19 REPRESENTATIVE HENDERSON: Mr. Chairman, I
20 just have to make a comment that I have a husband that
21 has got an MBA from Georgia, and my oldest son just got
22 his degree in finance from the Terry College in December
23 and graduated. And I will be at the Clemson/Georgia
24 game in my Georgia outfit actually in one of the Clemson
25 boxes. So it will be an interesting afternoon.

1 My husband is glad that we brought that --
2 they brought that series back.

3 CHAIRMAN PEELER: I still like your orange
4 hair.

5 REPRESENTATIVE HENDERSON: But I know with
6 your experience as a CPA, it is so important to have
7 someone with your background and financial ability,
8 especially because you are from the Terry College of
9 Business on the MUSC Board; and we just appreciate your
10 service and your continued willingness to serve the
11 State of South Carolina.

12 Thank you.

13 CHAIRMAN PEELER: Senator Alexander.

14 SENATOR ALEXANDER: And I will be brief, but I
15 do -- certainly Elliott Davis is a highly-regarded,
16 recognized company and your affiliation there.

17 MR. SHULZE: Thank you.

18 SENATOR ALEXANDER: How do you see the
19 financial -- in these uncertain health-care times that
20 we are facing, not in South Carolina but across the
21 country, how do you see the financial condition today
22 and going forward if you were -- with what you know
23 being on the Board of MUSC?

24 How would you rate that if you were giving a
25 report to the shareholders about the condition of MUSC

1 and the health-care challenges that we are facing, not
2 just them but going forward?

3 MR. SHULZE: I would have to say first, we are
4 not a lot different than a lot of other academic medical
5 centers and universities that have their own medical
6 schools, colleges of medicine.

7 I, I feel like that going forward, these
8 challenges are going to be tough. I don't have the
9 answer for them. All I know is, we are all in this boat
10 together pretty well equally. And if we go under -- and
11 I'm not saying we are going under -- I think others
12 will. It will be such a catastrophic event that the
13 U.S. Congress would have to do something to change
14 whatever is out there.

15 It is not working great now. I have a fear
16 that it is not going to be working -- maybe not working
17 well at all in just a few years here, and it concerns
18 me. It concerns -- our auditors who audit a lot of
19 other universities, we asked them the same question.
20 And they have those concerns too, but they -- in the
21 conversation, well, you are not in this boat alone. You
22 are going to be -- if you go, everybody-goes-type
23 comment.

24 But I don't think that will happen; but I
25 mean, it is going to be a struggle. I'm not going to

1 lie to you. It is going to be a struggle.

2 SENATOR ALEXANDER: And certainly,
3 Mr. Chairman, at the appropriate time, I would -- he has
4 served with distinction for the 3rd Congressional
5 District. I appreciate your past service and your
6 willingness to continue to serve.

7 At the appropriate time, I move for favorable.

8 CHAIRMAN PEELER: I will take the motion.

9 Is there a second?

10 REPRESENTATIVE HENDERSON: Second.

11 CHAIRMAN PEELER: Any other discussion? Any
12 questions?

13 Thank you for your service.

14 MR. SHULZE: Thank you, sir.

15 CHAIRMAN PEELER: Y'all do a great job.

16 Thank you.

17 Well, let's vote on you.

18 MR. SHULZE: Okay.

19 CHAIRMAN PEELER: All in favor of the motion,
20 please raise your right hand.

21 Thank you.

22 MR. SHULZE: Thank you.

23 CHAIRMAN PEELER: Unanimous.

24 The next candidate.

25 MS. CASTO: The next candidate for the MUSC

1 Board is Charles B. Thomas, Jr., from Greenville. He is
2 holding the medical seat for the 4th Congressional
3 District.

4 CHAIRMAN PEELER: Good morning, sir.

5 DR. THOMAS, JR.: Good morning.

6 CHAIRMAN PEELER: Raise your right hand.

7 (The candidate was placed under oath by The
8 Chairman.)

9 CHAIRMAN PEELER: Would you like to share with
10 us why you would like to continue to serve on the board?

11 DR. THOMAS, JR.: Yeah.

12 As has been pointed out by one of y'all just a
13 minute ago, Senator Alexander, I think, there are storm
14 clouds gathering in the health care. They are gathering
15 over Charleston, South Carolina; but they are gathering
16 all over the country. We got this ACA. We got a tiger
17 by the tail. Forty million people put on the roll.

18 Y'all know all this; but it is going to
19 present, you know -- the failure is yet to expand
20 Medicaid in this state. And as y'all know, we bear a
21 tremendous amount of indigent burden in Charleston. So
22 all this is going to put strain on the Medical
23 University.

24 And I have been down there for 16 -- I'm an
25 orthopedic surgeon in Greenville, been in the trenches

1 for 24 years, still take call and all so....

2 I don't know. I just -- you know, in
3 academia, those people tend to have a little bit of a
4 liberal bent. And what I bring to the Board is
5 pragmatism and conservatism, and that may temper some of
6 their appetites at times.

7 CHAIRMAN PEELER: Thank you.

8 DR. THOMAS, JR.: You are welcome.

9 CHAIRMAN PEELER: I need that in the Senate
10 sometimes.

11 Any questions or comments for the doctor?

12 Representative Henderson.

13 REPRESENTATIVE HENDERSON: Well, Dr. Thomas,
14 being from Greenville and also friends at Spartanburg
15 Regional, thank you for your willingness to serve there.
16 I know it's not -- it is not a short drive; and your
17 willingness to serve, we really appreciate it.

18 Let me ask you a question because I was
19 waiting for a medical person to come up. Tell me about
20 some of the new programs. I was actually -- my interest
21 was piqued when I saw Mr. Bingham talking about the
22 bioengineering program. What, what is that all about?

23 DR. THOMAS, JR.: Well, you know, over the
24 past decade or since Ray Greenberg has been there, we
25 have had fairly exponential growth, both in terms of the

1 physical plant and research dollars and NIH dollars and
2 so on.

3 You know, when the economy was good, it was a
4 go-go economy, despite the fact that we haven't had a
5 bond bill in quite some time, we were able to grow the
6 enterprise.

7 And so what did you ask me about,
8 bioengineering?

9 REPRESENTATIVE HENDERSON: Well, yeah. Is it
10 a graduate program or -- I'm just curious.

11 DR. THOMAS, JR.: There are graduate degrees
12 in that; but also the professors that, you know, have
13 interests in those fields go there and do bench
14 research, you know, in an attempt to develop new things
15 that we can patent and make a little money on, which is
16 something we sorely need these days.

17 REPRESENTATIVE HENDERSON: I just thought it
18 was very interesting. I have children that study
19 science and engineering trying to figure out what they
20 want to do when they get out of school, but --

21 DR. THOMAS, JR.: Yeah.

22 REPRESENTATIVE HENDERSON: -- it is very
23 interesting. I will have to find out a little more
24 about that program.

25 DR. THOMAS, JR.: Yes.

1 REPRESENTATIVE HENDERSON: But thank you.

2 When the time is right, I would like to make a
3 motion for a favorable report.

4 CHAIRMAN PEELER: Okay. I will recognize you.
5 Senator Hayes.

6 SENATOR HAYES: I had a question.
7 Putting aside the challenges that obviously
8 you face, along with a number of other hospitals and
9 colleges, medical university, what vision do you have
10 for the future? What direction do you think MUSC should
11 be taking?

12 DR. THOMAS, JR.: Well, because of the
13 financial challenges that I have alluded to, the day
14 when we can be all things to all people, those days are
15 gone. We have -- the last time -- the last meeting we
16 had, we had six days' cash on hand.

17 You know, it is like the Old Kent cigarette
18 commercial: Smoking more and enjoying it less. There's
19 less money. We get half of what we could get through
20 the State. Two, three, four years ago, we got a hundred
21 million, thereabouts; and now we get 50 million.

22 And so we are just getting assailed on every
23 front. We are getting ratcheted down. You know, and it
24 is all about money. If you don't have money, then you
25 can't do all these things that we have done heretofore.

1 It sounds like I'm all gloom and doom, but
2 this is a very precarious time for medicine both in this
3 country and in this state.

4 The one sanguine piece of news would be the
5 fact that over the past ten years our philanthropy has
6 increased fairly dramatically. Now I think we have
7 about 300 million, you know, in our Health Sciences
8 Foundation. So if there is a silver lining to this dark
9 cloud, it is that people have been very generous and
10 opened their pockets. And it has helped some, but you
11 know -- you know, it is not enough.

12 CHAIRMAN PEELER: Senator Alexander.

13 SENATOR ALEXANDER: Thank you.

14 Thank you for your service. I just wanted in
15 the record a couple of things.

16 In your tenure on the Board, your attendance
17 record at the meetings?

18 DR. THOMAS, JR.: Yeah. Perfect attendance
19 for 16 years. I went the first eight years of school
20 and never missed a day, and then I got the mumps, and
21 they made me stay out. So I, like Ms. Pearlstine, I too
22 am an attender.

23 SENATOR ALEXANDER: Okay. And then I think
24 you are listed as retired now; is, is that correct?

25 DR. THOMAS, JR.: God, no. I have to go back

1 and operate.

2 SENATOR ALEXANDER: Yes.

3 Well, what about, what about your add -- your
4 home address is, is --

5 DR. THOMAS, JR.: 25 Gossamer Place in
6 Greenville, but I work for the Spartanburg Hospital
7 System.

8 And the way that came about was they built a
9 surgery center in Greer that I bought into as a
10 physician owner and got to know some of those folks.
11 And then they built the hospital and asked me to recruit
12 an orthopedics group. So that's how I got mixed up with
13 those people.

14 SENATOR ALEXANDER: Okay. So that's been your
15 home address for a period of time in the district?

16 DR. THOMAS, JR.: Right.

17 CHAIRMAN PEELER: Dr. Thomas, have you formed
18 an opinion on telemedicine yet? And if so, what is it?

19 DR. THOMAS, JR.: Yeah. I pretty much have.
20 I think it is an idea whose time has come. We don't
21 have enough -- we don't have a shortage of doctors. We
22 have a maldistribution. And you go over -- you go over
23 here to Palmetto or go to Charleston, the doctors are
24 treating the doctors. But you go out to Senator
25 McGill's area in Williamsburg County, and you know,

1 there is a dearth of doctors.

2 And so we are using the Internet for all sorts
3 of other things. You know, 15 years ago, if you wanted
4 to buy 100 shares of stock, you'd have to get on the
5 phone and make sure the broker was not at lunch and do
6 it; but no, it is an idea whose time has come. But
7 it -- you know, it needs to be looked at. I mean, you
8 can't do it unbridled; but no, there is some utility to
9 that and that we can exploit.

10 CHAIRMAN PEELER: Thank you.

11 SENATOR MCGILL: Mr. Chairman.

12 CHAIRMAN PEELER: Senator McGill.

13 SENATOR MCGILL: Let me just say to you,
14 Doctor, you have been an outstanding board member of
15 MUSC. You were vice chairman of the Board at one time;
16 is that correct?

17 DR. THOMAS, JR.: Correct.

18 SENATOR MCGILL: And of course, Mr. Shulze and
19 Mr. Bingham have been outstanding board members.

20 DR. THOMAS, JR.: They have?

21 SENATOR MCGILL: That's one -- do you have
22 testimony different?

23 DR. THOMAS, JR.: No. I'm just messing with
24 them. They are both -- they are both excellent board
25 members.

1 SENATOR MCGILL: I can tell you that MUSC has
2 reached out in the rural areas of South Carolina, and
3 y'all have made a major difference. And really a lot of
4 the rural hospitals would have closed a long time ago if
5 it was not because of the leadership of the Board of
6 Trustees and Ray Greenberg and past presidents that have
7 made such a big difference. These hospitals would have
8 been long gone.

9 DR. THOMAS, JR.: Yeah.

10 SENATOR MCGILL: And so I want to thank you
11 for the strength that you and the trustees have shown,
12 Dr. O'Bryan. As he and many others are going to testify
13 shortly. But y'all have made a mega difference in this
14 state.

15 And I want to share a little story with you
16 quick before we vote. Back -- my great grandfather back
17 in 1838 took a stage coach to the Medical University in
18 Charleston as a student to be a doctor.

19 And in '41, 1841, he graduated. I got his
20 diploma on my wall in Kingstree. And he was a medical
21 doctor for many years in Williamsburg County. And I can
22 tell you just from past historical, not just tradition;
23 but it is the Medical University of this country.

24 And we are proud of it. You can't compare the
25 Medical University to any other institution anywhere in

1 this country because everyone wants to get into that
2 MUSC program. We congratulate you for a fine operation.

3 DR. THOMAS, JR.: Well, thank you. I
4 appreciate it.

5 I got a similar story. You say he took the
6 stage coach.

7 My father was a surgeon and went to MUSC a
8 hundred years ago. His father was an engineer for
9 Coastline. And he lived in Florence, and he would make
10 that run from Florence to Charleston. My father would
11 hop a ride on the engine and go back to school.

12 And that came to a screeching halt one night
13 when they went off the tracks and ended up in the swamp
14 somewhere in the Pee Dee. He never did that again so --

15 CHAIRMAN PEELER: Any other questions or
16 comments?

17 For every joke that starts out, "a doctor
18 comes in and says, I have good news and bad news," I'm
19 going to visualize you now.

20 DR. THOMAS, JR.: I have a million of those.

21 CHAIRMAN PEELER: All right.

22 Representative Henderson moves a favorable
23 report.

24 Is there a second?

25 (Multiple committee members make a second.)

1 CHAIRMAN PEELER: A second is heard.

2 All in favor, please raise your right hand.

3 It is unanimous.

4 Thank you, Doctor.

5 DR. THOMAS, JR.: And I appreciate it. Thank
6 you.

7 CHAIRMAN PEELER: Thank you.

8 Next candidate.

9 MS. CASTO: The next candidate is for the 5th
10 Congressional District, the medical seat. There are two
11 running. The first one to be screened is Cotty
12 Fishburne, who is the incumbent.

13 DR. FISHBURNE: Thank you.

14 MS. CASTO: He's from Rock Hill. I'm sorry.

15 DR. FISHBURNE: And the name is Coty.

16 MS. CASTO: Coty, I'm sorry.

17 DR. FISHBURNE: I called Representative Pope
18 yest -- a couple days ago to tell him that I was running
19 for the -- for this seat. And I called everybody on the
20 delegation. And I told the lady who was from Up North
21 that my real -- she asked my real name.

22 I said, Well, it's Cotesworth Pinckney
23 Fishburne, IV.

24 And then she said, her comment was -- there
25 was a loud round of laughter. Then she said, That

1 sounds like the winning dog on the Westminster Dog Show.

2 But it is pronounced Coty, and I am a
3 candidate --

4 CHAIRMAN PEELER: Dr. Fishburne, please let me
5 swear you in.

6 DR. FISHBURNE: Oh, I'm sorry.

7 (The candidate was placed under oath by The
8 Chairman.)

9 CHAIRMAN PEELER: I know you will, even if I
10 didn't swear you in.

11 Thank you, Doctor.

12 DR. FISHBURNE: I have been on the Board for
13 25 years. And so I couldn't -- I couldn't condense
14 my -- what I had to say in less than three minutes, but
15 I think it comes out to three minutes.

16 Since I was elected to the MUSC Board of
17 Trustees as the only dentist 25 years ago, I have
18 watched the Medical University prosper with increasing
19 scores of our students on all the national examinations
20 and the successful recruitment of very outstanding
21 faculty from throughout America and really throughout
22 the world.

23 Senator McGill, thank you for your comments
24 a few minutes ago.

25 Our patients in our hospitals received the

1 utmost in medical care; and the Medical Center continues
2 to be, by far, the largest employer in the Charleston
3 area.

4 I have been especially proud of the monetary
5 contributions, that is the fundraisings, of our alumni
6 and friends, as well as the growth of our medical
7 research, the two committees that I currently chair.

8 In my first 25 years on the Board of Trustees
9 at MUSC, our budget has grown from \$250 million to
10 \$1.5 billion today. All of this was accomplished as our
11 budget from the State shrank from 38 percent to less
12 than 5 percent today.

13 South Carolina is not a rich state, and you
14 legislators have done the best that could possibly be
15 done. But however difficult our challenges have been
16 for the past, they are nothing compared to the upcoming
17 federal problems of health-care planning of today.

18 Our hospital is on such a thin margin now, and
19 we have no idea and no concrete ways to predict what the
20 future will be -- that we will be facing. After 25
21 fulfilling years, I know this would be a good time for
22 me to just bail out; but as crazy as it might sound, I
23 want to be a part of this challenge.

24 Our boat is just beginning to hit the deep
25 water and swift rapids and the jagged rocks and perhaps

1 on the verge of confusion and serious problems. This is
2 no time for me to abandon ship. I want to serve one
3 more final term to see how I might be of help.

4 Thank you.

5 CHAIRMAN PEELER: Thank you, Doctor.

6 Senator from York, do you have a question or
7 comment?

8 SENATOR HAYES: Mainly just a comment.

9 As was mentioned before, we've had a series of
10 outstanding candidates, most of whom -- a lot of whom I
11 have known by reputation and seeing their work. But I
12 know Coty Fishburne personally and as well have followed
13 his work on the MUSC Board.

14 He has been an outstanding board member. He
15 has a wonderful reputation in the York County community.
16 I think it is good to have a dental voice on that board.
17 That's a big part of the school.

18 And so I think that -- I think he's certainly
19 well qualified. I give him the highest recommendation
20 without any reservation.

21 CHAIRMAN PEELER: Thank you.

22 DR. FISHBURNE: Thank you, Wes.

23 CHAIRMAN PEELER: Any other questions or
24 comments?

25 SENATOR MCGILL: Mr. Chairman.

1 CHAIRMAN PEELER: Senator McGill.

2 SENATOR MCGILL: I also thank you for your
3 service.

4 I know that my father may have been in the
5 Senate at the time that you were elected to this board.
6 And with pleasure --

7 DR. FISHBURNE: He was my first supporter,
8 yes. Thank you.

9 SENATOR MCGILL: Well, I can tell you, your
10 reputation is impeccable, outstanding board member; and
11 you have made a major difference.

12 I can't help but think when MUSC chairman --
13 when they start talking about triple-A credit rating
14 here in this state -- that 12 states in the entire
15 country, 12 out of 50, have a triple-A credit rating,
16 and we can help credit that to MUSC's fiscal
17 responsibility that has helped this state.

18 DR. FISHBURNE: Thank you.

19 CHAIRMAN PEELER: Well said.

20 SENATOR ALEXANDER: Mr. Chairman.

21 REPRESENTATIVE HENDERSON: Senator Alexander.

22 SENATOR ALEXANDER: If I could.

23 Thank you for your years of service. In your
24 comments I think you said that the appropriation by the
25 General Assembly has gone from 38 percent down to 5

1 percent, thereabouts.

2 Would you not also, though, agree that during
3 that same period of time the Medicaid funding from the
4 State has increased for those operations, and that MUSC
5 is probably the largest recipient of Medicaid funding as
6 a provider in the State of South Carolina?

7 DR. FISHBURNE: I think that's true.

8 SENATOR ALEXANDER: Thank you, sir.

9 DR. FISHBURNE: And I didn't mean to -- like I
10 say, South Carolina is the poorest state, and I think we
11 are very generous (sic) for the help that you have
12 always given us.

13 If I might add a couple things. I visited --
14 as I said, I'm chairman of the Research Committee, and
15 there was some questions about that. We are very proud
16 of the research.

17 And I visited the Research Triangle area a
18 couple of weeks ago, and I thought about what one of our
19 professors said, that Raleigh and Duke and North
20 Carolina and North Carolina State, they have that
21 triangle there.

22 One of the people pointed out that with modern
23 computers, they said, the professor, when you get right
24 down to it, he's not going to leave his chair and go out
25 to the Research Triangle, 30-minute, 40-minute drive,

1 when we can stay in touch with Clemson and University of
2 South Carolina just as fast now on our computers with
3 what we can immediately send to them and all the graphs
4 and so forth.

5 And the Bioengineering Building,
6 Representative Henderson, you asked the question about
7 that, it is divided primarily into the devices. We have
8 had a lot of devices that have recently been licensed.
9 For instance, physical therapy, about all the special
10 braces that help people walk and also even in -- even
11 the stints in Neurology come under Bioengineering.

12 It's sort of -- we have two new buildings that
13 we are real proud of: the Drug Discovery Building and
14 Bioengineering Building. And the Bioengineering
15 Building is mostly concerned with devices; and then, of
16 course, the Drug Discovery Building is pharmaceuticals.

17 And I just wanted to add that.

18 Yes. Thank you.

19 CHAIRMAN PEELER: Thank you, Doctor.

20 Representative Henderson, did you have a
21 question?

22 REPRESENTATIVE HENDERSON: No. I'm glad --
23 thank you for explaining that.

24 SENATOR HAYES: Move for favorable report.

25 CHAIRMAN PEELER: Motion is a favorable

1 report.

2 COMMITTEE MEMBER: Second.

3 CHAIRMAN PEELER: A second is heard.

4 Any other discussion?

5 If not, please raise your right hand.

6 Unanimous.

7 Thank you, sir.

8 DR. FISHBURNE: Thank you.

9 CHAIRMAN PEELER: Next candidate.

10 MS. CASTO: The next candidate for the 5th
11 Congressional District, the medical seat, is G. Murrell
12 Smith, Sr., from Sumter.

13 CHAIRMAN PEELER: Good morning, sir.

14 DR. SMITH, SR.: Good morning.

15 CHAIRMAN PEELER: If you would, please raise
16 your right hand.

17 (The candidate was placed under oath by The
18 Chairman.)

19 CHAIRMAN PEELER: Would you like to share with
20 the Committee why you would like to serve on the Board?

21 DR. SMITH, SR.: Yes.

22 There are several reasons. One reason is that
23 I spent nine years at the Medical University: my
24 medical school and residency and internship. I learned
25 to appreciate the Medical University, learned to

1 appreciate the reputation, and certainly left there with
2 pride.

3 I have been practicing going on close to 37
4 years in the Upstate in obstetrics and gynecology. And
5 my son came back to practice in -- five years ago, and I
6 said, Well, I'm going to quit delivering babies and quit
7 taking calls; so I do gynecology. That afforded me the
8 opportunity to have time.

9 And I think that looking around at what I may
10 do in those -- in that time is, is offering myself for
11 the Medical University Board. And I think I bring to it
12 something that the other physician talked about, is, is,
13 is the -- I'm from Sumter, and we are smaller than
14 Charleston, Greenville. And we certainly have, have --
15 you talk about challenges, we have certainly in our
16 hospital have had challenges. I have been on the board
17 there.

18 I have been on the -- I have been chief of
19 staff. I have been president of the South Carolina
20 OB/GYN. I really understand the challenges that we face
21 in the future.

22 And I -- somebody asked the question, they
23 said, Well, what is your vision? My vision is to bring
24 no agenda. My vision is to really offer some of my
25 knowledge, some of my, hopefully, intelligence in that

1 way, but certainly study the issues before we make
2 decisions.

3 Be glad to answer any questions.

4 CHAIRMAN PEELER: Thank you.

5 Any questions or comments?

6 Representative McCoy.

7 REPRESENTATIVE McCOY: Thank you,
8 Mr. Chairman.

9 Dr. Smith, thank you for being with us here
10 today. I appreciate your time, and I especially
11 appreciate your time since I had a baby five days ago.
12 So I know what OB's have to go through on a daily basis,
13 and y'all's schedules are mighty tough.

14 So thank you for being here.

15 We've talked a little bit about vision for
16 MUSC; and you would be stepping in, as we heard, at a
17 unique time in MUSC's history and in the medical field's
18 history, frankly.

19 How would you see your role as a new board
20 member?

21 DR. SMITH, SR.: You know, I think that, that
22 the importance of, of listening to what the problems are
23 and, again, bringing some realistic approaches to those
24 problems. And I think that's the most important thing
25 that somebody like me can bring there, is, is, is out

1 there in the real-world experience and, and not that all
2 these other folks haven't had real-world experience, but
3 certainly in the medical field.

4 But I understand MUSC is bigger than just the
5 medical side, you know. It certainly has grown since
6 the day I was finished in '72. Things have changed
7 dramatically from the hospitals that I was in till
8 today. But I think that's the whole point. I think
9 that I've got to understand the issues, learn them, and
10 then make some good recommendations.

11 REPRESENTATIVE McCOY: Absolutely.

12 And speaking of time, Dr. Smith, and being an
13 active board member for MUSC and being in your practice
14 that you are in now, do you see any sort of time issues
15 there in terms of being able to -- being a practicing
16 physician and then also being in Charleston if needed?

17 DR. SMITH, SR.: My partners might not want to
18 hear this, but I only work three days a week, and I have
19 -- I have a house at the Isle of Palms too. So I've
20 got -- I'm very familiar with Charleston, and I'm very
21 familiar with the Medical University.

22 So no, I don't think there is any issue.

23 REPRESENTATIVE McCOY: Yes, sir.

24 I need to go on record that I do know your
25 son, and I have just moved into a suite with him. And

1 because I'm sort of a newbie in the House of
2 Representatives, he gives me a mighty hard time; but I
3 know you are proud of him.

4 Thank you for your service, and you have an
5 outstanding resume, and I think you would be a great
6 addition to MUSC.

7 Thank you.

8 DR. SMITH, SR.: Thank you.

9 CHAIRMAN PEELER: Thank you.

10 Any other questions or comments?

11 Dr. Smith, you have mentioned Isle of Palms
12 and Sumter. As far as residency goes, where do you pay
13 your 4-percent property tax?

14 DR. SMITH, SR.: I pay that in Isle of Palms.

15 CHAIRMAN PEELER: Okay.

16 DR. SMITH, SR.: Do you want me to explain?

17 CHAIRMAN PEELER: Yes, sir.

18 DR. SMITH, SR.: Okay. We moved -- my wife
19 owns the house, and the permanent residence was for
20 obvious tax purposes. And my -- I -- my voting and
21 driver's license and my permanent residence and practice
22 and everything is in Sumter. I have lived there since
23 1977.

24 CHAIRMAN PEELER: So this is for the 5th
25 Congressional District seat?

1 DR. SMITH, SR.: Right.

2 CHAIRMAN PEELER: And Isle of Palms --

3 DR. SMITH, SR.: But I don't own the house at
4 the Isle of Palms.

5 CHAIRMAN PEELER: Oh, I thought that's where
6 you said you pay your 4-percent property tax.

7 DR. SMITH, SR.: I do. That's, that's my
8 wife's house. That's what we pay.

9 CHAIRMAN PEELER: How about your house in
10 Sumter?

11 DR. SMITH, SR.: That's my house.

12 CHAIRMAN PEELER: Do you pay 4 percent on
13 that --

14 DR. SMITH, SR.: No, 6 percent.

15 SENATOR ALEXANDER: Mr. Chairman.

16 CHAIRMAN PEELER: Senator Alexander.

17 SENATOR ALEXANDER: So let me understand; the
18 house in the Isle of Palms is 4 percent.

19 Your permanent residence has always been in
20 Sumter?

21 DR. SMITH, SR.: Right.

22 SENATOR ALEXANDER: But your driver's
23 license --

24 DR. SMITH, SR.: Yes.

25 SENATOR ALEXANDER: -- has always been in

1 Sumter?

2 DR. SMITH, SR.: No. At one time it was at
3 the Isle of Palms, but it is --

4 SENATOR ALEXANDER: Voter registration --

5 DR. SMITH, SR.: Sumter.

6 SENATOR ALEXANDER: -- has always been in
7 Sumter?

8 DR. SMITH, SR.: Not always, no.

9 SENATOR ALEXANDER: But it is in Sumter now?

10 DR. SMITH, SR.: Yes, sir, my driver's license
11 and voter registration.

12 I actually -- when I was doing this, I talked
13 to your -- I explained that to the -- to your office
14 because I didn't want any conflict. And it was purely
15 just a -- just the financial way of doing things, but my
16 wife owns the house at the Isle of Palms, and I own the
17 house in Sumter.

18 SENATOR HAYES: Mr. Chairman, if we could --

19 CHAIRMAN PEELER: Senator Hayes.

20 SENATOR HAYES: -- I would -- and I understand
21 where he's coming from. I think -- you know, obviously,
22 probably the more valuable real estate would be the Isle
23 of Palms, and that would probably make sense
24 financially.

25 But I would like to get an opinion from staff

1 as to what, if any, consequence this may have on his
2 residency. I'm not just talking about staff. We might
3 want to get Mike Hitchcock or somebody from the Senate
4 to maybe look at this legally, unless we already have
5 done that. But I think that -- just for the -- for the
6 precedent, I think we need to do that.

7 CHAIRMAN PEELER: Thank you, Senator.

8 I think we have had this concern before, and I
9 think we do have an opinion on it.

10 MS. CASTO: There is an opinion; and the
11 opinion was from the Clerk's Office, in consultation
12 with the Attorney General, that it would be, where you
13 pay the 4-percent property tax is your residence.

14 CHAIRMAN PEELER: Senator Alexander.

15 SENATOR ALEXANDER: And I think to that point,
16 have we had an issue like this come up in the past?

17 CHAIRMAN PEELER: Yes, we have.

18 SENATOR ALEXANDER: That would be consistent
19 with what that was at that time; is that a correct
20 understanding?

21 MS. CASTO: Yes, sir.

22 SENATOR ALEXANDER: Okay.

23 CHAIRMAN PEELER: Do y'all want to carry this
24 over and get further opinions and -- because I think we
25 have other candidates that may have the same concern.

1 REPRESENTATIVE McCOY: Mr. Chairman, at the
2 appropriate time if I could make a motion to carry this
3 over to where we can maybe get a little more formal
4 insight on this issue.

5 SENATOR MCGILL: Second, Mr. Chairman.

6 CHAIRMAN PEELER: Thank you.

7 Thank you, Dr. Smith. No reflection on you
8 and your service. It is just something that --

9 DR. SMITH, SR.: That's why I said before, I
10 actually -- when I made the phone call, I explained
11 everything I just -- that you are asking. And I got no
12 issue. I just -- like I said, it was for financial
13 reasons.

14 CHAIRMAN PEELER: Okay. Thank you.

15 DR. SMITH, SR.: Yes, sir.

16 MS. CASTO: The next candidate we had was
17 Erika Harrison from Charleston.

18 We received an e-mail this morning that she
19 has withdrawn. So the 6th Congressional District, the
20 lay seat, is now unopposed.

21 Sandra Sims from Columbia. This is a term to
22 expire in 2016.

23 CHAIRMAN PEELER: Good morning.

24 MS. SIMS: Good morning.

25 CHAIRMAN PEELER: Please raise your right

1 hand.

2 (The candidate was placed under oath by The
3 Chairman.)

4 CHAIRMAN PEELER: Would you like to give the
5 Committee a brief statement on why you would like to
6 serve?

7 MS. SIMS: Yes. And thank you very much for
8 allowing me to be before the Committee this morning.

9 And for the last 27 years, I have been a
10 salesperson in the insurance industry; and I feel like
11 when the seat opportunity came open, that it would be a
12 grand opportunity for me to start serving.

13 After being in the industry for 27 years and
14 seeing the changes that have come about and as we are
15 all talking about our health-care reform and the things
16 that's happening, my position on the Richland Memorial
17 Board is helping me to -- I'm helping to bring that
18 vision to the board.

19 And I feel like being on the MUSC Board would
20 also afford me that opportunity, to bring that vision,
21 that perspective of the insurance industry to the Board,
22 to help assist in any way of making the transitions that
23 the industry is now in front of.

24 My husband and I have operated three
25 businesses about 21 years now. And 21 with the other --

1 with his two, and then 27 with mine. And we know and
2 understand what the bottom line means, and we know that
3 insurance pays the biggest footprint when it comes to
4 the operation of our medical industry.

5 So I feel like my -- my experience with that
6 industry will bring added insight to the Board.

7 CHAIRMAN PEELER: Thank you.

8 Representative McCoy.

9 REPRESENTATIVE McCOY: Thank you,
10 Mr. Chairman.

11 Ms. Sims, thank you for being here with us
12 today. I appreciate your time, and I appreciate your
13 willingness to step out and serve such a fantastic
14 institution like MUSC. So thank you for doing that.

15 A couple of questions. I see that you are
16 serving right now on the Richland Memorial Hospital
17 Board.

18 MS. SIMS: Yes, sir.

19 REPRESENTATIVE McCOY: And I don't know the
20 legal ramifications of how this plays out with dual
21 office holding; but if it is a legal requirement, would
22 you step down from that board if you were fortunate to
23 be elected here?

24 MS. SIMS: And I would step down, and I did do
25 some investigation. And because I was appointed by the

1 County, there is no conflict in that.

2 REPRESENTATIVE McCOY: That's good to know. I
3 appreciate you pointing that out.

4 Ms. Sims, we have heard a lot of folks come
5 forward and, over the past couple days, about their
6 interest in multiple universities across the state, and
7 we have such a gem here with MUSC.

8 And how do you see your role as a brand-new
9 board member if you are elected to MUSC?

10 MS. SIMS: Well, over the years in my -- in my
11 profession, I have traveled the state of South Carolina.
12 So I know all of the different areas of the state, and I
13 think my position on the Board, being a layperson, that
14 I would bring the vision of, probably, a lot of the
15 laypersons that's out there that may not get an
16 opportunity to get information from MUSC that's really
17 available to them.

18 And I feel like my contacts throughout the
19 state will help assist in that manner. MUSC is a
20 diamond for the State of South Carolina. I have young
21 nieces that are coming up, wanting to be pediatric --
22 pediatricians and get into the medical fields.

23 So I understand where information about MUSC
24 could be very valuable to persons that may ordinarily
25 not get that information. So I feel like my position as

1 a new board member would bring that new insight to the,
2 to the board room.

3 REPRESENTATIVE McCOY: That's great.

4 And you listed here as you are employed with
5 SAP Insurance Sales.

6 MS. SIMS: Yes.

7 REPRESENTATIVE McCOY: And that you are the
8 owner.

9 MS. SIMS: Owner.

10 REPRESENTATIVE McCOY: And how long, how long
11 have you owned this business?

12 MS. SIMS: Since 1983.

13 REPRESENTATIVE McCOY: Congratulations on
14 that. That's quite a fete.

15 And when it comes down to time and commitment
16 to MUSC, will that interfere at all with your ability to
17 come to Charleston or to go where MUSC might tell you to
18 go in terms of helping that university?

19 MS. SIMS: No, it will not. The fact that I
20 have been at it for 27 years, I am on the downside of
21 that business and have been very proactive in preparing
22 for by 28 years. I try to keep up with the State. When
23 the State changed their rules from 30 to 28, I did too.
24 So the time will be there for us to be able to travel
25 back and forth as needed.

1 REPRESENTATIVE McCOY: And piggybacking on
2 that issue as well, when it comes down to once you
3 finish this stage of being screened out and you go on to
4 hopefully be voted to become elected on the MUSC Board,
5 you have to spend a lot of time in Columbia. You have
6 to spend a lot of time of getting to know a good many of
7 us sitting up here right now, from Representatives to
8 Senators.

9 Do you see there being any sort of issue with
10 that, or do you have a problem with that type of
11 scenario?

12 MS. SIMS: Well, no, I do not. I understand
13 what it takes to be appointed to a board of this
14 magnitude. So being ready to put forth the efforts that
15 get -- I felt like once I got through the screening
16 process -- I've had my cards printed and I know how to
17 stand at the escalator and meet and greet and give out
18 cards. So I feel like the time and energy that it will
19 take to be appointed to this board will be well spent,
20 and you will get to know all the representatives
21 throughout the State.

22 I have -- I do have a little edge on -- my
23 husband is a caterer. That's one of his businesses. So
24 he comes along and feed -- do breakfast for you guys a
25 lot, so I kind of have an insight on that. So that

1 gives me a little edge on being comfortable with being
2 around the House and the Senate.

3 REPRESENTATIVE McCOY: A lot of times that's a
4 good way to get in with some of these folks, with good
5 food. That's a good plus.

6 I have to ask this as a final question, and I
7 see this on your application. And I'm proud of it.
8 Don't get me wrong because I'm a, I'm a big Gamecock,
9 but you listed on here as your husband has made some
10 applications towards some football tickets and --

11 MS. SIMS: We had bidden on the premier
12 seating on USC for serving food in The Zone or the
13 premier seatings like the boxes and scholarship rooms.
14 And that bid has since passed, and we did not get it,
15 but it was in the process when I filled out that
16 application.

17 REPRESENTATIVE McCOY: Great, and I appreciate
18 you disclosing that. I don't have any other questions.
19 Thank you for entertaining my questions here.

20 Thank you, Mr. Chairman.

21 CHAIRMAN PEELER: Thank you.

22 Representative Mack now.

23 REPRESENTATIVE MACK: Thank you, Mr. Chairman.

24 Ms. Sims, it is good to see you.

25 MS. SIMS: Always a pleasure.

1 REPRESENTATIVE MACK: You have a very good
2 resume.

3 One of the things that I would like you to
4 expand on that could be problematic is your driving
5 record: the tickets, the accidents. Can you expound on
6 that and give an explanation of the time frame and what
7 happened and --

8 MS. SIMS: Yes, I can.

9 REPRESENTATIVE MACK: And just kind of put
10 that in perspective. I would hate to see this as, as
11 something that can, that can hinder you from serving.

12 MS. SIMS: Okay. Well, as I have said, I have
13 served in the insurance industry for 27 years; so it is
14 nothing for me to put 1500 miles on my car a week.

15 Okay. So I'm in the car a lot. A lot more
16 than probably the average. So because of that, I just
17 have more chances of getting caught speeding, okay, not
18 that I don't speed but getting caught speeding.

19 And we -- the speeding tickets, even when I
20 was -- which is my biggest problem, and I try to do
21 better. When I was younger, I used to have a
22 five-speed; so changing those gears was just real
23 exciting for me. And so I did that and got caught, got
24 in trouble doing it.

25 And so I went a long period of time without

1 getting tickets and then got in the insurance business.
2 And so doing that, again, has afforded me to be on the
3 road a lot.

4 I have an Yukon right now, and it has 357,000
5 miles on it, and it is because I am on the road all the
6 time traveling from one appointment to the other, from
7 one part of the state to the other.

8 It is very normal for me to be in Greenville
9 in the morning and back in Columbia in the afternoon, or
10 I have had days where I have left Greenville and drove
11 all the way back to Charleston.

12 REPRESENTATIVE MACK: Okay. And you know, you
13 are talking to a group of folks that drive a lot.

14 MS. SIMS: Right.

15 REPRESENTATIVE MACK: Have you, have you
16 improved on that situation? And if so, for how long?
17 Can you put a perspective on it in terms of -- you know,
18 we want -- we have people that come up with different
19 issues. But if they do, we -- you know, I don't know
20 how this is going to, how this is going to be looked at
21 by the other members, but how long have you been doing
22 better, so to speak?

23 MS. SIMS: About ten years, better.

24 Now, I cannot say I have not gotten a speeding
25 ticket; but it has not been anything like it has been.

1 I was just getting speeding tickets within a regular
2 basis.

3 REPRESENTATIVE MACK: Well, you have gotten
4 them within the last ten years so --

5 MS. SIMS: Oh, yes, I have, but not like just
6 one right after the other. At one point in my life, I
7 was getting them almost every other month almost. And
8 so the speeding tickets -- in fact, unfortunately I just
9 had an accident the day before yesterday.

10 We were at the red light, and the cars on the
11 left of me took off. And I took my foot off my brakes
12 and rolled into a young lady. Didn't do much damage;
13 but you know, just the fact that I took my foot off my
14 brake, looking in my peripheral vision instead of
15 looking straight in front of me, my car rolled into her.
16 That was an accident that I just had.

17 But, you know, I consider myself a pretty
18 cautious driver. I have not caused anyone any bodily
19 injury or anything in the accidents that I have ever
20 had. It has not been because of any drinking or any
21 intoxication of any form or anything like that.

22 And so I do consider myself a driver that
23 watch the road for the most part and try to pay
24 attention to what's going on around me.

25 REPRESENTATIVE MACK: Thank you, Mr. Chairman.

1 CHAIRMAN PEELER: Thank you.

2 So according to our information, you've had
3 four accidents in like the last ten years. And this
4 next one is -- would be the fifth?

5 MS. SIMS: Yes.

6 REPRESENTATIVE HENDERSON: Is it --

7 CHAIRMAN PEELER: According to my information,
8 it says four. Contributed in '10, '06, '05, and '04.
9 One failure to yield in '06, and one did not contribute
10 to accident in '08. Five speeding tickets.

11 One thing I can glean from this, it is
12 probably good you are in the insurance business. I
13 think you would be in a high-risk category.

14 MS. SIMS: Category, yes.

15 CHAIRMAN PEELER: I think that's what y'all
16 call it.

17 But you have satisfied the tickets?

18 MS. SIMS: Yes.

19 CHAIRMAN PEELER: Paid the fines?

20 MS. SIMS: Yes.

21 CHAIRMAN PEELER: Suffered the points?

22 MS. SIMS: Yes.

23 CHAIRMAN PEELER: You currently have no points
24 on your license now.

25 MS. SIMS: No, I do have points.

1 CHAIRMAN PEELER: You do?

2 MS. SIMS: I have points against me, yes.

3 CHAIRMAN PEELER: After that last wreck,

4 probably, and then -- how many points do you have left

5 on you?

6 MS. SIMS: I have six, I would imagine. I

7 haven't gotten the notice from D.O.T. saying that I

8 don't have. Because usually I have gotten the notice,

9 if you get in a window where you have five or less or

10 something like that, you will get a notice; but I

11 haven't received a notice from D.O.T. saying that.

12 CHAIRMAN PEELER: According to your ten-year

13 driving record, it says zero. Points summary, zero.

14 MS. SIMS: Yeah. That's what I said. None

15 of -- the accident has not caused me to lose any points

16 from, from D.O.T.

17 CHAIRMAN PEELER: But as far as a monetary

18 situation, you have no liens against you.

19 MS. SIMS: No, sir.

20 CHAIRMAN PEELER: You've paid your fines.

21 MS. SIMS: Yes, sir.

22 CHAIRMAN PEELER: You are up to date on all

23 your bills.

24 MS. SIMS: Insurance, any claims that had to

25 be paid because of an accident or something I have done,

1 my insurance have taken care of it. I have no liens, no
2 financial distress that I --

3 CHAIRMAN PEELER: And you have owned your
4 insurance company since '80 --

5 MS. SIMS: '83.

6 CHAIRMAN PEELER: '83. No problems there?

7 MS. SIMS: No, sir.

8 CHAIRMAN PEELER: Any other questions?

9 Senator from York, Senator Hayes.

10 SENATOR HAYES: I hate to go on and beat a
11 dead horse, but there was one other thing on here. It
12 said your license was suspended for driving under
13 suspension.

14 MS. SIMS: Yes, sir, in 1987.

15 SENATOR HAYES: Was that '87 when that
16 happened?

17 MS. SIMS: Yes.

18 SENATOR HAYES: How did that happen?

19 MS. SIMS: Driving because I was -- in the
20 insurance business, I just had to drive to get to work.
21 And at that point they had stopped issuing provisions
22 for you to be able to drive without your license. And
23 so it was either I drive and take my chances or be at
24 home unemployed and not be able to work --

25 SENATOR HAYES: What did you lose your license

1 for?

2 MS. SIMS: Speeding tickets.

3 SENATOR HAYES: You lost your points -- you
4 lost your license at that point, but you still drove,
5 and then you got your license suspended after that.

6 MS. SIMS: Yes.

7 SENATOR HAYES: How long was your license
8 suspended?

9 MS. SIMS: Ninety days.

10 SENATOR HAYES: But nothing since then?

11 MS. SIMS: No, sir.

12 SENATOR HAYES: Nothing further.

13 CHAIRMAN PEELER: Any other questions or
14 comments?

15 What's the desire of the Committee?

16 REPRESENTATIVE WHITMIRE: One comment real
17 quick.

18 CHAIRMAN PEELER: Okay. Thank you.

19 Representative Whitmire.

20 REPRESENTATIVE WHITMIRE: Thank you for
21 offering to serve.

22 Please slow down.

23 MS. SIMS: Yes, sir.

24 REPRESENTATIVE WHITMIRE: And this, you know,
25 you are trying to get on the Medical University Board;

1 and that, that's just -- one of these days, you are
2 going to be speeding, and you are not -- you're going to
3 have a problem with somebody getting hurt. So, you
4 know, work on that.

5 MS. SIMS: Thank you, sir.

6 CHAIRMAN PEELER: We have heard from an
7 OB/GYN, and I guess speeding tickets are like being a
8 little bit pregnant. Just about every candidate has had
9 a ticket or two, but five and five accidents, like
10 Representative Whitmire said, just slow down.

11 MS. SIMS: Slow down, yes, sir.

12 If I haven't hurt anyone --

13 CHAIRMAN PEELER: And we don't want you to.

14 That's --

15 MS. SIMS: No, I'm not saying that.

16 When I left home from my mom, she said,
17 Sandra, slow down and take your time. And I have been
18 fortunate enough to be married to Herbert Sims for the
19 past seven years; and he has definitely been on me about
20 slowing down. And if speeding is something that will
21 hinder me from doing something that I have a desire in
22 my heart and if you all make a decision not to affirm me
23 today, then if I don't learn anything else from this
24 process, slowing down will be --

25 REPRESENTATIVE MACK: Move favorable.

1 CHAIRMAN PEELER: Motion is a favorable
2 report.

3 Second?

4 REPRESENTATIVE McCOY: Second.

5 CHAIRMAN PEELER: Seconded.

6 Any other discussion?

7 Hearing none, let's proceed to a vote.

8 All in favor, please raise your right hand.

9 (Each committee member's hand was raised with
10 the exception of Representative Henderson.)

11 CHAIRMAN PEELER: Would you like to --

12 REPRESENTATIVE HENDERSON: I would -- yeah.

13 This just makes me very uncomfortable. We've
14 had people yesterday that -- you know, a lot of people
15 have a record, but just something about this -- it is --
16 I just -- I can't support a favorable report. I'm
17 sorry, so I just wanted to go on the record that it just
18 makes me uncomfortable. And I just feel like -- you do
19 need to slow down because, you know, one of these days
20 you are going to have a wreck and something is going to
21 happen to somebody.

22 And you know, we all care about each other;
23 and we want to make sure everybody is safe so...

24 Thank you, Mr. Chairman.

25 CHAIRMAN PEELER: Like I said, three speeding

1 tickets is, is too many. Five is too many. Like I
2 said, I don't know what, what the breaking point is, and
3 maybe we need to visit that, on how many speeding
4 tickets are too many to be qualified.

5 I think my -- my determination would be that
6 if you've -- I think lawyers call it adjudicated. As
7 long as you have gone to court, you've paid your fine,
8 you are doing what you are supposed to do, that's,
9 that's good.

10 If you had outstanding fines, then that would
11 have probably made me vote against you; but I'm going to
12 give you the benefit of the doubt. There is some doubt,
13 but I will give you the benefit of it.

14 Senator Alexander.

15 SENATOR ALEXANDER: And I would also like to
16 go on the record, and I did support moving forward. But
17 I guess I even come down -- and I agree with all the
18 other comments. But the biggest concern I have is, is
19 really the part about driving under suspension.

20 There are a lot of folks that lose their
21 driver's license; and I mean, to me, I'm glad it was
22 back in 1987, it was not more recent than that. And I
23 think that is the reason that I think that, that I felt
24 okay about or at least willing to overlook that.

25 But to me, once someone's license has been

1 suspended, whether it's for work or other reasons, they
2 have to abide by those decisions. I just -- please just
3 be careful going forward from that standpoint, and
4 hopefully you are getting that message loud and clear.
5 Please.

6 CHAIRMAN PEELER: Okay. Well, if anything
7 good comes from this, maybe you will slow down and maybe
8 we have helped.

9 MS. SIMS: I will report back in the next five
10 years that I have had no tickets.

11 Thank you very much.

12 CHAIRMAN PEELER: Thank you.

13 SENATOR ALEXANDER: I hope you do that.

14 CHAIRMAN PEELER: Next candidate.

15 MS. CASTO: The next candidate is from the 6th
16 Congressional District, the medical seat, Ragin Monteith
17 from Columbia.

18 CHAIRMAN PEELER: Good morning.

19 DR. MONTEITH: Good morning.

20 CHAIRMAN PEELER: Please raise your right
21 hand.

22 (The candidate was placed under oath by The
23 Chairman.)

24 CHAIRMAN PEELER: A brief statement to the
25 Committee on why you would like to serve.

1 DR. MONTEITH: Sure. I just would like to say
2 I'm honored to be here. I'm new to the process and new
3 to all of you guys here, but I'm sure y'all know my
4 husband pretty well, and I hope you will not hold that
5 against me, but I just wanted to give you a little
6 background on myself before I tell you why I want to be
7 a member of the MUSC Board of Trustees.

8 But I was born and raised in South Carolina
9 and moved away for 11 years to train, a college in
10 Atlanta, and I attended the University of Pennsylvania,
11 Philadelphia, and was given the opportunity to do my
12 pediatric training in Children's National, D.C. And I
13 had a wonderful opportunity to come back to Columbia to
14 work at the largest community health center in the area,
15 at Eau Claire Cooperative Health Centers.

16 So I have always known that I wanted to be a
17 physician because I have a lot of family members that
18 are physicians; and I have family members that have
19 served the community very well, one of them being
20 Modjeska Simkins, whose picture is in the State House,
21 and my grandfather who was the first African-American on
22 the Agricultural Board.

23 For me, it would be an honor to continue the
24 family legacy of serving on the MUSC Board of Trustees
25 and an honor to serve MUSC as well, to be a part of the

1 Board and be a part of shaping health care in South
2 Carolina because, as we know, that we are pretty much in
3 the top in terms of rates of obesity and poor health
4 care. So it would be an honor being a part of that.

5 CHAIRMAN PEELER: Thank you.

6 Any questions or comments?

7 Representative McCoy.

8 REPRESENTATIVE McCOY: Dr. Monteith, thank you
9 for taking the time to be here with us today. I
10 appreciate it.

11 DR. MONTEITH: Thank you.

12 REPRESENTATIVE McCOY: Can you tell the panel
13 a little bit about your background in the medical field
14 and what you actually practice?

15 DR. MONTEITH: I'm a pediatrician, and I have
16 been -- I guess you would say for 11 years. I did three
17 years of residency, and I have been here almost nine
18 years, and I work at the health center in the area. I
19 see patients at our office in West Columbia, and I'm
20 also -- do hospital rounds. So I work at Lexington,
21 Richland, and Baptist.

22 And I also serve on a few committees through a
23 couple of insurance companies, so I have a little bit of
24 experience.

25 REPRESENTATIVE McCOY: Are you part of a

1 particular practice, or are you affiliated with a
2 hospital?

3 DR. MONTEITH: Yes. I'm associated with
4 Eau Claire Cooperative Health Centers.

5 REPRESENTATIVE McCOY: In terms of time and in
6 terms of commitment to MUSC, is that going to be any
7 sort of issue with your practice and being on the MUSC
8 Board?

9 DR. MONTEITH: I don't believe so at all. If
10 I have to take leave, they understand that. And I have
11 a very supportive husband and family and a great nanny,
12 so it shouldn't be an issue.

13 REPRESENTATIVE McCOY: And I understand that
14 you are a new mother.

15 DR. MONTEITH: I am. I have a five-month-old
16 who kept us up all night last night.

17 REPRESENTATIVE McCOY: I'm with you. I have a
18 five-day-old, so I am right there with you. I know the
19 feeling.

20 I think you have an impeccable resume, and I
21 think you would be a fantastic member of the MUSC Board,
22 and I especially admire your youth and wanting to a part
23 at such a young age. I think that's essential for
24 adding new ideas and insight to what a board would be
25 tackling. So I want to thank you for stepping forward

1 and wish you the best.

2 DR. MONTEITH: Thank you.

3 CHAIRMAN PEELER: Other questions or comments?

4 Senator Alexander.

5 SENATOR ALEXANDER: I apologize, but I do --

6 good morning, and thank you for your willingness to

7 serve.

8 Looking on your information here, though,

9 under regulated businesses, is that, is that --

10 MS. CASTO: Dr. Monteith, he's in the

11 Statement of Economic Interests Form, Question Number

12 14.

13 DR. MONTEITH: Oh, yes.

14 SENATOR ALEXANDER: Yes.

15 Could you explain to me what, what that

16 entails as far as your work or what, what potentially

17 could be with --

18 DR. MONTEITH: As far as I know, I don't think

19 there is any conflict.

20 I actually am a physician member of the

21 Pharmacy and Therapeutics Committee at Absolute Total

22 Care. So we work on, you know, issues relating to

23 pharmacies and medicines --

24 SENATOR ALEXANDER: Formularies and things of

25 that nature?

1 DR. MONTEITH: Exactly.

2 SENATOR ALEXANDER: And what to cover from
3 that standpoint, I think. Okay.

4 And what -- the other one below that.

5 DR. MONTEITH: Is InStil Health. It's
6 associated with Tricare, and I serve on the -- it's a
7 peer-review committee, so we accept physicians into the
8 network, review physicians where there are questionable
9 records, and accept hospitals into networks.

10 SENATOR ALEXANDER: Thank you. And I believe
11 I heard you in response to Representative McCoy that,
12 that your work and efforts would not -- you don't
13 envision that being a problem for you having the ability
14 to participate and do what's necessary as far as being a
15 member of the MUSC Board.

16 DR. MONTEITH: Not at all. Like I said, my
17 husband has been very encouraging and supportive of me
18 going forward with this.

19 SENATOR ALEXANDER: Good. Thank you.

20 Thank you, Mr. Chairman.

21 CHAIRMAN PEELER: Senator Hayes.

22 SENATOR HAYES: Just a couple of questions.

23 Where did you get your undergraduate and
24 medical degree?

25 DR. MONTEITH: I went to Spelman College in

1 Atlanta and attended the University of Pennsylvania.

2 SENATOR HAYES: For your medical degree?

3 DR. MONTEITH: Yes.

4 SENATOR HAYES: The information, it looks like
5 you are unopposed, just looking at this list.

6 What vision do you have for MUSC? Where do
7 you think it should go?

8 DR. MONTEITH: Well, I hope to bring, as
9 Senator McCoy said -- Representative McCoy -- youth and
10 energy. And I do have, as being -- you know, attended
11 University of Pennsylvania, ideas, or, you know,
12 programs that were developed when I was there.

13 And so hopefully I can bring experience from
14 attending somewhere outside of the state but being a
15 South Carolinian and help grow MUSC. I know it is the
16 top medical university in South Carolina.

17 But as people have stated before, everything
18 or every university can be better than what it is. So
19 hopefully I can help and be a part of that.

20 SENATOR HAYES: Okay. All right.

21 CHAIRMAN PEELER: Representative Whitmire has
22 a question.

23 REPRESENTATIVE WHITMIRE: Do you know you are
24 only three years older than my daughter, and look at
25 what you have accomplished. I mean --

1 DR. MONTEITH: Thank you.

2 REPRESENTATIVE WHITMIRE: Do you -- just quite
3 impressive.

4 I do have a question, though. That your
5 husband is a lobbyist --

6 DR. MONTEITH: Yes.

7 REPRESENTATIVE WHITMIRE: If he would happen
8 to represent any interests that would be dealing with
9 MUSC, how will you handle that?

10 DR. MONTEITH: I, I guess I would have to
11 speak with him. I have never been -- thought of that as
12 being a conflict or -- I guess I would have to discuss
13 with him whether I would step down or he would --

14 REPRESENTATIVE WHITMIRE: I mean, would you
15 recuse yourself from a vote?

16 DR. MONTEITH: Oh, yes, definitely.

17 REPRESENTATIVE WHITMIRE: That's what I meant.

18 Okay. Outstanding is all I can say.

19 CHAIRMAN PEELER: Thank you.

20 Representative Mack.

21 REPRESENTATIVE MACK: Thank you, Mr. Chairman.

22 I also wanted to say how much I appreciate
23 your willingness to serve. It is good to have a
24 combination of experience and youth, and I appreciate
25 what you bring to the table.

1 DR. MONTEITH: Thank you.

2 CHAIRMAN PEELER: Anyone else?

3 COMMITTEE MEMBER: Motion for favorable.

4 CHAIRMAN PEELER: Motion is a favorable
5 report.

6 Is there a second?

7 COMMITTEE MEMBER: Second.

8

9 CHAIRMAN PEELER: A second is heard.

10 All in favor, please raise your right hand.

11 Thank you.

12 It is unanimous.

13 DR. MONTEITH: Thank you.

14 CHAIRMAN PEELER: Thank you so much for your
15 willingness to serve.

16 Next candidate.

17 MS. CASTO: The next candidate is Conyers
18 O'Bryan from Florence. He is an incumbent but in a new
19 congressional district. So this is the new 7th
20 Congressional District, medical seat, on the MUSC Board.

21 CHAIRMAN PEELER: Good morning, sir.

22 DR. O'BRYAN: Morning.

23 (The candidate was placed under oath by The
24 Chairman.)

25 CHAIRMAN PEELER: Would you like to give us a

1 brief statement?

2 DR. O'BRYAN: I appreciate being here, and I
3 appreciate the opportunity to serve again.

4 I have been on the Board since 1976, not 1824
5 as some people suggest.

6 (Laughter throughout the room)

7 DR. O'BRYAN: I served three terms as
8 chairman, and I actually just finished eight years of
9 service on the CMS National Advisory Committee. So I
10 think it is an awfully good time to bring that
11 experience back to the Board.

12 It looks like y'all's board will have probably
13 a 40- or 50-percent change in its membership within the
14 next year or two, and I think it's good that we can have
15 some people there. I remember coming on as a young turk
16 with some great ideas but that were not fruitful at all,
17 unfortunate to say, by people who had been there a
18 while, who had been there and done that.

19 CHAIRMAN PEELER: Sounds good.

20 Any questions or comments?

21 SENATOR HAYES: I think -- Mr. Chairman.

22 CHAIRMAN PEELER: Senator Hayes.

23 SENATOR HAYES: Of course, I know Yancey will
24 want to speak out. But from my knowledge of your
25 service, I appreciate it, and you have done an

1 outstanding job on the Board.

2 I think there is an issue here with 4 percent.

3 Where do you pay your 4-percent property on your home?

4 DR. O'BRYAN: In Florence. My home in
5 Florence.

6 SENATOR HAYES: Okay. And where is that? Is
7 that -- that's the 7th Congressional District?

8 DR. O'BRYAN: 7th Congressional District,
9 middle of Florence.

10 SENATOR HAYES: I think we just need to pin
11 that down for sure and make sure you are a resident of
12 the district that you are running in, which is the 7th
13 District.

14 CHAIRMAN PEELER: So with the reapportionment
15 and so forth, the new district, you are in the 7th?

16 DR. O'BRYAN: I am.

17 CHAIRMAN PEELER: Where you pay your 4
18 percent.

19 DR. O'BRYAN: I am.

20 CHAIRMAN PEELER: On your driver's license, I
21 think it gives your medical practice address. Is there
22 any reason for that? Is that where you get most of your
23 mail?

24 DR. O'BRYAN: I get most of my mail at 530
25 Juanita. The business and medical park is Cheves

1 Street. That's the office, which is in the middle of
2 Florence; but my car is under McLeod Service. I hand
3 in every month mileage to be documented for that as a
4 car.

5 So the accountants said to list that under 800
6 Cheves Street because of that.

7 CHAIRMAN PEELER: Any other questions or
8 comments?

9 SENATOR HAYES: As far as the, the address on
10 the license, would that make any difference as far as --
11 with one district or another? All of these addresses
12 are in the 7th Congressional District now. Would it
13 make any difference or --

14 DR. O'BRYAN: No, none at all.

15 CHAIRMAN PEELER: Senator Alexander.

16 SENATOR ALEXANDER: Thank you.

17 And good morning. Good to see you this
18 morning, and I appreciate your years of faithful service
19 and obviously with your involvement with CMS, on their
20 committee and things.

21 Obviously, with your -- over the years of --
22 in most recent years, your attendance at board meetings
23 and things, how would you classify that, 100 percent, 90
24 percent?

25 DR. O'BRYAN: 100 percent.

1 SENATOR ALEXANDER: 100 percent.

2 Thank you, sir, your willingness to continue

3 to serve.

4 CHAIRMAN PEELER: Senator McGill.

5 SENATOR MCGILL: Dr. O'Bryan, I want to follow

6 up on this address business.

7 Down in Charleston you own a piece of

8 property.

9 DR. O'BRYAN: Yes.

10 SENATOR MCGILL: What percent are you -- is it

11 6 percent?

12 DR. O'BRYAN: 6 percent in Charleston, 4

13 percent in Florence.

14 SENATOR MCGILL: Okay. You have a son who is

15 a doctor, medical doctor, in Charleston.

16 DR. O'BRYAN: Yes. Edward Conyers O'Bryan,

17 III.

18 SENATOR MCGILL: And from what I understand,

19 he now has moved into that house because he sold his

20 house. And I understand he's going to build a house at

21 some point; but the fact remains, 4 percent in Florence

22 and 6 percent in Charleston.

23 DR. O'BRYAN: Yes, that's correct.

24 SENATOR MCGILL: Okay. Let me ask you this.

25 You're saying back in the '70s you were elected, and I

1 realize that a lot of changes have occurred, and we have
2 heard testimony today about the finances.

3 What has changed since you have been on that
4 board? I have no idea what the State of South
5 Carolina -- what percent of MUSC's budget was funded by
6 the State, and I don't know what it is today.

7 DR. O'BRYAN: Well, when I came on the Board,
8 we had 58 percent from the State. Now we are under 5
9 percent.

10 SENATOR MCGILL: Wow. I would assume a lot of
11 the universities all over this state -- Clemson, USC,
12 State, Citadel -- a lot of these universities and
13 colleges, the numbers, Mr. Chairman, evidently have just
14 drastically changed, which has put major hardships on
15 the universities and the colleges in this state.

16 What is the answer for us moving forward with
17 financing?

18 DR. O'BRYAN: Well, what we have done at the
19 Medical University is actually become lean, as you know.
20 We have unfortunately had to retire or put on different
21 categories a number of people, over probably 1500.
22 That's one thing.

23 The second thing, all the physicians are
24 basically on production minus overhead; and that makes a
25 big difference in how much they contribute back to the

1 University. So physicians are basically, in a way,
2 supporting the Medical University now.

3 SENATOR MCGILL: I -- with true testament, I'm
4 proud of the fact that you are in the medical
5 profession. I have known your family a lot -- the
6 O'Bryans live all over the Pee Dee, Williamsburg. I
7 know you own property in Florence and areas in the
8 Pee Dee.

9 And there is no question, also, that, that you
10 have been a contributor forever and ever of your time
11 and energy. How many hours a week do you spend at
12 McLeod's -- at your office in Florence working with
13 patients?

14 DR. O'BRYAN: Probably about 60 hours per
15 week.

16 SENATOR MCGILL: Sixty hours because you've
17 got that work ethic. That's your hobby.

18 DR. O'BRYAN: That's my hobby and -- my
19 hobby-cation and my vocation are the same.

20 SENATOR MCGILL: Right.

21 The thing that, that, that I want to say to
22 you, your Hollings Cancer Clinic, I'm grateful for it.
23 Dr. Cole and all the doctors at MUSC. My wife, she had
24 double -- she had breast cancer and had a double
25 operation, took treatments. And of course, six years

1 now, six years later -- she had a checkup this week, and
2 I saw this garden down there at the Hollings Cancer
3 Clinic. Very beautiful.

4 But we are deeply appreciative of our Hollings
5 Cancer Clinic. I realize all is always in the Lord's
6 hands; but as a matter of fact, the treatments she's
7 received for five, six years now has been remarkable.
8 They can't find the cancer, which is a blessing from the
9 Lord. But, but many others have limited times.

10 To go down and see that camp that MUSC puts on
11 for these four-, five-, six-year-old children. And if
12 you look in the eyes of those children, it is just a
13 matter of time, a year or couple of years, and they will
14 be gone and won't be here. But how blessed we are and
15 how we take things for granted each and every day.

16 And one last thing I would like to say to you,
17 Conyers, and all the trustees, my mother is 83 years of
18 age. She fell four weeks ago, broke her hip in three
19 places, splintered the bone in her hip. Hit the back of
20 her head, two major gashes. Ended up at the Medical
21 University.

22 A week and a half later, she was fixed back as
23 close to 100 percent after surgery; and she took some
24 P.T. and every living thing, I guess, you could take.
25 And I'm proud to say because of MUSC, because of the

1 quick reaction, the medical care that was given to my
2 mother, I can tell you right now that -- I couldn't
3 believe it. She walked, I guess, probably some 300
4 steps this past weekend.

5 And as -- she's at the Kingstree Hospital, and
6 I realize we have to shift from place to place. And
7 there are limits because you have to have these beds
8 open for others that need help.

9 But we take for granted so often MUSC and so
10 many of our hospitals all over this state. And so with
11 that, I would like to say to you, thank you, to each of
12 these trustees and future members that will serve. But
13 the finance, realize that will be an issue. And I want
14 to thank you.

15 DR. O'BRYAN: Thank you.

16 CHAIRMAN PEELER: Well said, Senator.

17 Any other questions or comments?

18 Dr. O'Bryan, the name Conyers O'Bryan is
19 synonymous with MUSC; and I want to personally tell you
20 I appreciate the service you have done for the State of
21 South Carolina and your service for MUSC and your
22 service here.

23 You have been Doctor of the Day how many
24 years?

25 DR. O'BRYAN: Well, Drs. Strother (phonetic),

1 Hope (phonetic), and I started that actually with doing
2 physical exams on the legislators; but they did so
3 poorly, we went into Doctor-of-the-Day care. That's
4 about 35 years ago.

5 CHAIRMAN PEELER: Thank you for that.

6 SENATOR MCGILL: Move favorable report.

7 CHAIRMAN PEELER: The motion is a favorable
8 report.

9 COMMITTEE MEMBER: Second.

10 CHAIRMAN PEELER: A second is heard.

11 And thank you for clearing up that 4 percent.

12 I think that's important. So I'm glad that's -- we will
13 proceed to a vote.

14 All in favor, raise your right hand.

15 Unanimous.

16 Thank you, Doctor.

17 Next candidate.

18 MS. CASTO: The next candidate -- there are

19 three candidates running for the 7th Congressional

20 District, the lay seat. This term expires in 2014.

21 The first candidate is James Battle from
22 Nichols.

23 CHAIRMAN PEELER: Good morning.

24 MR. BATTLE: Good morning.

25 CHAIRMAN PEELER: If you would, please raise

1 your right hand.

2 (The candidate was placed under oath by The
3 Chairman.)

4 CHAIRMAN PEELER: Would you like to give a
5 brief statement to the Committee on why you would like
6 to serve?

7 MR. BATTLE: Yes. I have a number of reasons
8 why I would like to serve on the MUSC Board.

9 The primary reason is that I live in a very
10 rural part of the state. I've represented this part of
11 the state for the last 16 years in the General Assembly.
12 I understand the problems of these rural areas.

13 Looking at the current board, the rural parts
14 of the state are under -- in my opinion,
15 underrepresented on this board. In the 2012 Annual
16 Report, Dr. Greenberg said that rural areas do have
17 special problems.

18 He said that they have dual problems, and that
19 the rural areas have a -- normally a higher incidence of
20 disease than the rest of the state, and yet we have
21 limited access, not only to the primary but to the
22 specialty care.

23 I think MUSC are doing some things through
24 telemedicine and other things to help remedy that, but I
25 would like to see that continue. And I know the

1 problems we have down there.

2 Furthermore, I would like to say that the
3 Medical University of South Carolina, as all of us know,
4 is a real asset for the State. It is a wonderful
5 university and a world-class hospital as well.

6 I think that this not only needs to be
7 protected but it needs to be nurtured. It needs a -- to
8 help grow. Most everybody up here, especially those
9 folks that are already on the Board, are incumbents.
10 They have alluded to the potential problems. The
11 gathering clouds, I think that one of the doctors said.
12 There are a number of problems out there that I see.

13 First of all, and you have heard most of
14 these, but we have an aging population. With -- the
15 aging population will bring on more care.

16 One of the things that we may not have thought
17 about is, most of this aging care is going to be paid
18 for with Medicare or Medicaid. Of course, Social
19 Security is a part of it. These are entitlements.
20 Entitlements are a big part of the discussion in
21 Washington today.

22 We are not going to be getting more money out
23 of Medicare in the future to help pay for the visits for
24 the patients. That's a potential problem.

25 Another problem we have, a potential problem

1 we have, is one that you are experiencing right now.
2 State budgets are getting tighter, and that's not going
3 to change any time soon. Even if revenues start coming
4 in, South Carolina has lots of needs. It is no longer
5 spending its money; it is rationing scarce resources, as
6 you know. So I don't see higher education getting a big
7 windfall profit from the State coming forward. So that
8 is another problem.

9 One more thing that has been talked about a
10 great deal in here is the, is the -- again, the
11 gathering clouds. But the changes in the federal
12 health-care program that we have, the new laws that are
13 out there, I don't think any of us understand all of the
14 implications for this, but we do know that it has
15 created and is creating a lot of anxiety, a lot of
16 uncertainty. Folks don't know what to do. Many
17 health-care institutions, including MUSC, are already
18 facing some financial challenges.

19 I feel like that my background as a
20 businessman, I have been a businessman all of my life,
21 and the fact that I served on a rural hospital board for
22 twenty-some years before running for the General
23 Assembly, sixteen years ago, makes me uniquely qualified
24 for this board.

25 And when I say that -- a businessman, I spent

1 all of my adult life in business. I got a B.S. degree
2 from the Citadel. I got an M.B.A. from the University
3 of South Carolina. I worked for a large regional bank a
4 long time ago before you could bank across state lines.
5 I worked for an international investment firm. In fact,
6 at the time it was the largest in the world, both in New
7 York and in Charlotte. Then I moved home and worked
8 with my family in an agribusiness for the last 40 years.

9 And I can tell you, the bank that I was with
10 is no longer that bank. The investment firm that I was
11 with is now part of Bank of America, which was at the
12 time NCNB in Charlotte, North Carolina. Things have
13 changed.

14 My competitors, when I moved back home, were
15 other family businesses just like ours. None of them
16 are there anymore. The business we have doesn't look
17 anything like it did back then. We have had to make the
18 changes to survive.

19 That's the way it is in the business world,
20 and I think that's the way it is going to have to be in
21 the health-care industry as well.

22 And finally I want to say that I personally
23 feel like that the problems we have in health care today
24 are not the same problems that we have been debating for
25 the last 20 or 30 years.

1 For the last 20 or 30 years, we have focused
2 on access, insurance, getting people covered so that
3 they could go to the hospitals and so forth. Insurance
4 is still extremely important, but ultimately we are
5 going to have to get more value from the health-care
6 system. We are going to have to have increased incomes
7 with less money. Dr. O'Bryan spoke about that, and I
8 think several of the board members are saying that they
9 are getting lean.

10 But I remember -- and this again was a long
11 time ago. When you thought about quality, you, you, you
12 thought that you could either pay more and get quality
13 or you could pay less and not get quality.

14 Today in the business world, you have got to
15 continue to improve your quality and you have got to
16 continue to do that at a less and less price. That's
17 just the way it is. And those folks that can't do that
18 are not going to survive.

19 The health-care industry is going to have to
20 do the same thing, and I think they have already
21 started. I can't be critical of what's going on since I
22 haven't sat on those -- in one of those board seats to
23 hear what is going on, but I know that that's what's got
24 to happen.

25 I have enough sense to know that changes are

1 not going to be made overnight. And just because
2 somebody new goes on the Board, things are not going to
3 change; but the conversation has got to change. And
4 until the conversation changes and the way we start
5 looking at these things, nothing is going to happen.

6 Health care is, is -- I'm not concerned about
7 what has happened up to this time. It is what is going
8 to happen from this point going on, and that's why I'm
9 offering myself to sit on this board.

10 CHAIRMAN PEELER: Thank you.

11 Questions or comments?

12 SENATOR MCGILL: Mr. Chairman, let me --

13 CHAIRMAN PEELER: Senator McGill.

14 SENATOR MCGILL: Do you know we have -- if we
15 have ever had a unique situation today, that when you
16 start talking about Congressman Tallon, and Marva and
17 Jim, it, it -- by testament it shows a strong leadership
18 that comes from that Pee Dee region.

19 And it is unbelievable because the three of
20 these are the closest of friends, but they all three
21 have that desire to serve. And that's what makes it
22 great about this process. Everybody is afforded an
23 opportunity.

24 And Jim, I appreciate what you said; and I
25 know you will appreciate what Robin says and Marva; but

1 the fact remains that your presentation today was
2 excellent. You are exactly on target as a
3 businessperson.

4 We have got to get innovative and creative to
5 figure out how we are going to meet the financial needs,
6 not just at the Medical University but all over this
7 state and within this government. Spend freeze, waste.
8 All these sideline issues that people always take for
9 granted, we are going to have to look closer than we
10 have ever looked at all the finances all over the state.

11 Thank you for offering your time.

12 CHAIRMAN PEELER: Thank you, Senator.

13 Senator Alexander.

14 SENATOR ALEXANDER: Thank you.

15 And obviously -- good morning.

16 MR. BATTLE: Good morning.

17 SENATOR ALEXANDER: Obviously you've -- with
18 your comments, I just wanted and not -- you still list
19 as being owner of Safe Marketing; is that correct?

20 MR. BATTLE: Safe Marketing is an R.J.
21 Reynolds buying station in Mullins, yes.

22 SENATOR ALEXANDER: And so obviously -- and
23 you list several other companies that you are affiliated
24 with.

25 MR. BATTLE: J.R. Battle and Company. It

1 doesn't go back 140 years like Ms. Pearlstine's, but it
2 was founded in 1911. And that has been the business
3 that everything else has sort of sprung off from.

4 SENATOR ALEXANDER: I guess my question is,
5 With those business interests and your involvement
6 there, is there anything that would preclude you from
7 being an active member of the Board and attending
8 meetings and doing what's necessary from that --

9 MR. BATTLE: Fortunately, as I stated, it is a
10 family business; and I have family members that will do
11 whatever needs to be done if I'm not there, just as they
12 have while I was in the General Assembly for the last 16
13 years.

14 SENATOR ALEXANDER: Thank you, sir.

15 Thank you, Mr. Chairman.

16 CHAIRMAN PEELER: Thank you.

17 Anyone else?

18 REPRESENTATIVE McCOY: Move favorable.

19 CHAIRMAN PEELER: Motion is favorable report.

20 A second is heard.

21 All in favor, raise your right hand.

22 (Each committee member's hand was raised.)

23 CHAIRMAN PEELER: Thank you.

24 I appreciate your willingness to serve. Thank
25 you.

1 Next candidate.

2 MS. CASTO: The second candidate for this seat
3 is Marva Smalls from Florence.

4 Ms. Smalls.

5 MS. SMALLS: Good morning.

6 CHAIRMAN PEELER: Good morning. If you would,
7 please raise your right hand.

8 (The candidate was placed under oath by The
9 Chairman.)

10 CHAIRMAN PEELER: Would you like to present a
11 brief statement to the Committee on why you would like
12 to serve?

13 MS. SMALLS: Yes, sir. Thank you.

14 As I said in my offering letter, I'm a lone --
15 life-long resident of the Pee Dee of South Carolina. It
16 is actually where I developed my interest in public
17 policy and my interest in service.

18 I actually started out as a page for Senator
19 Tom Smith when I was here in school. I continued
20 working for Lieutenant Governor Brantley Harvey and then
21 Governor Riley where I staffed the Private Industry
22 Council. I served as -- ten years as Congressman Robin
23 Tallon's Chief of Staff during his term in Washington.

24 And between the combination of, of that
25 exposure to public service, I have particularly been

1 interested in issues that impact the rural community. I
2 am particularly concerned, especially as it relates to
3 young people, the potential of being disenfranchised
4 because of the lack of infrastructure that exists there.
5 And along with that, that infrastructure is also
6 impacted by the lack of consistent health care.

7 There are a disproportionate number of
8 diseases that feed the health-care disparities because
9 they are in the rural area. If you look at the lines of
10 where the 7th Congressional District fall, there are
11 disproportionate diseases that impact, you know, that
12 area.

13 I was on the Board of Visitors for MUSC from
14 2007 and 2008, so I developed a one-to-one experience at
15 that time. I was actually appointed by Robin.

16 And since that time, I have continued to be
17 engaged with MUSC, both in terms of philanthropic
18 support through my foundation that's housed at Coastal
19 Community Foundation in Charleston, as well as really
20 being on the ground floor of helping launch a center to
21 discuss, that would help solve the issues of an
22 autoimmune disease that I also suffer from, that
23 Mrs. Pearlstine alluded to as well. And we actually
24 partnered in working with the doctors, the
25 administrators to bring more attention to that.

1 I believe in the transformational power of
2 MUSC to positively impact health care in this state.
3 One, because of its multi-disciplinary approach and also
4 the -- MUSC is not just a Charleston-based health-care
5 provider. It has reached across the state and the
6 potential to reach across the state is enormous, and I
7 believe that is something that, that needs to continue
8 to be championed.

9 I also bring a great deal of experience from
10 the private sector through my current position; and in
11 my current position, I wear a couple of hats at Viacom;
12 but one in particular I'm proud of. I have partnered
13 with the Kaiser Foundation, with the Clinton Global
14 Initiative, with the Robert Wood Johnston Foundation,
15 many of the foundations whose outreach is as it relates
16 to health care.

17 I am viewed as a leading expert on childhood
18 obesity in this country and has testified before the
19 U.S. Senate and has partnered with the President and
20 Mrs. Obama, has partnered with President Clinton and has
21 partnered in a non-partisan and bipartisan way to really
22 heighten attention to issues for those who are
23 underserved.

24 So in short, I have a passion for service. I
25 absolutely subscribe to the saying of this Bennettsville

1 native, Marian Wright Edelman, "Service is the rent we
2 pay for living." My life has modeled that.

3 I think if you talk to people in the Pee Dee
4 about my level of activism for someone who works in New
5 York and lives in South Carolina, I think you would find
6 strong validation for that.

7 I also think you will find strong validation
8 for I am a change agent. If I am into something, I
9 bring the resources of all I have to bear, both my
10 personal resources, as well as the resources of my
11 contacts. I work for a global company. I have reach
12 globally. I have reach across this United States.

13 I think the challenges that face, that face
14 MUSC in terms of strengthening the development, creating
15 the kinds of resources it needs to remain the
16 best-in-class facility, I think it all will also amount
17 to the kind of doctors they are able to recruit. That
18 goes back to having an adequately funded infrastructure,
19 the kinds of students who will want to come there
20 because they believe it is a competitive environment in
21 school for them to attend.

22 And I think I also bring cognitive diversity
23 to that board. I have marketing experience. I have
24 business experience. I also -- in my business, we talk
25 about knowing your audience.

1 The future is about managing
2 multi-generational people. So it is not just the
3 Boomers, the Xers; but this new Millennial population,
4 they are the fastest entrance into this workforce. They
5 are the ones that -- the post-Millennials who are going
6 to attend the University. We think differently. We
7 operate differently. And if we are going to be
8 successful at MUSC, we have to also be in that mindset.

9 You know, Boomers all know where they were
10 when President Kennedy was killed. You know, for, for
11 Xers, you know, is it the Reagan era. For Millennials,
12 it is 9/11. There is a different mindset, a different
13 understanding. It is a different expectation.

14 So I think as part of MUSC moving forward to
15 address the challenges, they have to look at it across
16 generational (sic), they have to look at disparities
17 across geography, and they have to build a board that is
18 rounded out with the kind of cognitive diversity and
19 skill set that's different from what is currently on
20 that board now.

21 And that's why I'm proud to offer as a
22 candidate and lean in to be a part of that process, of
23 paying the way forward for great health care in South
24 Carolina, and to continue to have MUSC be a
25 best-in-class institution for this state.

1 CHAIRMAN PEELER: Thank you.

2 Ms. Smalls, on the information that we have,
3 it lists that you work in New York.

4 MS. SMALLS: Yes, sir.

5 CHAIRMAN PEELER: But your home address is in
6 Florence.

7 MS. SMALLS: Yes, sir.

8 CHAIRMAN PEELER: On your personal data
9 questionnaire, you list that Edgefield Road is your home
10 address.

11 MS. SMALLS: Yes.

12 CHAIRMAN PEELER: But your driver's license
13 has Meriwether Lane.

14 MS. SMALLS: Yes, sir.

15 CHAIRMAN PEELER: You just haven't updated
16 your license yet or --

17 MS. SMALLS: Well, my -- I also have a home,
18 family home, on Meriwether Lane. My mother is 88 years
19 old. So a lot is based there that I haven't moved
20 because I'm constantly there and moving her around when
21 I'm back in the state.

22 CHAIRMAN PEELER: And on your credit report,
23 it states Edgefield Road also.

24 On your bio, it says you have a home in
25 Florence, Charleston, and New York.

1 MS. SMALLS: Yes, sir.

2 CHAIRMAN PEELER: Which home do you pay
3 property tax on, the 4-percent property tax?

4 MS. SMALLS: Edgefield Road.

5 CHAIRMAN PEELER: And that's located in the
6 7th Congressional District?

7 MS. SMALLS: Yes, sir, in Florence.

8 CHAIRMAN PEELER: Thank you, ma'am.

9 Any other questions or comments?

10 SENATOR MCGILL: Mr. Chairman, I just --

11 CHAIRMAN PEELER: Senator McGill.

12 SENATOR MCGILL: I would like to say that
13 example -- another testament of the Pee Dee.

14 And I can tell you, Robin, you were smart when
15 you hired her as Chief of Staff.

16 THE HONORABLE TALLON: That's right.

17 SENATOR MCGILL: But I can tell you this right
18 now. I just can't get over, Marva, with your talents
19 that you are applying for this trustee seat; but it
20 shows your heart, that you want to give back to this
21 state that you love and your community.

22 And there is no question that rural areas, and
23 there is no question in my mind, your academia, but your
24 love of state, that you will consistently, all of your
25 life you will reach out and you will touch a lot of

1 individuals and make a lot of difference, differences in
2 the quality of life for not just the Pee Dee, all over
3 this state, all over this country.

4 And we are proud of you, very proud of you.
5 Thank you.

6 MS. SMALLS: Thank you, sir.

7 CHAIRMAN PEELER: Thank you.

8 Senator Alexander.

9 SENATOR ALEXANDER: Good morning.

10 MS. SMALLS: Good morning.

11 SENATOR ALEXANDER: And I appreciate the
12 comments that you made.

13 And I would also like the record to reflect
14 that from reading over your other information, I mean,
15 you just barely touched on it, you have been involved in
16 many different boards and commissions here in South
17 Carolina. I think that demonstrates your, your love of
18 this state.

19 And with your business background and your
20 travels, is there any concern, have you looked into the
21 length of meetings and the time commitment and committee
22 meetings and things of that nature? And do you feel
23 that with your schedule you would have the ability --
24 and this is something I have been asking across the
25 board, not only today but in previous days, as someone's

1 ability to be an active member of the Board.

2 MS. SMALLS: I spend about ten or more days in
3 South Carolina a month. If I am not traveling, all
4 roads point back to South Carolina. I'm engaged pretty
5 much with MUSC now.

6 One of the reasons I purchased a home in
7 Charleston was to maintain that level of engagement at
8 MUSC, as well as a level of engagement of doctors who I
9 was consulting there, and also to escape my family and
10 friends in Florence and New York.

11 SENATOR ALEXANDER: So you would be able to be
12 active?

13 MS. SMALLS: Yes, sir.

14 SENATOR ALEXANDER: And also, Mr. Chairman, if
15 I could compliment you for your work in the area of
16 obesity as well. That's certainly a growing health
17 issue that we all face. Thank you.

18 Thank you, Mr. Chairman.

19 CHAIRMAN PEELER: Thank you.

20 Any other questions or comments?

21 SENATOR MCGILL: Move favorable.

22 CHAIRMAN PEELER: Hearing none, the motion is
23 a favorable report.

24 COMMITTEE MEMBER: Second.

25 CHAIRMAN PEELER: A second is heard.

1 All in favor, raise your right hand.

2 (Each committee member's hand was raised.)

3 CHAIRMAN PEELER: Thank you. I appreciate
4 your willingness to serve.

5 MS. SMALLS: Thank you.

6 CHAIRMAN PEELER: Next candidate.

7 MS. CASTO: The next candidate is Robin Tallon
8 from Florence. He is the incumbent but is an incumbent
9 in the 6th District, not the 7th. So this would be a
10 new seat for him.

11 CHAIRMAN PEELER: Good morning.

12 (The candidate was placed under oath by The
13 Chairman.)

14 CHAIRMAN PEELER: Would you like to give us a
15 brief statement?

16 THE HONORABLE TALLON: Yeah.

17 Well, first, I would like to associate myself
18 with the remarks from my dear friend Senator McGill.

19 Jim and Marva are a hard act to follow. They are both
20 outstanding citizens and dear friends.

21 And Mr. Chairman, I'm glad to be here with you
22 and the committee members and new friends and old
23 friends. And it's been a delight for me to have the
24 opportunity to serve on the MUSC Board for the past six
25 years.

1 I have grown to really appreciate what MUSC
2 means, is, and represents to this state with health-care
3 professionals, scientists, and not only in the United
4 States but around the world. We have thousands and
5 thousands of applications for med. school each year, and
6 we can only accept, I believe it's 165 students. That
7 is a testament to not only people from the United
8 States, but again, around the globe that seek to come to
9 MUSC and be educated.

10 I think that a unique perspective, possibly,
11 that I have had on the Board is -- the health-care
12 policy changes by the federal government have created a
13 situation -- and I won't be as dire or gloomy, a
14 situation. And I think Jim Battle mentioned it very
15 well, where change has to take place.

16 The escalation in health-care costs, the cost
17 to our economy has, has been an unbelievable growth in
18 the last 20 or 30 years. And if we don't do some things
19 now to get -- to contain that growth, we are going to
20 have problems with health care, Medicare across the
21 board. It's, it's, frankly, a very real challenge.

22 But rather than continue to educate and
23 practice medicine the way we have in the past, the
24 change is going to be dictated. And I won't go into
25 details; but if there is any institution in the country

1 with the leadership of Ray Greenberg and staff and
2 people involved there, MUSC will adjust to those
3 changes.

4 And when it comes to State funding, I would
5 just maintain that from health and education, and even,
6 especially, economic development, look to MUSC as a
7 leader. After all, health-care services, it is 20
8 percent of our GNP and growing and growing and growing.
9 So we are creating a lot of jobs, a lot of high-quality
10 jobs throughout the state.

11 And as I think about my situation -- and I
12 especially again appreciate Senator McGill's comments
13 about the Pee Dee and the leadership in the Pee Dee.
14 And when I see candidates like Marva and Jim Battle
15 offer to serve and, and realize and appreciate the great
16 capacity they have, I have come to a measured, a
17 thoughtful decision that I'm going to withdraw my
18 candidacy for the 7th District seat and, as so ably
19 explained, Mr. Chairman, by your staff, will continue to
20 serve my existing term as a -- I don't know if I'm an
21 at-large board member or whatever.

22 Martha helped me understand.

23 But I think that I do look forward to the rest
24 of my term and continuing to add some small contribution
25 to the work of MUSC and my fellow board members.

1 Thank you.

2 CHAIRMAN PEELER: So when does your term
3 commence? I mean, stop.

4 MS. CASTO: You have two more years left on
5 your term.

6 THE HONORABLE TALLON: Two more years.

7 MS. CASTO: Yes, sir.

8 CHAIRMAN PEELER: So you would just continue
9 to serve those two years?

10 THE HONORABLE TALLON: Yes, Mr. Chairman.
11 Yes.

12 CHAIRMAN PEELER: Any questions?
13 Representative Henderson.

14 REPRESENTATIVE HENDERSON: I just -- can you
15 explain. I don't understand.

16 MS. CASTO: When you all passed the
17 reapportionment bill a couple years ago and created the
18 new -- the 7th Congressional District was created, there
19 was a clause in there that said any board member who is
20 displaced, for lack of a better word, by the new
21 congressional district can continue to serve out their
22 term until the expiration.

23 So some of the boards and commissions, if, if
24 they withdraw or if some of them don't get elected, and
25 we need to go back and check on some of those, they can

1 continue in that service. Those boards will just have
2 an additional member until the person rotates off.

3 The Department of Transportation Board is one
4 that is currently experiencing that too.

5 REPRESENTATIVE HENDERSON: Okay. So what seat
6 is he in now?

7 MS. CASTO: He is currently in the 6th
8 Congressional seat, but what he will do is just
9 basically be an at-large member for two years.

10 REPRESENTATIVE HENDERSON: The seat that we
11 are all screening for?

12 MS. CASTO: You are screening for the 7th
13 seat.

14 REPRESENTATIVE HENDERSON: But I mean, we also
15 screened some for the 6th District too.

16 MS. CASTO: Right. Now, the seat he occupies,
17 the term expires June 30th is the 6th seat. He no
18 longer lives in the 6th Congressional District. He
19 lives in the 7th Congressional District.

20 So by that, he, he won't represent a
21 congressional district.

22 THE HONORABLE TALLON: No, I didn't mean to
23 interrupt. Excuse me.

24 MS. CASTO: No, go ahead.

25 THE HONORABLE TALLON: Our service is really

1 much broader. I know the rules of how we are elected is
2 certainly more broader than focusing in on one
3 congressional district; but it might help to, to review
4 that. I was elected to a four-year term two years ago;
5 and so I am electing, by withdrawing from the 7th
6 District seat, to just finish my term.

7 REPRESENTATIVE HENDERSON: I understand that.
8 That's not, that's not an answer to my question. So
9 maybe you misunderstood.

10 We just screened people for the 6th
11 Congressional District lay seat with the term expiring
12 in 2016.

13 MS. CASTO: Correct.

14 REPRESENTATIVE HENDERSON: So are there --
15 would there be two people, or we elect somebody and he
16 stays? We have those two? Or does he stay in lieu of
17 anybody that we would screen?

18 MS. CASTO: He will not be representing the
19 6th Congressional District and has withdrawn from the
20 7th Congressional District. Just for the remainder of
21 his term, he will be an at-large board member on MUSC's
22 board.

23 REPRESENTATIVE HENDERSON: Okay.

24 CHAIRMAN PEELER: The uniqueness of the
25 subject of the addition of the 7th Congressional

1 District and the General Assembly by passing that
2 statute, that took this into account, to not limit the
3 term of the four-year term.

4 And like staff just told us, we just went
5 through that with the Department of Transportation. So,
6 so this is nothing new.

7 Representative Whitmire.

8 REPRESENTATIVE WHITMIRE: Will Representative
9 Tallon have full voting rights?

10 MS. CASTO: Yes, sir. The statute that was in
11 the reapportionment said they will have full voting
12 rights until the completion of his term.

13 And then -- I mean, never again, unless y'all
14 get a new congressional district, will this happen.
15 But -- and then in two years it will be all be settled
16 down but --

17 REPRESENTATIVE WHITMIRE: When he rotates off.

18 MS. CASTO: Yes, sir.

19 CHAIRMAN PEELER: Any other questions or
20 comments?

21 Well, thank you.

22 THE HONORABLE TALLON: Thank you, Senator.

23 CHAIRMAN PEELER: That makes one a little bit
24 easier then. Thank you.

25 THE HONORABLE TALLON: Thank you.

1 CHAIRMAN PEELER: I think that completes the
2 list.

3 Before we had one carryover?

4 MS. CASTO: One carryover, yes, sir.

5 CHAIRMAN PEELER: Okay.

6 Y'all want to entertain a motion to go into
7 executive session to discuss carryovers?

8 REPRESENTATIVE McCOY: So moved.

9 CHAIRMAN PEELER: The motion is to go into
10 executive session.

11 So thank you all very much.

12 (An executive session commenced; and
13 immediately thereafter, the meeting adjourned at about
14 12:25 p.m.)

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1 CERTIFICATE OF REPORTER
2

3 I, Deborah L. Dusseljee, Registered Professional
4 Reporter and Notary Public for the State of South
5 Carolina at Large, do hereby certify:

6 That the foregoing hearing was taken before me on
7 the date and at the time and location stated on the
8 title page of this transcript; that the candidates were
9 duly sworn by The Chairman; that the testimonies of the
10 candidates at the time of the screenings were recorded
11 stenographically by me and were thereafter transcribed;
12 that the foregoing transcript as typed is a true,
13 accurate and complete record to the best of my ability.

14 I further certify that I am neither related to nor
15 counsel for any candidate or interested in the events
16 thereof.

17 Witness my hand, I have hereunto affixed my
18 official seal this 12th day of April, 2013, at Columbia,
19 Richland County, South Carolina.
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25

Deborah L. Dusseljee, RPR
Notary Public
State of South Carolina at Large
My Commission expires:
June 4, 2017

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