COMMITTEE REPORT

March 25, 2010

**S. 789**

Introduced by Senators Rose, S. Martin, Davis, Bright, Shoopman, Williams, Bryant, Peeler, Thomas and Campsen

S. Printed 3/25/10--S.

Read the first time May 6, 2009.

**THE COMMITTEE ON EDUCATION**

To whom was referred a Bill (S. 789) to amend Article 1, Chapter 103, Title 59 of the 1976 Code, relating to the Commission on Higher Education, by adding Section 59‑103‑115 to provide, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

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

/ SECTION 1. Article 2, Chapter 101, Title 59 of the 1976 Code is amended by adding:

“Section 59‑101‑670. (A) Each public institution of higher learning shall maintain a transaction register that includes a complete record of all funds expended over one hundred dollars, from whatever source for whatever purpose. The register must be prominently posted on the institution’s internet website and made available for public viewing and downloading.

(1)(a) The register must include for each expenditure:

(i) the transaction amount;

(ii) the name of the payee;

(iii) the identification number of the transaction; and

(iv) a description of the expenditure, including the source of funds, a category title, and an object title for the expenditure.

(b) The register must include all reimbursements for expenses, but must not include an entry for salary, wages, or other compensation paid to individual employees.

(c) The register must not include a social security number.

(d) The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure.

(e) At the option of the public institution, the register may exclude any information that can be used to identify an individual employee or student.

(2) The register must be searchable and updated at least once a month. Each monthly register must be maintained on the internet website for at least three years.

(B) Each public institution of higher learning shall be responsible for providing on its internet website a link to the internet website of any agency, other than the individual institution, that posts on its internet website the institution’s monthly state procurement card statements or monthly reports containing all or substantially all of the same information contained in the monthly state procurement card statements. The link must be to the specific webpage or section on the website of the agency where the state procurement card information for the institution can be found. The information posted may not contain the state procurement card number.

(C) Any information that is expressly prohibited from public disclosure by federal or state law or regulation must be redacted from any posting required by this section.”

SECTION 2. Article 15, Chapter 1, Title 1 of the 1976 Code is amended by adding:

“Section 1‑1‑1040. All agencies, departments, and institutions of state government shall be responsible for providing on its internet website a link to the internet website of any agency, other than the individual agency, department, or institution, that posts on its internet website that agency, department, or institution’s monthly state procurement card statements or monthly reports containing all or substantially all the same information contained in the monthly state procurement card statements. The link must be to the specific webpage or section on the website of the agency where the state procurement card information for the state agency, department, or institution can be found. The information posted may not contain the state procurement card number. Any information that is expressly prohibited from public disclosure by federal or state law or regulation must be redacted from any posting required by this section.”

SECTION 3. This act takes effect June 30, 2011. /

Renumber sections to conform.

Amend title to conform.

JOHN E. COURSON for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

**EXPLANATION OF IMPACT:**

The Commission on Higher Education (CHE) surveyed the institutions to determine the estimated impact associated with this Bill. Based on institutional responses CHE estimates recurring annual costs at $1.7 million while first year non-recurring costs are estimated at $1.2 million statewide. Of the $1.7 million in recurring costs, $1.3 million would be for an additional 23 FTEs for all institutions. Since the institutions are funded with a combination of state general funds and tuition and fee revenue, the impact on the General Fund of the State is at the General Assembly’s discretion. The institutions may need to adjust their tuition and fee schedules if no state general funds are provided for implementation.

Compliance with this legislation would require each institution, to a varying extent, to reconfigure current data systems, websites, purchase software and hardware and contract or hire labor to implement the requirements and to maintain the necessary systems and required reporting over time. Non-recurring costs would be incurred to develop collection and processing mechanisms and to provide for the posting of information online. Recurring costs would be incurred to provide staff responsible for gathering, extracting, formatting, reviewing, and maintaining the required information. Additional recurring costs would be incurred for maintenance of systems and technology necessary to post and maintain information online. The multiple campuses of the USC system and the State Technical College System would require development of centralized reporting systems for the various locations.

*Approved By:*

Harry Bell

Office of State Budget

**A** **BILL**

TO AMEND ARTICLE 1, CHAPTER 103, TITLE 59 OF THE 1976 CODE, RELATING TO THE COMMISSION ON HIGHER EDUCATION, BY ADDING SECTION 59‑103‑115 TO PROVIDE THAT EACH PUBLIC INSTITUTION OF HIGHER LEARNING MUST MAINTAIN A DETAILED TRANSACTION REGISTER OF ALL FUNDS EXPENDED EACH MONTH AND POST THAT REGISTER ONLINE, AND TO PROVIDE THAT EACH PUBLIC INSTITUTION OF HIGHER LEARNING MUST POST ONLINE ALL OF ITS CREDIT CARD STATEMENTS AND THE CREDIT CARD STATEMENTS FOR CREDIT CARDS ISSUED TO PUBLIC OFFICIALS AND EMPLOYEES FOR PUBLIC USE.

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

SECTION 1. Article 1, Chapter 103, Title 59 of the 1976 Code is amended by adding:

“Section 59‑103‑115. (A) Each public institution of higher learning shall maintain a transaction register that includes a complete record of all funds expended over one hundred dollars, from whatever source for whatever purpose. The register must be prominently posted on the institution’s internet website and made available for public viewing and downloading.

(1)(a) The register must include for each expenditure:

(i) the transaction amount;

(ii) the name of the payee; and

(iii) a statement providing a detailed description of the expenditure.

(b) The register must not include an entry for salary, wages, or other compensation paid to individual employees.

(c) The register must not include any information that can be used to identify an individual employee.

(d) The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure.

(2) The register must be searchable and updated at least once a month. Each monthly register must be maintained on the internet website for at least five years.

(B) Each public institution of higher learning shall also maintain on its internet website a copy of each monthly statement for all of the credit cards maintained by the entity, including credit cards issued to its officers or employees for official use.

(1) The credit card number on each statement must be redacted prior to posting on the internet website.

(2) Each credit card statement must be posted not later than the thirtieth day after the first date that any portion of the balance due as shown on the statement is paid. Each statement must be maintained on the website for at least five years.”

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

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