**South Carolina General Assembly**

125th Session, 2023-2024

**S. 125**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Hembree, Turner, Young, Setzler, Fanning and Climer

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Introduced in the Senate on January 10, 2023

Introduced in the House on March 7, 2023

Last Amended on March 1, 2023

Currently residing in the Senate

Summary: Scholarship Stipend

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

11/30/2022 Senate Prefiled

11/30/2022 Senate Referred to Committee on **Education**

1/10/2023 Senate Introduced and read first time ([Senate Journal‑page 69](h:\sj\20230110.docx))

1/10/2023 Senate Referred to Committee on **Education** ([Senate Journal‑page 69](h:\sj\20230110.docx))

2/8/2023 Scrivener's error corrected

2/22/2023 Senate Committee report: Favorable with amendment **Education** ([Senate Journal‑page 8](h:\sj\20230222.docx))

2/27/2023 Scrivener's error corrected

2/28/2023 Senate Read second time ([Senate Journal‑page 19](h:\sj\20230228.docx))

3/1/2023 Senate Committee Amendment Adopted ([Senate Journal‑page 8](h:\sj\20230301.docx))

3/1/2023 Senate Read third time and sent to House ([Senate Journal‑page 8](h:\sj\20230301.docx))

3/1/2023 Senate Roll call Ayes-38 Nays-0 ([Senate Journal‑page 8](h:\sj\20230301.docx))

3/7/2023 House Introduced and read first time ([House Journal‑page 14](h:\hj\20230307.docx))

3/7/2023 House Referred to Committee on **Education and Public Works** ([House Journal‑page 14](h:\hj\20230307.docx))

5/1/2024 House Committee report: Favorable with amendment **Education and Public Works**

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=125&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[12/02/2022](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20221202.docx)

[02/08/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20230208.docx)

[02/22/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20230222.docx)

[02/27/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20230227.docx)

[02/27/2023-A](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20230227a.docx)

[03/01/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20230301.docx)

[05/01/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/125_20240501.docx)

Indicates Matter Stricken

Indicates New Matter

Committee Report

May 01, 2024

S. 125

Introduced by Senators Hembree, Turner, Young, Setzler, Fanning and Climer

S. Printed 05/01/24--H.

Read the first time March 07, 2023

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The committee on House Education and Public Works

To whom was referred a Bill (S. 125) to amend the South Carolina Code of Laws by amending Section 59‑149‑15, relating to additional LIFE Scholarship stipends, so as to extend the stipend to education, 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, SECTION 1, by striking Section 59-149-15(B) and inserting:

(B) The Commission on Higher Education by regulation shall define what constitutes a science or mathematics major, applicable beginning with the 2024-2025 School Year to persons who did not receive a LIFE Scholarship stipend before the 2024-2025 School Year. This definition of a science or mathematics major must include, at a minimum, but at a minimum shall include majors in science or mathematics disciplines, computer science or informational technology, engineering, accountingscience education, math education, and health care and related disciplines including medicine and dentistry; provided, that nothing herein prevents a student from changing majors within acceptable science or mathematics disciplines. Additionally, the Commission on Higher Education annually shall communicate with high school guidance counselors regarding the list of qualifying majors.

(C) The Commission on Higher Education shall by regulation define what constitutes an education major for purposes of this section, applicable beginning with the 2024-2025 School Year to persons who did not receive a LIFE Scholarship stipend before the 2024-2025 School Year. This definition of an education major must include, in addition to other subjects considered appropriate by the commission, (1) mathematics education majors, (2) science education majors, and (3) students who major in mathematics, science, or another subject and obtain teacher certification in a subject area related to their major prior to completion of their undergraduate degree. Additionally, the commission shall set forth eligibility criteria that the student shall meet to receive a LIFE Scholarship stipend, which must include a contractual requirement, including a default provision, that the stipend recipient shall upon graduation work in a South Carolina public school for at least one school year for every year the stipend is received.

(D) A person who qualified for the LIFE Scholarship stipend before the 2024-2025 School Year:

(1) shall remain so qualified and eligible for the LIFE Scholarship stipend on that basis, notwithstanding revisions in eligibility criteria applicable beginning with the 2024-2025 School Year; and

(2) is exempt from the contractual work requirement of education majors in subsection (C).

(E) The Commission on Higher Education annually shall communicate with high school guidance counselors regarding the list of qualifying majors in this section.

Amend the bill further, SECTION 2, by striking Section 59-104-25(B) and inserting:

(B) The Commission on Higher Education by regulation shall define what constitutes a science or mathematics major, applicable beginning with the 2024-2025 School Year to persons who did not receive a Palmetto Fellows Scholarship stipend before the 2024-2025 School Year. This definition of a science or mathematics major must include, at a minimum, but at a minimum shall include majors in science or mathematics disciplines, computer science or informational technology, engineering, accountingscience education, math education, and health care and related disciplines including medicine and dentistry; provided, that nothing herein prevents a student from changing majors within acceptable science or mathematics disciplines. Additionally, the Commission on Higher Education annually shall communicate with high school guidance counselors regarding the list of qualifying majors.

(C) The Commission on Higher Education shall by regulation define what constitutes an education major for purposes of this section, applicable beginning with the 2024-2025 School Year to persons who did not receive a Palmetto Fellows Scholarship stipend before the 2024-2025 School Year. This definition of an education major must include, in addition to other subjects considered appropriate by the commission, (1) mathematics education majors, (2) science education majors, and (3) students who major in mathematics, science, or another subject and obtain teacher certification in a subject area related to their major prior to completion of their undergraduate degree. Additionally, the commission shall set forth eligibility criteria that the student shall meet to receive a Palmetto Fellows Scholarship stipend, which must include a contractual requirement, including a default provision, that the stipend recipient shall upon graduation work in a South Carolina public school for at least one school year for every year the stipend is received.

(D) A person who qualified for the Palmetto Fellows Scholarship stipend before the 2024-2025 School Year:

(1) shall remain so qualified and eligible for the Palmetto Fellows Scholarship stipend on that basis, notwithstanding revisions in eligibility criteria applicable beginning with the 2024-2025 School Year; and

(2) is exempt from the contractual work requirement of education majors in subsection (C).

(E) The Commission on Higher Education annually shall communicate with high school guidance counselors regarding the list of qualifying majors in this section.

Amend the bill further, SECTION 3, by striking Section 59-149-50A(A) and inserting:

(A) (1) To be eligible for a LIFE Scholarship, a student must be either a student who has graduated from a high school located in this State, a student who has completed at least three of the final four years of high school within this State, a home school student who has successfully completed a high school home school program in this State in the manner required by law, a student who has graduated from a preparatory high school outside this State, while a dependent of a parent or guardian who is a legal resident of this State and has custody of the dependent, or a student whose parent or guardian has served in or has retired from one of the United States Armed Forces within the last four years, paid income taxes in this State for a majority of the years of service, and is a resident of this State. These students also must meet the requirements of subsection (B) and be eligible for in‑state tuition and fees as determined pursuant to Chapter 112, Title 59 and applicable regulations. In addition, the student must have graduated from high school with a minimum of a 3.0 cumulative grade average on a 4.0 scale and, subject to modification as provided in item (2), have scored 1100 or better on the Scholastic Aptitude Test (SAT) or have the equivalent ACT score as determined by the Commission on Higher Education; provided that, if the student is to attend such a public or independent two‑year college or university in this State, including a technical college, the SAT/ACT requirement does not apply. If a student chooses to attend such a public or independent institution of this State and does not make the required SAT/ACT score or the required high school grade point average, as applicable, the student may earn a LIFE Scholarship after his freshman year if he meets the grade point average and semester credit hour requirements of subsection (B). For the purpose of meeting the rank criteria pursuant to this section, the existing high school rank of a South Carolina resident attending an out‑of‑state high school may be used provided it is calculated pursuant to a state‑approved, standardized grading scale at the respective out‑of‑state high school. If the Commission on Higher Education determines that a state‑approved standardized grading scale substantially deviates from the South Carolina Uniform Grading Scale, the state‑approved standardized grading scale shall not be used to meet the eligibility requirements for the LIFE Scholarship.

(2) After the 2024‑2025 School Year, if the scoring scale range of the SAT is changed, the Commission on Higher Education shall adjust the minimum SAT/ACT score required in item (1) in order to maintain a minimum scoring requirement that is the functional equivalent of the 2024‑2025 standards. In determining whether the SAT/ACT score of an applicant meets the minimum requirements of this section after such an adjustment is made, a college or university shall apply the minimum scoring requirement in effect on the date that the test was taken.

Amend the bill further, by deleting SECTION 4.

Renumber sections to conform.

Amend title to conform.

SHANNON ERICKSON for Committee.

statement of estimated fiscal impact

Explanation of Fiscal Impact

State Expenditure

This bill as amended expands the LIFE and Palmetto Fellows Scholarship stipend currently offered to students attending state public or private institutions of higher learning whose major is in math or science to those whose major is in education and also adds accounting majors to those that qualify for the additional math or science stipend. Under the provisions of the bill, eligible LIFE scholarship recipients majoring in accounting or education will receive an additional stipend of no more than $2,500 each year for three years of a four-year program or four years of a five-year program, and Palmetto Fellows Scholarship recipients majoring in accounting or education will be eligible to receive an additional stipend of no more than $3,300 each eligible year. CHE indicates that this statutory stipend level was established while the base yearly award for the Palmetto Fellows Scholarship was $6,700. Regulation 62-330 increased the base Palmetto Fellows Scholarship award to $7,500 per eligible year and reduced all enhancement stipends to $2,500 per eligible year. CHE further indicates that current practice conforms to the base scholarship and additional stipend amounts set forth in regulation and does not conform to the statute. Therefore, the implementation of this bill will result in an additional Palmetto Fellows Scholarship stipend for accounting or education majors of no more than $2,500 each year for three years of a four-year program or four years of a five-year program. Students in the first year of an accounting or education major are not eligible to receive the stipend under the bill.

The amended bill also requires CHE to adjust the minimum test scores required to obtain the LIFE Scholarship in the event that standardized test scoring metrics change in order to maintain the functional equivalent to the minimum scores required in the 2024-25 academic year. The bill also limits the use of the Palmetto Fellows Scholarship at a two-year state institution to four continuous semesters, not including future semesters at an applicable four-year institution.

**LIFE and Palmetto Fellows Scholarships.** According to data provided by CHE, there were approximately 2,769 students on average majoring in accounting or education in their second academic year or higher receiving the LIFE Scholarship from FY 2017-18 to FY 2021-22 across all qualifying public and private institutions of higher learning in the state. Therefore, at the stipend level of $2,500 per scholarship recipient, this bill will increase LIFE Scholarship disbursements by approximately $6,922,500 beginning in FY 2024-25 if the number of qualified students majoring in accounting or education does not significantly change. CHE further reports that there were 510 students on average majoring in accounting or education in their second academic year or higher receiving the Palmetto Fellows Scholarship from FY 2017-18 to FY 2022-23 across all qualifying public and private institutions of higher learning. Therefore, at the level set by regulation of $2,500 per scholarship recipient, this bill will increase Palmetto Fellows Scholarship disbursements by approximately $1,275,500 beginning in FY 2024-25 if the number of students majoring in accounting or education does not significantly change. In total, this amended bill will increase scholarship disbursements by approximately $8,198,000 beginning in FY 2024-25.

However, we anticipate that the number of scholarship recipients majoring in accounting will increase as a result of the additional stipend provided by the bill, which would further increase scholarship outlays in future years. For reference, according to metrics from the University of South Carolina’s Darla Moore School of Business, 157 accounting graduates made up 7.9 percent of 1,998 total business school graduates in FY 2022-23. If the stipend provided by this bill causes the number of students majoring in accounting to double, LIFE and Palmetto Fellows Scholarship disbursements would increase by an additional $1,398,000 beginning in FY 2024-25. CHE indicates that this bill could also encourage more students to major in education, which would further increase scholarship outlays in future years.

In FY 2024-25, disbursements for the LIFE Scholarship are expected to total approximately $210,341,200 and disbursements for the Palmetto Fellows Scholarship are expected to total approximately $75,259,900. Therefore, this bill as amended would increase disbursements by approximately 3.3 percent for the LIFE Scholarship and 1.7 percent for the Palmetto Fellows Scholarship in FY 2024-25. This increase would be funded by Lottery proceeds if available, and remaining amounts would become an obligation of the General Fund.

**Commission on Higher Education.** This bill requires CHE to define through regulation what constitutes an education major and develop conforming eligibility criteria for the purposes of providing the eligible students with the additional LIFE or Palmetto Fellows scholarship stipend and must include that the education student work in a public school for one year for every year the stipend is received. In addition, CHE must adjust the minimum test scores required to receive the LIFE Scholarship to reflect any changes in standardized scoring metrics. CHE indicates that these requirements will take place under normal agency operations. Therefore, this bill will have no expenditure impact on CHE.

State Expenditure

This bill expands the additional scholarship stipend currently offered to students attending state public or private institutions of higher learning whose major is in math or science to those whose major is in education. Under the provisions of this bill, eligible LIFE scholarship recipients majoring in education will receive an additional stipend of no more than $2,500 each year for three years of a four-year program or four years of a five-year program. This bill also allows Palmetto Fellows Scholarship recipients majoring in education with eligibility to receive an additional stipend of no more than $3,300 each eligible year. CHE indicates that this statutory stipend level was established while the base yearly award for the Palmetto Fellows Scholarship was $6,700. Regulation 62-330 increased the base Palmetto Fellows Scholarship award to $7,500 per eligible year and reduced all enhancement stipends to $2,500 per eligible year. CHE further indicates that current practice conforms to the base scholarship and additional stipend amounts set forth in regulation and does not conform to the statute. Therefore, the implementation of this bill will result in an additional Palmetto Fellows Scholarship stipend for education majors of no more than $2,500 each year for three years of a four-year program or four years of a five-year program. Students in the first year of an education major are not eligible to receive the stipend under this bill. The bill also requires CHE to define what constitutes an education major and create eligibility requirements for each scholarship stipend and must include a requirement that the education student work in a public school for one year for every year the stipend is received. The provisions of this bill are effective beginning with the 2024-25 academic term.

The bill further amends statutory eligibility requirements for the LIFE Scholarship, to include as an option for eligibility obtaining a score of at least 22 on the ACT. The bill also limits the use of the Palmetto Fellows Scholarship at a two-year state institution to four continuous semesters, not including future semesters at an applicable four-year institution.

**Commission on Higher Education.** This bill requires CHE to define through regulation what constitutes an education major and develop conforming eligibility criteria for the purposes of providing the eligible students with the additional LIFE or Palmetto Fellows scholarship stipend, and must include that the education student work in a public school for one year for every year the stipend is received. In addition, CHE must adjust the scoring requirements set by the bill to reflect any changes in SAT or ACT scoring metrics. CHE indicates that the agency’s requirements under the bill will be managed with existing appropriations and therefore this bill will have no expenditure impact on CHE.

**LIFE and Palmetto Fellows Scholarships.** CHE provided data on the number of students enrolled in education programs receiving state scholarships from 2018 to 2022. During this time, the number of education majors receiving the LIFE Scholarship that would be eligible for the additional stipend under this bill declined from 2,488 to 2,088, an average decrease of approximately 4.3 percent. Eligible students majoring in education receiving the Palmetto Fellows Scholarship during this time declined from 344 to 305, an average decrease of approximately 3 percent. Based on these trends, the Revenue and Fiscal Affairs Office (RFA) estimates that there will be approximately 1,900 LIFE Scholarship recipients and 300 Palmetto Fellows Scholarship recipients majoring in education in the 2024-25 academic year that will be eligible for the additional stipend. At the level of $2,500 per LIFE and Palmetto Fellows Scholarship recipient, this bill will increase disbursements of the LIFE Scholarship by approximately $4,750,000 and the Palmetto Fellows Scholarship by approximately $750,000 beginning in FY 2024-25. CHE indicates that this bill could encourage more students to major in education, which would further increase scholarship expenses in future years.

Based upon our current estimates, RFA anticipates that FY 2024-25 disbursements for the LIFE Scholarship to be approximately $211,274,000 and the Palmetto Fellows Scholarship to be approximately $81,763,000 based on average scholarship disbursement growth rates from FY 2017-18 to FY 2021-22. Therefore, this bill would increase disbursements by approximately 2.2 percent for the LIFE Scholarship and 0.9 percent for the Palmetto Fellows Scholarship in FY 2024-25. This increase would be funded by Lottery proceeds if available, and remaining amounts would become an obligation of the General Fund.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

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A bill

to amend the South Carolina Code of Laws by amending Section 59‑149‑15, relating to Additional LIFE Scholarship stipendS, so as to extend the stipend to education majors and to further provide the Commission on Higher Education promulgate regulations to define education major; by amending Section 59‑104‑25, relating to Additional Palmetto Fellows Scholarship stipendS, so as to extend the stipend to education majors and to further provide for the promulgation of regulations; by amending Section 59‑149‑50, relating to a numerical ACT equivalent, so as to set the equivalent score of the ACT to 22; and by amending Section 59‑104‑20, relating to Palmetto Fellows Scholarship Program, so as to allow a student who uses a Palmetto Fellows Scholarship to attend a two-year institution shall receive a maximum of four continuous semesters.

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

SECTION 1. Section 59‑149‑15(A) and (B) of the S.C. Code are amended to read:

(A) A resident student who is at least a sophomore attending a four‑year public or private institution of higher learning in this State, who is majoring in education, science, or mathematics as defined below, and who is receiving a LIFE Scholarship for the current year, shall receive an additional LIFE Scholarship stipend equal to the cost of attendance after applying all other scholarships or grants, not to exceed two thousand five hundred dollars each year for no more than three additional years of instruction, including his sophomore year, if enrolled in a four‑year degree program, or for not more than four additional years of instruction, including his sophomore year, if enrolled in a five‑year degree program or a 3 plus 2 program. In addition, during his freshman year, the student majoring in science or mathematics must have successfully completed a total of at least fourteen credit hours of instruction in mathematics courses, or life and physical science courses, or a combination of both. A year is defined as thirty credit hours of instruction or its equivalent each year. To receive the additional LIFE Scholarship stipend each year, the student must receive the underlying LIFE Scholarship for that year and must be making acceptable progress each year toward receiving a degree in his education, science, or mathematics major. For purposes of meeting the required minimum level of instruction in mathematics and life and physical science courses during a student’s freshman year, advanced placement courses in mathematics and life and physical sciences taken in high school on which the student scored high enough on the advanced placement test to receive credit at his institution and for which he received credit, count toward the fulfillment of this minimum requirement.

(B) The Commission on Higher Education by regulation shall define what constitutes a science or mathematics major but at a minimum shall include majors in science or mathematics disciplines, computer science or informational technology, engineering, science education, math education, and health care and related disciplines including medicine and dentistry; provided, that nothing herein prevents a student from changing majors within acceptable science or mathematics disciplines. The Commission on Higher Education shall by regulation define what constitutes an education major and shall set forth eligibility criteria that the student must meet to receive a LIFE Scholarship stipend but must include a contractual requirement, including a default provision, that the education student recipient must upon graduation work in a South Carolina public school for one year for every year the stipend is received. Additionally, the Commission on Higher Education annually shall communicate with high school guidance counselors regarding the list of qualifying majors.

SECTION 2. Section 59‑104‑25(A) and (B) of the S.C. Code are amended to read:

(A) A resident student who is at least a sophomore attending a four‑year public or private institution of higher learning in this State, who is majoring in education, science, or mathematics as defined below, and who is receiving a Palmetto Fellows Scholarship for the current year, shall receive an additional Palmetto Fellows Scholarship stipend equal to the cost of attendance after applying all other scholarships or grants, not to exceed three thousand three hundred dollars each year for no more than three additional years of instruction, including his sophomore year, if the student enrolled in a four‑year degree program, or for not more than four additional years of instruction, including his sophomore year, if enrolled in a five‑year degree program or a 3 plus 2 program. A year is defined as thirty credit hours of instruction or its equivalent each year. To receive the additional Palmetto Fellows Scholarship stipend each year, the student must receive the underlying Palmetto Fellows Scholarship for that year and must be making acceptable progress each year toward receiving a degree in his education, science, or mathematics major. In addition, during his freshman year, the student majoring in science or mathematics must have successfully completed a total of at least fourteen credit hours of instruction in mathematics courses, or life and physical science courses, or a combination of both. For purposes of meeting the required minimum level of instruction in mathematics and life and physical science courses during a student’s freshman year, advanced placement courses in mathematics and life and physical sciences taken in high school on which the student scored high enough on the advanced placement test to receive credit at his institution and for which he received credit, count toward the fulfillment of this minimum requirement.

(B) The Commission on Higher Education by regulation shall define what constitutes a science or mathematics major but at a minimum shall include majors in science or mathematics disciplines, computer science or informational technology, engineering, science education, math education, and health care and related disciplines including medicine and dentistry; provided, that nothing herein prevents a student from changing majors within acceptable science or mathematics disciplines. The Commission on Higher Education shall by regulation define what constitutes an education major and shall set forth eligibility criteria that the student must meet to receive a Palmetto Fellows Scholarship stipend but must include a contractual requirement, including a default provision, that the education student recipient must upon graduation work in a South Carolina public school for one year for every year the stipend is received. Additionally, the Commission on Higher Education annually shall communicate with high school guidance counselors regarding the list of qualifying majors.

SECTION 3. Section 59‑149‑50(A) of the S.C. Code is amended to read:

(A) To be eligible for a LIFE Scholarship, a student must be either a student who has graduated from a high school located in this State, a student who has completed at least three of the final four years of high school within this State, a home school student who has successfully completed a high school home school program in this State in the manner required by law, a student who has graduated from a preparatory high school outside this State, while a dependent of a parent or guardian who is a legal resident of this State and has custody of the dependent, or a student whose parent or guardian has served in or has retired from one of the United States Armed Forces within the last four years, paid income taxes in this State for a majority of the years of service, and is a resident of this State. These students also must meet the requirements of subsection (B) and be eligible for in‑state tuition and fees as determined pursuant to Chapter 112, Title 59 and applicable regulations. In addition, the student must have graduated from high school with a minimum of a 3.0 cumulative grade average on a 4.0 scale and have scored 1100 or better on the Scholastic Aptitude Test (SAT) or have the equivalent ACT score 22 on the ACT; provided that, if the student is to attend such a public or independent two‑year college or university in this State, including a technical college, the SAT/ACT requirement does not apply. If a student chooses to attend such a public or independent institution of this State and does not make the required SAT/ACT score or the required high school grade point average, as applicable, the student may earn a LIFE Scholarship after his freshman year if he meets the grade point average and semester credit hour requirements of subsection (B). For the purpose of meeting the rank criteria pursuant to this section, the existing high school rank of a South Carolina resident attending an out‑of‑state high school may be used provided it is calculated pursuant to a state‑approved, standardized grading scale at the respective out‑of‑state high school. If the Commission on Higher Education determines that a state‑approved standardized grading scale substantially deviates from the South Carolina Uniform Grading Scale, the state‑approved standardized grading scale shall not be used to meet the eligibility requirements for the LIFE Scholarship.

SECTION 4. In the event that the SAT or ACT changes their respective scoring ranges, the Commission on Higher Education shall adjust the minimum scores required by this chapter in order to ensure equivalency.

SECTION 5. Section 59‑104‑20(H) of the S.C. Code is amended to read:

(H) Notwithstanding another provision of law, a student who met the initial eligibility requirements to receive a Palmetto Fellows Scholarship Award as a senior in high school and has met the continuing eligibility requirements shall receive the award. A student who received a Palmetto Fellows Scholarship Award as a senior in high school but declined the award is eligible to reapply for the annual scholarship, providing he meets all of the initial and continuing academic eligibility requirements of the Palmetto Fellows program, if he transfers to a qualifying South Carolina institution of higher learning. The number of semesters or academic years a student attended an out‑of‑state institution are to be deducted from the number of semesters or academic years a student is eligible for the scholarship. All funding provided for Palmetto Fellows Scholarships regardless of its source or allocation must be used to implement the provisions of this subsection. A student who uses a Palmetto Fellows Scholarship to attend an eligible two‑year institution shall receive a maximum of four continuous semesters, and may continue to use the scholarship to attend an eligible four‑year institution, subject to the maximum number of semesters for which the student may be eligible for the scholarship.

SECTION 6. This act takes effect July 1, 2024.

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