

**SENATE FINANCE COMMITTEE
HIGHER EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2012-13**

SECTION 6 - H03-COMMISSION ON HIGHER EDUCATION

- 6.4 DELETE** (Allowable Tuition and Fees) Prohibits state funds from being used to provide undergraduate out-of-state subsidies to students who attend state supported colleges and universities.
WMC: DELETE proviso. *Codified in Section 59-101-55.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Higher Education.
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~6.4. (CHE: Allowable Tuition and Fees) State funds shall not be used to provide undergraduate out-of-state subsidies to students attending state supported public institutions of higher learning, as defined in Section 59-103-5.~~

- 6.11 DELETE** (SREB Veterinary Students) Directs CHE to include 5 additional veterinary medicine students in the dues it pays to the Southern Regional Educational Board.
WMC: DELETE proviso. *The 5 additional slots have been incorporated into the contract and the slots implemented.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Higher Education.
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~6.11. (CHE: SREB Veterinary Students) Of the funds appropriated to or authorized for the Commission on Higher Education, the commission is directed to fund the Southern Regional Educational Board dues at an appropriate amount to include five additional veterinary medicine students.~~

- 6.12 DELETE** (EPSCoR Transfer Authority) Authorizes and provides guidelines for the transfer of the EPSCoR program from the S.C. Research Authority to CHE.
WMC: DELETE proviso. *EPSCoR has chosen not to relocate and remains at SCRA. CHE and EPSCoR agree that the proviso should be deleted.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Higher Education.
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~6.12. (CHE: EPSCoR Transfer Authority) At the discretion of the State Manager of the South Carolina EPSCoR Program, the State Manager is authorized to transfer the South Carolina EPSCoR Program from the South Carolina Research Authority to the Commission on Higher Education. Regardless of whether the State Coordinator chooses for the program to be transferred, no funds appropriated to or authorized for the South Carolina EPSCoR Program may be retained by the South Carolina Research Authority or the Commission on Higher Education without the consent of the South Carolina EPSCoR Program.~~

- 6.16 DELETE** (Critical Needs Nursing Initiative) Requires Critical Needs Nursing Initiative appropriations to be used to implement the Critical Needs Nursing Initiative Fund which shall

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permanently transfer funds allocated for nursing faculty to the institutions where the faculty are employed.

WMC: DELETE proviso. *Program guidelines were codified in Section 59-110-10 et seq; however there is currently no funding provided for this initiative.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Higher Education.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

6.16. (CHE: Critical Needs Nursing Initiative) ~~The funds appropriated to the Commission on Higher Education for the Critical Needs Nursing Initiative shall be used the purpose of implementing the Critical Needs Nursing Initiative Fund per Section 59-110-10, et seq., of the 1976 Code of Laws, as amended. Funds allocated for nursing faculty and faculty salary enhancements and new nursing faculty shall be permanently transferred to the affected institutions where such faculty are employed. The governing body of the institution, pursuant to its procedures, shall then allocate these enhancements among its affected faculty in such amounts as it determines appropriate consistent with their salary guidelines.~~

6.17 **AMEND** (Tuition Age) Suspends, for FY 10-11, the age limit for free tuition for children of certain war veterans if the age limit was successfully appealed to the Division of Veterans Affairs due to a serious extenuating health condition.

WMC: AMEND proviso to change "Fiscal Year 2010-11" to "the current fiscal year." *Technical.* Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

6.17. (CHE: Tuition Age) For ~~Fiscal Year 2010-11~~ the current fiscal year, the age limitation for those children of certain war veterans who may be admitted to any state-supported college, university, or post high school technical education institution free of tuition is suspended for eligible children that successfully appeal the Division of Veterans Affairs on the grounds of a serious extenuating health condition.

6.20 **DELETE NEW PROVISO** (SmartState) **WMC:** ADD new proviso to prohibit CHE from spending any funds to market the SmartState Program. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~**6.20.** (CHE: SmartState) *The Commission on Higher Education is prohibited from expending any source of funds on the marketing of the SmartState Program.*~~

6.ssdd **ADD** (SmartState Draw Down) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize CHE to draw down previously appropriated lottery funds for a SmartState "South Carolina Center of Economic Excellence" that have been held in trust awaiting matching funds, after they receive the dollar-for-dollar non-state match and upon State Budget Division approval. Direct that the required documentation along with proof that the required match is on hand be submitted to the State Budget Division for approval. Direct the State Budget Division to

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notify the Other Funds Oversight Committee of such approval. Direct that the requirements of proviso 70.24 (Other Funds Oversight Committee) do not apply under these circumstances.

6.ssdd.(CHE: SmartState Draw Down) The Commission on Higher Education, upon receipt of the dollar-for-dollar non-state match for a SmartState "South Carolina Center of Economic Excellence" required pursuant to Section 2-75-50 of the 1976 Code, and after State Budget Division approval, shall be authorized to draw down previously appropriated lottery funds that had been held in trust until matching funds were on hand. The commission shall submit required documentation to the State Budget Division for approval of such draw downs, including proof that the required match is on hand, and the State Budget Division shall notify the Other Funds Oversight Committee of an authorization approved for this purpose. The requirements of proviso 70.24 contained in this act shall not apply to circumstances described by this proviso.

SECTION 15 - H45 - UNIVERSITY OF SOUTH CAROLINA

- 15.2 DELETE** (Indirect Cost Recovery Waiver for Summer Food Service Program) Grants USC a partial indirect cost recoveries waiver for the Summer Food Service Program. Directs that the waiver may not exceed the program's direct administrative cost.

WMC: DELETE proviso. *The Summer Food Program at USC has been discontinued.* Fiscal Impact: No impact on the General Fund. Requested by University of South Carolina.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

15.2. (USC: Indirect Cost Recovery Waiver for Summer Food Service Program) ~~The University of South Carolina is granted partial waiver of the remittance of indirect cost recoveries for the Summer Food Service Program supported by the Federal Department of Agriculture through the Department of Social Services. The waiver may not exceed the amount of direct administrative cost for the program.~~

SECTION 17 - H54-MEDICAL UNIVERSITY OF SOUTH CAROLINA

- 17.1 DELETE** (Palmetto Initiative for Excellence) Directs that funds for the Palmetto Initiative for Excellence shall be used as match funds to promote diversity with the administrative health services workforce.

WMC: DELETE proviso. *Funding was eliminated in October of 2009.* Fiscal Impact: No impact on the General Fund. Requested by Medical University of South Carolina.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

17.1. (MUSC: Palmetto Initiative for Excellence) ~~Funds appropriated herein to the SC Healthcare Recruitment and Retention Center for the Palmetto Initiative for Excellence shall be used as match funds to promote diversity within the administrative health services workforce in South Carolina. Funds are to be used to stimulate the development of post graduate fellowships, undergraduate internships, and mentoring programs.~~

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SECTION 18 - H59-STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

- 18.4 DELETE** (Caterpillar Dealer Academy) Allows the Florence Darlington Technical College area commission to waive the requirements of Chapter 112 of Title 59 [DETERMINATION OF RATES OF TUITION AND FEES] for student that participate in the Caterpillar Dealer Academy.
WMC: DELETE proviso. *Codified in Section 59-112-140.* Fiscal Impact: No impact on the General Fund. Requested by State Board for Technical and Comprehensive Education.
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**18.4.** (TEC: Caterpillar Dealer Academy) The area commission for the Florence Darlington Technical College may waive the requirements of Chapter 112, Title 59, Code of Laws of South Carolina, 1976, for student participants in the Caterpillar Dealer Academy operated by Florence Darlington Technical College.~~

SECTION 89 - X90-GENERAL PROVISIONS

- 89.16 AMEND FURTHER** (Allowance for Residences & Compensation Restrictions) Authorizes specific positions to occupy agency-owned residences without charge and provides compensation guidelines
WMC: AMEND proviso delete references to the Department of Mental Health employees. *The department no longer provides housing for employees.* Requested by Department of Mental Health. AMEND FURTHER to add the employees of the “Governor’s School for Arts and Humanities” who are required to stay on campus in the exemptions pertaining to compensation restrictions. Delete “Clemson University’s Head Football Coach” from the employees who may be permitted to occupy residences owned by the respective departments without charge. Delete the requirement that commuter mileage on non-exempt state vehicles be considered as income and reported according to the IRS regulations. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete the authorization for USC’s Manager of Bell Camp Facility, Housing Maintenance Night Supervisors, Residence Life Directors, temporary and transition employees, and emergency medical personnel to occupy residences owned by the department without charge. Requested by University of South Carolina.

89.16. (GP: Allowance for Residences & Compensation Restrictions) That salaries paid to officers and employees of the State, including its several boards, commissions, and institutions shall be in full for all services rendered, and no perquisites of office or of employment shall be allowed in addition thereto, but such perquisites, commodities, services or other benefits shall be charged for at the prevailing local value and without the purpose or effect of increasing the compensation of said officer or employee. The charge for these items may be payroll deducted at the discretion of the Comptroller General or the chief financial officer at each agency maintaining its own payroll system. This shall not apply to the Governor’s Mansion, ~~nor for department owned housing used for recruitment and training of Mental Health Professionals,~~ nor to guards at any of the state’s penal institutions and nurses and attendants at ~~the Department of Mental Health, and the Department of Disabilities and Special~~

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Needs, and registered nurses providing clinical care at the MUSC Medical Center, nor to the Superintendent and staff of John de la Howe School, nor to the cottage parents and staff of Wil Lou Gray Opportunity School, nor to full-time or part-time staff who work after regular working hours in the SLED Communications Center or Maintenance Area, nor to adult staff at the Governor's School for Science and Mathematics and the Governor's School for Arts and Humanities who are required to stay on campus by the institution because of job requirements or program participation. The presidents of those state institutions of higher learning authorized to provide on-campus residential facilities for students may be permitted to occupy residences on the grounds of such institutions without charge.

Any state institution of higher learning may provide a housing allowance to the president in lieu of a residential facility, the amount to be approved by the Budget and Control Board.

That the following may be permitted to occupy residences owned by the respective departments without charge: ~~the Director of the Department of Mental Health;~~ the Farm Director, Farm Managers, and Specialists employed at the Wateree River Correctional Institution; the South Carolina State Commission of Forestry fire tower operators, forestry aides, and caretaker at central headquarters; the Department of Natural Resources' Game Management Personnel, Fish Hatchery Superintendents, Lake Superintendent, and Fort Johnson Superintendent; the Department of Parks, Recreation and Tourism field personnel in the State Parks Division; Director of Wil Lou Gray Opportunity School; President of the School for the Deaf and the Blind; houseparents for the Commission for the Blind; South Carolina Department of Health and Environmental Control personnel at the State Park Health Facility and Camp Burnt Gin; Residence Life Coordinators at Lander University; Residence Life Directors, temporary and transition employees, student interns, and emergency personnel at Winthrop University; Farm Superintendent at Winthrop University; Residence Hall Directors at the College of Charleston; ~~Clemson University's Head Football Coach;~~ the Department of Disabilities and Special Needs' physicians and other professionals at Whitten Center, Clemson University Off-Campus Agricultural Staff and Housing Area Coordinators; ~~and University of South Carolina's Manager of Bell Camp Facility, Housing Maintenance Night Supervisors, Residence Life Directors, temporary and transition employees, and emergency medical personnel;~~ TriCounty Technical College's Bridge to Clemson Resident and Area Directors. Except in the case of elected officials, the fair market rental value of any residence furnished to a state employee shall be reported by the state agency furnishing the residence to the Agency Head Salary Commission, and the Division of Budget and Analyses by October first, of each fiscal year.

All salaries paid by departments and institutions shall be in accord with a uniform classification and compensation plan, approved by the Budget and Control Board, applicable to all personnel of the State Government whose compensation is not specifically fixed in this act. Such plan shall include all employees regardless of the source of funds from which payment for personal service is drawn. The Division of Budget and Analyses of the Budget and Control Board is authorized to approve temporary salary adjustments for classified and unclassified employees who perform temporary duties which are limited by time and/or funds. When approved, a temporary salary adjustment shall not be added to an employee's base salary and shall end when the duties are completed and/or the funds expire. Academic personnel of the institutions of higher learning and other individual or group of positions that cannot practically be covered by the plan may be excluded therefrom but their compensations as approved by the Division of Budget and Analyses shall, nevertheless, be subject to review by the Budget and Control Board. Salary appropriations for employees fixed in this act shall be in full for all services rendered, and no supplements from other sources shall be permitted or approved by the Budget and Control Board. With the exception of travel and subsistence, legislative study committees shall not compensate any person who is otherwise employed as a full-time state

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employee. Salaries of the heads of all agencies of the State Government shall be specifically fixed in this act and no salary shall be paid any agency head whose salary is not so fixed. ~~Commuter mileage on non-exempt state vehicles shall be considered as income and reported by the Comptroller General in accordance with IRS regulations.~~ As long as there is no impact on appropriated funds, state agencies and institutions shall be allowed to spend public funds and/or other funds for designated employee award programs which shall have written criteria approved by the agency governing board or commission. For purposes of this section, monetary awards, if any, shall not be considered a part of an employee's base salary, a salary supplement, or a perquisite of employment. The names of all employees receiving monetary awards and the amounts received shall be reported annually to the South Carolina Division of Budget and Analyses.

In the case of lodging furnished by certain higher education institutions to employees, the prevailing local rate does not apply if the institution meets the exceptions for inadequate rent described in the current Internal Revenue Code Section 119(d)(2). To meet the exception, rental rates must equal the lesser of five percent of the appraised value of the qualified campus lodging, or the average of the rentals paid by individuals (other than employees or students of the educational institution) during the calendar year for lodging provided by the educational institution which is comparable to the qualified campus lodging provided to the employee, over the rent paid by the employee for the qualified campus lodging during the calendar year. The appraised value shall be determined as of the close of the calendar year in which the taxable year begins, or, in the case of a rental period not greater than one year, at any time during the calendar year in which the period begins.

89.122 AMEND (USC Greenville Medical School) States the intent of the General Assembly to not appropriate general funds for the new medical school at USC Greenville during FY 2011-12 and limits the amount and type of funds that may be transferred from USC to the new medical school.

WMC: AMEND proviso to change Fiscal Year "2011-12" to "2012-13." *Technical.* Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

89.122. (GP: USC Greenville Medical School) It is the intent of the General Assembly that during Fiscal Year ~~2011-12~~ 2012-13, no general funds shall be appropriated for the new medical school at the University of South Carolina in Greenville. In addition, no state funds may be transferred from state earmarked or restricted funds held by the University of South Carolina to the medical school except for grants, contributions, contractual payments, and tuition and required fees for students attending the new medical school at the University of South Carolina in Greenville that are specifically designated for the medical school at the University of South Carolina in Greenville.

SECTION 90 - X91-STATEWIDE REVENUE

90.13 AMEND FURTHER (Prohibits Public Funded Lobbyists) Requires certain agencies to transfer specific amounts of funds to the General Fund in order to eliminate taxpayer funded lobbying.

WMC: AMEND proviso to change Fiscal Year "2011-12" to "2012-13." Fiscal Impact: Increases non-recurring General Fund revenue by \$604,312

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HOU: AMEND FURTHER to delete the requirement that the Prosecution Coordination Commission transfer \$19,290 to the General Fund. Sponsor: Rep. Pitts.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete the requirement that funds be transferred to the General Fund.

90.13. (SR: Prohibits Public Funded Lobbyists) ~~In order to eliminate taxpayer funded lobbying, the following state agencies and institutions, for Fiscal Year 2011-12 2012-13, shall transfer the amounts indicated to the General Fund:~~

Administrative Law Court	\$ 22,000
The Citadel	\$ 16,881
Clemson University	\$ 45,546
Coastal Carolina University	\$ 20,230
College of Charleston	\$ 34,000
Department of Health & Environmental Control	\$ 26,553
State Board for Technical & Comprehensive Education	\$ 22,431
Florence-Darlington Technical College	\$ 10,001
Greenville Technical College	\$ 31,783
Horry-Georgetown Technical College	\$ 1,183
Tri-County Technical College	\$ 55,545
Francis Marion University	\$ 23,500
Judicial Department	\$ 59,164
Medical University of South Carolina	\$ 80,380
Department of Natural Resources	\$ 17,157
Prosecution Coordination Commission	\$ 19,290
South Carolina State University	\$ 20,000
University Of South Carolina	\$ 53,368
University of South Carolina Upstate	\$ 11,000
Winthrop University	\$ 9,300
Lander University	\$ 25,000
Total	\$604,312 585,022

All state agencies and institutions are prohibited from using general fund appropriations to compensate employees who engage in lobbying on behalf of the state agency or institution. The State Ethics Commission shall require state agencies and institutions that report lobbying activities to the commission to certify that the lobbying activities were not funded by general fund appropriations.

All state agencies and institutions are prohibited from entering into contracts using general fund appropriations to provide lobbying services to the agency or institution.