

**SENATE FINANCE COMMITTEE
HIGHER EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2013-14**

SECTION 3 - H66-LOTTERY EXPENDITURE ACCOUNT

- 3.6 DELETE NEW PROVISO** (Scholarship Eligibility Requirement) **HOU:** ADD new proviso to state the intent of the General Assembly that beginning in school year 2014-15 students who receive Palmetto Fellows and Life scholarships remain eligible if they maintain a GPA of at least 80 out of a 100 point scale and require higher ed institutions to develop a plan during FY 13-14 to implement these requirements. Sponsors: Reps. Stavrinakis, White, and Harrell.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~3.6. (LEA: Scholarship Eligibility Requirement) It is the intent of the General Assembly that beginning in school year 2014-15 students awarded the merit based scholarships of Palmetto Fellows and Life shall remain eligible as long as they keep a grade average of 80 based on a 100 point scale. The amount of time that the student is eligible shall be determined by the provisions of the scholarships. During school year 2013-14, colleges and universities, from the funds appropriated to or authorized for each college and university, must develop a plan to implement this requirement.~~

SECTION 11 - H03-COMMISSION ON HIGHER EDUCATION

- 11.3 DELETE** (Access & Equity Programs) Designates the amount of the appropriation for Access and Equity that is to be provided to public Historically Black Colleges and Universities with the balance distributed among the state's other public institutions in support of their Access and Equity programs.
WMC: DELETE proviso. *The line item appropriation was vetoed and sustained in FY 2010-11 and funds have not been restored.* Requested by Commission on Higher Education.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~11.3. (CHE: Access & Equity Programs) Of the funds appropriated herein for Access and Equity Programs, the Commission on Higher Education shall distribute at least \$98,313 to South Carolina State University, \$24,559 to Denmark Technical College, and \$588,741 to the Access and Equity Program. With these funds the colleges and universities shall supplement their access and equity programs so as to provide, at a minimum, the same level of minority recruitment activities as provided during the prior fiscal year. Any additional funds appropriated herein for the Access and Equity Program shall be used for Commission on Higher Education implementation of statewide program priorities.~~

- 11.4 AMEND** (African-American Loan Program) Directs funds to institutions for the purpose of African American teacher education loan programs at Benedict College and SC State University and provides that no more than 10% may be used for administrative purposes.
WMC: AMEND proviso to change "\$149,485" allocation to SC State to "\$73.7%" and \$53,389 allocation to Benedict College to "\$26.3%." *Replacing specific dollar amounts with percentages of the line item funding will eliminate the need to amend the proviso any time the funding is reduced by the General Assembly or by a mid-year budget reduction.* Requested by Commission on Higher Education.
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

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11.4. (CHE: African-American Loan Program) Of the funds appropriated to the Commission on Higher Education for the African-American Loan Program, \$149,485 73.7% shall be distributed to South Carolina State University and \$53,389 26.3% shall be distributed to Benedict College, and must be used for a loan program with the major focus of attracting African-American males to the teaching profession. The Commission of Higher Education shall act as the monitoring and reporting agency for the African-American Loan Program. Of the funds allocated according to this proviso, no more than ten percent shall be used for administrative purposes.

- 11.8** **AMEND** (Performance Improvement Pool Allocation) Directs flow-through funds to the state's federal EPSCOR program and to programs at SC State University School of Business. **WMC:** AMEND proviso to change \$1,642,536 allocation to EPSCoR to "80%" and \$410,635 allocation to S.C. State to 20%." *Replacing specific dollar amounts with percentages of the line item funding will eliminate the need to amend the proviso any time the funding is reduced by the General Assembly or by a mid-year budget reduction.* Requested by Commission on Higher Education.
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

11.8. (CHE: Performance Improvement Pool Allocation) Of the funds appropriated to the Commission on Higher Education under Section XI. Special Items: Performance Funding, \$1,642,536 80% will be allocated to the EPSCoR program under the Commission on Higher Education to improve South Carolina's research capabilities and \$410,635 20% will be allocated to support the management education programs of the School of Business at South Carolina State University.

- 11.11** **DELETE** (Grants and Scholarships) Stipulates that no state, federal or other funds appropriated under the annual appropriations act may be used to provide any type of tuition assistance to illegal aliens and provides that CHE, Tuition Grants, Student Loan Corp. and the state's colleges ensure compliance with the proviso.
WMC: DELETE proviso. *The proviso is consistent with permanent law and provisions enacted with the passage of the state's Illegal Immigration Reform Act.* Requested by Commission on Higher Education.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**11.11.** (CHE: Grants and Scholarships) No state or other appropriated funds authorized in this act or authorized in any state law may be used to provide illegal aliens tuition assistance, scholarships, or any form of reimbursement of student expenses for enrolling in or attending an institution of higher learning in this State. The Commission on Higher Education, the Higher Education Tuition Grants Commission, the South Carolina Student Loan Corporation, and the individual public institutions of higher learning are responsible for ensuring compliance with this provision.~~

- 11.15** **ADD** (Higher Education Excellence Enhancement Program Additions) **WMC:** ADD new proviso to direct that Converse College and Columbia College are eligible to receive funds under the Higher Education Excellence Enhancement Program until 6/30/14.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

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11.15. (CHE: Higher Education Excellence Enhancement Program Additions) Converse College and Columbia College shall be eligible to receive funds under the Higher Education Excellence Enhancement Program until June 30, 2014.

- 11.16** **ADD** (Parity Funding) **WMC:** ADD new proviso to direct CHE to study parity funding for all state institutions of higher learning and to submit findings and recommendations to the General Assembly by January 3, 2014.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

11.16. (CHE: Parity Funding) The Commission on Higher Education is directed to study the issue of parity funding for all state institutions of higher learning. Findings and recommendations shall be submitted to the members of the General Assembly by January 3, 2014.

- 11.17** **ADD** (SCNG CAP Carry Forward) **HOU:** ADD new proviso to authorize S.C. National Guard College Assistance Program funds to be carried forward. Exempts the program's funds from any mid-year budget reduction. Sponsor: Rep. Limehouse.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

11.17. (CHE: SCNG CAP Carry Forward) Funds appropriated for the South Carolina National Guard College Assistance Program may be carried forward from the prior fiscal year into the current fiscal year and expended for the same purpose. If a mid-year budget reduction is imposed by the General Assembly or the State Budget and Control Board, the appropriations for the program are exempt.

- 11.ss** **ADD** (SmartState Draw Down) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize CHE to drawn 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 must be submitted to the State Budget Division for approval and direct the State Budget Division to notify the Other Funds Oversight Committee of such approval. Direct that the requirements of proviso 91.21 (Other Funds Oversight Committee) do not apply under these circumstances.

11.ss. (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 91.21 contained in this act shall not apply to circumstances described by this proviso.

- 11.ctc** **ADD** (College Transition Connection Need-Based Grants) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that College Transition Connection funds be transferred to the CHE Need-Based Grant program and be used to provide grants to

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S.C. resident students enrolled in an established college transition program that serves students with intellectual disabilities. Direct CHE, in consultation with College Transition Connection to develop guidelines for awarding and allocating the funds. Require the number of grant recipients be tracked to evaluate the effectiveness of the program in assisting students with intellectual disabilities in college transition programs.

11.ctc. (CHE: College Transition Connection Need-Based Grants) Funds appropriated for the College Transition Connection shall be transferred to the Commission on Higher Education Need-Based Grant program. These funds shall be used to provide need-based grants to South Carolina resident students enrolled at a public institution of higher education in an established college transition program that serves students with intellectual disabilities. The Commission on Higher Education, in consultation with College Transition Connection, shall develop guidelines for awarding these need-based grants and shall allocate the available funds to eligible institutions on the basis of student need and enrollment in the established college transition programs. All other grants and gift aid for which these students are eligible must be applied first to the cost of attendance prior to using the need-based grant funding. If the cost of attendance for an eligible student is met with all other grants and gift aid, the need-based grant shall not be used. The participating institutions, in cooperation with the Commission on Higher Education and College Transition Connection, shall track the number of grant recipients and other information determined necessary to evaluate the effectiveness of these grants in assisting students with intellectual disabilities in college transition programs. No more than the amount transferred in Fiscal Year 2013-14 for College Transition Connection may be expended from currently appropriated Commission on Higher Education Need-Based Grant funding for grants for students in college transition programs.

11.asd **ADD** (Scholarships Awarded During Summer Sessions Task Force) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct CHE to convene a special task force to explore the merits and feasibility of awarding Palmetto Fellows and LIFE Scholarships and other financial aid during summer sessions in order to increase student flexibility and facilitate an expedited time to graduations. Direct the commission include campus officials from various institutions representing financial aid, business affairs, academic affairs, and commission staff. Direct findings and recommendations be reported to the Chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees by December 1, 2013. Direct the report include any necessary statutory changes; an analysis of any state budget implications; anticipated state budget costs on a cash flow basis over multiple fiscal years to determine net cost or savings associated with providing awards during the summer terms.

11.asd. (CHE: Scholarships Awarded During Summer Session Task Force) The Commission on Higher Education shall convene a special task force comprised of institutional representatives from the various sectors of higher education to explore the merits and feasibility of awarding Palmetto Fellows and LIFE scholarships and other state-supported financial aid during summer sessions for the purpose of increasing student flexibility and to facilitate an expedited time to graduation as compared to the traditional academic calendar. The task force assembled by the commission shall include campus officials representing financial aid, business affairs, and academic affairs as well as commission staff. A report of the task force shall be provided to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, the Chairman of the House Education and Public Works Committee, and the Governor no later than December 1, 2013. The report submitted shall include as part of any

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findings and recommendations advanced, an outline of necessary changes, if any, to current statutory provisions governing scholarships and/or state-supported financial aid as well as an analysis of state budget implications, if any, including, as appropriate, an accounting for anticipated state budget costs on a cash flow basis over multiple fiscal years to determine the net cost (or savings as the case may be) to the state for providing awards during the summer terms.

SECTION 20 - H45-UNIVERSITY OF SOUTH CAROLINA

- 20.4 DELETE NEW PROVISO** (Parity Funding) **WMC:** ADD new proviso to direct the USC System, at the discretion and direction of the Board of Trustees, to develop and implement policies to achieve funding parity across its branch and regional campuses.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~20.4. (USC: Parity Funding) At the discretion and direction of the Board of Trustees, the University of South Carolina System shall develop and implement policies to achieve parity funding across its branch and regional campuses.~~

SECTION 25 - H59-ST BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

- 25.4 DELETE** (Manufacturing Training Facility) Requires the State Board for Tec and Comp Ed to use \$3,500,000 to complete the up-fit of a manufacturing training facility at Central Carolina Technical College to be used in conjunction with Ready SC worker training programs.
WMC: DELETE proviso. *Project will be completed during FY 12-13.* Requested by State Board for Technical and Comprehensive Education.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~25.4. (TEC: Manufacturing Training Facility) Of the funds appropriated to the State Board for Technical and Comprehensive Education, \$3,500,000 must be utilized to complete the up-fit of a manufacturing training facility at Central Carolina Technical College. The facility shall be used in conjunction with worker training programs offered by the ReadySC program.~~

- 25.5 AMEND NEW PROVISO** (MSSC) **WMC:** ADD new proviso to prohibit funds appropriated for the Manufacturing Skills Standards Council Initiative from being used for marketing or consulting.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete the prohibition on the funds being used for “marketing.”

~~25.5. (TEC: MSSC) The funds appropriated to the State Board for Technical and Comprehensive Education for the Manufacturing Skills Standards Council Initiative may not be used for marketing or consulting associated with the Initiative.~~

- 25.6 DELETE NEW PROVISO** (System Wide Infrastructure and Workforce Development) **WMC:** ADD new proviso to direct the State Board to use the funds appropriated for system wide infrastructure and workforce development to prioritize and fund projects to maximize workforce development.

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HOU: DELETE new proviso. *Moved to CRF to follow funding.* Sponsor: Rep. Limehouse.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of new proviso.

25.6. (TEC: System wide Infrastructure and Workforce Development) DELETED

SECTION 117 - X90-GENERAL PROVISIONS

117.79 AMEND (Printed Report Requirements) Directs that for Fiscal Year 2012-13 certain state agencies and higher education institutions shall not be required to submit printed reports and shall only submit the reports electronically.

WMC: AMEND proviso to update fiscal year references to "2013-14."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.79. (GP: Printed Report Requirements) (A) For Fiscal Year ~~2012-13~~ 2013-14, state supported institutions of higher learning shall not be required to submit printed reports mandated by Sections 2-47-40, 2-47-50, and 59-103-110 of the 1976 Code, and shall instead only submit the documents electronically.

Submission of the plans or reports required by Sections 2-47-55, 59-101-350, 59-103-30, 59-103-45(4), and 59-103-160(D) shall be waived for the current fiscal year, except institutions of higher learning must continue to report under 2-47-55 year one of the Comprehensive Permanent Improvement Plan, student pass rates on professional examinations, and data elements otherwise required for the Commission on Higher Education Management Information System. The commission, in consultation with institutions, shall take further action to reduce data reporting burdens as possible.

(B) For Fiscal Year ~~2012-13~~ 2013-14, the Department of Agriculture shall not be required to submit printed reports mandated by Section 46-49-10 of the 1976 Code. The department shall provide these reports electronically and shall use any monetary savings for K5-12 agricultural education programs.

(C) For Fiscal Year ~~2012-13~~ 2013-14, the Department of Health and Human Services shall not be required to provide printed copies of the Medicaid Annual Report required pursuant to Section 44-6-80 of the 1976 Code and the Provider Reimbursement Rate Report required pursuant to Proviso 33.11, and shall instead only submit the documents electronically.

(D) For Fiscal Year ~~2012-13~~ 2013-14, the Department of Transportation shall not be required to submit printed reports or publications mandated by Sections 1-11-58, 2-47-55, and 58-17-1450 of the 1976 Code.

The Department of Transportation may combine their Annual Report and Mass Transit Report into their Annual Accountability Report.

117.106 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 2012-13 and limits the amount and type of funds that may be transferred from USC to the new medical school.

WMC: AMEND proviso to update fiscal year reference to "2013-14."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.106. (GP: USC Greenville Medical School) It is the intent of the General Assembly that during Fiscal Year ~~2012-13~~ 2013-14, no general funds shall be appropriated for the new

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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.

117.120 CARRY FORWARD (Prohibit Use of State Aircraft for Athletic Recruitment) **WMC:** ADD new proviso to prohibit colleges and universities from using any aircraft operated by the Division of Aeronautics for athletic recruitment purposes.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: CARRY FORWARD to Full Senate Finance Committee with no recommendation.

117.120.(GP: Prohibit Use of State Aircraft for Athletic Recruitment) Institutions of higher learning may not use the state aircraft operated by the Division of Aeronautics for the purpose of athletic recruiting.

SECTION 118 - X91-STATEWIDE REVENUE

118.9 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 update fiscal year reference to "2013-14."

HOU: ADOPT proviso as amended.

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

~~118.9. (SR: Prohibits Public Funded Lobbyists) In order to eliminate taxpayer funded lobbying, the following state agencies and institutions, for Fiscal Year 2012-13 2013-14, 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
South Carolina State University	\$ 20,000
University Of South Carolina	\$ 53,368
University of South Carolina Upstate	\$ 11,000

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Winthrop University	\$ 9,300
Lander University	\$ 25,000
Total	\$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.

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