

Amendment: D9

Representatives BANNISTER, HERBKERSMAN, WHITMIRE, STAVRINAKIS, LOWE, BALLENTINE, CRAWFORD, MOSS, and MURPHY propose the following amendment:

SECTION 3 – LOTTERY EXPENDITURE ACCOUNT

New

3.lf. (LEA: FY 2024-25 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Executive Budget Office as directed below. These appropriations must be used to supplement and not supplant existing funds for education. For cash flow purposes, the Executive Budget Office may facilitate limited transfers from the general deposits of the state for the exclusive purpose of ensuring the timely distribution of scholarships and tuition assistance payments as provided below. Any use of this transfer allowance must include full reimbursement from the Education Lottery Account to the general deposit accounts of the state prior to the close of the fiscal year.

The Executive Budget Office is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.

All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.

For Fiscal Year 2024-25, certified net lottery proceeds and investment earnings for the current fiscal year, Fiscal Year 2022-23 certified surplus, and Fiscal Year 2023-24 projected surplus and undesignated fund balance are appropriated as follows:

- (1) Commission on Higher Education - LIFE Scholarships as provided in Chapter 149, Title 59..... \$210,341,233;
- (2) Commission on Higher Education - HOPE Scholarships as provided in Section 59-150-370..... \$ 12,113,310
- (3) Commission on Higher Education - Palmetto Fellows Scholarships as provided in Section 59-104-20..... \$ 63,259,863;
- (4) Commission on Higher Education and State Board for

- Technical and Comprehensive Education – Tuition Assistance..... \$ 51,100,000;
- (5) Commission on Higher Education - Need-Based Grants \$ 80,000,000;
- (6) Higher Education Tuition Grants Commission – Tuition Grants \$ 20,000,000;
- (7) Commission on Higher Education - SC National Guard College Assistance Program as provided in Section 59-111-75..... \$ 6,200,000;
- (8) State Board for Technical and Comprehensive Education – South Carolina Workforce Industry Needs Scholarship... \$ 78,651,047;
- (9) South Carolina State University \$ 2,500,000;
- (10) State Board for Technical and Comprehensive Education - readySC \$ 5,000,000;
- (11) Commission on Higher Education - Nursing Initiative \$ 10,000,000;
- (12) Commission on Higher Education - PASCAL \$ 1,500,000.

For Fiscal Year 2023-24, funds certified from unclaimed prizes are appropriated as follows:

- (1) Department of Alcohol and Other Drug Abuse Services – Gambling Addiction Services..... \$ 100,000;
- (2) State Board for Technical and Comprehensive Education – South Carolina Workforce Industry Needs Scholarship..... \$ 16,348,953;

and

- (3) Instructional Materials \$ 3,551,047.

For Fiscal Year 2024-25, the cash balance of lottery funds on hand at the Commission on Higher Education at the end of Fiscal Year 2022-23 are appropriated as follows:

- (1) Clemson University – Student Experiential Learning \$ 3,500,000;
- (2) University of South Carolina System – Carolina Internship Pilot Program \$ 4,500,000;
- (3) State Board for Technical and Comprehensive Education – High Demand Job Skill Training Equipment..... \$ 30,000,000;
- (4) Department of Education – School Bus Lease/Purchase \$ 35,000,000;
- (5) Department of Education – Instructional Materials..... \$ 40,000,000;
- (6) Commission on Higher Education – Higher Excellence Enhancement Program (HEEEP)..... \$ 9,000,000;

and

- (7) Graduate Medical Education..... \$ 30,000,000.

If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2024-25 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis.

Fiscal Year 2024-25 funds appropriated to the Commission on Higher Education and the State Board for Technical and Comprehensive Education for Tuition Assistance must be distributed to the technical colleges and two-year institutions as provided in Section 59-150-360. Annually, the State Board for Technical and Comprehensive Education and the Commission on Higher Education shall develop the Tuition Assistance distribution of funds.

The provisions of Section 2-75-30 regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.

The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full-time students.

Fiscal Year 2024-25 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2024-25 are fully funded.

If the lottery revenue received for Fiscal Year 2024-25 certified net lottery proceeds and investment earnings for the current fiscal year, Fiscal Year 2023-24 projected surplus, and Fiscal Year 2022-23 certified surplus and the undesignated fund balance are less than the amounts appropriated, the Executive Budget Office is authorized to use surplus lottery proceeds accumulated in the lottery account from previous fiscal years to fully fund appropriations from the lottery authorized by the General Assembly. If a revenue shortfall still exists once the fund balance has been exhausted, then the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.

The Higher Education Tuition Grants Commission is authorized to use up to \$70,000 of the funds appropriated in this provision for Tuition Grants to provide the necessary level of program support for the grants award process.

Of the funds appropriated to the Commission on Higher Education for Need-Based Grants, public colleges and universities must submit requests to carry forward Need-Based Grants to the Commission on Higher Education by June 30, 2025, and final invoices for Need-based Grants by a date determined by the commission. For Fiscal Year 2024-25, all eligible students must be awarded up to the maximum allowable amount prior to any Need-Based Grant funds being carried forward. Funds only shall be carried forward if all eligible Need-based Grant students at the public colleges and universities are fully funded with financial aid that does not require student repayment. Funds allocated for Fiscal Year 2024-25 must be distributed in the same academic year.

Of the funds appropriated to the Commission on Higher Education for the Nursing Initiative, the commission shall use the funds to address the nursing shortage. Funds shall be allocated accordingly to the state's public colleges and universities, including technical colleges, that have accredited nursing programs accredited by a national accrediting agency recognized by the United States Department of Education. The first \$5 million shall be used to provide bonuses or supplement the salaries of existing full-time faculty and the hourly rates of part-time faculty, or the salaries of clinical nursing faculty, which includes adjunct faculty. The funds shall be allocated to each public college or university, including technical colleges, based on the number of students enrolled in nursing programs. The second \$5 million shall be used to provide tuition reimbursement or scholarships for students enrolled in graduate-level nurse educator programs, Doctor of Nursing Practice, or Ph.D. programs. The scholarship recipients must agree to assume a faculty role in a state nursing program after

graduation for a minimum of two years for each year they receive the scholarship. Annually by September 15, the Commission shall report on the Nursing Initiative, at a minimum, the following: (1) total number of students receiving tuition reimbursements or scholarships; (2) total number of students receiving tuition reimbursements or scholarships subsequently hired as faculty; (3) total number of students receiving tuition reimbursements or scholarships not hired as faculty; (4) amount of funding allocated to each institution with eligible nursing programs; (5) expenditures and encumbrances of Nursing Initiative funds for eligible faculty for each program; and (6) retention rates, new hires and vacancies for full-time, part-time (including adjunct), and clinical faculty for each eligible program. The Commission may also request institutions to provide other information related to nursing workforce development. This report shall be submitted to the House Education and Public Works Committee, House Ways and Means Committee, Senate Education Committee, and Senate Finance Committee.

Of the funds appropriated to the Department of Health and Human Services for Graduate Medical Education or through intergovernmental transfers, the Department of Health and Human Services shall establish initiatives to strengthen the recruitment and retention of the healthcare workforce in order to improve access to services in South Carolina, particularly in rural and underserved areas. The department is authorized to perform, or contract to perform, an assessment of current and future supply, demand, and distribution of physicians and other medical professionals throughout the State. The assessment shall include examination of workforce trends, education, training programs, as well as financing and regulatory policies in order to better inform and evaluate the cost benefit of existing strategies. The department is authorized to increase Medicaid Graduate Medical Education (GME) spending and other supplemental payments; provided that such spending is employed to increase residency training slots or to implement incentives that encourage residents to enter specialty training deemed important to the State or to remain in the State following completion of their residency program. The department should consider other funding opportunities or make policy recommendations to build workforce capacity that include, but are not limited to, incentive payments, loan repayment programs, infrastructure investments, administrative billing efficiencies, technology enhancements, and licensing provisions. In carrying out this provision, the department shall coordinate with residency programs, schools of medicine, the South Carolina Area Health Education Consortium, state agencies, and other entities as appropriate.

Funds not expended in the prior fiscal year may be carried forward into the current fiscal year and utilized for the same purpose, subject to certification from the Commission on Higher Education that they continue to meet the requirement of this provision.