



THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

Memorandum

TO: Lewis Carter, Director, House Government Efficiency & Legislative Oversight Committee

FROM: Edward Frazier, Director of Public Affairs

CC: Marissa Evans, STO Director of Treasurer Management
Charlie LaRosa, House Oversight Committee Staff

DATE: July 3, 2025

SUBJECT: Status of the Children's Education Endowment Fund

Thank you for your recent inquiry regarding the Children's Education Endowment Fund, which is administered by the South Carolina Office of the State Treasurer. We appreciate the opportunity to provide clarification as part of your committee's review of the Higher Education Tuition Grants Commission and the South Carolina Department of Education (SCDE).

In response to your request, please find the following background and current status of the fund:

Statutory Overview

Pursuant to Sections 46-46-40(E) and 59-143-10(A)(B) of the South Carolina Code of Laws, revenue from radioactive waste disposal fees was historically deposited into the Nuclear Waste Disposal Receipts Distribution Fund (STARS fund E16 37A6). After statutory distributions of \$2 million to Barnwell County and applicable rebates to waste generators, the remaining balance was directed to the Children's Education Endowment Fund (STARS fund E16 4723 / SCEIS fund E160 47230000). These funds were allocated as:

- 30% to Higher Education Scholarship Grants
- 70% to Public School Facility Assistance

Revenue and Distribution History

In June 2009, operational changes at the Barnwell disposal site—resulting from a Memorandum of Understanding (MOU) between the South Carolina Budget and Control Board, the Department of Revenue, and Chem-Nuclear Systems—led to a shift to in-compact-only operations. Under this model, the site was to be operated on a break-even basis, eliminating the excess revenues that previously funded the Endowment.

As a result, deposits to the fund ceased, and no distributions have been made in recent years. The last distribution occurred in 2013 under the state's legacy accounting system. Unfortunately, documentation regarding the specifics of that distribution is no longer available as it is outside of our retention policy.

Current Fund Status

Although no new revenues have been added since the cessation of radioactive waste receipts, the fund has continued to accrue interest. As of May 31, 2025, the balance of the Children's Education Endowment Fund

(SCEIS fund E160 47230000) stands at \$4,171,287.41.

We have not received any distribution requests for these funds in recent years. Furthermore, based on communication with SCDE, it appears the Public School Facility Assistance program is currently inactive and not receiving funding.

We hope this information is helpful to the committee's review. Should you need any further details or clarification, please do not hesitate to contact our office.