

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

**LOTTERY EXPENDITURE ACCOUNT**

**3.1 AMEND (Audit) SUBCOMMITTEE RECOMMENDATION: AMEND proviso.**

**3.1.** (LEA: Audit) Each state agency receiving lottery funds shall develop and implement procedures to monitor the expenditures of lottery funds in order to ensure that lottery funds are expended in accordance with applicable state laws, rules, and regulations. For institutions of higher learning, adopted procedures to monitor expenditures of lottery funds shall be reported to the Commission on Higher Education by August, 1, 2015, and these expenditures are subject to annual verification and audit by the Commission on Higher Education on a rotational schedule not to exceed three years. The Office of the State Auditor shall ensure that state agencies receiving lottery funds have procedures in place to monitor expenditures of lottery funds and that the monitoring procedures are operating effectively.

**3.he.a ADD (Higher Education Allocations) SUBCOMMITTEE RECOMMENDATION: ADD new proviso.**

**3.he.a.** (LEA: Higher Education Allocations) Education Lottery Account funds provided to institutions of higher learning shall only be expended by and/or allocated to higher education institutions domiciled in this state.

**COMMISSION ON HIGHER EDUCATION**

**11.tran ADD (Transferability) SUBCOMMITTEE RECOMMENDATION: ADD new proviso.**

**11.tran.** (CHE: Transferability) Transfer students from two-year public institutions of higher learning accepted to public research institutions and four-year colleges and universities with an earned Associate of Arts or Associate of Science degree are guaranteed the award of at least sixty credit hours of transfer coursework and will have all general education requirements waived. Course prerequisites and minimum credit requirements for the awarding of degrees shall still apply. The Commission on Higher Education, in consultation with the State Board for Technical and Comprehensive Education and the public institutions of higher learning, will develop policies by May 2, 2016, for implementation of the provisions herein effective beginning in fall 2016.

**11.of ADD (Other Funds Expenditure Authorization) SUBCOMMITTEE RECOMMENDATION: ADD new proviso.**

**11.of.** (CHE: Other Funds Expenditure Authorization) State institutions of higher learning, including technical schools, shall not expend an amount of other funds in excess of the total authorized by this act and any amount approved by the Other Funds Oversight Committee. Each institution and school shall prepare a quarterly report, which includes quarterly and fiscal year-to-date other funds appropriations expenditure amounts, and provide the reports, no later than fifteen days after the end of the quarter, to the Senate Finance Committee, the House Ways and Means Committee, and the Revenue and Fiscal Affairs Office. Upon a finding by the Revenue and Fiscal Affairs Office that an institution or school has breached its other fund authorization, the executive director shall send a letter notifying the State Treasurer as to the amount of unauthorized spending and the State Treasurer shall withhold an equal amount from that

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

institution or school's next available general fund appropriation transfer and remit it to the general fund.

**11.gd ADD (Graduation Data) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.gd. (CHE: Graduation Data)** Institutions of higher learning must annually report graduation data in terms of true freshman cohort; a student who starts their college career as a freshman at the institution and graduates from that institution. Institutions must also report graduation data in terms of the Voluntary System of Accountability (VSA). Both calculations must be submitted to the Commission on Higher Education on or before December 1st.

**11.et ADD (Equalizing In-State Tuition) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.et. (CHE: Equalizing In-State Tuition)** The Commission on Higher Education shall study in-state tuition rates at all state institutions of higher learning to determine the feasibility of equalizing in-state tuition rates. The commission shall report the findings of the study to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by December 1, 2015.

**11.sd ADD (Student Debt) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.sd. (CHE: Student Debt)** The Commission on Higher Education, in collaboration with the Student Loan Corporation, shall determine outstanding student loan debt numbers and default rates as of July 1, 2015, for each public institution of higher learning. Results shall be reported annually to the Chairman of the Senate Finance Committee and Chairman of the House Ways and Means Committee by October 1st.

**11.fte ADD (Other Funded FTE Revenue) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.fte. (CHE: Other Funded FTE Revenue)** Each institution of higher learning, when requesting additional other funded full-time equivalent positions shall ensure that sufficient revenues exist to fund the salary and fringe benefits for the positions. In addition, the institution shall also ensure that in the calculation of the revenue required for the positions, future pay increases and future health insurance adjustments as may be mandated by the General Assembly are taken into consideration.

**11.ec ADD (Federal and Other Fund Compensation Increase Exemption) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.ec. (CHE: Federal and Other Fund Compensation Increase Exemption)** Notwithstanding the requirements of proviso 93.24 (Employee Compensation), institutions of higher learning shall be exempt from having to provide state imposed pay raises to other and federal funded full-time equivalent positions.

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

- 11.rec** ADD (Remit Unmatched Endowed Chairs Funds) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.rec. (CHE: Remit Unmatched Endowed Chairs Funds) All monies set aside for the Centers of Excellence Matching Endowment that have not named a matching source of funds by July 1, 2015, shall be remitted to the general fund by August 1, 2015.*

- 11.fpw** ADD (4% Waivers) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.fpw. (CHE: 4% Waivers) When each institution of higher learning establishes the allotted amount of money to be used as a fee waiver, the formula to be used across the board shall be defined as "Total Waiver Allotment per Statute=Unduplicated headcount (full annual in-state geo tuition) x 4 percent." In order to qualify for a fee waiver a student must be in-state (based on geo-origin); must be an undergraduate; must be enrolled in at least 12 hours; and must maintain a 3.0 grade point average per semester. Formula calculation and award data must be submitted to the Commission on Higher Education by October 1 of each year. When reporting data, the institution must identify all other financial awards the student is receiving as well as if the student is an athlete and how many semesters the student has received the waiver. If the information is not provided to the Commission on Higher Education by October 1, the commission must notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and those institutions shall have their general fund appropriations reduced by the total waiver allotment per the respective institution.*

- 11.ab** ADD (Abatements) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.ab. (CHE: Abatements) For tuition and fee purposes, public institutions of higher learning may adopt policies in addition to those in accordance with Section 59-112-10 et seq. of the 1976 Code and State Regulations 62-600 through 62-612 to waive some or all of the out-of-state tuition rates for those nonresident students who receive scholarship aid. Such waivers shall not exceed the total four percent fee waiver allotted amount.*

*Calculation of waivers for out-of-state students must be submitted to the Commission on Higher Education by October 1 each year. When reporting data, the institution must identify the geo-origin of the student, class of the student, all other financial awards the student is receiving as well as if the student is an athlete and how many semesters the student has received the waiver.*

*If the information is not provided to the Commission on Higher Education by October 1, the commission must notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and those institutions shall have their general fund appropriations reduced by the total waiver allotment per the respective institution.*

- 11.oid** ADD (Outstanding Institutional Debt) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.oid. (CHE: Outstanding Institutional Debt) By November 1st, institutions of higher learning must submit to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Commission on Higher Education, data on all outstanding institutional debt for their respective institution. Data shall include, but not be limited to, the amount of the initial debt, year in which the debt was incurred, the year in which the debt will be satisfied, the repayment schedule, and the purpose for which the debt was incurred.*

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISIO SUBCOMMITTEE  
PACKAGE #2**

- 11.cc** ADD (General Education Core Curriculum) **SUBCOMMITTEE RECOMMENDATION:**  
ADD new proviso.

*11.cc. (CHE: Personal Finances Core Curriculum) Each institution of higher learning shall offer a course designed for first-year students regarding personal finances which must be included in an institution's general education core curriculum.*

- 11.al** ADD (Uniform Acceptance Letter Deadline) **SUBCOMMITTEE RECOMMENDATION:**  
ADD new proviso.

*11.al. (CHE: Uniform Acceptance Letter Deadline) The Commission on Higher Education shall work with all institutions of higher learning to establish a uniform deadline for acceptance letters for the fall semester for incoming freshman.*

- 11.cpe** ADD (Comprehensive Program Evaluation) **SUBCOMMITTEE RECOMMENDATION:**  
ADD new proviso.

*11.cpe. (CHE: Comprehensive Program Evaluation) The Commission on Higher Education shall not grant a new program at an institution of higher learning until a comprehensive evaluation has been conducted on all the programs at that institution. The commission shall develop criteria to evaluate whether existing programs are essential and valuable to the institution and to the students enrolled in the institution. The commission shall submit the evaluation criteria to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.*

- 11.cig** ADD (Higher Education Continuous Improvement Goals) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.cig. (CHE: Higher Education Continuous Improvement Goals) In an effort to encourage improvements in higher education, attainment of the following goals will be considered with appropriation requests. Clemson University, the Citadel, and the University of South Carolina Columbia Campus shall improve their percentage of full time in-state undergraduate students by 2% of total enrollment in the fall class of 2015 and by 5% by 2020. The Medical University of South Carolina shall increase graduate percentage of in-state students by 2%. Coastal Carolina University, the University of Charleston, Francis Marion University, Lander University, USC Aiken, USC Beaufort, USC Upstate, and Winthrop University shall increase retention by 2% over two years and shall increase the four-year graduation rate by 3% over 4 years. The state's technical schools shall increase job placement by 2% over two years.*

**CLEMSON UNIVERSITY - EDUCATION AND GENERAL**

- 14.ei** ADD (Electrical Infrastructure) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*14.ei. (CU: Electrical Infrastructure) Clemson University is directed to enter into negotiations with an appropriate entity or an electric cooperative for the purchase and operation of the main campus electrical infrastructure and maintenance associated with said infrastructure.*

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISIO SUBCOMMITTEE  
PACKAGE #2**

**SOUTH CAROLINA STATE UNIVERSITY**

**19.so**    **ADD** (Suspend Operations)    **SUBCOMMITTEE RECOMMENDATION:**    ADD new proviso.

19.so. (SCSU: Suspend Operations) For Fiscal Year 2015-16, all operations and programs of the South Carolina State University shall be suspended as of July 1, 2015. It is the intent of the General Assembly that all athletic programs shall be suspended, the president shall be terminated, faculty and staff shall be dismissed, and the board of trustees shall be terminated. The university shall remain closed for one year during which time the Blue Ribbon Advisory Committee will establish a plan to reconstitute South Carolina State University by January 1, 2017; to re-hire necessary faculty, reconstitute athletic programs, and set curriculum to be offered as approved by the Commission on Higher Education so that applications for the 2017-18 school year can be accepted and the school year can begin in the fall of 2017.

The State of South Carolina shall assume all debt and pay off all outstanding bonded indebtedness, debt to vendors, and loans made from the Contingency Reserve Fund. To effectuate this payment the Executive Budget Office, in conjunction with the Comptroller General shall utilize the General Funds appropriated to the institution along with any other funds the institution carried forward from the prior fiscal year. The order in which outstanding debt shall be paid is as follows: vendors, then bonded indebtedness, then Contingency Reserve Fund.

Current South Carolina State University students who have a 2.5 GPA or higher and qualify to transfer to another in-state public institution or South Carolina historically black university, shall have their tuition paid for by the State of South Carolina, for up to four years from this date. All lottery scholarships and federal assistance currently awarded to the student shall be factored into the amount of tuition paid for by the State of South Carolina. If the student falls below a 2.5 GPA during any of the remaining semesters, the tuition shall be terminated and the school may dismiss the student at its discretion.

The Blue Ribbon Advisory Committee must submit the entire plan to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee before final approval by the General Assembly.

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #3**

**SOUTH CAROLINA STATE UNIVERSITY**

**19.sap** ADD (Suspend Athletic Programs) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*19.sap. (SCSU: Suspend Athletic Programs) For Fiscal Year 2015-16, all athletic programs at the South Carolina State University shall be suspended as of July 1, 2015, until such time as all outstanding debt the university owes to vendors, other state agencies, and the Contingency Reserve Fund has been repaid. Satisfaction of the debt must be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, and upon verification, the suspension of athletic programs shall be lifted.*

**19.ep** ADD (Expenditure Prohibition) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*19.ep. (SCSU: Expenditure Prohibition) Effective July 1, 2015, South Carolina State University is prohibited from expending any source of funds on travel, other than for student recruitment for academic purposes, conference attendance, or organizational (state or national) memberships. This prohibition shall apply to the president, all faculty and staff, and the Board of Trustees.*

**DEPARTMENT OF ADMINISTRATION**

**93.18** AMEND (Compensation - Reporting of Supplemental Salaries) **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso.

**93.18.** (DOA: Compensation - Reporting of Supplemental Salaries) No supplement shall be paid to an agency's employee, *including presidents of colleges and universities*, unless the agency head or designated official of the employing agency, *in the case of colleges and universities, their board of trustees*, has approved the conditions and amount of salary supplement. Any compensation, excluding travel reimbursement, from an affiliated public charity, foundation, clinical faculty practice plan, or other public source or any supplement from a private source to the salary appropriated for a state employee and fixed by the State must be reported by the employing agency to the Department of Administration. The report must include the *employee's base salary*, amount *of the supplement*, source *of the supplement*, and any condition of the supplement. The employing agency must report this information on or before August thirty-first of each year and must include the total amount and source of the salary supplement received by the employee during the preceding fiscal year (July first through June thirtieth). The Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. *Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.*

**STATE FISCAL ACCOUNTABILITY AUTHORITY**

**104.pa** ADD (SCSU Procurement Audit) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**HIGHER EDUCATION AND TECHNICAL SCHOOLS SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #3**

104.pa. (SFFA: SCSU Procurement Audit) The State Fiscal Accountability Authority shall conduct a procurement audit of South Carolina State University. The process shall be initiated no later than July 15, 2015. South Carolina State University is directed to cooperate with all requests for information associated with the audit. Results of the audit are to be submitted to the Chairman of the Senate Finance Committee, Chairman of the House Ways and Means Committee, the Executive Budget Office, and the Revenue and Fiscal Affairs Office.

**GENERAL PROVISIONS**

**117.55 AMEND (Employee Bonuses) SUBCOMMITTEE RECOMMENDATION: AMEND** proviso.

**117.55.** (GP: Employee Bonuses) State agencies and institutions are allowed to spend state, federal, and other sources of revenue to provide selected employees lump sum bonuses, not to exceed three thousand dollars per year, based on objective guidelines established by the Department of Administration. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems. Employees, including presidents of colleges and universities, earning \$100,000 or more shall not be eligible to receive bonuses under this provision. The employing agency must report this information on or before August 31st of each year and must include the total amount and source of the bonus received by the employee during the preceding fiscal year (July 1st through June 30th). The Human Resources Division of the Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.

**HEALTH CARE SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

**SECTION 34 - J04-DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL**

- 34.43 DELETE (Residential Treatment Facilities Swing Beds) SUBCOMMITTEE RECOMMENDATION: DELETE proviso.**

~~34.43. (DHEC: Residential Treatment Facilities Swing Beds) For Fiscal Year 2014-15 in coordination with the South Carolina Health Plan and to improve access for acute psychiatric beds as patient populations demand, Residential Treatment Facilities (RTF) may swing up to eighteen beds per qualifying facility to accommodate patients with a diagnosis of an acute psychiatric disorder. In order to qualify to utilize swing beds a facility must meet the following criteria: the facility must currently have both licensed acute psychiatric and residential treatment facility beds, the RTF beds must meet the same licensure requirements as the existing licensed acute psychiatric beds, and any facility utilizing swing beds must keep the acute and RTF patient populations separate and distinct. The utilization of swing beds must also comply with all federal Centers for Medicare and Medicaid Services rules and regulations.~~

- 34.44 DELETE (Sand-scraping and Sandbagging) SUBCOMMITTEE RECOMMENDATION: DELETE proviso.**

~~34.44. (DHEC: Sand-scraping and Sandbagging) Sand-scraping and sandbagging is allowed as protection for golf courses, if permitted by the department, until June 30, 2015. The payment of any fines assessed by the department regarding the use of sandbags, sand scraping or renourishment on golf courses are suspended. Any fines paid during the prior fiscal year regarding the use of sandbags, sand scraping or renourishment on golf courses are to be refunded by the department.~~

- 34.50 DELETE (Seawall Reconstruction Repair) SUBCOMMITTEE RECOMMENDATION: DELETE proviso.**

~~34.50. (DHEC: Seawall Reconstruction/Repair) In the current fiscal year, the Department of Health and Environmental Control may issue a special permit for the reconstruction or repair of an existing erosion control device of at least four thousand contiguous linear feet that is located landward of an area which the department has granted a permit authorizing a renourishment project that does not qualify for public funding and the permit is active as of July 1, 2014. The department may only issue the permit if the seawall will be reconstructed or repaired with like material and the footprint of the replacement is no more than two feet from the footprint of the original. The department may charge a permit fee equal to the actual cost of issuing the permit.~~

**SECTION 36 - J16-DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS**

- 36.1 AMEND (Work Activity Programs) SUBCOMMITTEE RECOMMENDATION: AMEND proviso.**

**36.1. (DDSN: Work Activity Programs) All revenues derived from production contracts earned by ~~mentally retarded trainees~~ individuals served by the department in Work Activity Programs be retained by the South Carolina Department of Disabilities and Special Needs and carried forward as necessary into the following fiscal year to be used for other operating expenses and/or permanent improvements of these Work Activity Programs.**



**HEALTH CARE SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

- 36.3 AMEND (Prenatal Diagnosis) SUBCOMMITTEE RECOMMENDATION:** AMEND proviso.

**36.3.** (DDSN: Prenatal Diagnosis) Revenues not to exceed \$126,000 from client fees, credited to the debt service fund and not required to meet the department's debt service requirement, may be expended only in the current fiscal year to promote expanded prenatal diagnosis of ~~mental retardation and related defects~~ intellectual and/or other related disabilities by the Greenwood Genetic Center.

- 36.7 AMEND (Unlicensed Medication Providers) SUBCOMMITTEE RECOMMENDATION:** AMEND proviso.

**36.7.** (DDSN: Unlicensed Medication Providers) The provision of selected prescribed medications may be performed by selected unlicensed persons in community-based programs sponsored, licensed or certified by the South Carolina Department of Disabilities and Special Needs, provided such selected unlicensed persons have documented medication training and skill competency evaluation. Licensed nurses may train and supervise selected unlicensed persons to provide medications and, after reviewing competency evaluations, may approve selected unlicensed persons for the provision of medications. The provision of medications by selected unlicensed persons is limited to oral and topical medications and to regularly scheduled insulin and prescribed anaphylactic treatments under established medical protocol and does not include sliding scale insulin or other injectable medications. The selected unlicensed persons shall be protected against tort liability provided their actions are within the scope of their job duties and the established medical protocol.

The Department of Disabilities and Special Needs shall establish curriculum and standards for training and oversight.

This provision shall not apply to a facility licensed as a ~~habilitation center for the mentally retarded or persons with related conditions~~ an intermediate care facility for individuals with intellectual and/or related disability.

**SECTION 38 - L04-DEPARTMENT OF SOCIAL SERVICES**

- 38.23 DELETE (SNAP Coupons) SUBCOMMITTEE RECOMMENDATION:** DELETE proviso.

**38.23.** (DSS: SNAP Coupons) ~~The Department of Social Services shall establish a program to provide coupons that will allow Supplemental Nutrition Assistance Program (SNAP) recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmers markets with SNAP benefits through their EBT cards. Each coupon shall allow the beneficiary to double the amount of produce purchased, up to five dollars. The agency shall utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the program.~~

- 38.24 DELETE (Federally Certified Child Support Enforcement System Project) SUBCOMMITTEE RECOMMENDATION:** DELETE proviso.

**38.24.** (DSS: Federally Certified Child Support Enforcement System Project) ~~Effective July 1, 2014, the CFS Project Executive Committee is abolished. For the current fiscal year, the direction, management, oversight, and decision-making authority previously exercised by the~~

**HEALTH CARE SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

~~CFS Project Executive Committee is placed under the sole authority of the Director of the Department of Social Services who shall make all final decisions regarding the project. The department shall publish on its website quarterly progress reports on the project's timetable to achieve a Federally certified Child Support Enforcement System.~~

**38.25 DELETE (New SNAP Debit Card Accountability Features) SUBCOMMITTEE RECOMMENDATION: DELETE proviso.**

~~38.25. (DSS: New SNAP Debit Card Accountability Features) By December 1, 2014, the Director of the Department of Social Services shall make reports and recommendations to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee for new accountability features to the debit cards used for the Supplemental Nutritional Assistance Program (SNAP).~~

~~(1) The feasibility and cost benefit of adding the beneficiaries' identification numbers on the SNAP debit cards. The objective is to reduce the misuse of SNAP debit; and~~

~~(2) The costs of various options available to reduce the fraud within these programs.~~

~~The department is authorized to use the agency's appropriated funds in Part IA of this act for research in complying with this provision.~~

**38.26 DELETE (Contracting Best Practices) SUBCOMMITTEE RECOMMENDATION: DELETE proviso.**

~~38.26. (DSS: Contracting Best Practices) By December 1, 2014, the Department of Social Services shall submit a written report to the Chairman of the House Ways and Means Committee and Chairman of the Senate Finance Committee describing the actions taken to ensure that contracting by the department uses best practices to address the following: (1) Unnecessarily labor intensive processes, duplication of effort, and poorly written solicitations and contracts; (2) Formal, repeatable process for consistent solicitation development; (3) Contract managers involved from "cradle to grave"; (4) Compliance with all applicable state laws and requirements; (5) Process to compile "lessons learned" and apply to future contracting; (6) Use of a business planning process to determine sourcing and re-bid strategy, and; (7) Regular best practice training of all staff involved in contracting. The department shall review other states' best practices for contracting in the development of this report.~~

**SECTION 117 - X90-GENERAL PROVISIONS**

**117.108 DELETE (Fiduciary Audit) SUBCOMMITTEE RECOMMENDATION: DELETE proviso.**

~~117.108. (GP: Fiduciary Audit) Of the funds authorized for the Public Employee Benefit Authority, the authority shall transfer \$700,000 to the Office of Inspector General. The funds transferred shall be utilized by the Inspector General to employ a private audit firm to perform the fiduciary audit on the Public Employee Benefit Authority as required by Section 9-4-40 of the 1976 Code, as amended.~~

**SECTION 118 - X91-STATEWIDE REVENUE**

**118.12 AMEND (Tobacco Settlement) SUBCOMMITTEE RECOMMENDATION: AMEND proviso.**

**HEALTH CARE SUBCOMMITTEE  
RECOMMENDATIONS FOR FY 2015-16  
TO THE PROVISO SUBCOMMITTEE  
PACKAGE #2**

**118.12.** (SR: Tobacco Settlement) (A) To the extent funds are available from payments received on behalf of the State by the Tobacco Settlement Revenue Management Authority from the Tobacco Master Settlement Agreement (“MSA”) during Fiscal Year ~~2014-15~~ 2015-16, the State Treasurer is authorized and directed, after transferring funds sufficient to cover the operating expenses of the Authority, to transfer the remaining funds as follows:

(1) \$1,253,000 to the Attorney General’s Office for Diligent Enforcement and Arbitration Litigation; \$450,000 to the State Law Enforcement Division for Diligent Enforcement; and \$325,000 to the Department of Revenue for Diligent Enforcement, all to enforce Chapter 47 of Title 11, the Tobacco Escrow Fund Act; *and*

~~(2) \$1,500,000 to the Department of Agriculture pursuant to Section 11-49-55 of the 1976 Code; and~~

~~(3)~~ (2) The remaining balance shall be transferred to the Department of Health and Human Services for the Medicaid program.

(B) The requirements of Section 11-11-170 of the 1976 Code shall be suspended for Fiscal Year ~~2014-15~~ 2015-16.

Amendment # HE1

REPRESENTATIVE Limehouse PROPOSES THE FOLLOWING AMENDMENT:

**SC State University**

New/Delete/Amend/Amend further:

**19.ap.** (Acting President) Dismiss the Board of Trustees and all faculty and staff of SC State and have the Blue Ribbon Committee recommend one person to assume the duties of acting President, with authority to hire and fire all personnel and reconstitute faculty and staff of SC State to the extent he or she desires. This person shall be fully vested and authorized to negotiate all past, current, and future contracts on behalf of SC State.

**REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENTS:**

**SECTION 1 - H63-DEPARTMENT OF EDUCATION**

**1.71 DELETE** (First Steps CDEPP Carry Forward and Other Funds) **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso.

~~1.71.(SDE: First Steps CDEPP Carry Forward and Other Funds) For Fiscal Year 2014-15, First Steps may use no more than \$15,000 in unexpended CDEPP funds carried forward from the prior fiscal year and no more than \$325,000 in other, non-CDEPP funds to meet information technology needs and ensure secure, statewide IT network connectivity via the Department of Administration and require data system connectivity and compatibility with PowerSchool through the Department of Education for the purpose of maintaining data for 4K students served through the CDEPP program.~~

~~No later than December 1, 2014, First Steps must report to the Executive Budget Office, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee on the expenditure of the funds to include the following information: expenditures on data system upgrades, expenditures on technology services and infrastructure and expenditures on personnel and training.~~

**1.73 AMEND** (Alternative Fuel Transportation) **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso.

~~1.73.(SDE: Alternative Fuel Transportation) For the current fiscal year, of the funds appropriated for School Bus Lease/Purchase, the Department of Education is directed to use at least five percent, but not more than ten percent to lease or purchase school buses that are designed to use alternative fuel or dual fuel as long as at least one school district desires to participate in this pilot project. The department shall select up to three school districts wishing to participate in a pilot project to use alternative fuel or dual fuel buses if an interested district pays for the following costs: (1) fueling station/facility; (2) the difference in the cost between a conventional and alternative fuel or dual fuel bus; and (3) appropriate training of department bus maintenance staff. Districts selected and agreeing to participate in the pilot project are required to use alternative fuel or dual fuel buses for routes approved by the department and shall submit quarterly reports to the department as directed by the agency. The department shall be responsible for the alternative fuel or dual fuel buses it purchases and shall pay for their maintenance costs and fuel. By June 1, 2015 2016, the department must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee how many alternative fuel or dual fuel buses were purchased, the cost of each bus, the type of alternative fuel used and the cost of the alternative fuel.~~

**1.bus ADD** (Proceeds from Sale of <sup>Bus</sup> Bush Shop and Boat) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*1.bus. (SDE: Proceeds from Sale of Bus Shop & Boat) For the current fiscal year the Department of Education is authorized to retain any funds received from the sale of any bus shop and the sale of the state owned boat and expend those funds for transportation purposes.*

**1.tfd** **ADD** (Transition Funds to Districts) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*1.tfd. (SDE: Transition Funds to Districts) Fund appropriated in Part IA, Section 1, XIV. Aid to School Districts, A. Aid to School Districts, EFA Transition Payments, are to be distributed to school districts eligible to receive transition funds. The funds will be disbursed in an amount equal to the net aggregate decrease in funding realized by a district as a result of changes to the EFA funding formula.*

*(A) Districts eligible for transition payments in the prior fiscal year are eligible to receive the lesser of one-half of the transition payment received in Fiscal Year 2014-15 or the actual difference between total EFA funding received in Fiscal Year 2015-16 and Fiscal Year 2013-14, subject to the limitations of item (B) of this section.*

*(B) School districts and individual charter schools are not eligible to receive transition funds for the portion of a net funding decrease resulting from a decrease in district ADM from the prior to the current fiscal year.*

*(C) If the amount of transition payments for all school districts and individual charter schools exceeds the availability of funds appropriated for this purpose, each entity receiving funds shall have their allocation reduced pro rata.*

#### **SECTION 1A - H63-DEPARTMENT OF EDUCATION-EIA**

**1A.68** **AMEND** (BabyNet Early Intervention Autism Therapy) **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso.

**1A.68.** (SDE-EIA: BabyNet Early Intervention Autism Therapy) The \$437,476 ~~\$814,348~~ in funds appropriated in this act to the Office of First Steps to School Readiness for BabyNet Autism Therapy must be used only to increase the BabyNet autism therapy provider hourly rate and the individual hourly pay of line therapists during the current fiscal year. The Office of First Steps must consult with the Department of Disabilities and Special Needs regarding the implementation of these increases. The Office of First Steps must ensure that, prior to payment, these line therapists meet all current state requirements. It is the intent of the General Assembly that these monies be used solely for the purpose of increasing the BabyNet autism therapy provider rate to \$13.58 per hour and the hourly pay to individual line therapists being increased to a minimum of \$10.00 per hour. Quarterly, the Office of First Steps must send a letter to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee reporting on their compliance with the requirements of this proviso. The report must include information regarding the expenditure of state funds as well as the receipt and expenditure of Federal Medicaid funds associated with the program.

**1A. tpd** **ADD** (Technology Professional Development) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*1A.tpd. (SDE-EIA: Technology Professional Development) Of the funds appropriated in Section XII.3 for Professional Development, \$4,000,000 shall be designated for use as professional development for the use of classroom technology. Funds designated for technology-related professional development shall be distributed to each school district or special school in proportion to the previous years' 135-day average daily membership. Districts must report by June 15 of the current fiscal year on the amount of funds expended, the types of activities funded by the district, and the number of teachers participating in the activity on a form prescribed by the department.*

**SECTION 7 - L12-JOHN DE LA HOWE SCHOOL**

**7.4 AMEND (Capacity) SUBCOMMITTEE RECOMMENDATION: AMEND proviso.**

**7.4. (JDLHS: Capacity) For Fiscal Year ~~2014-15~~ 2015-16, funds appropriated to John de la Howe School must be used to complete deferred maintenance on the residential cottages and to bring the school up to full capacity, to the extent possible. The school must not utilize the funds to hire new employees until the school has completed deferred maintenance on a cottage and requires the new employee due to a projected increase in students. Any increases in staff must be reported to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee thirty days prior to the hire. Further, the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.**

Amendment # K2

REPRESENTATIVE Bingham PROPOSES THE FOLLOWING AMENDMENT:

Amend

1.68.(SDE: Educational Credit for Exceptional Needs Children) (A) As used in this proviso:

(1)'Independent school' means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

(2)'Parent' means the natural or adoptive parent or legal guardian of a child.

(3)'Qualifying student' means a student who is a South Carolina resident and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the current school year.

(4)'Resident public school district' means the public school district in which a student resides.

(5)'Tuition' means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school and school-related transportation.

(6)'Eligible school' means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that: (a)offers a general education to primary or secondary school students; (b)does not discriminate on the basis of race, color, or national origin; (c)is located in this State; (d)has an educational curriculum that includes courses set forth in the state's diploma requirements and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress; (e)has school facilities that are subject to applicable federal, state, and local laws; and (f)is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools or the South Carolina Independent Schools Association.

(7)'Nonprofit scholarship funding organization' means a charitable organization *certified by Department of Revenue* that: (a)is exempt from federal tax under Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the Code; (b)allocates, after its first year of operation, at least ninety-five percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition, transportation, or textbook expenses (collectively hereinafter referred to as tuition) or any combination thereof to children enrolled in an eligible school meeting the criteria of this section, and incurs administrative expenses annually, after its first year of operation, of not more than five percent of



its annual contributions and revenue for a particular year; (c)allocates all of its funds used for grants on an annual basis to children who are ‘exceptional needs’ students as defined herein; (d)does not provide grants solely for the benefit of one school, and if the Department of Revenue determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this section may be disallowed; (e)does not have as a volunteer, contractor, consultant, fundraiser or member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this section from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member; and (f)does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony, or who has declared bankruptcy within the last seven years ; (g)does not release personally identifiable information pertaining to students or donors or use information collected about donors, students or schools for financial gain; and (h)must not place conditions on schools enrolling students receiving scholarships to limit the ability of the schools to enroll students accepting grants from other nonprofit scholarship funding organizations.

(8)‘Person’ means an individual, partnership, corporation, or other similar entity.

(9)‘Transportation’ means transportation to and from school only.

(B)A person is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12 or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of money, and the monetary value of any publicly traded securities, the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:

(1)the contribution is used to provide grants for tuition, transportation, or textbook expenses or any combination thereof to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and

(2)the person does not designate a specific child or school as the beneficiary of the contribution.

(C)Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for qualifying students with ‘exceptional needs’ to attend an independent school. Prior to awarding any grant, a scholarship funding organization must receive written documentation from the parent documenting that the qualifying student is an exceptional needs child. Upon approving the application, the scholarship funding organization must issue a check to the eligible school in the name of the qualifying student. In the event that the qualifying student leaves or withdraws from the school for any reason prior to the end of the semester or school year and does not re-enroll within thirty days, then the eligible school must return a prorated amount of the grant to the scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student’s departure.

An ‘exceptional needs’ child is defined as a child:

(1)(a)who has been evaluated in accordance with South Carolina’s evaluation criteria, as set forth in S.C. Code Ann. Regs. 43-243.1, and determined eligible as a child with a disability who needs special education and related services, in accordance with the requirements of Section 300.8 of the Individuals with Disabilities Education Act; or (b)who has been diagnosed within the last three years by a licensed speech-language pathologist, psychiatrist, or medical, mental health, psycho-educational, or other comparable licensed healthcare provider as having a neurodevelopmental disorder; a substantial sensory or physical impairment (such as deaf, blind, or orthopedic disability); or some other disability or acute or chronic condition that significantly impedes the student’s ability to learn and succeed in school without specialized instructional and associated supports and services tailored to the child’s unique needs; ~~and~~ or

(2)(a)who has a parent or legal guardian who is on full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to U.S.C. Section 1209 and 1211; or (b)who is, or was, a resident at a Child Caring Facility, Foster Home, or Residential Group Care Home, as defined by Section 63-1-40; or (c)who is, or was, homeless or the child of a homeless individual, as defined in Public Law 100-77; or (d)who is a Student At Risk of School Failure, or is classified as At Academic Risk, pursuant to the Education Finance Act, as provided in Chapter 20, Title 59, the Education Improvement Act, or funds specified in the general appropriations act for students at-risk; and

(2)(3) the child’s parents or legal guardian believes that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.

(D)(1)(a)The tax credits authorized by subsection (B) may not exceed cumulatively a total of ~~eight~~ eight million dollars for contributions made on behalf of ‘exceptional needs’ students. If the Department of Revenue determines that the total of such credits claimed by all taxpayers exceeds this amount, it shall allow credits only up to those amounts on a first come, first serve basis.

(b)The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department will determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, ~~2015~~ 2016, in order to claim the credit. The credit must be claimed on the return for tax year that the contribution is made. (2)A taxpayer may not claim more than sixty percent of their total tax liability for the year in contribution towards the tax credit authorized by subsection (B). This credit is not refundable.

(3)The Department of Revenue shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if either of the credit limits are met at any time during the current fiscal year.

(4)A person may claim a credit under subsection (B) for contributions made between July 1, ~~2014~~ 2015 and June 30, ~~2015~~ 2016.

(E)A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the deduction or credit authorized by this section to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

(G)(1) The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining if an eligible school meets the criteria established by subsection (A)(6), and shall publish an approved list of such schools meeting this criteria below. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

(2)(a) By the first day of August for the current fiscal year, the Education Oversight Committee, on its website available to the general public, shall provide a list with addresses and telephone numbers of nonprofit scholarship funding organizations in ~~good standing~~ certified by the Department of Revenue which provide grants under this proviso, and a list of approved independent schools which accept grants for eligible students and which in its determination are in compliance with the requirements of subsection (A)(6). (b) Student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by an eligible school receiving or entitled to receive scholarship grants under this proviso must be transmitted to the Education Oversight Committee which in turn shall publish this information on its website with the most recent scores by category included.

(3) Any independent school not determined to be an eligible school under the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(6)(d).

(H)(1) By August first of each year, each nonprofit scholarship funding organization must apply to be considered a certified nonprofit scholarship funding organization for which its contributors are allowed the tax credit allowed by this section. If a nonprofit scholarship funding organization does not apply, or is not approved, then the organization may not be published as an approved organization, and contributions to that organization shall not be allowed for purposes of the credit allowed by this section. A nonprofit scholarship funding organization's application must contain:

(a) the number and total amount of grants issued to eligible schools in the preceding fiscal year;

(b) for each grant issued to an eligible school in the preceding fiscal year, the identity of the school and the amount of the grant;

(c) an itemization and detailed explanation of any fees or other revenues obtained from or on behalf of any eligible schools;

(d) a copy of the organization's Form 990 or other comparable federal submission that indicates the provision of the Internal Revenue Code under which the organization has been granted exempt status for purposes of federal taxation;

(e) a copy of a compilation, review, or audit of the organization's financial statements, conducted by a certified public accounting firm;

(f) the criteria and eligibility requirements for scholarship awards; and

(g) a certification by the organization that it meets the definition of a nonprofit scholarship funding organization as that term is defined in subsection (A)(4) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(2) By September first of each year the Education Oversight Committee must publish on its website a list of all qualifying nonprofit scholarship funding organizations, certified by the Department of Revenue, to include their names, addresses, telephone numbers, and if available, website addresses.

~~(H)(1) Every nonprofit scholarship funding organization providing grants pursuant to subsection (C), shall cause an outside auditing firm to conduct a comprehensive financial audit of its operations in conformity with generally accepted accounting principles and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review. The audit must also document, at a minimum, the total number of grants awarded, the total amount of each grant, and the names of the eligible schools receiving grants on behalf of the eligible students.~~

~~(2) Every independent school accepting grants for eligible students shall cause to be conducted a compliance audit by an outside entity or auditing firm examining its compliance with the provisions of this section, and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review.~~

~~(3) A nonprofit scholarship funding organization may transfer funds to another nonprofit scholarship funding organization, especially in the event that the organization cannot distribute the funds in a timely manner or if the organization ceases to exist. None of the funds that are transferred by one nonprofit scholarship funding organization to another may be considered by the former organization when calculating its administrative expenses.~~

(I) Nothing in this section restricts the Department of Revenue's authority to oversee and audit any of the parties. If the department finds cause to conduct an audit and the audit results in findings of fact that an eligible school or nonprofit scholarship funding organization is not meeting eligibility guidelines, the department shall notify the Education Oversight Committee who shall immediately remove the school or organization from the approved list.

Amendment # **ED1**

REPRESENTATIVE SIMRILL PROPOSES THE FOLLOWING AMENDMENT:

Department of Revenue

New:

**109.GDOP.** *(DOR: Governmental Debt Offset Program) The Department of Revenue is authorized to contract with technology entities to provide the necessary capabilities to establish a debt offset program to allow non-tax payments to be used to offset governmental debt. Out of the proceeds received, the department shall retain its administrative costs and shall pay for the contractual costs to establish and operate the program. Remaining revenue shall be deposited into the General Fund of the State.*

## CJ1

Rep. Pitts proposes the following amendment:

61.0c. (INDEF: Optional Courts and Indigent Representation) If a municipality has or elects to have an optional municipal court system, it must provide adequate funds ~~from their Local Government Fund allocation~~ for representation of indigents. No public defender shall be appointed in any such court unless the municipality and the office of the circuit public defender have reached an agreement for indigent representation and no funds allocated to the commission shall be used to provide compensation for appointed counsel in municipal courts.

Amendment #     CJ2    

REPRESENTATIVE PITTS PROPOSES THE FOLLOWING AMENDMENT:

**INDIGENT DEFENSE**

New:

61.NEW (INDEF: Indigent Verification) The Commission on Indigent Defense is directed to review all Affidavits for Indigency and Application for Counsel and make recommendations to the General Assembly by January 5, 2016, on additional requirements for applicants and supporting documentation that should be required of all applicants in order to verify their financial status and whether their application should be approved and counsel appointed accordingly. Additionally, for Fiscal Year 2014/15 the commission shall report to the General Assembly the number of applications accepted and rejected and, if rejected, the reasons for the rejection by August 1, 2015.