

**HIGHER EDUCATION, TECHNICAL, AND CULTURAL SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2013-14
TO THE PROVISO SUBCOMMITTEE**

SECTION 3 - H66-LOTTERY EXPENDITURE ACCOUNT

3.4 DELETE (FY 12-13 Lottery Funding) Directs expenditure of lottery funds for Fiscal Year 2012-13.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~3.4. (LEA: FY 2012-13 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 Budget and Control Board as directed below. These appropriations must be used to supplement and not supplant existing funds for education.~~

~~The Budget and Control Board 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 2012-13 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:~~

- ~~(1) Commission on Higher Education and State Board for Technical and Comprehensive Education Tuition Assistance \$ 49,100,000;~~
- ~~(2) Commission on Higher Education LIFE Scholarships as provided in Chapter 149, Title 59 \$ 107,236,237;~~
- ~~(3) Commission on Higher Education HOPE Scholarships as provided in Section 59-150-370 \$ 7,779,856;~~
- ~~(4) Commission on Higher Education Palmetto Fellows Scholarships as provided in Section 59-104-20 \$ 30,777,240;~~
- ~~(5) Commission on Higher Education Need Based Grants \$ 11,631,566;~~
- ~~(6) Tuitions Grants Commission Tuition Grants \$ 7,766,604;~~
- ~~(7) Commission on Higher Education National Guard Tuition Repayment Program as provided in Section 59-111-75 \$ 1,700,000;~~
- ~~(8) South Carolina State University \$ 2,500,000;~~
- ~~(9) Technology Public Four Year Universities, Two Year Institutions, and State Technical Colleges \$ 7,301,816;~~
- ~~(10) Department of Education K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525 \$ 26,291,798;~~
- ~~(11) Department of Education Grades 6-8 Reading, Math, Science & Social Studies Program \$ 2,000,000;~~
- ~~(12) School for the Deaf and the Blind Technology Replacement \$ 200,000;~~
- ~~(13) Commission on Higher Education Higher Education Excellence Enhancement Program \$ 50,000;~~
- ~~(14) Commission on Higher Education Public Four Year Universities & Two Year Institutions Deferred Maintenance \$ 13,285,315; and~~
- ~~(15) State Board for Technical and Comprehensive Education Technical Colleges Deferred Maintenance \$ 4,714,685.~~

~~Fiscal Year 2012-13 funds appropriated to the Commission on Higher 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 appropriated.~~

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~~Of the funds appropriated to South Carolina State University, \$250,000 may be used for the BRIDGE Program.~~

~~The provisions of Section 2-75-30 of the 1976 Code 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 2012-13 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 2012-13 are fully funded.~~

~~If the lottery revenue received for Fiscal Year 2012-13 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, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.~~

~~The Commission on Higher Education is authorized to use up to \$260,000 of the funds appropriated in this provision for LIFE, HOPE, and Palmetto Fellows scholarships to provide the necessary level of program support for the scholarship award process.~~

~~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.~~

~~For Fiscal Year 2012-13, of the funds certified from unclaimed prizes, \$5,950,000 shall be appropriated to the Department of Education for the purchase of new school buses; \$250,000 shall be appropriated to the South Carolina School for the Deaf and blind for the purchase of new school buses; \$3,200,000 shall be appropriated to the Department of Education for K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525; \$50,000 shall be appropriated to the Department of Alcohol and Other Drug Abuse Services for gambling addiction services; and \$2,950,000 shall be appropriated to the Commission on Higher Education for the Higher Education Excellence Enhancement Program.~~

~~Of any unclaimed prize funds available in excess of the Board of Economic Advisors estimate, the first \$1,500,000 shall be directed to the Commission on Higher Education for the Partnership Among South Carolina Academic Libraries (PASCAL) Program. The next \$5,470,093 shall be directed for Technology: Public Four Year Universities, Two Year Institutions, and State Technical Colleges. The next \$2,000,000 shall be directed to the State Library for Aid to County Libraries. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Higher Education Excellence Enhancement Program. The next \$4,000,000 shall be directed to the State Board for Technical and Comprehensive Education for the Allied Health Initiative. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Critical Needs Nursing Program. The next thirty-eight percent, up to \$1,914,561, shall be directed to USC Beaufort for Full Time Equivalent Student Funding. The next twenty-three percent, up to \$1,135,093, shall be directed to USC Upstate for Full Time Equivalent Student Funding. The next eighteen percent, up to \$886,826, shall be directed to Coastal Carolina for Full Time Equivalent Student Funding. The next eleven percent, up to \$553,567, shall be directed to Lander University for Full Time Equivalent Student Funding. The next ten percent, up to \$509,953, shall be directed to USC Aiken for Full Time Equivalent Student Funding. All additional revenue in excess of the amount certified by the Board of Economic Advisors for unclaimed prizes shall be distributed to the Commission on Higher Education for LIFE, HOPE, and Palmetto Fellows Scholarships.~~

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~~For Fiscal Year 2012-13, net lottery proceeds and investment earnings realized above the amount certified by the Board of Economic Advisors for Fiscal Year 2011-12 are appropriated as follows on a pro-rata basis:~~

- ~~(1) Commission on Higher Education—Institutions of Public
Four-Year Universities and Two-Year Institutions of
Higher Learning Deferred Maintenance..... \$ 1,480,000;~~
- ~~(2) State Board for Technical and Comprehensive Education—
Technical Colleges Deferred Maintenance..... \$ 520,000;~~
- ~~(3) Commission on Higher Education—Need Based Grants..... \$ 4,000,000;~~
- ~~(4) Tuitions Grants Commission—Tuition Grants..... \$ 1,500,000;~~
- ~~(5) Technology—Public Four-Year Universities, Two-Year
Institutions, and State Technical Colleges..... \$ 2,500,000;~~
- ~~(6) Department of Education—New School Buses..... \$ 6,267,000; and~~
- ~~(7) State Library—Aid to County Libraries..... \$ 733,000.~~

~~All funds received in this provision by the Commission on Higher Education for deferred maintenance at public four-year universities and two-year institutions of higher learning shall be distributed on a pro-rata basis to each state-supported university and institution. The distribution methodology to be used by the commission shall be based on each institution's proportion of general fund appropriation in Part IA of Act 73 of 2011 as compared to the total general fund appropriation in that Act for all public four-year universities and two-year institutions of higher learning.~~

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.

SUBCOMMITTEE RECOMMENDATION: 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.*

~~**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.

SUBCOMMITTEE RECOMMENDATION: 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.*

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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.
SUBCOMMITTEE RECOMMENDATION: 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.

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.
SUBCOMMITTEE RECOMMENDATION: 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.

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.hee** **ADD** (Higher Education Excellence Enhancement Program Additions) **SUBCOMMITTEE RECOMMENDATION:** 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.

11.hee. (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.

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SECTION 20 - H45-UNIVERSITY OF SOUTH CAROLINA

- 20.pf** **ADD** (Parity Funding) **SUBCOMMITTEE RECOMMENDATION:** 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.

20.pf. (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.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Project will be completed during FY 12-13.* Requested by State Board for Technical and Comprehensive Education.

~~**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.~~

SECTION 29 - H95-STATE MUSEUM COMMISSION

- 29.1** **AMEND** (Duplicate Materials) Allows the commission to give away natural history materials that are not museum quality or that are duplicative for educational purposes.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to specify that the commission may not sell natural history materials. *Clarify intent to conform to American Alliance of Museums standard of conduct for museums.*

29.1. (MUSM: Duplicate Materials) The commission may give ~~away~~ but not sell natural history materials in its possession for educational purposes, such materials being less than museum quality or duplicative of materials owned by the Museum Commission.

- 29.2** **AMEND** (Removal From Collections) Allows the commission to remove under certain circumstances objects from its museum collections and to retain such funds in a special revolving account to be used for obtaining collections for the State Museum.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete reference to "dated January 20, 1993."

29.2. (MUSM: Removal From Collections) The commission may remove objects from its museum collections by gift to another public or non-profit institution, by trade with another public or non-profit institution, by public sale, by transfer to the commission's education, exhibit, or study collections or to its operating property inventory; or as a last resort, by intentional destruction on the condition that the objects so removed meet with one or more of the following criteria: (1) they fall outside the scope of the South Carolina Museum Commission's collections as defined in the Collection Policy ~~dated January 20, 1993~~; (2) they are unsuitable for exhibition or research; (3) they are inferior duplicates of other objects in the

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collection; or (4) they are forgeries or were acquired on the basis of false information; funds from the sale of such objects will be placed in a special revolving account for the commission to use solely for the purpose of purchasing objects for the collections of the State Museum.

- 29.4 DELETE** (Traveling Exhibits Fees) Allows the Museum to sell exhibits, retain and carry forward funds.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Amended proviso 29.5 to include the authorization in that provision.*

~~29.4. (MUSM: Traveling Exhibits Fees) The Museum Commission may rent or sell exhibits and exhibit components and the commission may retain such funds and use them to offset the cost of developing, maintaining, promoting, and improving the changing exhibit program and to support general operations, provided that the expenditures for such expenses are approved by the General Assembly in the annual Appropriation Act. Any unexpended revenue from these sources may be carried forward into the current fiscal year to be expended for the same purposes.~~

- 29.5 AMEND** (Retention of Revenue) Allows the Museum to charge for fees and services, retain and carry forward funds.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to add exhibits and exhibit components from which revenue may be retained by the commission. *Adds revenue generated from deleted proviso 29.4.*

29.5. (MUSM: Retention of Revenue) The Museum Commission may retain revenue received from admissions, program fees, facility rentals, professional services, donations, food service, exhibits and exhibit components, and other miscellaneous operating income generated by or for the museum and may expend such revenue for general operating expenses provided that such expenditures are approved by the General Assembly in the annual Appropriation Act. Any unexpended revenue from these sources may be carried forward into the current fiscal year to be expended for the same purposes.

- 29.ate ADD** (Admissions Tax Exemption) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to exempt the State Museum from remitting Admissions Tax to DOR. Require an amount equal to the tax, 5% of total admissions revenue, be earmarked in the museum's budget to support general operations. Fiscal Impact: BEA indicates General Fund Revenue would be decreased \$54,472 for FY 13-14 with a corresponding increase in agency other fund revenue.

29.ate. (MUSM: Admissions Tax Exemption) The State Museum is exempt from remitting Admissions Tax to the Department of Revenue on the admission fees it collects. An amount equivalent to the tax—five percent of total admissions revenue—shall be earmarked in the museum's budget for the purpose of supporting general operations.

SECTION 117 - X90-GENERAL PROVISIONS

- 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.

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

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 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.