

**PROVISO SUBCOMMITTEE
HIGHER EDUCATION AND TECHNICAL SCHOOLS
RECOMMENDATIONS FOR FY 2015-16
TO THE HOUSE WAYS AND MEANS COMMITTEE**

SECTION 3 - H66-LOTTERY EXPENDITURE ACCOUNT

3.1 AMEND (Audit) Directs each state agency that receives lottery funds to develop and implement procedures to monitor lottery expenditures to ensure that lottery funds are expended in accordance with applicable state laws, rules, and regulations. Directs the State Auditor to ensure that these state agencies have effective monitoring procedures in place.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct institutions of higher learning to report the procedures they have adopted to monitor the expenditure of lottery funds to CHE by August 1, 2015 and state that these expenditures are subject to annual verification and audit by the commission on a rotating basis, not to exceed three years.

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.

3.2 DELETE (Technology Lottery Funds) Directs that \$125,000 of lottery technology funds designated for two-year institutions be transferred to the portion designated for four-year institutions for each USC 2-year institution that has moved to a 4-year status since 2000.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

3.2. (LEA: Technology Lottery Funds) ~~For the purposes of the allocation of technology funds from the lottery proceeds, \$125,000 shall be transferred from the portion designated for two-year institutions to the portion designated for four-year institutions for each University of South Carolina two-year institution that has moved to a four-year status since 2000.~~

3.4 DELETE (FY 2014-15 Lottery Funding) Directs expenditure of lottery funds for Fiscal Year 2014-15.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Technical.*

3.4. (LEA: FY 2014-15 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.~~

~~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 2014-15 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:~~

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- ~~(1) Commission on Higher Education and State Board for Technical and Comprehensive Education Tuition Assistance..... \$ 47,400,000;~~
- ~~(2) Commission on Higher Education LIFE Scholarships as provided in Chapter 149, Title 59..... \$140,824,027;~~
- ~~(3) Commission on Higher Education HOPE Scholarships as provided in Section 59-150-370..... \$ 8,476,245;~~
- ~~(4) Commission on Higher Education Palmetto Fellows Scholarships as provided in Section 59-104-20..... \$ 37,648,288;~~
- ~~(5) Commission on Higher Education Need Based Grants..... \$ 13,000,000;~~
- ~~(6) Tuitions Grants Commission Tuition Grants..... \$ 8,258,764;~~
- ~~(7) Commission on Higher Education National Guard Tuition Repayment Program as provided in Section 59-111-75..... \$ 4,545,000;~~
- ~~(8) South Carolina State University..... \$ 2,500,000;~~
- ~~(9) Technology Public Four Year Universities, Two Year Institutions, and State Technical Colleges..... \$ 1,127,825;~~
- ~~(10) Department of Education K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525..... \$ 24,591,798;~~
- ~~(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..... \$ 200,000; and~~
- ~~(13) Commission on Higher Education Higher Education Excellence Enhancement Program..... \$ 1,028,053.~~

~~Fiscal Year 2014-15 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.~~

~~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 2014-15 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 2014-15 are fully funded.~~

~~If the lottery revenue received for Fiscal Year 2014-15 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.~~

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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 2014-15, funds certified from unclaimed prizes are appropriated as follows:

- ~~(1) Department of Alcohol and Other Drug Abuse Services—Gambling
Addiction Services..... \$ 50,000;~~
- ~~(2) Commission on Higher Education—Higher Education Excellence
Enhancement Program..... \$ 2,950,000;~~
- ~~(3) Department of Education—K-5 Reading, Math, Science & Social
Studies Program as provided in Section 59-1-525..... \$ 2,300,000;~~
- ~~(4) Commission on Higher Education and State Board for Technical
and Comprehensive Education—Tuition Assistance..... \$ 1,700,000; and~~
- ~~(5) Department of Education—New School Buses..... \$ 1,000,000.~~

If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2014-15 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.

Any unclaimed prize funds available in excess of the Board of Economic Advisors estimate shall be appropriated as follows:

- ~~(1) Commission on Higher Education—Partnership Among South
Carolina Academic Libraries (PASCAL) Program..... \$ 1,500,000;~~
- ~~(2) Department of Education—New School Buses..... \$ 1,000,000;~~
- ~~(3) Department of Education—Instructional Materials..... \$ 3,000,000;~~
- ~~(4) State Library—Aid to County Libraries..... \$ 2,000,000;~~
- ~~(5) Commission on Higher Education—Technology Public Four Year
Universities, Two Year Institutions, and State Technical Schools.. \$ 5,335,897;~~
- ~~(6) Commission on Higher Education—Higher Education Excellence
Enhancement Program..... \$ 1,000,000;~~
- ~~(7) State Board for Technical and Comprehensive Education—Allied
Health Initiative..... \$ 4,000,000; and~~
- ~~(8) Commission on Higher Education—Critical Needs Nursing Program. \$ 1,000,000.~~

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.

For Fiscal Year 2014-15, net lottery proceeds and investment earnings realized from Fiscal Year 2013-14 estimated surplus are appropriated as follows on a pro-rata basis:

- ~~(1) Department of Education—K-12 Technology Initiative..... \$ 29,288,976;~~
- ~~(2) Commission on Higher Education—Technology Public Four Year
Institutions, Two Year Institutions, and Technical Colleges..... \$ 5,558,670;~~
- ~~(3) Department of Education—Instructional Materials..... \$ 3,904,095;~~
- ~~(4) Commission on Higher Education—Summer Semester Eligibility..... \$ 1,718,902; and~~
- ~~(5) Department of Education—Digital Instructional Materials..... \$ 5,000,000.~~

Funds appropriated to the Department of Education for the K-12 Technology Initiative shall be distributed to the public school districts of the state, the special schools of the state and the South Carolina Public Charter School District, per pupil, based on the previous year's 135-day average daily membership, according to the below calculations: (1) For a school district with a poverty index of less than 75: \$35 per ADM; (2) For a school district with a poverty index of at least 75 but no more than 85: \$50 per ADM; or (3) For a school district with a poverty index of 85 or greater or a special school with no defined poverty index: \$70 per ADM.

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The Department of Education may adjust the per ADM rates for each of the three classes defined above in order to conform to actual levels of student attendance and available appropriations, provided that the per ADM rate for each class is adjusted by the same percentage.

Funds distributed to a school district through the K-12 Technology Initiative may only be used for the following purposes: (1) To improve external connections to schools, with a goal of reaching at least 100 kilobits per second, per student in each school by 2017; (2) To improve internal connections within schools, with a goal of reaching at least 1 megabit per second, per student in each school by 2017; or (3) To develop or expand one-to-one computing initiatives.

A school district that has achieved each of the above goals may submit a plan to the K-12 Technology Initiative Committee for permission to expend its allocation on other technology-related uses; such permission shall not be unreasonably withheld and the K-12 Technology Committee must permit districts to appeal any process should a district not receive approval and must provide technical assistance to districts in developing plans should the district request such.

Funds appropriated for the K-12 Technology Initiative may not be used to supplant existing school district expenditures on technology. By June 30, 2015, each school district that receives funding through the K-12 Technology Initiative during Fiscal Year 2014-15 must provide the K-12 Technology Initiative Committee with an itemized report on the amounts and uses of these funds, using a form developed by the Education Oversight Committee. In this report, a school district must provide information on its efforts to obtain reimbursements through the "E-Rate" Schools and Libraries Program administered by the Universal Service Administrative Company. Within its available resources, the K-12 Technology Initiative Committee shall support school districts' efforts to obtain these reimbursements.

A student may receive a Palmetto Fellows or LIFE scholarship award during the summer, in addition to fall and spring semesters of an academic year, provided continued eligibility requirements are met as of the end of the spring semester. Students must enroll full-time, which for purposes of the summer award will require enrollment in at least twelve hours over the course of the summer. The summer is defined as the period between the end of the spring term and prior to the opening of the fall term. The total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if less than twelve hours for academic credit are not completed by the student during summer sessions. If awarded in the summer, a student's total award during his or her enrollment may not exceed the amount that would otherwise be provided under current semester limits applied for the scholarship awards. The Commission on Higher Education may provide additional guidelines necessary to ensure uniform implementation.

For Fiscal Year 2014-15, net lottery proceeds and investment earnings realized in the prior fiscal year above the amount needed to fund the appropriations in this provision (including the net lottery proceeds and investment earnings realized from Fiscal Year 2013-14 estimated surplus) are appropriated as follows on a pro-rata basis:

- (1) Commission on Higher Education - Public Four Year Universities,
Two Year Branch Campuses, and State Technical Colleges -
Critical Equipment Repair and Replacement..... \$ 10,351,128;
- (2) Department of Education - New School Buses \$ 2,571,519;
- (3) Commission on Higher Education - Technology Public Four Year
Universities, Two Year Institutions, and State Technical Colleges \$ 1,400,000;
- (4) Department of Education - K-5 Reading, Math, Science and Social
Studies Program as provided in Section 59-1-525 \$ 1,000,000;
- (5) Commission on Higher Education - Higher Education Excellence
Enhancement Program \$ 650,000;
- (6) Commission on Higher Education - Nonprofit, Four Year Institution

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~~of Higher Learning, Founded in 1956, is a Member of ACSI,
Whose Campus Has Been Continuously Situated in the Same
Location in this State Since 1961 Maintenance and
Improvement in Classroom, Library, Laboratory, or~~

~~Other Institutional Facilities..... \$ — 150,000;~~

~~(7) Commission on Higher Education Nonprofit, Bachelors Level
Institution of Higher Learning, Established in 1894, is a Member
of TRACS, with sixty percent or More Low Income Students
Maintenance and Improvement in Classroom, Library,
Laboratory, or Other Institutional Facilities..... \$ — 150,000; and~~

~~(8) Commission on Higher Education Nonprofit, Four Year
Comprehensive Institution of Higher Learning, First Established
as a College in 1908, is SACS Accredited, with forty percent
or More Minority Enrollment Support for Memorial
Professorships for the Purpose of Helping the College
Recruit and Retain Faculty Members Whose Research,
Teaching and Service Uniquely Contribute to the
Mission of the College..... \$ — 150,000.~~

~~Of the funds appropriated in sub item (1) above for the Commission on Higher Education—
Public Four Year Universities, Two Year Branch Campuses, and State Technical Colleges—
Critical Equipment Repair and Replacement, \$8,351,128 is designated for critical equipment
repair and replacement at public four year universities and two year branch campuses and must
be distributed based on the methodology described below, and \$2,000,000 is to be transferred by
the commission to the State Board for Technical and Comprehensive Education for distribution
to each of the State’s sixteen technical colleges for critical STEM equipment repair and
replacement. Distribution of the \$2,000,000 is to be made by a formula to be developed by the
State Board for Technical and Comprehensive Education in consultation with the colleges Chief
Business Officers for approval by the State Board’s Presidents Council. Based on the
methodology described below, funds designated in this provision to the Commission on Higher
Education for critical equipment repair and replacement at public four year universities and two-
year branch campuses may only used for the repair, maintenance or replacement of life, safety,
and/or other critical equipment and systems that are necessary for the safe and efficient operation
of an institution’s physical plant in its support of the institution’s educational purpose. Funds
must not be used for new construction and may only be distributed to an institution to the extent
the funds are matched by the institution for necessary repair and maintenance projects generally.
Matching funds exclude supplemental, capital reserve, lottery, or other nonrecurring state funds
appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair
and maintenance or deferred maintenance projects. Prior to the distribution of these funds,
institutions must certify to the commission, in a manner it prescribes, the extent to which they
have met this requirement, including the sources of funds utilized to meet this requirement. The
commission shall notify the Joint Bond Review Committee of the certification received pursuant
to this provision. Upon certification, the funds shall be distributed to institutions on a pro rata
basis based on the distribution methodology described below provided that the distribution does
not exceed an institution’s pro rata share or the amount matched by the institution if less than that
share. 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 101 of 2013 as compared
to the total general fund appropriation in that Act for all public four year universities and
two year branch campuses. Funds not matched and distributed shall be carried forward by the
commission and used for LIFE, HOPE, and Palmetto Fellows Scholarships. Not later than one~~

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~~hundred and twenty days after the close of the fiscal year, the commission shall report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding the utilization of this provision specifically, as well as the amount spent in the current fiscal year by each public institution of higher learning, by source of funds, on repair and maintenance projects generally, including restoration and renewal of existing facilities or infrastructure, and the amount of repair and maintenance, including restoration and renewal projects, deferred to a subsequent fiscal year by each institution, if any, and the reasons for the deferral.~~

- 3.he** **ADD** (Higher Education Allocations) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that lottery funds shall only be spent by and/or allocated to higher education institutions that are domiciled in this state.

3.he. (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.

SECTION 11 - H03-COMMISSION ON HIGHER EDUCATION

- 11.2** **DELETE** (Out-of-State School of the Arts) Directs that Out-of-State School of the Arts funds must be spent for a SREB Contract Program that will offset the difference between out-of-state and in-state costs for artistically talented high school students at the North Carolina School of the Arts.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~11.2. (CHE: Out-of-State School of the Arts) The funds appropriated herein for Out of State School of the Arts must be expended for an SREB Contract Program, administered by the Commission, which will offset the difference between the out of state cost and in state cost for artistically talented high school students at the North Carolina School of the Arts.~~

- 11.7** **AMEND** (Performance Improvement Pool Allocation) Directs that 80% of funds appropriated on the Performance Funding line be allocated to the EPSCOR program to improve the state's research capabilities and that 20% be allocated to support management education programs at SC State University School of Business.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change reference to Section "XI." to "III. Other Agencies & Entities." *Technical.* Requested by Commission on Higher Education.

11.7. (CHE: Performance Improvement Pool Allocation) Of the funds appropriated to the Commission on Higher Education under Section ~~XI.~~ III. Other Agencies & Entities: Special Items: Performance Funding, eighty percent will be allocated to the EPSCoR program under the Commission on Higher Education to improve South Carolina's research capabilities and twenty percent will be allocated to support the management education programs of the School of Business at South Carolina State University.

- 11.14** **DELETE** (SCNG CAP Carry Forward) Authorizes SC National Guard College Assistance Program funds to be carried forward and exempts the program's funds from any mid-year budget reduction.

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PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Codified in Section 59-114-65 by Act 151 of 2014.* Requested by Commission on Higher Education.

~~11.14. (CHE: SCNG CAP Carry Forward) Funds appropriated for the South Carolina National Guard College Assistance Program may be carried forward from the prior fiscal year into the current fiscal year and expended for the same purpose. If a mid-year budget reduction is imposed by the General Assembly or the Executive Budget Office, the appropriations for the program are exempt.~~

- 11.16 DELETE** (Mission, Ethics and Values Statements) Requires each public institution of higher learning to submit a report to the General Assembly by January 3, 2015 that specifies their mission, ethics and values statements.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~11.16. (CHE: Mission, Ethics and Values Statements) Each public institution of higher learning shall submit a report that denotes their mission, ethics, and values statements to the members of the General Assembly by January 3, 2015.~~

- 11.17 DELETE** (Distribution of Materials on College Campuses) Prohibits public institutions of higher education from imposing restrictions on a student's ability to distribute the U.S. or S.C. Constitution, so long as the distribution meets certain guidelines. Directs that an athletic event is not considered a class, school-wide assembly or school sponsored function.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~11.17. (CHE: Distribution of Materials on College Campuses) Public institutions of higher education shall not impose restrictions on the distribution of the Constitution of the United States or the Constitution of the State of South Carolina by students properly enrolled in the institution or otherwise eligible to enter the institution's property, so long as the distribution does not interrupt a class in session, a school wide assembly or other school sponsored function. Distribution of copies of the Constitution of the United States or the Constitution of the State of South Carolina on which unrelated materials or paraphernalia are attached to, or that are inserted or included within copies of either Constitution are not subject to the requirements of this proviso. For purposes of this proviso, an athletic event is not considered a class, school wide assembly or school sponsored function.~~

- 11.18 DELETE** (Required Reading Material Reporting) Requires the University of Charleston to use at least \$52,000 and for USC Upstate to use at least \$17,000 to comply with the provisions of Section 59-29-120 that requires colleges and universities that receive public funds to give instruction in the essentials of the U.S. Constitution, the Declaration of Independence, and the Federalist Papers. Requires institutions that conduct a non-elective reading program to provide alternative reading materials under certain circumstances and requires institutions that conduct mandatory lectures, seminars, or other presentations or programs other than part of an instructional class to allow a student to decline to attend or participate in the program under certain circumstances.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~11.18. (CHE: Required Reading Material Reporting) (A) From the revenue appropriated or authorized by this act, the University of Charleston must utilize at least \$52,000 and USC Upstate must utilize at least \$17,000 to comply with the provisions contained in Section 59-29-~~

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~~120, related to instruction in the provisions and principles of the United States Constitution, the Declaration of Independence, and the Federalist Papers, including the study of and devotion to American institutions and ideals. The instruction that must given pursuant to this provision may be satisfied by providing or assigning reading materials related to the subject matter.~~

~~(B) A public institution of higher learning that conducts a non elective reading program, other than as part of an instructional class, must provide alternative reading materials to a student who finds the required reading material objectionable based on a sincerely held religious, moral, or cultural belief. A student who requests alternative materials must not be subjected to any negative consequences or disparate treatment by any officer, official, faculty member, or other employee of the institution as a result of making the request.~~

~~(C) A public institution of higher learning that conducts a mandatory lecture, seminar, or other similar type presentation or program, other than as part of an instructional class, must allow a student who finds the program objectionable based on a sincerely held religious, moral, or cultural belief to decline to attend or otherwise participate in the program. A student who declines to attend or otherwise participate must not be subjected to any negative consequences or disparate treatment by any officer, official, faculty member, or other employee of the institution as a result of making the request.~~

- 11.sa ADD (Scholarship Awards) PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to provide guidelines for a student to receive a Palmetto Fellows or LIFE scholarship award during the summer in addition to fall and spring semesters. Direct that the student must continue to meet eligibility requirements and be enrolled full-time, which for summer requires 12 hours. Direct that the total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if the student does not complete at least 12 hours of academic credit during the summer sessions. Direct that if a summer award is made, the student's total award during their enrollment may not exceed the amount provided under current semester limits. *Moved from the lottery proviso.*

11.sa. (CHE: Scholarship Awards) A student may receive a Palmetto Fellows or LIFE scholarship award during the summer, in addition to fall and spring semesters of an academic year, provided continued eligibility requirements are met as of the end of the spring semester. Students must enroll full-time, which for purposes of the summer award will require enrollment in at least twelve hours over the course of the summer. The summer is defined as the period between the end of the spring term and prior to the opening of the fall term. The total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if less than twelve hours for academic credit are not completed by the student during summer sessions. If awarded in the summer, a student's total award during his or her enrollment may not exceed the amount that would otherwise be provided under current semester limits applied for the scholarship awards. The Commission on Higher Education may provide additional guidelines necessary to ensure uniform implementation.

- 11.tran ADD (Transferability) PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that students who transfer from a 2-year public institution of higher learning with an Associate of Arts or Science degree and are accepted at a public research institution or 4-year college or university are guaranteed the award of at least 60 credit hours of transfer coursework and will have all general education requirements waived. Direct that course prerequisites and minimum credit requirements for awarding degrees shall still apply. Direct CHE, in consultation with the State Board for Tec and Comp Ed and public institutions of higher

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learning to develop policies by May, 2, 2016 for implementing these provisions effective beginning in the fall of 2016.

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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit state institutions of higher learning, including technical schools from spending more other funds than they are authorized in this act and/or by the Other Funds Oversight Committee to spend. Require each institution and school to prepare quarterly other fund expenditure reports that includes both quarterly and year to date expenditures and submit the reports no later than 15 days after the end of each quarter to the Senate Finance and House Ways and Means Committees, to the Executive Budget Office and to the Revenue and Fiscal Affairs Office. Direct the EOB Executive Director, upon finding that other funds authorization has been breached, to notify the State Treasurer of the amount of unauthorized spending and direct the State Treasurer to withhold an equal amount of general fund appropriations from that institution or school and to further remit those funds to the general fund.

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, the Executive Budget Office, and the Revenue and Fiscal Affairs Office. Upon a finding by the Executive Budget 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 institution or school's next available general fund appropriation transfer and remit it to the general fund.

11.gd **ADD** (Graduation Data) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require institutions of higher learning to annually report graduation data in terms of a true freshman cohort who starts their college career as a freshman at the institution and graduates from that same institution. Direct that graduation data also be reported in terms of the Voluntary System of Accountability. Direct that both calculations be submitted to CHE by December 1st.

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.

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- 11.et** **ADD** (Equalizing In-State Tuition) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct CHE to study the feasibility of equalizing in-state tuition rates at all state institutions of higher learning and to report their findings to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by December 1, 2015.

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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct CHE, in collaboration with the Student Loan Corporation, to determine the amount of outstanding student loan debt and default rates as of July 1, 2015 for each higher education institution and to report the results annually by October 1st to the Chairmen of the Senate Finance and House Ways and Means Committees.

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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso require higher education institutions to ensure that sufficient revenue exists to fund the salary and fringe benefits of any new other funded full-time positions they request. Direct the institutions to also ensure that when they calculate the revenue required for the positions they take into consideration any possible future pay increases and health insurance adjustments that may be mandated by the General Assembly.

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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to exempt higher education institutions from having to provide state imposed pay raises to other and federal funded full-time positions.

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.

- 11.rec** **ADD** (Remit Unmatched Endowed Chairs Funds) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct monies that have been set aside for the

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Centers of Excellence Matching Endowment that have not had a matching source of funds named by July 1, 2015, to remit those monies to the general fund by August 1, 2015.

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) PROVISO SUBCOMMITTEE RECOMMENDATION: ADD new proviso to establish a formula for institutions to use across the board for fee waivers: "Total Waiver Allotment per Statute=Unduplicated headcount (full annual in-state geo tuition) x 4 percent." Direct to qualify for a fee waiver a student must be in-state based on geo-origin, be enrolled in at least 12 hours, and must maintain a 3.0 GPA per semester. Direct that formula calculation and award data be annually submitted to CHE by October 1st and require institutions identify all other financial awards the student is receiving, if the student is an athlete, and how many semesters the students has received the waiver. Direct CHE to notify the Chairmen of the Senate Finance and House Ways and Means Committees if the information is not received by October 1st and direct that those institutions shall have their general fund appropriations reduced by their total waiver allotment.

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) PROVISO SUBCOMMITTEE RECOMMENDATION: ADD new proviso to direct that for tuition and fee purposes, higher education institutions may adopt additional policies to waive some or all of out-of-state tuition rates for nonresident students who receive scholarship aid, and limit the waiver amount to the total 4% fee waiver allotment. Direct that waiver calculations for out-of-state students be annually submitted to CHE by October 1st and require the reporting data identify the student's geo-origin, class, all other financial awards the student is receiving, whether the student is an athlete, and how many semesters the student has received the waiver. Direct CHE to notify the Chairmen of the Senate Finance and House Ways and Means Committees if the information is not received by October 1st and direct that those institutions shall have their general fund appropriations reduced by their total waiver allotment.

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-

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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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require higher education institutions to submit data on their outstanding institutional debt by November 1st to the Chairmen of the House Ways and Means and Senate Finance Committees and require the data include, but not be limited to amount of the initial debt, year the debt was incurred, year the debt will be satisfied, repayment schedule, and purpose for which the debt was incurred.

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.

- 11.cc** **ADD** (General Education Core Curriculum) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that each higher education institution include in their general education core curriculum a course designed for first-year students regarding personal finances.

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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct CHE to work with all higher education institutions to establish a uniform deadline for fall semester acceptance letters for incoming freshmen.

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 freshmen.

- 11.cpe** **ADD** (Comprehensive Program Evaluation) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit CHE from granting a new program at a higher education institution until a comprehensive evaluation has been conducted on all programs at that institution. Direct CHE to develop criteria to evaluate existing programs to determine whether they are essential and valuable to the institution and students. Direct CHE to

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submit the evaluation criteria to the Chairmen of the Senate Finance and House Ways and Means Committees.

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) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that attainment of certain goals will be considered with appropriation requests in order to encourage improvements in higher education. Direct Clemson, the Citadel, and USC-Columbia to improve their percentage of full-time in-state undergrads by 2% of total enrollment in the 2015 fall class and by 5% by 2020. Direct MUSC increase graduate percentage of in-state students by 2%. Direct Coastal Carolina, Charleston, Francis Marion, Lander, USC Aiken, USC Beaufort, USC Upstate and Winthrop Universities to increase retention by 2% over two years and increase the 4-year graduation rate by 3% over 4 years. Direct technical schools to increase job placement by 2% over two years.

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.

SECTION 14 - H12-CLEMSON UNIVERSITY - EDUCATIONAL & GENERAL

14.1 DELETE (Travel Advances and Subsistence Expenses) Authorizes Clemson to advance travel and subsistence expense monies to its employees for the financing of ordinary and necessary travel required in conducting the business of the institution and allows 30 days after the trip is completed for reimbursement.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *University should comply with proviso 117.20(K) (Travel-Subsistence Expenses & Mileage).*

~~**14.1.** (CU: Travel Advances and Subsistence Expenses) Clemson University may advance travel and subsistence expense monies to its employees for the financing of ordinary and necessary travel required in the conducting of the business of the institution. Clemson University may develop and publish rules and regulations pertaining to the advancing of travel expenses. All advances for travel and subsistence monies shall be repaid within thirty days after the end of the trip.~~

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- 14.ei** **ADD** (Electrical Infrastructure) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct Clemson to enter into negotiations with an appropriate entity or electric cooperative to purchase and operate the main campus electrical infrastructure and associated infrastructure maintenance.

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.

SECTION 19 - H24-SOUTH CAROLINA STATE UNIVERSITY

- 19.1** **DELETE** (BRIDGE Program) Establishes the BRIDGE program at SC State University and stipulates funds appropriated for the program are to be used to recruit minority high school students along the I-95 corridor into the teaching profession by offering them access to counseling, mentoring, on campus summer enrichment programs, and opportunities for dual enrollment credits at the university while they are still in high school.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The BRIDGE program has not existed at SC State since 2011.*

~~**19.1.** (SCSU: BRIDGE Program) The funds appropriated to South Carolina State University for the BRIDGE Program shall be utilized to recruit minority high school students along the I-95 corridor into the teaching profession by offering them, while still in high school, access to counseling, mentoring, on campus summer enrichment programs, and opportunities for dual enrollment credits at South Carolina State University for the purpose of preparing these students to major in education and to become future teachers along the I-95 corridor.~~

- 19.so** **ADD** (Suspend Operations) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to suspend, for FY 2015-16, all SC State University operations and programs. State the intent of the General Assembly that all athletic program be suspended; the president terminated; faculty and staff dismissed; and the board of trustees terminated. Direct that the university shall remain closed for one year while the Blue Ribbon Advisory Committee establishes a plan to reconstitute the university by January 1, 2017; to re-hire necessary faculty; reconstitute athletic programs; and set curriculum, as approved by CHE so that applications can be accepted in the fall of 2017 for the 2017-18 school year. Direct that the state shall assume all debt and pay off outstanding bonded indebtedness, debt to vendors, and loans made from the Contingency Reserve Fund and direct the EBO, in conjunction with the Comptroller General to use the general funds appropriated to the university along with general funds carried forward to effectuate this payment. Direct that the state will pay for up to four years of tuition for students who currently attend the university if they have a GPA of 2.5 or higher and qualify to transfer to another in-state public institution or SC historically black university. Require lottery scholarships and federal assistance that a student is currently awarded to be factored into the amount of tuition paid for by the state. Direct that if a student's GPA falls below 2.5, tuition will be terminated and the school may dismiss the student at its discretion. Require the Blue Ribbon Advisory Committee submit the entire plan to the Chairmen of the Senate Finance and House Ways and Means Committees before final General Assembly approval.

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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.

SECTION 20 - H45-UNIVERSITY OF SOUTH CAROLINA

- 20.3** **AMEND** (Child Abuse Medical Response Program) Establishes the minimum level of funding for the Child Abuse and Neglect Medical Response Program at \$576,160 and prohibits USC from reducing the funds by more than a proportional amount of any mid-year or base reductions.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “\$576,160” to “\$750,000.”

20.3. (USC: Child Abuse Medical Response Program) Of the funds appropriated to the University of South Carolina School of Medicine, not less than ~~\$576,160~~ \$750,000 shall be expended for the Child Abuse and Neglect Medical Response Program. In addition, when instructed by the Executive Budget Office or the General Assembly to reduce funds by a certain percentage, the university may not reduce the funds for the Child Abuse and Neglect Medical Response Program greater than such stipulated percentage.

- 20.4** **DELETE** (Energy-Related Economic Development) Directs the USC Earth Sciences and Resources Institute to develop a plan to encourage collaborations among the State’s higher education institutions, the private sector, local governments, K-12 schools, the general public, and international partners to take advantage of the unique, unexplored geophysical characteristics of the state and to create energy-related economic development opportunities. Directs that the plan be submitted by January 15, 2015 to the Director of the Energy Office, the Secretary of

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Commerce, the Governor, and the Chairmen of the Senate Agriculture and Natural Resources and the House Agriculture, Natural Resources, and Environmental Affairs Committees.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~20.4. (USC: Energy-Related Economic Development) During the current fiscal year and using existing resources, the Earth Sciences and Resources Institute at the University of South Carolina shall develop a plan to foster collaborations among the State's institutions of higher education, the private sector, local governments, K-12 schools, the general public, and international partners to capitalize on the unique, unexplored geophysical characteristics of South Carolina and create energy related economic development opportunities within the State. By January 15, 2015, the report shall be provided to the Director of the South Carolina Energy Office, the Secretary of the Department of Commerce, the Governor, and the Chairmen of the Senate Agriculture and Natural Resources Committee and House Agriculture, Natural Resources and Environmental Affairs Committee.~~

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

25.1 AMEND (Training of New & Expanding Industry) Authorizes the Executive Budget Office, in order to ensure necessary funds are available for new and/or expanding industry, to adjust the appropriation for the "Center for Accelerated Technology Training" (ReadySC) administered by the State Tech Board if projected expenditures are above appropriations and the office determines that the projected expenditures are directly related to demand for an existing program exceeding the program's capacity, or for a new program necessary to provide direct training for new or expanding business or industry. Provides for an approval process and for notification to certain members of the General Assembly. Limits the aggregate amount of all adjustments to \$10,000,000. Allows the State Board for Tec and Comp Ed to request a supplemental appropriation from the General Assembly if projected expenditures exceed the amount appropriated or adjustments authorized.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "Center for Accelerated Technology Training" to "ReadySC."

25.1. (TEC: Training of New & Expanding Industry) (A) Notwithstanding the amounts appropriated in this section for the "~~Center for Accelerated Technology Training~~" ReadySC, it is the intent of the General Assembly that the State Board for Technical and Comprehensive Education expend the funds necessary to provide direct training for new and expanding business or industry.

(B) In the event projected expenditures are above the appropriation, the appropriation in this section for the "~~Center for Accelerated Technology Training~~" ReadySC may be appropriately adjusted, if and only if, the Executive Budget Office determines that the projected expenditures are directly related to:

- (1) an existing technology training program where the demand for the program exceeds the program's capacity and the additional funds are to be utilized to meet the demand; or
- (2) a new program is necessary to provide direct training for new or expanding business or industry.

(C) The adjustment may occur only upon approval by the Executive Budget Office. Upon the Executive Budget Office's approval of the adjustment, the Director of the Executive Budget Office must certify, in writing, that the adjustment is directly related to either subsection (B)(1) or (B)(2). The Director must immediately provide a copy of the written certification, including

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the amount of the adjustment, to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.

(D) Upon the Director's written certification approving an adjustment, the State Board for Technical and Comprehensive Education must submit a statement to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee containing a detailed itemization of the manner in which funds initially appropriated for technology training were utilized, the specific purpose for the adjustment, and the ultimate recipient of the adjusted amount.

(E) The aggregate amount of all adjustments made pursuant to this section may not exceed ten million dollars.

(F) In the event that projected expenditures for ~~the Center for Accelerated Technology Training~~ *ReadySC* exceed the amounts appropriated and the amount of any adjustments authorized, the State Board for Technical and Comprehensive Education may request a supplemental appropriation from the General Assembly.

25.at **ADD** (Aeronautics Training Center) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the State Board for Tec and Comp Ed to carry forward S.C. Aeronautics Training Center funds and to use the funds for the same purpose.

25.at. (TEC: Aeronautics Training Center) Funds appropriated for the S.C. Aeronautics Training Center may be carried forward from the prior fiscal year into the current fiscal year and utilized for the same purpose.

DEPARTMENT OF ADMINISTRATION

93.18 **AMEND** (Compensation - Reporting of Supplemental Salaries) Prohibits salary supplements unless approved by the agency head or designated official. Directs that any compensation, excluding travel reimbursement, that was received in the prior fiscal year from any public or private source that is supplemental to the amount appropriated for a state employee must be reported to the DOA by the employing agency by August 31. Directs the DOA to establish procedures related to the reporting requirement.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to specifically include college and university presidents in the reporting requirement and require the report include the "employees base salary" as well as the amount and source of the supplement. Require copies of the report be made available, upon request, to the Chairmen of the Senate Finance and House Ways and Means Committees.

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

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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.

SECTION 117 - X90-GENERAL PROVISIONS

117.55 AMEND (Employee Bonuses) Authorizes state agencies and institutions to provide selected employees lump sum bonuses, not to exceed \$3,000 per year, based on objective guidelines established by DOA. Directs that these bonuses are not part of the employee's base salary and are not earnable compensation for retirement system purposes. Directs that employees earning \$100,000 or more are not eligible for this bonus.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that college and university presidents that earn more than \$100,000 are prohibited from receiving bonuses under this provision. Require the employing agency to annually report bonus information by August 31st on bonuses received by employees during the prior fiscal year. Require the information to include the total amount received and the source funds for each employee bonus. Require the Human Resources Division of DOA formulate policies and procedures to ensure reporting compliance. Require copies of the reports be made available, upon request, to the Chairmen of the Senate Finance and House Ways and Means Committees.

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.

117.62 DELETE (LightRail) Establishes the LightRail project at Clemson University, MUSC, and USC-Columbia and exempts the project from the oversight and project management regulations of the Department of Administration. Stipulates that LightRail must not carry commercial or K-12 traffic originated in South Carolina and allows public or private organizations and entities to have access through formal documented partnerships with one or more of the three research universities. Requires an annual report to the General Assembly each year.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Codified in Section 59-151-100.*

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~~117.62. (GP: LightRail) Pursuant to this provision the three research universities: Clemson University, the Medical University of South Carolina, and the University of South Carolina-Columbia, are authorized and directed to plan, procure, administer, oversee, and manage all functions associated with the South Carolina LightRail and are thereby exempt from the oversight and project management regulations of the Department of Administration. South Carolina LightRail is an academic network for the use of the state's three research universities for the exchange of information directly related to their mission and must not carry commercial or K-12 traffic originated in South Carolina. For the current fiscal year, public or private organizations and entities may be provided access only through formal documented partnerships with one or more of the three research universities. On February first of the current fiscal year, the entity managing the network must submit to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee a report specifically identifying each entity with access to the network and any payment, including without limitation in-kind payment, that each such organization and entity is making for access to the network.~~

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