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Indicates New Matter

COMMITTEE REPORT

March 11, 2013

**H. 3086**

Introduced by Reps. Daning, J.E. Smith, Crosby, R.L. Brown, Butler Garrick, Taylor, J.R. Smith, Wells and Hixon

S. Printed 3/11/13--H.

Read the first time January 8, 2013.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 3086) to amend Section 59‑112‑50, as amended, Code of Laws of South Carolina, 1976, relating to in‑state tuition rates for military personnel and their, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. Section 59‑112‑50 of the 1976 Code, as last amended by Act 133 of 2012, is further amended to read:

“Section 59‑112‑50. (A)(1) Notwithstanding another provision of law, during the period of their assignment to duty in South Carolina, members of the Armed Services of the United States stationed in South Carolina and their dependents are eligible for in‑state tuition rates. When these armed service personnel are ordered away from the State, their dependents are eligible for in‑state tuition rates as long as they remain continuously enrolled at the state institution in which they are enrolled at the time the assignment ends or transfer to an eligible institution during the term or semester, excluding summer terms, immediately following their enrollment at the previous institution. In the event of a transfer, the receiving institution shall verify the decision made by the student’s previous institution in order to certify the student’s eligibility for in‑state tuition rates. It is the responsibility of the transferring student to ensure that all documents required to verify both the previous and present residency decisions are provided to the institution. ~~These persons and their dependents are eligible for in‑state tuition rates after their discharge from the armed services even though they were not enrolled at a state institution at the time of their discharge, if they have evidenced an intent to establish domicile in South Carolina and if they have resided in South Carolina for a period of at least twelve months immediately preceding their discharge.~~

(B)(1) Active duty military personnel may be charged less than the undergraduate tuition rate for South Carolina residents for courses that are presented on a distance basis, regardless of residency.

~~(B)~~(2) For purposes of this section, ‘active duty military personnel’ includes, but is not limited to, active duty guardsmen and active duty reservists.

(C) Notwithstanding any other provision of law, a veteran of the Armed Services of the United States, who has evidenced intent to establish domicile in South Carolina and their dependents, are entitled to receive in‑state tuition and fees at state institutions without the requirement of one year of physical presence in this State. For purposes of this subsection, a ‘veteran’ is defined as an individual who has served on active duty in the United States Armed Forces and who has been honorably discharged from service.”

SECTION 2. This act takes effect July 1, 2013. /

Renumber sections to conform.

Amend title to conform.

PHILLIP D. OWENS for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

**EXPLANATION OF IMPACT:**

Based on the colleges’ and universities’ individual responses to the Commission on Higher Education (CHE) survey, the legislation would impact tuition and fee revenues collected. The provision would enable eligible students to pay in-state rates for the year during which in-state residency is being established, and retain the in-state rate for each year following that they remain enrolled. The cost results from loss of the tuition differential for each eligible student. For undergraduate full-time students, the in-state, out-of-state student tuition differential per student in FY2012-13 ranged from $1,608 to $18,253. For graduate students, (excluding law, medicine and pharmacy) the differential per student ranges from $4,302 to $16,924 (see the attached Schedule).

Currently, CHE does not collect data in such a way to determine the number of students who might become eligible or seek eligibility for in-state tuition and fee rates under the proposed amendment. As well, data is not readily available to aid in determining the amount of revenue that institutions would forgo, if the provision were enacted. Therefore, specific costs estimates could not be calculated.

The state's colleges and universities receive a combination of general fund appropriations and student tuition and fees for support of educational and general operating needs. If any one institution has substantial numbers of eligible students and the loss in revenue resulting from the enactment of the provision is not covered by increased state general funds, an increase to student tuition and fees would be needed to comply with the legislation.

*Approved By:*

Brenda Hart

Office of State Budget

**A** **BILL**

TO AMEND SECTION 59‑112‑50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO IN‑STATE TUITION RATES FOR MILITARY PERSONNEL AND THEIR DEPENDENTS UNDER CERTAIN CONDITIONS, SO AS TO REVISE THE CRITERIA UNDER WHICH VETERANS WHO ARE HONORABLY DISCHARGED AND THEIR DEPENDENTS MAY RECEIVE IN‑STATE TUITION RATES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 59‑112‑50 of the 1976 Code, as last amended by Act 133 of 2012, is further amended to read:

“Section 59‑112‑50. (A)(1) Notwithstanding another provision of law, during the period of their assignment to duty in South Carolina, members of the Armed Services of the United States stationed in South Carolina and their dependents are eligible for in‑state tuition rates. When these armed service personnel are ordered away from the State, their dependents are eligible for in‑state tuition rates as long as they remain continuously enrolled at the state institution in which they are enrolled at the time the assignment ends or transfer to an eligible institution during the term or semester, excluding summer terms, immediately following their enrollment at the previous institution. In the event of a transfer, the receiving institution shall verify the decision made by the student’s previous institution in order to certify the student’s eligibility for in‑state tuition rates. It is the responsibility of the transferring student to ensure that all documents required to verify both the previous and present residency decisions are provided to the institution. These persons and their dependents are eligible for in‑state tuition rates after their discharge from the armed services even though they were not enrolled at a state institution at the time of their discharge~~, if they have evidenced an intent to establish domicile in South Carolina and if they have resided in South Carolina for a period of at least twelve months immediately preceding their discharge~~ under the terms and conditions specified in subsection (B). Active duty military personnel may be charged less than the undergraduate tuition rate for South Carolina residents for courses that are presented on a distance basis, regardless of residency.

~~(B)~~(2) For purposes of ~~this section~~ subsection (A), ‘active duty military personnel’ includes, but is not limited to, active duty guardsmen and active duty reservists.

(B) A veteran of the Armed Services of the United States who has been honorably discharged, and their dependents, are entitled to receive in‑state tuition rates at state institutions provided that within two years of the date of discharge, they enroll at a state institution and have evidenced an intent to establish domicile in South Carolina. These individuals are eligible for in‑state tuition rates as long as they remain continuously enrolled at a state institution or transfer to an eligible institution during the term or semester, excluding summer terms, immediately following their enrollment at the previous institution, subject to provisions concerning such transfers as provided for in subsection (A).”

SECTION 2. This act takes effect upon approval by the Governor.

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