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COMMITTEE REPORT

March 18, 2014

**H. 3086**

Introduced by Reps. Daning, J.E. Smith, Crosby, R.L. Brown, M.S. McLeod, Taylor, J.R. Smith, Wells, Hixon, Rivers and Gilliard

S. Printed 3/18/14--S.

Read the first time March 21, 2013.

**THE COMMITTEE ON EDUCATION**

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 dependents, 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 SECTION 2 and inserting:

/ SECTION 2. This act takes effect August 1, 2014, and is applicable beginning with the fall 2014 semesters or sessions of state institutions of higher learning. /

Renumber sections to conform.

Amend title to conform.

JOHN E. COURSON 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 FY 2012-13 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 cost 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.

**Tuition and Required Fees for Full-Time Students at Public Institutions**

*Academic Years 2012-13 (Fall 2012 Annualized)*

UNDERGRADUATES   GRADUATE

**In State Out-of- Differential In State Out-of- Differential**

**State State**

***Research Institutions***

Clemson $12,674 $29,600 $16,926 $7,516 $14,983 $7,467

USC

Columbia1 $10,488 $27,644 $17,156 $11,672 $24,596 $12,924

MUSC1,2 $14,316 $23,105 $8,789 $15,074 $20,731 $5,657

***Comprehensive Teaching Colleges and Universities***

Citadel $10,523 $28,776 $18,253 $12,300 $20,220 $7,920

Coastal

Carolina $9,760 $22,050 $12,290 $8,820 $13,122 $4,302

College of

Charleston $9,918 $25,304 $15,386 $10,910 $27,834 $16,924

Francis

Marion $9,066 $17,774 $8,708 $9,266 $18,174 $8,908

Lander $9,792 $18,552 $8,760 $10,728 $20,472 $9,744

SC State $9,258 $18,170 $8,912 $9,258 $18,170 $8,912

USC Aiken $8,974 $17,730 $8,756 $11,672 $24,596 $12,924

USC Beaufort $8,508 $17,906 $9,398 $11,672 $24,596 n/a

USC Upstate $9,722 $19,444 $9,722 $12,540 $23,452 $10,912

Winthrop $13,026 $24,476 $11,450       $0

***2-Year Regional Campuses of USC 3***

USC

Lancaster $6,284 $15,158 $8,874 n/a n/a n/a

USC

Salkehatchie $6,284 $15,158 $8,874 n/a n/a n/a

USC Sumter $6,284 $15,158 $8,874 n/a n/a n/a

USC Union $6,284 $15,158 $8,874 n/a n/a n/a

***Technical Colleges 4***

Aiken TC $3,866 $10,130 $6,264 n/a n/a n/a

Central

Carolina TC $3,584 $6,232 $2,648 n/a n/a n/a

Denmark

TC5 $2,568 $4,920 $2,352 n/a n/a n/a

Florence-

Darlington

TC $3,766 $5,862 $2,096 n/a n/a n/a

Greenville

TC $3,866 $7,910 $4,044 n/a n/a n/a

Horry-

Georgetown

TC5 $3,530 $5,794 $2,264 n/a n/a n/a

Midlands TC $3,788 $10,940 $7,152 n/a n/a n/a

Northeastern

TC $3,534 $6,078 $2,544 n/a n/a n/a

Orangeburg-

Calhoun TC $3,650 $6,218 $2,568 n/a n/a n/a

Piedmont TC $3,714 $5,322 $1,608 n/a n/a n/a

Spartanburg

CC $3,820 $7,716 $3,896 n/a n/a n/a

TC of the

Lowcountry $3,772 $8,212 $4,440 n/a n/a n/a

Tri-County

TC $3,648 $8,124 $4,476 n/a n/a n/a

Trident TC $3,712 $7,000 $3,288 n/a n/a n/a

Williamsburg

TC $3,540 $6,840 $3,300 n/a n/a n/a

York TC $3,712 $8,392 $4,680 n/a n/a n/a

***Averages:***

All $6,643 $14,147 $7,504 $10,952 $20,912 $9,960

Research,

excluding

MUSC $11,581 $28,622 $17,041 $9,594 $19,790 $10,196

Teaching6 $9,855 $21,018 $11,164 $10,976 $21,182 $10,206

All 4-Year,

excluding

MUSC6 $10,142 $22,286 $12,143 $10,578 $20,929 $10,351

2-Year

Regional

Campuses $6,284 $15,158 $8,874 n/a n/a n/a

Technical

Colleges $3,629 $7,231 $3,601 n/a n/a n/a

All 2-Year $4,160 $8,816 $4,656 n/a n/a n/a

1Excludes Medicine, Law, and Pharmacy.

2 Includes Nursing and Health Professions only.

3Effective 2007-08, the fees at the USC two-year branches represent students with less than 75 credit hours.

4Represents in-state, in-district students based on 12 credit hours or more.

5Revised FY 2011-12 tuition and fees on 4/3/2012 to include a $35/semester fee for parking and security.

6Full-time graduate students defined as taking 9 hours in both fall and spring and 6 hours in summer, for a total of 24 credit hours per year

*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.~~

(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.

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