



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4521 As amended by House Education and Public Works on March 9, 2016
Author: Putnam
Subject: Tucker Hipps Transparency Act
Requestor: House Education and Public Works
RFA Analyst(s): Walling
Impact Date: March 14, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$682,740	\$646,740
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	11.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will increase General Fund expenditures by \$682,740 in FY 2016-17 and recurring expenditures by \$646,740 in FY 2017-18 and each year thereafter. Federal Funds and Other Funds will not be affected.

Explanation of Fiscal Impact

**Explanation of Amendment by the House Committee on Education and Public Works
March 9, 2016**

State Expenditure

This bill requires public institutions of higher education to maintain a report detailing student misconduct investigations related to fraternity and sorority organizations. Offenses required to be captured in the report include alcohol, drugs, sexual assault, harm to other, threats, endangerment, and hazing. The report must state the organization involved in the offense and aggregate the data for all members of the organization. Other components of the report include: reporting incidents in the order of most charges to least, providing no identifying information of the individual except for the name of the social organization, and any related law enforcement report. Institutions are required to update the report at least forty-five calendar days prior to the start of the fall and spring semesters and display in a prominent location on their websites. Institutions have fourteen days to submit statements to the Commission on Higher Education that reports have been updated. The commission is required to include links to the institutions' reports on its website. Before the beginning of the 2016-2017 academic year, all institutions must compile an initial report of the investigations begun after December 31, 2010. Institutions

unable to meet the 2016-2017 deadline can apply for a one-year waiver with all in compliance by the 2017-2018 academic year.

Commission on Higher Education. The commission indicates this bill will require minimal additional expenditures that can be absorbed within current funding levels. Additionally, CHE surveyed the public institutions on their expected additional expenditures in complying with the amended bill and their responses are summarized below.

The institutions reported this bill would increase recurring General Fund expenditures by \$646,740 in FY 2016-17. Clemson University estimates \$125,000 in additional expenditures for two additional FTEs (\$110,000) and information resource overhead (\$15,000). The Medical University of South Carolina expects \$75,000 in additional costs for the salary and fringe of one additional FTE. The University of South Carolina (USC) estimates \$91,500 in additional costs for the salary and fringe of one FTE in student affairs and one FTE in law enforcement. USC Upstate and USC Aiken reported an additional part time FTE of .67 and .33, respectively, for a total cost of \$55,660. Coastal Carolina University estimates its increased costs will be \$105,600 and will be used to hire two additional FTEs (\$93,100) and Other Operating expenses (\$11,500). The College of Charleston expects one additional FTE will be required at an additional cost of \$75,000. Francis Marion and Lander University expects the additional man hours needed to comply with the bill will increase costs to the university by \$4,000 and \$7,536, respectively. Winthrop expects additional expenditures of \$115,980 to hire two additional FTEs (\$97,980) and increased overhead expenditures (\$18,000).

The institutions also anticipate \$36,000 in non-recurring costs in FY 2016-17. USC reported the Columbia campus would need \$26,000 for the additional expenditures of a temporary position associated with researching historical data back to January 1, 2011 (\$18,000) and \$8,000 for reprogramming cost. Additionally, the Upstate campus and Aiken would each need \$2,000 for office and computer setup cost. Francis Marion reported \$6,000 in non-recurring expenditures for coordination setup, additional campus police, and student affairs.

USC Beaufort, USC Lancaster, USC Salkehatchie, USC Sumter, USC Union, The Citadel, South Carolina State, and all of the technical colleges reported the bill would require minimal or no additional expenditures that could be absorbed within current funding levels.

State Revenue

N/A

Local Expenditure & Revenue

N/A

Explanation of Bill Filed on January 12, 2016

State Expenditure

This bill requires public institutions of higher education to maintain a report detailing student misconduct investigations related to fraternity, sorority, and other social organizations. The report must be readily available to the public upon request and posted on the institutions' websites. Members of a social organization that are not furnished with the report prior to

beginning the official process of joining the social organization will have their membership voided. Before the beginning of the 2016-2017 academic year, all institutions must compile an initial report of the investigations begun after December 31, 2010. Additionally, the South Carolina Commission on Higher Education (CHE) is required to monitor institution compliance with the provisions of the bill. Compliance will be determined through at least one scheduled and one non-scheduled audit per year.

Commission on Higher Education. The commission indicates this bill will increase recurring General Fund expenditures by \$214,400 in FY 2016-17. These expenditures include the salary and fringe of 2.5 new FTEs (\$204,200) and the cost of contracted legal staff (\$10,200) to conduct the required audits. Additionally, CHE surveyed the public institutions on their expected additional expenditures for complying with the bill and their responses are summarized below.

The institutions reported this bill would increase recurring General Fund expenditures by \$703,295 in FY 2016-17. Clemson University estimates \$125,000 in additional expenditures for two additional FTEs (\$110,000) and information resource overhead (\$15,000). The Medical University of South Carolina expects \$75,000 in additional costs for the salary and fringe of one additional FTE. The University of South Carolina (USC) estimates \$91,500 in additional costs for the salary and fringe of one FTE in student affairs and one FTE in law enforcement. USC Upstate and USC Aiken reported an additional part time FTE of .67 and .33, respectively, for a total cost of \$55,660. Coastal Carolina University estimates its increased costs will be \$105,600 and be used to hire two additional FTEs (\$93,100) and Other Operating expenses (\$12,500). The College of Charleston expects one additional FTE will be required at an additional cost of \$75,000. Francis Marion indicated \$52,999 in additional funds are required for the salary and fringe of one FTE. Lander University expects the additional man hours needed to comply with the bill will increase costs to the university by \$7,536. Winthrop expects additional expenditures of \$115,980 to hire two additional FTEs (\$97,980) and increased overhead expenditures (\$18,000).

The institutions also anticipate \$59,492 in non-recurring costs in FY 2016-17. USC reported the Columbia campus would need \$26,000 for the additional expenditures of a temporary position associated with researching historical data back to January 1, 2011 (\$18,000) and \$8,000 for reprogramming cost. Additionally, the Upstate campus and Aiken would each need \$2,000 for office and computer setup cost. Francis Marion reported \$29,492 in increased expenditures for coordination setup, additional campus police, and student affairs.

USC Beaufort, USC Lancaster, USC Salkehatchie, USC Sumter, USC Union, The Citadel, South Carolina State, and all of the technical colleges reported the bill would have no or minimal additional expenditures that could be absorbed within current funding levels.

N/A



Frank A. Rainwater, Executive Director