**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE “SOUTH CAROLINA PROMISE SCHOLARSHIP ACT” BY ADDING ARTICLE 11 TO CHAPTER 111, TITLE 59 SO AS TO DEFINE NECESSARY TERMS, TO PROVIDE THAT THE COMMISSION ON HIGHER EDUCATION SHALL ADMINISTER THE SCHOLARSHIP PROGRAM, TO PROVIDE RELATED POWERS AND DUTIES OF THE COMMISSION, AND TO PROVIDE REQUIREMENTS FOR SCHOLARSHIP RECIPIENTS; AND TO AMEND SECTION 59‑130‑350, RELATING TO THE EDUCATION LOTTERY FUNDING RECIPIENTS, SO AS TO INCLUDE SOUTH CAROLINA PROMISE SCHOLARSHIPS.

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

SECTION 1. This act must be known and may be cited as the “South Carolina Promise Scholarship Act”.

SECTION 2. Chapter 111, Title 59 of the 1976 Code is amended by adding:

“Article 11

South Carolina Promise Scholarships

Section 59‑111‑810. As used in this section:

(1) ‘CHE’ or ‘commission’ means the Commission on Higher Education.

(2) ‘Continuous enrollment’ means enrollment by a student in the fall and spring semesters of a single academic year; except enrollment in summer semester or intersession terms is not required.

(3) ‘Eligible high school’ means a:

(a) public secondary school in this State;

(b) private secondary school in this State approved by the State Board of Education;

(c) a secondary school operated by the United States Department of Defense on a military base that is located in whole or in part in this State; or

(d) an out‑of‑state boarding school attended by a bona fide South Carolina resident and which is accredited by a:

(i) regional accrediting association; or

(ii) member of the National Association of Independent Schools Commission on Accreditation.

(4) ‘Eligible postsecondary institution’ means public technical education colleges.

(5) ‘Eligible postsecondary program’ means a curriculum of courses leading to a certificate, diploma, or associate degree at an eligible postsecondary institution. Courses taken at a four‑year postsecondary institution prior to admission in, or that fulfill prerequisite requirements for, an eligible postsecondary program may not be considered part of the eligible postsecondary program.

(6) ‘Gift aid’ means financial aid received from the federal Pell grant, a tuition grant as provided in Chapter 113 of this title, a LIFE Scholarship as provided in Chapter 149 of this title, a lottery‑funded scholarship as provided in Chapter 150 of this title, or a combination thereof.

(7) ‘Home school student’ means a student who completed high school in a South Carolina home school in compliance with the provisions of Section 59‑65‑40 or 59‑65‑45.

(8) ‘Resident’ means a person is considered domiciled in this State pursuant to Section 59‑112‑20.

Section 59‑111‑820. The Commission on Higher Education shall administer the South Carolina Promise Scholarship program for South Carolina residents seeking an associate’s degree, certificate, or diploma from an eligible postsecondary institution under the following terms and conditions:

(1) To be eligible for the scholarship, a student must be admitted to a postsecondary institution, enrolled in at least six credit hours at the institution, and have obtained his high school diploma or its equivalent within six years of his application for the scholarship. A student who previously has received a bachelor’s degree is not eligible for the scholarship.

(2) Students applying for the scholarship shall complete the South Carolina Promise Scholarship application for their initial year of enrollment. Students shall complete the free application for federal student aid (FAFSA) each academic year in which they seek to receive the South Carolina Promise Scholarship.

(3) To continue to receive a South Carolina Promise Scholarship, a student shall maintain satisfactory academic progress as determined by regulations promulgated by the commission.

(4) Scholarship recipients shall participate in a mentoring program pursuant to regulations promulgated by the commission. Mentoring must include, but is not limited to:

(a) communicating frequently and consistently throughout program participation;

(b) developing a personalized student success plan, which must include concrete steps towards program completion and job placement and identify and make contingency plans for potential obstacles to program completion;

(c) connect grantees to on‑campus resources and personal development opportunities; and

(d) financial planning.

(5) Subject to funds appropriated by the General Assembly, a South Carolina Promise Scholarship must be the cost of tuition and mandatory fees at the eligible postsecondary institution attended less all other gift aid. Gift aid must be credited first to the student’s tuition and mandatory fees. Up to one thousand five hundred dollars for books and other higher education expenses related to the cost of attendance must be provided as a stipend to students with a family income that does not exceed seventy percent of the state median family income. If a student eligible for the stipend under this item is enrolled less than full time, the student must receive a prorated portion of the stipend based on the number of credits in which the student is enrolled.

(6) A South Carolina Promise Scholarship student who has an approved medical or personal leave of absence from an eligible postsecondary institution may continue to receive the scholarship upon resuming his education at an eligible postsecondary institution so long as the student continues to meet all applicable eligibility requirements. The sum of all approved leaves of absence shall not exceed six months. A student must be eligible for the South Carolina Promise Scholarship until the occurrence of the first of the following events:

(a) the student has earned a diploma or associate degree; or

(b) the student has attended an eligible postsecondary institution as a South Carolina Promise Scholarship student for six semesters if the institution is on a semester system, or its equivalent if the institution is on a system other than a semester system. This semester limit may not include an approved leave of absence.

(7) A student with a documented learning disability must be eligible for the South Carolina Promise Scholarship until the occurrence of the first of the following events:

(a) the student has earned a certificate, diploma, or associate degree; or

(b) the sum of the number of years the student has attended an eligible postsecondary institution, exclusive of approved leaves of absence, equals three years from the date of his initial enrollment at an eligible postsecondary institution.

(8) Except for a medical or personal leave of absence, as approved by an eligible postsecondary institution, a South Carolina Promise Scholarship student shall maintain continuous enrollment at an eligible postsecondary institution.

Section 59‑111‑830. The commission may promulgate regulations to effectuate the provisions of this article.”

SECTION 3. Section 59‑150‑350(D) of the 1976 Code is amended to read:

“(D) At the beginning of the first fiscal year after the state lottery becomes operational, the Comptroller General shall certify the amount of net proceeds including investment earnings on the net proceeds credited to and accrued in the Education Lottery Account during the preceding fiscal year. The sum of certified net proceeds and investment earnings must be designated as annual lottery proceeds. Appropriations from the Education Lottery Account must be allocated only for educational purposes and educational programs by the General Assembly in its annual general appropriations bill or any bill appropriating monies for previous or current fiscal years. Funds made available from the Education Lottery Account must be used to provide Palmetto Fellows Scholarships to all eligible applicants, to provide LIFE Scholarships for eligible resident students attending four‑year public institutions in those amounts provided by law; to the South Carolina State Library for public library state aid, to be distributed to county public libraries on a per capita basis and to be used for educational technology delivery, upgrade, and maintenance; to the Commission on Higher Education for tuition assistance at state technical colleges and two‑year public institutions; for the SC HOPE Scholarship Program; to the Department of Education for school‑based grants for pilot programs, to include programs providing deregulation as requested by school districts with an overall absolute or improved designation of average or better, with first priority given to schools reported as average, below average, or unsatisfactory in accordance with the Education Accountability Act; to the Department of Education to fund homework centers, and these funds must be allocated to the local school districts based on a per pupil basis and may be used for salaries for certified teachers and for transportation costs, provided that priority in the distribution of funds must be given to schools designated as below average or unsatisfactory in accordance with the Education Accountability Act; to the Commission on Higher Education for higher education assistance, including need‑based grants, grants to teachers for advanced education with priority to annual grants earmarked for teachers working toward their masters’ degrees or advanced education in their areas of certification, or both; to provide South Carolina Promise Scholarships to eligible applicants; for the National Guard Tuition Repayment Program; and funding for elementary and secondary public education as determined pursuant to the Education Accountability Act of 1998 and education improvement legislation enacted into law after the effective date of this chapter; new programs enacted by the General Assembly for public institutions of higher learning, including public four‑year colleges and universities and their branches and two‑year colleges, as defined in Section 59‑103‑5, and state technical colleges, which programs may include the creation of endowed chairs at the state’s universities, with an emphasis in the areas of, but not limited to, engineering, computer science, and the sciences; to the State Department of Education for the purchase or repair of school buses; to the South Carolina Educational Television Commission for digitalization; to the Commission on Higher Education to administer a construction and renovation fund for the historically black colleges and universities, and to the Higher Education Tuition Grants Commission to administer tuition grants. The proportion of total recurring general fund and special fund revenues of the State expended for the total of public elementary, secondary, and higher education allocations in any fiscal year must not be less than the proportions in the fiscal year immediately before the fiscal year in which education revenues are first received from a state lottery, and must not be reduced or supplanted later by revenues received from a state lottery.”

SECTION 4. This act takes effect upon approval by the Governor.

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