**South Carolina General Assembly**

123rd Session, 2019-2020

**H. 3781**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. White

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Introduced in the House on January 29, 2019

Currently residing in the House Committee on **Ways and Means**

Summary: Gambling disorder

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/29/2019 House Introduced and read first time ([House Journal‑page 15](file:///h:\hj\20190129.docx))

1/29/2019 House Referred to Committee on **Ways and Means** ([House Journal‑page 15](file:///h:\hj\20190129.docx))

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**VERSIONS OF THIS BILL**

[1/29/2019](file:///p:\pprever\2019-20\3781_20190129.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 11‑11‑250 SO AS TO CREATE THE “HIGHER EDUCATION SCHOLARSHIP ENDOWMENT FUND” WITHIN THE OFFICE OF THE STATE TREASURER; BY ADDING SECTION 44‑49‑90 SO AS TO PROVIDE THAT THE GENERAL ASSEMBLY SHALL APPROPRIATE CERTAIN FUNDS TO THE DEPARTMENT OF ALCOHOL AND OTHER DRUG ABUSE SERVICES OR OTHER CERTAIN NONPROFITS FOR THE PREVENTION AND TREATMENT OF COMPULSIVE GAMBLING DISORDER; TO AMEND SECTION 59‑104‑20, RELATING TO THE PALMETTO FELLOWS SCHOLARSHIP PROGRAM, SO AS TO PROVIDE THAT BEGINNING IN SCHOOL YEAR 2019‑2020 A STUDENT SHALL RECEIVE THE SCHOLARSHIP BASED ON CREDIT HOURS ATTEMPTED; TO AMEND SECTION 59‑104‑25, RELATING TO AN ADDITIONAL PALMETTO FELLOWS SCHOLARSHIP STIPEND, SO AS TO PROVIDE THAT BEGINNING IN SCHOOL YEAR 2019‑2020, NEW STUDENTS ARE NOT ELIGIBLE FOR THE STIPEND; TO AMEND SECTION 59‑149‑10, RELATING TO THE LIFE SCHOLARSHIP, SO AS TO PROVIDE THAT BEGINNING IN SCHOOL YEAR 2019‑2020, A STUDENT SHALL RECEIVE THE SCHOLARSHIP BASED ON CREDIT HOURS ATTEMPTED; TO AMEND SECTION 59‑149‑15, RELATING TO AN ADDITIONAL LIFE SCHOLARSHIP STIPEND, SO AS TO PROVIDE THAT BEGINNING IN SCHOOL YEAR 2019‑2020, NEW STUDENTS ARE NOT ELIGIBLE FOR THE STIPEND; TO AMEND SECTION 59‑150‑230, RELATING TO UNCLAIMED LOTTERY PRIZE MONEY, SO AS TO PROVIDE THAT UNCLAIMED PRIZE MONEY MUST BE DEPOSITED IN THE HIGHER EDUCATION SCHOLARSHIP ENDOWMENT FUND; TO AMEND SECTION 59‑150‑350, RELATING TO THE MANAGEMENT AND ADMINISTRATION OF THE EDUCATION LOTTERY ACCOUNT, SO AS TO DELETE PROVISIONS ON WHAT THE EDUCATION LOTTERY ACCOUNT PROCEEDS MAY BE CERTIFIED TO FUND; TO AMEND SECTION 59‑150‑370, RELATING TO HOPE SCHOLARSHIPS, SO AS TO PROVIDE THAT BEGINNING IN SCHOOL YEAR 2019‑2020, A STUDENT SHALL RECEIVE THE SCHOLARSHIP BASED ON CREDIT HOURS ATTEMPTED; TO REPEAL SECTION 59‑150‑355 RELATING TO THE EDUCATION LOTTERY APPROPRIATIONS AND USES; AND TO REPEAL SECTION 59‑150‑380 RELATING TO THE EDUCATION LOTTERY TEACHING SCHOLARSHIP GRANT PROGRAM.

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

SECTION 1. Article 1, Chapter 11, Title 11 of the 1976 Code is amended by adding:

“Section 11‑11‑250. There is created the ‘Higher Education Scholarship Endowment Fund’ within the Office of the State Treasurer. This fund is separate and distinct from the general fund of the State and all other funds. Earnings on this fund must be credited to it and any balance in this fund at the end of a fiscal year carries forward in the fund in the succeeding fiscal year unless appropriated by the General Assembly for the purpose of increased scholarship obligations or other liabilities. All net lottery proceeds, investment earnings, and unclaimed prize funds received above the amounts certified by the Board of Economic Advisors or any amount appropriated by the General Assembly must be deposited into the fund. The fund also may receive donations and grants from public and private sources. Revenues credited to this fund must be used only by the Office of the State Treasurer.”

SECTION 2. Chapter 49, Title 44 of the 1976 Code is amended by adding:

“Section 44‑49‑90. (A) The General Assembly shall appropriate funds in its annual appropriations bill to the Department of Alcohol and Other Drug Abuse Services or an established nonprofit public or private agency recognized as an affiliate of the National Council on Problem Gambling to receive monies from the fund for the prevention and treatment of compulsive gambling disorder and educational programs related to that disorder, including a gambling hotline, to be used for prevention programs including, but not limited to, mass media communications.

(B) Nothing in this section prevents the State Department of Administration from contracting with any combination of agencies which meet the criteria provided for in this section, including a combination that includes the Department of Alcohol and Other Drug Abuse Services for the treatment of compulsive gambling disorder and educational programs related to that disorder, including a gambling hotline.

(C) Semiannually, the director of the selected agency shall report to the board on the programs implemented with the funds appropriated, including nonidentifying statistical information pertaining to persons served by these programs. The director of the agency also shall provide a copy of the report to the General Assembly after receipt of the semiannual reports.”

SECTION 3. Section 59‑104‑20 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding any other provision of law, a student receiving the Palmetto Fellows Scholarship for the first time beginning in the 2019‑2020 School Year, shall receive a scholarship based on the credit hours attempted in each semester. The scholarship is equal to the amount, based on the amount in Fiscal Year 2018‑2019, of the lifetime total amount available for each student divided by one hundred twenty, the quotient of which is then multiplied by the number of credit hours in which the student is enrolled each semester. Nothing in this subsection may be construed to affect the scholarship amounts for individuals receiving the Palmetto Fellows Scholarship before July 1, 2019.”

SECTION 4. Section 59‑104‑25 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding any other provision of law, beginning in School Year 2019‑2020, a student may not receive an additional Palmetto Fellows Scholarship stipend as provided by this Section. Nothing in this subsection may be construed to affect the Palmetto Fellows Scholarship stipend awarded to a student before July 1, 2019.”

SECTION 5. Section 59‑149‑10 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding any other provision of law, the annual amount of a LIFE Scholarship for eligible resident students receiving the scholarship for the first time beginning in the 2019‑2020 School Year is based on the credit hours attempted in each semester. The scholarship is equal to the amount, based on the amount in Fiscal Year 2018‑2019, of the current lifetime total amount available for each student divided by one hundred twenty, the quotient of which is then multiplied by the number of credit hours in which the student is enrolled each semester. Nothing in this subsection may be construed to affect the scholarship amounts for individuals receiving the LIFE Scholarship before July 1, 2019.”

SECTION 6. Section 59‑149‑15 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding any other provision of law, beginning in School Year 2019‑2020, a student may not receive an additional LIFE Scholarship stipend as provided by this Section. Nothing in this subsection may be construed to affect the LIFE Scholarship stipend awarded to a student before July 1, 2019.”

SECTION 7. Section 59‑150‑230(I) of the 1976 Code is amended to read:

“(I) Unclaimed prize money must be deposited in the ~~Education Lottery Account~~ Higher Education Scholarship Endowment Fund established pursuant to Section 11‑11‑250 each year. ~~A portion of the unclaimed prize money, in an amount to be determined by the General Assembly in its annual general appropriations bill and other bills appropriating monies for previous or current fiscal years, must be allocated to the Department of Education for the purchase of new school buses. A portion, in an amount to be determined by the General Assembly, of the unclaimed prize money in the Education Lottery Account, must be allocated by the General Assembly in its annual general appropriations bill or any bill appropriating monies for previous or current fiscal years to the South Carolina Department of Alcohol and Other Drug Abuse Services or an established nonprofit public or private agency recognized as an affiliate of the National Council on Problem Gambling to receive monies from the fund for the prevention and treatment of compulsive gambling disorder and educational programs related to that disorder, including a gambling hotline, to be used for prevention programs including, in part or in totality, mass media communications. Nothing in this section prevents the State Department of Administration from contracting with any combination of agencies which meet the criteria provided for in this section, including a combination that includes the Department of Alcohol and Other Drug Abuse Services for the treatment of compulsive gambling disorder and educational programs related to that disorder, including a gambling hotline. Semi annually, the director of the selected agency shall report to the board on the programs implemented with these funds, including nonidentifying statistical information pertaining to persons served by these programs. The director of the agency also shall provide a copy of the report to the General Assembly promptly upon receipt of the semi annual reports.~~”

SECTION 8. Section 59‑150‑350(D) of the 1976 Code is amended to read:

“(D) At the beginning of ~~the first~~ each 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~~ and 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~~; 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~~ Additionally, any net lottery proceeds, investment earnings, and unclaimed prize funds received above the amounts certified by the Board of Economic Advisors for the current fiscal year must be deposited into the Higher Education Scholarship Endowment Fund.”

SECTION 9. Section 59‑150‑370 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) Notwithstanding any other provision of law, the annual amount of a HOPE Scholarship for eligible resident students receiving the scholarship for the first time beginning in the 2019‑2020 School Year is based on the credit hours attempted each semester. The scholarship is equal to the amount, based on the amount in Fiscal Year 2018‑2019, of the current lifetime total amount available for each student divided by thirty, the quotient of which is then multiplied by the number of credit hours in which the student is enrolled each semester. Nothing in this subsection may be construed to affect the scholarship amounts for individuals receiving the HOPE Scholarship before July 1, 2019.”

SECTION 10. Section 59‑150‑355 and 59‑150‑380 of the 1976 Code are repealed.

SECTION 11. This act takes effect upon approval by the Governor.

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