

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

| Bill Number: | S. 0033 | Amended by Senate Education Subcommittee on January 15, 2019 |
|-----------------|----------------------------|--|
| Author: | Grooms | |
| Subject: | Campus Free Expression Act | |
| Requestor: | Senate Education | |
| RFA Analyst(s): | A. Martin | |
| Impact Date: | January 22, 2019 | |

Fiscal Impact Summary

This bill will increase expenditures of the General Fund by at least \$168,500 beginning in FY 2019-20 for the addition of 1 FTE, additional staff time, tracking and documentation of events, training and training materials, and additional liability coverage for the University of South Carolina (USC) and its Upstate Regional Campus. In addition, some institutions anticipate that this bill will increase expenditures of the General Fund for campus security for special events. However, due to the unknown number of events and level of security required, this additional expenditure is undetermined.

Explanation of Fiscal Impact

Amended by Senate Education Subcommittee on January 15, 2019 State Expenditure

This bill states that the publicly accessible, outdoor areas of campuses of public institutions of higher learning (institutions) in this state are considered traditional public forums. It puts limitations on an institution's ability to restrict the use of such space. Institutions would be required to develop a policy on free expression and include a description of these policies in their freshman orientation program. No institution indicated that the development of such policies would require additional appropriations or authorizations.

Institutions would be required to make all reasonable efforts and make available all reasonable resources to ensure public safety. Institutions may not collect fees for extra security precautions undertaken or additional liability insurance procured in preparation for a campus event. In addition, the governing board of each institution must issue an annual report on the administrative handling of free speech issues within its institution. The bill also states that institutions are not immune from suit or liability for violations of this act. While certain institutions indicated there would be an increase in expenditures due to additional security, the number of events to be held is unknown. In addition, the level and cost of security needed varies based on the type of event and the location. The Citadel noted it hosted an event earlier this year and incurred an additional cost of \$35,000 for security. Lander estimates the added security cost per event would average \$150 and costs associated with litigation would be paid at the rate of \$125 per hour.

The University of South Carolina (USC) estimates that one additional FTE will be needed for the purposes of tracking and documentation as well as extensive training and education of the

campus community. This will result in increased expenditures of \$54,000 (including fringe). In addition, the university would need \$2,000 annually for training material and room reservation fees. Because the university would not be immune from suit or liability for violations of this act, USC anticipates it would need to increase its liability coverage at an estimated cost of approximately \$100,000 annually. In addition, the university anticipates additional security costs which could be significant, but are difficult to estimate and would vary based on the particulars of the event. Therefore, this bill would increase General Fund expenditures by at least \$156,000 for USC beginning in FY 2019-20.

USC Upstate additional expenditures of \$10,000 for staff time for reporting. In addition, it anticipates that this bill will require \$2,500 for training, for a total increase in General Fund expenditures of \$12,500 beginning in FY 2019-20.

South Carolina State University and the Citadel anticipate an increase in expenditures related to providing security and special event insurance. However, they are unable to determine the total impact at this time.

Coastal Carolina University, the College of Charleston, Lander, Francis Marion University, and USC Regional Campuses of Aiken, Beaufort, and Palmetto indicated this bill would have a minimal impact and expenditures would be managed within existing appropriations. The Commission on Higher Education (CHE) surveyed the colleges and universities to provide the estimates used above. Estimates were not provided by Clemson University or the Medical University of South Carolina.

Commission on Higher Education. This bill does not alter the responsibilities of CHE. Therefore, this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds for CHE.

State Board for Technical and Comprehensive Education. Any additional expenditures by the technical colleges resulting from this bill would be minimal and could be managed within existing appropriations.

State Revenue N/A

Local Expenditure N/A

Local Revenue N/A

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Frank A. Rainwater, Executive Director