



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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Bill Number:	S. 0035	Amended by the Senate on February 13, 2019
Author:	Grooms	
Subject:	Study of U.S. Constitution	
Requestor:	Senate Education	
RFA Analyst(s):	Wren and A. Martin	
Impact Date:	March 25, 2019	

Fiscal Impact Summary

The amended bill will have no expenditure impact on the State Department of Education (SDE) since the instructional requirements are covered in the high school standards, tested with an end of course exam, and is a graduation requirement.

The amended bill will have no expenditure impact on the State Board for Technical and Comprehensive Education since the bill applies to undergraduate baccalaureate degree programs, and the South Carolina Technical College System does not currently offer baccalaureate programs. However, if a technical college becomes approved to offer an Applied Baccalaureate in Advanced Manufacturing Technology pursuant to Act 260 of 2018, they would become subject to the requirements of this bill.

This bill will have no expenditure impact on the Commission on Higher Education (CHE) since any increase in expenses can be managed within current appropriations.

Colleges and universities indicate that the amended bill will increase expenditures for course development and additional FTEs required to deliver instruction. The increase in expenditures will range from \$1,185,000 to \$3,935,000 in FY 2019-20, and from \$1,130,000 to \$3,880,000 each year thereafter, contingent upon the method of delivery chosen by the particular college or university.

The amended bill will have no expenditure impact on local school districts since current law requires high school students to receive instruction in the specified areas of study.

Explanation of Fiscal Impact

Amended by the Senate on February 13, 2019

State Expenditure

The amended bill requires all public high schools to give instruction in the essentials of the Emancipation Proclamation, in addition to the current requirements of instruction on the U.S. Constitution, the Declaration of Independence, and the Federalist Papers, including the study of American institutions and ideals. The bill also requires undergraduate students in all public institutions of higher learning to successfully complete at least three semester credit hours of instruction in the essentials of the United States Constitution, the Declaration of Independence, the Emancipation Proclamation, the Federalist Papers, and the study of American institutions and history, including African-American history, and ideals. Further, no public institution of higher

learning may grant a certificate of graduation for any baccalaureate degree program to any student unless the student successfully completes the assignments in the aforementioned studies. A public institution of higher learning may exempt a student who has completed three semester credit hours in an Advanced Placement or dual-credit course with a passing grade in the subject of American government, provided that the course satisfies the requirements of the provisions of this bill. CHE must annually collect information necessary to ensure that the public institution of higher learning is in compliance with the provisions of the bill. Such information must be reported annually to the Chairman of the House Ways and Means Committee, the Chairman of the House Education and Public Works Committee, the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, and the Chairman of the Commission on Higher Education. CHE must also submit the provisions of this bill to the Southern Association of Colleges and Schools Commission on Colleges and request an advisory opinion as to whether such provisions can be incorporated into degree requirements without infringing on the accreditation process. Additionally, the bill repeals Section 59-29-140, which requires the State Superintendent of Education to prescribe suitable texts adapted to the needs of high schools, universities, and colleges for the instruction of the aforementioned studies.

State Department of Education. SDE indicates that the amended bill will have no expenditure impact on the agency. The referenced instruction is currently covered in the high school standards, tested with an end of course exam, and is a graduation requirement.

Commission on Higher Education. CHE indicates that any expenses resulting from the bill can be managed within current appropriations.

This bill creates additional curriculum requirements for students pursuing a baccalaureate degree. CHE surveyed the public institutions of higher education.

Lander anticipates the expenditure impact of this bill can be managed within existing appropriations.

The University of South Carolina (USC) estimates that the bill would require additional sections of their current course offerings. The increase in General Fund expenditures will depend on what model is used to provide the additional course sections. The most expensive model is the Live Instruction. This would increase expenditures by a minimum of \$2,830,000 in FY 2019-20 for the addition of 21.75 new faculty FTEs and 87 graduate assistants. The On-Line instruction model will increase expenditures by a minimum of \$1,523,000 in FY 2019-20 for the addition of 7.25 new faculty FTEs and 87 graduate assistants. The least expensive option will be a non-credit module USC is currently developing. This option will increase expenditures by \$80,000 in FY 2019-20 for technology and compliance updates, technology resources, and the addition of 2 graduate students. However, USC indicates that incorporation of these classes into certain degree programs will not be possible under the current constraints of the bill.

USC Aiken reports increased expenditures of \$61,000 and 1 new FTE. USC Beaufort reports \$145,000 in increased expenditures. USC Upstate expects \$462,000 in additional expenditures for 6 new faculty FTEs. USC Palmetto College, which is comprised of the USC Union,

Lancaster, Salkehatchie, and Sumter branches anticipates an increase in expenditures of \$117,000 for 2 new faculty FTEs.

The College of Charleston and Coastal Carolina each anticipate a non-recurring General Fund expenditure of \$25,000 for course development.

Francis Marion University (FMU) anticipates the need for an additional 2 faculty FTEs, which will increase annual expenditures by \$150,000. In addition, FMU anticipates an additional non-recurring cost of \$5,000 for course development.

The Medical University of South Carolina (MUSC) has a small population of undergraduate students. The majority of these students transfer from technical schools where it is not expected that they will receive this instruction. As such, MUSC will be required to develop the necessary courses. MUSC anticipates the expenses to be significant and is currently working to determine the expenditure impact. Therefore, this bill will increase expenditures for MUSC by an undetermined amount for course development.

South Carolina State University previously anticipated \$115,000 in General Fund expenditures for 1 new faculty FTE. We will update this impact statement if these institutions indicate that instruction on the Emancipation Proclamation and African-American history will further increase expenses.

In summary, as provided by the public institutions of higher learning, the increase in expenditures as a result of this bill would range from \$1,185,000 to \$3,935,000 in FY 2019-20, and from \$1,130,000 to \$3,880,000 each year thereafter, for course development and additional FTEs required to deliver instruction. We will update this impact statement if these institutions indicate that instruction on the Emancipation Proclamation and African-American history will further increase expenses.

State Board for Technical and Comprehensive Education. The amended bill applies to undergraduate baccalaureate degree programs. South Carolina technical colleges do not currently offer baccalaureate programs. Therefore, the amended bill will have no expenditure impact on the board or the technical colleges. However, if a technical college becomes approved to offer an Applied Baccalaureate in Advanced Manufacturing Technology pursuant to Act 260 of 2018, they would become subject to the requirements of this bill.

State Revenue

N/A

Local Expenditure

The amended bill requires all public high schools to give instruction in the essentials of the Emancipation Proclamation, in addition to the current requirements of instruction on the U.S. Constitution, the Declaration of Independence, and the Federalist Papers, including the study of American institutions and ideals.

Sections 59-29-120 and 59-29-130 currently require high school students to receive instruction in the aforementioned studies. Therefore, the amended bill will have no expenditure impact on local school districts.

Local Revenue

N/A

Introduced on January 8, 2019

State Expenditure

This bill requires each public high school student to receive at least one year of instruction in the essentials of the U.S. Constitution, the Declaration of Independence, and the Federalist Papers, including the study of American institutions and ideals. The bill also requires undergraduate students in all public institutions of higher learning to successfully complete at least three semester credit hours of instruction in the aforementioned subject areas prior to receiving a certificate of graduation for any baccalaureate degree. A public institution of higher learning may exempt a student who has completed three semester credit hours in an Advanced Placement or dual-credit course with a passing grade in the subject of American government, provided that the course satisfies the requirements of the provisions of this bill. The board of trustees of public institutions of higher learning must annually collect information necessary to ensure that the public institution is in compliance with the provisions of this bill. The information must be reported annually to the chairman of the House Ways and Means Committee, the chairman of the House Education and Public Works Committee, the chairman of the Senate Finance Committee, the chairman of the Senate Education Committee, and the chairman of the Commission on Higher Education. Additionally, the bill repeals Section 59-29-140, which requires the State Superintendent of Education to prescribe suitable texts adapted to the needs of high schools, universities, and colleges for the instruction of the aforementioned studies.

State Department of Education. SDE indicates that this bill will have no expenditure impact on the agency. The referenced instruction is currently covered in the high school standards, tested with an end of course exam, and is a graduation requirement.

Commission on Higher Education. This bill creates no new requirements for CHE. Therefore, this bill will have no expenditure impact on the agency.

This bill creates additional curriculum requirements for students pursuing a baccalaureate degree. CHE surveyed the public institutions of higher education. The Medical University of South Carolina, Francis Marion University, Lander, and Coastal Carolina University anticipate the expenditure impact of this bill will be minimal and can be managed within existing appropriations.

The University of South Carolina (USC) estimates the bill will require additional sections of their current course offerings. The increase in General Fund expenditures will depend on what model is used to provide the additional course sections. The most expensive model is the Live Instruction. This would increase expenditures by a minimum of \$2,830,000 in FY 2019-20 for the addition of 21.75 new faculty FTEs and 87 graduate assistants. The On-Line instruction model would increase expenditures by a minimum of \$1,523,000 in FY 2019-20 for the addition

of 7.25 new faculty FTEs and 87 graduate assistants. The least expensive option would be a non-credit module USC is currently developing. This option would increase expenditures by \$80,000 in FY 2019-20 for technology and compliance updates, technology resources, and the addition of 2 graduate students.

USC Aiken reported increased expenditures of \$61,000 and 1 new FTE. USC Beaufort reported \$75,000 in increased expenditures. USC Upstate expects \$175,500 in additional expenditures for 3 new faculty FTEs. USC Palmetto College anticipates increasing expenditures by \$117,000 for 2 new faculty FTEs.

The College of Charleston anticipates a non-recurring General Fund expenditure of \$25,000 for course development. South Carolina State University anticipates \$115,000 in General Fund expenditures for 1 new faculty FTE.

In summary, the increase in expenditures as a result of this bill would range from \$648,500 to \$3,398,500 in FY 2019-20, and from \$623,500 to \$3,373,500 each year thereafter, for course development and additional FTEs required to deliver instruction.

State Board for Technical and Comprehensive Education. This bill applies to undergraduate baccalaureate degree programs. South Carolina technical colleges do not currently offer baccalaureate programs. Therefore, this bill will have no expenditure impact on the board or the technical colleges. However, if a technical college becomes approved to offer an Applied Baccalaureate in Advanced Manufacturing Technology pursuant to Act 260 of 2018, they would become subject to the requirements of this bill.

State Revenue

N/A

Local Expenditure

This bill requires each public high school student to receive at least one year of instruction in the essentials of the U.S. Constitution, the Declaration of Independence, and the Federalist Papers, including the study of American institutions and ideals.

Sections 59-29-120 and 59-29-130 currently require high school students to receive at least one year of instruction in the aforementioned studies. Therefore, this bill will have no expenditure impact on local school districts.

Local Revenue

N/A



Frank A. Rainwater, Executive Director