



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S. 0038	Amended by House Education and Public Works Higher Education Subcommittee on March 9, 2021
Author:	Grooms	
Subject:	REACH Act	
Requestor:	House Education and Public Works	
RFA Analyst(s):	Wren and A. Martin	
Impact Date:	March 26, 2021	

Fiscal Impact Summary

The amended bill requires all public high schools to give instruction in the Emancipation Proclamation, in addition to other areas of study, and for all students to pass a course that includes instruction on the Emancipation Proclamation in order to receive a certificate of graduation. The bill also requires undergraduate students in public institutions of higher learning (IHLs) that offer classes which may fulfill general education or liberal arts requirements to successfully complete at least three semester credit hours of instruction in American History, American Government, or another equivalent course of instruction that provides a comprehensive overview of the major events and turning points of American History and Government. At a minimum, this instruction must include the United States Constitution in its entirety, the Declaration of Independence in its entirety, the Emancipation Proclamation in its entirety, and a minimum of five essays in their entirety from the Federalist Papers as selected by an instructor.

The amended bill will have no expenditure impact on the State Department of Education (SDE) since instruction on the Emancipation Proclamation is currently included in high school standards. Additionally, further development of items needed to measure the Emancipation Proclamation can be completed within current appropriations.

The amended bill will have no expenditure impact on the state agency schools. The Wil Lou Gray Opportunity School indicates that the bill will have no expenditure impact on the agency since the school participates in a GED granting curriculum. The Governor's School for Science and Mathematics, the Governor's School for Agriculture at John de la Howe, and the School for the Deaf and Blind indicate that the bill will have no impact since their students currently receive instruction in the subjects required in this bill.

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

The amended bill will increase expenditures for sixteen of the IHLs by an estimated \$1,252,205 in FY 2021-22, \$2,540,843 in FY 2022-23, \$2,468,843 in FY 2023-24 and FY 2024-25, and \$2,148,491 each year thereafter, for course development and 32 additional FTEs required to

deliver instruction. Twelve of the responding IHLs indicate that they can manage the expenses within current appropriations. The expenses for these twelve IHLs are estimated to total \$1,252,205 in FY 2021-22, \$2,230,843 in FY 2022-23, \$2,203,843 in FY 2023-24 and FY 2024-25, and \$1,883,491 each year thereafter. Also, these IHLs anticipate the need for 29 additional FTEs. In addition to surveying the seventeen research and comprehensive public IHLs for their response to this bill, CHE surveyed the IHLs for their responses to a similar bill during the previous session. Fourteen institutions provided responses to the current bill. For the two institutions that did not provide an updated response, their responses to the previous bill are included.

The amended bill will have a minimal expenditure impact on Greenville Technical College (GTC) because the college will administer policies resulting from this bill with the use of existing staff and resources. This bill will impact only public IHLs that offer baccalaureate degree programs. To date, GTC is the only technical college that offers such a program. Therefore, this bill will have no expenditure impact on other technical colleges.

The amended bill will have no expenditure impact on local school districts since instruction on the Emancipation Proclamation is currently included in the high school standards.

Explanation of Fiscal Impact

Amended by House Education and Public Works Higher Education Subcommittee on March 9, 2021

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. Additionally, the amended bill requires students to pass a course that includes instruction in these subject areas prior to receiving a certificate of graduation.

The amended bill also requires undergraduate students in public IHLs that offer classes which may fulfill general education or liberal arts requirements to successfully complete at least three semester credit hours of instruction in American History, American Government, or another equivalent course of instruction that provides a comprehensive overview of the major events and turning points of American History and Government. At a minimum, this instruction must include the United States Constitution in its entirety, the Declaration of Independence in its entirety, the Emancipation Proclamation in its entirety, and a minimum of five essays in their entirety from the Federalist Papers as selected by an instructor. Also, no public institution of higher learning may grant a certificate of graduation for a baccalaureate degree program to a student unless the student successfully completes the required coursework pursuant to this bill. Further, the board of trustees of an IHL must ensure that the requirements of the bill are incorporated into the degree requirements of all undergraduate degree programs in a manner that does not add to the total number of credit hours and does not conflict with any school accreditation process.

CHE must annually collect information necessary to ensure that each 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, and the Chairman of the Senate Education Committee. Additionally, the bill repeals Section 59-29-140 relating to the enforcement of the program of study of the United States Constitution by the State Superintendent of Education.

State Department of Education. SDE indicates that the amended bill will have no expenditure impact on the agency since instruction on the Emancipation Proclamation is currently covered in the high school standards. Additionally, further development of items needed to measure the Emancipation Proclamation can be managed within current appropriations.

State Agency Schools. The Wil Lou Gray Opportunity School indicates that the amended bill will have no expenditure impact on the agency since the school participates in a GED granting curriculum. The Governor's School for Science and Mathematics, the Governor's School for Agriculture at John de la Howe, and the School for the Deaf and Blind indicate that the amended bill will have no impact since their students currently receive instruction in the specified areas of study. Based upon these responses, we do not anticipate that the amended bill will impact the Governor's School for Arts and Humanities. Therefore, the amended bill will have no expenditure impact on the state agency schools.

Commission on Higher Education. The amended bill creates additional curriculum requirements for IHLs. CHE must collect information necessary to ensure these requirements are being met and report annually to the General Assembly. CHE indicates that any expenses resulting from the amended bill can be managed within current appropriations. Therefore, the amended bill will have no expenditure impact on CHE.

The amended bill creates additional curriculum requirements for students pursuing a baccalaureate degree. CHE surveyed the public IHLs to determine the expenditure impact this bill will have on each institution.

The Citadel responded that this bill would require the addition of 2 full-time instructors costing \$83,400 each for annual salary and fringe. In addition, the school would need 5 additional adjunct instructors at \$4,012 each for annual salary and fringe. The school would also require additional administrative support totaling \$3,274 annually for salary and fringe. The Citadel anticipates expenditures for equipment and supplies to total \$2,400 for FY 2022-23 and \$400 for each year thereafter. Therefore, the entire increase in expenditures is expected to be \$192,534 in FY 2022-23 and \$190,534 each year thereafter. However, the Citadel is not seeking additional funding to implement the provisions of this bill. The Citadel will implement the requirements of this bill using current appropriations.

Clemson University, in anticipation of the passing of this bill, intends to expand their current course offerings to meet the provisions of this bill beginning in the fall of 2021. The university indicated that this bill would require 12 additional full-time lecturers. In addition, 1

administrator would be required for the coordination and tracking of all students and programming associated with this requirement. The annual expenditures for these 13 FTEs would be \$931,853 beginning in FY 2021-22. However, Clemson is not seeking additional funding to implement the provisions of this bill. The university will manage the cost within their existing budget.

Lander indicated that the agency anticipates the expenditure impact of this bill could be managed within existing appropriations.

Winthrop University indicated that this bill would require non-recurring expenditures of \$15,000 in FY 2022-23 to modify existing courses to comply with the requirements of this bill. The university indicated that they currently have staff in place to teach the additional sections. However, should the university be faced with budget reductions that result in loss of FTEs, they would need to request an additional \$162,193 for salary and fringe for 1.8 faculty FTEs. This figure is provided here for informational purposes and only the \$15,000 is included in the summative total for all IHLs below.

The University of South Carolina (USC) Columbia, in anticipation of the passing of this bill, intends to provide a required three-hour credit course to meet these requirements beginning in the fall of 2021. Initially, this course will be taught by temporary faculty members consisting of non-tenure track faculty or postdoctoral fellows. Over the next four years, the university intends to replace these temporary faculty members with tenure track faculty. The university will train existing faculty to teach founding documents, or retiring faculty members will be replaced by faculty with that expertise. The university intends to hire 6 postdoctoral fellows for the next four years at an annual expense of \$305,352 for salary and fringe. Training and workshop expenses are anticipated to be \$15,000 each year for the next four years. Therefore, the total anticipated expenditures for USC Columbia will be \$320,352 each year for FY 2021-22 through FY 2024-25. The University of South Carolina System is not seeking additional funding to implement the provisions of this bill. The university will implement the requirements of this bill using current appropriations.

USC Aiken reported increased annual expenditures of \$90,000 for 1 new FTE and online course development as a result of the provisions of this bill. USC Beaufort reported \$167,776 in increased annual expenditures for salary and fringe for 2 additional assistant professors. USC Upstate expects \$503,328 in additional annual expenditures for 6 new faculty FTEs. USC Palmetto College, which comprises USC Union, Lancaster, Salkehatchie, and Sumter branches, anticipates a minimal increase in expenditures. The University of South Carolina System is not seeking additional funding to implement the provisions of this bill. The university will implement the requirements of this bill using current appropriations.

The College of Charleston anticipates that they will require an additional \$25,000 in non-recurring General Funds for course development. Therefore, this bill will increase non-recurring General Fund expenditures for the College of Charleston by \$25,000 in FY 2021-22.

Coastal Carolina anticipates a non-recurring General Fund expenditure of \$25,000 for course development. The university intends to implement this change using current appropriations.

CHE surveyed the public institutions of higher education regarding the impact of similar legislation during last session. We anticipate that these responses are still accurate. However, we have requested updates, and we will update this impact statement if we receive revised responses.

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

CHE indicates that the amended bill exempts the Medical University of South Carolina (MUSC) from the requirements of the bill since MUSC is not accredited to offer general education courses. Therefore, the amended bill will have no expenditure impact on MUSC.

South Carolina State University previously anticipated \$115,000 in General Fund expenditures for 1 new faculty FTE.

The amended bill will increase expenditures for sixteen of the IHLs by an estimated \$1,252,205 in FY 2021-22, \$2,540,843 in FY 2022-23, \$2,468,843 in FY 2023-24 and FY 2024-25, and \$2,148,491 each year thereafter, for course development and 32 additional FTEs required to deliver instruction. Twelve of the responding IHLs indicate that they can manage the expenses within current appropriations. The expenses for these twelve IHLs are estimated to total \$1,252,205 in FY 2021-22, \$2,230,843 in FY 2022-23, \$2,203,843 in FY 2023-24 and FY 2024-25, and \$1,883,491 each year thereafter. Also, these IHLs anticipate the need for 29 additional FTEs.

State Board for Technical and Comprehensive Education. The amended bill applies to undergraduate baccalaureate degree programs only. Currently, GTC is the only technical college that offers such a program. GTC indicates that a currently employed instructor will be asked to teach one additional class per year to satisfy the requirements of this bill. The amended bill will have no expenditure impact on GTC, because any additional expenditures will be minimal and can be absorbed within existing appropriations. GTC prepared this estimate using the assumption that this bill will only impact students enrolled in GTC's baccalaureate program and does not apply to students enrolled in other programs.

No other baccalaureate programs are offered at any other technical college and the amended bill has no further requirements of SBTCE. Therefore, the amended bill will have no expenditure impact on SBTCE or the Technical College System.

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. Additionally, the amended bill requires students to pass a course that includes instruction in these subject areas prior to receiving a certificate of graduation.

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

Local Revenue

N/A

Introduced on January 12, 2021

State Expenditure

The 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 IHLs 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 required coursework or a qualifying advanced placement or dual credit course.

CHE must annually collect information necessary to ensure that each 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 relating to the enforcement of the program of study of the United States Constitution by the State Superintendent of Education.

State Department of Education. SDE indicates that the bill will have no expenditure impact on the agency since instruction on the Emancipation Proclamation is currently covered in the high

school standards. Additionally, further development of items needed to measure the Emancipation Proclamation can be managed within current appropriations.

State Agency Schools. The Wil Lou Gray Opportunity School indicates that this bill will have no expenditure impact on the agency since the school participates in a GED granting curriculum. The Governor's School for Science and Mathematics, the Governor's School for Agriculture at John de la Howe, and the School for the Deaf and Blind indicate that the bill will have no impact since their students currently receive instruction in the specified areas of study. Based upon these responses, we do not anticipate that this bill will impact the Governor's School for Arts and Humanities. Therefore, this bill will have no expenditure impact on the state agency schools.

Commission on Higher Education. This bill creates additional curriculum requirements for IHLs. CHE must collect information necessary to ensure these requirements are being met and report annually to the General Assembly. CHE indicates that any expenses resulting from the bill can be managed within current appropriations. Therefore, this bill will have no expenditure impact on CHE.

This bill creates additional curriculum requirements for students pursuing a baccalaureate degree. CHE surveyed the public IHLs to determine the expenditure impact this bill will have on each institution.

The Citadel responded that this bill would require the addition of 2 full-time instructors costing \$83,400 each for annual salary and fringe. In addition, the school would need 5 additional adjunct instructors at \$4,012 each for annual salary and fringe. The school would also require additional administrative support totaling \$3,274 annually for salary and fringe. The Citadel anticipates expenditures for equipment and supplies to total \$2,400 for FY 2022-23 and \$400 for each year thereafter. Therefore, the entire increase in expenditures is expected to be \$192,534 in FY 2022-23 and \$190,534 each year thereafter.

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figure is provided here for informational purposes and only the \$15,000 is included in the summative total for all IHLs below.

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

CHE surveyed the public institutions of higher education regarding the impact of similar legislation during last session. We anticipate that these responses are still accurate. However, we have requested updates, and we will update this impact statement if we receive revised responses.

Francis Marion University (FMU) previously anticipated the need for 2 additional faculty FTEs, which would increase annual expenditures by \$150,000. In addition, FMU anticipated 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 previously anticipated 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.

In summary, this bill will increase expenditures for IHLs by an estimated \$1,252,205 in FY 2021-22, \$2,540,843 in FY 2022-23, \$2,468,843 in FY 2023-24 and FY 2024-25, and \$2,148,491 each year thereafter, for course development and 32 additional FTEs required to deliver instruction.

State Board for Technical and Comprehensive Education. The bill applies to undergraduate baccalaureate degree programs only. Currently, GTC is the only technical college that offers such a program. GTC indicates that a currently employed instructor will be asked to teach one additional class per year to satisfy the requirements of this bill. This bill will have no expenditure impact on GTC, because any additional expenditures will be minimal and can be absorbed within existing appropriations. GTC prepared this estimate using the assumption that this bill will only impact students enrolled in GTC's baccalaureate program and does not apply to students enrolled in other programs.

No other baccalaureate programs are offered at any other technical college and the bill has no further requirements of SBTCE. Therefore, this bill will have no expenditure impact on SBTCE or the Technical College System.

State Revenue

N/A

Local Expenditure

The 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. Additionally, SDE indicates that instruction on the Emancipation Proclamation is currently in the high school standards. Therefore, the bill will have no expenditure impact on local school districts.

Local Revenue

N/A



Frank A. Rainwater, Executive Director