



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4703 Introduced on January 9, 2024
Author: Davis
Subject: South Carolina STEM Opportunity Act
Requestor: House Education and Public Works
RFA Analyst(s): Tipton
Impact Date: March 22, 2024

Fiscal Impact Summary

This bill establishes the South Carolina Science, Technology, Engineering, and Mathematics (STEM) Coalition (coalition) from the existing South Carolina's Coalition for Mathematics and Science and S2TEM Centers SC. The bill enumerates several requirements and objectives of the coalition and establishes an advisory council consisting of eleven members associated with the Department of Employment and Workforce (DEW), State Department of Education (SCDE), the House of Representatives, the Senate, the Governor's Office, the Technical College System (Tech System), the Commission on Higher Education (CHE), and Clemson University (Clemson) to assist with and oversee the coalition's work towards these objectives and outcomes.

This bill will have an undetermined expenditure impact on DEW, SCDE, the House of Representatives, the Senate, the Governor's Office, the Tech System, CHE, and Clemson, as any outside requirements of each agency will depend on the projects or initiatives that the coalition and advisory council undertake towards the stated objectives of the bill. The bill establishes the STEM Education Fund to cover qualified expenditures, which will depend upon future appropriations, donations, bequests, or other gifts. In FY 2023-24, SCDE received an appropriation in the amount of \$2,000,000 directed to Clemson for STEM Centers SC. If funding in future years is not available, each member agency of the coalition may be required to pay per diem, mileage, and subsistence expenses for their respective member of the advisory council, which each agency indicates could be managed with existing appropriations. Pursuant to the FY 2023-24 General Appropriations Act, for each meeting of the advisory council, members who are not state employees are entitled to per diem of \$50, subsistence of at least \$42, and mileage reimbursement at the rate currently set by the Internal Revenue Service (IRS) of 67 cents per mile. The actual expense related to meetings of the advisory council will vary, depending on the types of members of the council, number of council meetings, and total mileage reimbursements.

The amount of appropriations in future years to the STEM Education Fund is unknown. Also, we are unable to estimate the potential amount of donations the STEM Education Fund may receive. Therefore, the Other Funds revenue impact from donations is also undetermined.

Explanation of Fiscal Impact

Introduced on January 9, 2024

State Expenditure

This bill establishes the South Carolina STEM Coalition from the existing South Carolina's Coalition for Mathematics and Science and S2TEM Centers SC. The bill's stated purpose of the coalition is to build public and private partnerships among state agencies, state funded entities, not for profits, private businesses, entities, organizations, and industries with the goal of building a technology-ready STEM workforce and ensuring South Carolina students are prepared for STEM career opportunities within the state. The bill requires the State Treasurer to create a STEM Education Fund, to be held separate and distinct from the General Fund and will consist of appropriations, donations, bequests, or other gifts made to the coalition to be used for the stated purpose. The bill further states that grants or gifts designated for specific purposes within the coalition's scope of work may be managed by Clemson or the Clemson University Foundation and enumerates several requirements and objectives of the coalition towards the bill's stated purpose.

The bill establishes the SC STEM Coalition Advisory Council, the purpose of which includes approving all expenditures from the STEM Education Fund, identifying appropriate outcomes and measures of the coalition's impact, and identifying and promoting activities of the coalition among peer organizations. The advisory council will consist of the following eleven members:

- The Chair of the DEW Coordinating Council or their designee, who will serve as chair of the advisory council,
- the State Superintendent of Education or their designee,
- one STEM educator appointed by the State Superintendent of Education,
- one member appointed by the Speaker of the House of Representatives,
- one member appointed by the President of the Senate,
- three members appointed by the Governor to represent STEM-related business and industry in the state,
- one member appointed by the President of the Tech System to represent the technical colleges in the state,
- one member appointed by the President of CHE to represent higher education in the state, and
- one member appointed by President of Clemson to represent the university as the host site of the coalition.

The bill provides the term structure and limits for each member of the advisory council, the manner in which vacancies must be filled, and states that members of the council may not receive compensation for service but may receive the usual mileage, subsistence, and per diem as provided by law. Pursuant to the FY 2023-24 General Appropriations Act, for each meeting of the advisory council, members who are not state employees or members of the General Assembly are entitled to per diem of \$50, subsistence of \$42, and the mileage reimbursement rate currently set by the IRS of 67 cents per mile. Appointees to the council who are members of the General Assembly are entitled to per diem of \$50, subsistence of \$231.73, and 67 cents per mile reimbursement per council meeting on days that the General Assembly is not in session.

The actual expense related to meetings of the advisory council will vary, depending on the types of members of the council, number of council meetings, and total mileage reimbursements.

The impact of this bill on DEW, SCDE, the House of Representatives, the Senate, the Governor's Office, the Tech System, CHE, and Clemson will depend on the projects or initiatives that the coalition and advisory council undertake towards the stated objectives of the bill, the expenses related to the advisory council and any outside requirements of each agency, as well as the available funding provided to the STEM Education Fund established by the bill. In FY 2023-24, SCDE received an appropriation in the amount of \$2,000,000 directed to Clemson for STEM Centers SC. Each agency indicates that per diem, mileage, and subsistence expenses could be managed with existing appropriations in the event that funding is not available in future years. Therefore, the expenditure impact for these entities is undetermined.

State Revenue

The bill requires the State Treasurer to create a STEM Education Fund, to be held separate and distinct from the General Fund and will consist of appropriations, donations, bequests, or other gifts made to the coalition to be used for the stated purpose. In FY 2023-24, SCDE received an appropriation in the amount of \$2,000,000 directed to Clemson for STEM Centers SC. The amount of appropriations in future years to the STEM Education Fund is unknown. Also, we are unable to estimate the potential amount of donations the STEM Education Fund may receive. Therefore, the Other Funds revenue impact from donations is also undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director