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SOUTH CAROLINA STATE REGISTER

PUBLISHED BY
THE LEGISLATIVE COUNCIL
of the
GENERAL ASSEMBLY

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Published January 23, 2026

Volume 50 Issue No. 1

This issue contains notices, proposed regulations, emergency regulations, final form regulations, and other documents filed in the Office of the Legislative Council, pursuant to Article 1, Chapter 23, Title 1, Code of Laws of South Carolina, 1976.

SOUTH CAROLINA STATE REGISTER

An official state publication, the *South Carolina State Register* is a temporary update to South Carolina's official compilation of agency regulations--the *South Carolina Code of Regulations*. Changes in regulations, whether by adoption, amendment, repeal, or emergency action must be published in the *State Register* pursuant to the provisions of the Administrative Procedures Act. The *State Register* also publishes the Governor's Executive Orders, notices of public hearings and meetings, and other documents issued by state agencies considered to be in the public interest. All documents published in the *State Register* are drafted by state agencies and are published as submitted. Publication of any material in the *State Register* is the official notice of such information.

STYLE AND FORMAT

Documents are arranged within each issue of the *State Register* according to the type of document filed:

Pending Regulations Submitted to the General Assembly are regulations adopted by the agency pending approval by the General Assembly.

Executive Orders are actions issued and taken by the Governor.

Notices are documents considered by the agency to have general public interest.

Notices of Drafting Regulations give interested persons the opportunity to comment during the initial drafting period before regulations are submitted as a proposed regulation.

Proposed Regulations are those regulations pending permanent adoption by an agency.

Final Regulations have been permanently adopted by the agency and approved by the General Assembly.

Emergency Regulations have been adopted on an emergency basis by the agency.

2026 PUBLICATION SCHEDULE

Documents will be accepted for filing on any normal business day from 8:30 A.M. until 5:00 P.M. All documents must be submitted in the format prescribed in the *Standards Manual for Drafting and Filing Regulations*.

To be included for publication in the next issue of the *State Register*, documents must be submitted no later than 5:00 P.M. on the second Friday of each month. The modification or withdrawal of documents filed for publication must be made **by 5:00 P.M.** on the submission deadline for that issue.

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Submission Deadline	1/9	2/13	3/13	4/10	5/8	6/12	7/10	8/14	9/11	10/9	11/13	12/11
Publishing Date	1/23	2/27	3/27	4/24	5/22	6/26	7/24	8/28	9/25	10/23	11/27	12/25

REPRODUCING OFFICIAL DOCUMENTS

Documents appearing in the *State Register* are prepared and printed at public expense. Media services are encouraged to give wide publicity to documents printed in the *State Register*.

PUBLIC INSPECTION OF DOCUMENTS

Documents filed with the Office of the State Register are available for public inspection during normal office hours, 8:30 A.M. to 5:00 P.M., Monday through Friday. The Office of the State Register is in the Legislative Council, Fourth Floor, Rembert C. Dennis Building, 1000 Assembly Street, in Columbia. Telephone inquiries concerning material in the *State Register* or the *South Carolina Code of Regulations* may be made by calling (803) 212-4500.

ADOPTION, AMENDMENT AND REPEAL OF REGULATIONS

To adopt, amend, or repeal a regulation, an agency must publish in the *State Register* a Notice of Drafting and a Notice of the Proposed Regulation that contains an estimate of the proposed action's economic impact and gives the public an opportunity to comment on the proposal. If requested by twenty-five persons, a public hearing must be held at least thirty days after the date of publication of the notice in the *State Register*.

After the date of hearing, the regulation must be submitted to the General Assembly for approval. The General Assembly has one-hundred-ten days to consider the regulation. If no legislation is introduced to disapprove or enacted to approve the regulation before the expiration of the one-hundred-ten-day review period, the regulation is approved on the one-hundred-tenth day and is effective upon publication in the *State Register*.

EMERGENCY REGULATIONS

An emergency regulation may be promulgated by an agency if the agency finds imminent peril to public health, safety, or welfare. Emergency regulations are effective upon filing for a ninety-day period. If the original filing began and expired during the legislative interim, the regulation can be renewed once.

REGULATIONS PROMULGATED TO COMPLY WITH FEDERAL LAW

Regulations promulgated to comply with federal laws are exempt from General Assembly review. Following the notice of proposed regulation and hearing, regulations are submitted to the *State Register* and are effective upon publication.

EFFECTIVE DATE OF REGULATIONS

Final Regulations take effect on the date of publication in the *State Register* unless otherwise noted within the text of the regulation.

Emergency Regulations take effect upon filing with the Legislative Council and remain effective for ninety days. If the original ninety-day period begins and expires during the legislative interim, the regulation may be refiled for one additional ninety-day period.

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REGULATIONS SUBMITTED TO GENERAL ASSEMBLY 1

In order by General Assembly review expiration date
The history, status, and full text of these regulations are available on the
South Carolina General Assembly Home Page: <http://www.scstatehouse.gov/regnsrch.php>

DOC. No.	RAT. No.	FINAL ISSUE	SUBJECT	EXP. DATE	AGENCY	HOUSE COMMITTEE	SENATE COMMITTEE
5342			Residential Treatment Facilities for Children and Adolescents	01/25/2026	Department of Public Health	Regs, Admin. Proc., AI & CS	Medical Affairs
5319			Sign Language Interpreters	02/01/2026	State Board of Education	Regs, Admin. Proc., AI & CS	Education
5370			Honey Bees	03/05/2026*	Clemson University	Regs, Admin. Proc., AI & CS	Ag and Nat Resources
5366			Procedures and Standards for Review of Charter School Applications	04/04/2026*	State Board of Education	Regs, Admin. Proc., AI & CS	Education
5371			Defined Program, Grades 9-12 and Graduation Requirements	05/02/2026*	State Board of Education	Regs, Admin. Proc., AI & CS	Education
5373			General Retention Schedule for Data Processing Records of State Agencies/Institutions	05/03/2026	SC Department of Archives and History		
5374			General Retention Schedule for State Personnel Records	05/03/2026	SC Department of Archives and History		
5375			General Retention Schedules for County Records	05/03/2026	SC Department of Archives and History		
5376			General Retention Schedules for Municipal Records	05/03/2026	SC Department of Archives and History		
5377			General Retention Schedule for Electronic Records Common to Most State Agencies/Institutions	05/03/2026	SC Department of Archives and History		
5378			General Retention Schedule for State Administrative Records	05/03/2026	SC Department of Archives and History		
5379			General Retention Schedule for State Colleges and Universities	05/03/2026	SC Department of Archives and History		
5380			General Retention Schedule for State Financial Records	05/03/2026	SC Department of Archives and History		
5381			General Retention Schedules for School Districts	05/03/2026	SC Department of Archives and History		
5402			Charter Schools	05/03/2026	State Board of Education		
5403			Test Security	05/03/2026	State Board of Education		
5393			Non-interest Bearing Negotiable Order of Withdrawal (NINOW) Accounts by State-chartered Savings and Loan Associations	05/03/2026	State Board of Financial Institutions		
5405			Palmetto Fellows Scholarship Program	05/03/2026	State Commission on Higher Education		
5406			Use of the State Aviation Fund; Procedure for Protection of Public Investment in Airports	05/03/2026	South Carolina Aeronautics Commission		
5407			Standards for Licensing In-Home Care Providers	05/03/2026	Department of Public Health		
5408			Minimum Standards for Licensing Hospitals and Institutional General Infirmaries	05/03/2026	Department of Public Health		
5412			Parking and Transportation Services	05/03/2026	University of South Carolina		
5413			Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds	05/03/2026	State Fiscal Accountability Authority		
5399			Fees for Licensure of Genetic Counselors	05/03/2026	LLR		
5420			Board of Accountancy	05/03/2026	LLR-Board of Accountancy		
5423			South Carolina Auctioneers' Commission	05/03/2026	LLR-South Carolina Auctioneers' Commission		
5424			International Building Code	05/03/2026	LLR-Building Codes Council		
5426			International Fire Code	05/03/2026	LLR-Building Codes Council		
5427			International Fuel Gas Code	05/03/2026	LLR-Building Codes Council		
5428			International Mechanical Code	05/03/2026	LLR-Building Codes Council		

*Revised 120-Day Review Expiration Date for Automatic Approval to 110-Day Review Expiration Date per S.164

2 REGULATIONS SUBMITTED TO GENERAL ASSEMBLY

5416	International Plumbing Code	05/03/2026	LLR-Building Codes Council
5417	International Residential Code	05/03/2026	LLR-Building Codes Council
5418	National Electrical Code	05/03/2026	LLR-Building Codes Council
5419	South Carolina Board of Long Term Health Care Administrators	05/03/2026	LLR-South Carolina Board of Long Term Health Care Administrators
5400	Massage Therapy Board	05/03/2026	LLR-Massage Therapy Board
5401	Anesthesiologist's Assistants	05/03/2026	LLR-State Board of Medical Examiners
5421	State Board of Nursing	05/03/2026	LLR-State Board of Nursing
5422	State Board of Pharmacy	05/03/2026	LLR-State Board of Pharmacy
5425	Board of Examiners in Speech-Language Pathology and Audiology	05/03/2026	LLR-Board of Examiners in Speech/ Language Pathology and Audiology
5437	South Carolina Real Estate Commission	05/03/2026	LLR-South Carolina Real Estate Commission
5432	Division for the Review of the Foster Care of Children	05/03/2026	Office of the Governor-Division for the Review of the Foster Care of Children
5441	Wildlife Management Area Regulations; Turkey Hunting Rules and Seasons	05/03/2026	Department of Natural Resources
5439	Shellfish Permit Applications	05/03/2026	Department of Natural Resources
5440	Verifiable Documentation	05/03/2026	Department of Natural Resources

Agency Withdrawal

5199	R.45-9, Write-in Ballots, Sealed After Tabulation	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5201	Emergency Election Procedures	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5202	Poll Worker Training; Candidate Withdrawals	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5203	Procedures for Electronic Petitions	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5192	R.45-1, Definitions	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5204	R.45-10, Retention and Disposition of Certain Voting Records	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5205	Reports to State Election Commission by County Boards of Voter Registration and Elections	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5193	R.45-2, Instructions and Certification of Managers and Clerks in the Use of Vote Recorders	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5225	Retention and Storage of Election Records and Election Equipment	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5194	R.45-3, Tabulating Center Personnel	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5195	R.45-4, Certification of Program Instructions	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5196	R.45-5, Ballot Envelopes and Fold Over Ballot Cards	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5197	R.45-6, Defective Ballot Cards	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary
5198	R.45-7, Ballot Cards, Sealed After Tabulation	Tolled	State Election Commission	Regs, Admin. Proc., AI & CS	Judiciary

Committee Request Withdrawal

5314	Regulations for the Licensing of Child Care Centers	Tolled	Department of Social Services	Regs, Admin. Proc., AI & CS	Family and Veterans' Services
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*Revised 120-Day Review Expiration Date for Automatic Approval to 110-Day Review Expiration Date per S.164

Executive Order No. 2025-41

WHEREAS, the undersigned has been notified that a vacancy will exist in the office of Auditor of Saluda County due to the resignation of Memmus Forrest, effective December 31, 2025; and

WHEREAS, in the event of a vacancy in the office of a county auditor, the undersigned is authorized to appoint a suitable person, who shall be an elector of the county, to serve as county auditor pursuant to sections 1-3-220(2) and 4-11-20(1) of the South Carolina Code of Laws, as amended; and

WHEREAS, for the aforementioned reasons, and in accordance with the cited authorities and other applicable law, the undersigned has determined that it is appropriate under the circumstances presented to appoint a suitable person to serve as Auditor of Saluda County until a successor shall qualify as provided by law; and

WHEREAS, Alena Beth Dorsey, of Saluda, South Carolina, is a fit and proper person to serve as Auditor of Saluda County.

NOW, THEREFORE, by virtue of the authority vested in me as Governor of the State of South Carolina and pursuant to the Constitution and Laws of this State and the powers conferred upon me therein, I hereby appoint Alena Beth Dorsey to serve as Auditor of Saluda County until a successor shall qualify as provided by law. This Order is effective immediately.

**GIVEN UNDER MY HAND AND THE GREAT
SEAL OF THE STATE OF SOUTH CAROLINA,
THIS 30th DAY OF DECEMBER, 2025.**

HENRY DARGAN MCMASTER
Governor

4 NOTICES

DEPARTMENT OF ENVIRONMENTAL SERVICES

NOTICE OF GENERAL PUBLIC INTEREST

Section IV of R.61-98, the State Underground Petroleum Environmental Response Bank (SUPERB) Site Rehabilitation and Fund Access Regulation, requires that the Department of Environmental Services (Department) evaluate and certify site rehabilitation contractors to perform site rehabilitation of releases from underground storage tanks under the State Underground Petroleum Environmental Response Bank (SUPERB) Act.

Class I Contractors perform work involving the collection and interpretation of investigative data; the evaluation of risk; and/or the design and implementation of corrective action plans. Class I applicants must satisfy registration requirements for a Professional Engineer or Geologist in South Carolina. Class II Contractors perform work involving routine investigative activities (e.g., soil or ground water sampling, well installation, aquifer testing) where said activities do not require interpretation of the data and are performed in accordance with established regulatory or industry standards.

Pursuant to Section IV.B.1., the Department is required to place a list of those contractors requesting certification on public notice and accept comments from the public for a period of thirty (30) days. If you wish to provide comments regarding the companies and/or individuals listed below, please submit your comments in writing, no later than February 23, 2026, to:

Contractor Certification Program
South Carolina Department of Environmental Services
Bureau of Land and Waste Management - Underground Storage Tank Program
Attn: Michelle Dennison
2600 Bull Street
Columbia, SC 29201

The following company has applied for certification as Underground Storage Tank Site Rehabilitation Contractor:

Class II

Buckeye Elm Contracting, LLC
Attn: Mark Mabe, Southeast Division Mgr.
535 Buffalo Shoals Rd
Statesville, NC 28677

DEPARTMENT OF INSURANCE

ERRATA

69-62. Closeout and Termination of the SCAAIP.

The Proposed Regulation Document Number 5434, regarding the repeal of all sections of Regulation 69-62, Closeout and Termination of the SCAAIP, published in the State Register, Volume 49, Issue No. 11 on November 28, 2025, is revised to reflect the correct date of the public hearing as March 11, 2026, at 12:00 PM in Room 252 of the Edgar A. Brown Building, 1205 Pendleton Street, Columbia, South Carolina 29201.

Persons desiring to make oral comments at the hearing are asked to provide written copies of their presentation for the record. If a qualifying request pursuant to Section 1-23-110(A)(3) is not received timely, the hearing will

be canceled.

Written comments, requests for the text of the proposed repeal language or any other information, and any requests for a public hearing, should be submitted to Office of General Counsel, 1201 Main Street, Suite 1000, Columbia, S.C. 29201 or legmail@doi.sc.gov, on or before 5:00 PM on February 23, 2026.

DEPARTMENT OF INSURANCE

ERRATA

69-14. Insurance Holding Company Systems.

The Proposed Regulation Document Number 5436, regarding the modifications of Regulation 69-14. Insurance Holding Company Systems, published in the State Register, Volume 49, Issue No. 11 on November 28, 2025, is revised to reflect the correct date of the public hearing as March 11, 2026, at 11:00 AM in Room 252 of the Edgar A. Brown Building, 1205 Pendleton Street, Columbia, South Carolina 29201.

Persons desiring to make oral comments at the hearing are asked to provide written copies of their presentation for the record. If a qualifying request pursuant to Section 1-23-110(A)(3) is not received timely, the hearing will be canceled.

Written comments, requests for the text of the proposed repeal language or any other information, and any requests for a public hearing, should be submitted to Office of General Counsel, 1201 Main Street, Suite 1000, Columbia, S.C. 29201 or legmail@doi.sc.gov, on or before 5:00 PM on February 23, 2026.

DEPARTMENT OF INSURANCE

ERRATA

69-13.3. Uniform Class and Territory Plan-Motorcycles.

The Proposed Regulation Document Number 5438, regarding the repeal of all sections of Regulation 69-13.3, Uniform Class and Territory Plan-Motorcycles, published in the State Register, Volume 49, Issue No. 11 on November 28, 2025, is revised to reflect the correct date of the public hearing as March 11, 2026, at 10:00 AM in Room 252 of the Edgar A. Brown Building, 1205 Pendleton Street, Columbia, South Carolina 29201.

Persons desiring to make oral comments at the hearing are asked to provide written copies of their presentation for the record. If a qualifying request pursuant to Section 1-23-110(A)(3) is not received timely, the hearing will be canceled.

Written comments, requests for the text of the proposed repeal language or any other information, and any requests for a public hearing, should be submitted to Office of General Counsel, 1201 Main Street, Suite 1000, Columbia, S.C. 29201 or legmail@doi.sc.gov, on or before 5:00 PM on February 23, 2026.

6 NOTICES

DEPARTMENT OF INSURANCE

NOTICE OF GENERAL PUBLIC INTEREST

Regulation 69-64. Exempt Commercial Policies.

The Department of Insurance has decided to terminate the proposed amendments to Regulation Document No. 5435 published in the State Register, Volume 49, Issue No. 11 to make additional revisions to the amendments to the proposed regulation.

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF GENERAL PUBLIC INTEREST

In accordance with Section 44-7-200(D), Code of Laws of South Carolina, and Regulation 60-15, the public is hereby notified that a Certificate of Need application has been accepted for filing and publication on **January 23, 2026**, for the following project(s). After the application is deemed complete, affected persons will be notified that the review cycle has begun. For further information, please contact Certificate of Need Program, at (803) 545-4200, or by email at coninfo@dph.sc.gov.

Affecting Abbeville, Aiken, Anderson, Charleston, Cherokee, Darlington, Florence, Greenville, Greenwood, Laurens, Lexington, Newberry, Oconee, Orangeburg, Pickens, Richland, Spartanburg, Sumter, Union, and York Counties

A Step Above Home Care, LLC d/b/a ASA Home Health Care

The establishment of a Home Health Agency in Abbeville, Aiken, Anderson, Charleston, Cherokee, Darlington, Florence, Greenville, Greenwood, Laurens, Lexington, Newberry, Oconee, Orangeburg, Pickens, Richland, Spartanburg, Sumter, Union, and York Counties at a total project cost of \$10,000.00.

In accordance with Section 44-7-210(A), Code of Laws of South Carolina, and Regulation 60-15, the public and affected persons are hereby notified that for the following projects, applications have been deemed complete, and the review cycle has begun. A proposed decision will be made no earlier than 30 days, but no later than 90 days, from **January 23, 2026**. "Affected persons" have 30 days from the above date to submit requests for a public hearing to Certificate of Need Program, P.O. Box 2046 West Columbia, SC 29171. If a public hearing is timely requested, the Department's decision will be made after the public hearing, but no later than 120 days from the above date. For further information call (803) 545-4200 or email coninfo@dph.sc.gov.

Affecting Fairfield, Kershaw, Lexington, and Richland Counties

Careon Home Health Agency LLC

The establishment of a home health agency in Fairfield, Kershaw, Lexington, and Richland Counties at a total project cost of \$14,500.00.

Affecting Greenville County

From the Heart Home Health Care, LLC d/b/a From the Heart Home Health Care

The establishment of a Home Health Agency in Greenville County at a total project cost of \$65,000.00.

DEPARTMENT OF ENVIRONMENTAL SERVICES

CHAPTER 61

Statutory Authority: 1976 Code Sections 44-55-10 et seq., 48-6-10 et seq., and 2023 Act No. 60, effective July 1, 2024

Notice of Drafting:

The Department of Environmental Services (Department) proposes amending R.61-58, State Primary Drinking Water Regulations. This amendment will adopt federal regulations in order to maintain State primary enforcement responsibility for public water systems in South Carolina.

Interested persons may submit comment(s) on the proposed amendments to Doug Kinard of the Bureau of Water; South Carolina Department of Environmental Services, 2600 Bull Street, Columbia, S.C. 29201; or via email to Doug.Kinard@des.sc.gov. To be considered, the Department must receive comments no later than 5:00 p.m. on February 23, 2026, the close of the Notice of Drafting comment period.

Synopsis:

Pursuant to S.C. Code Section 44-55-10 et seq. and 2023 Act No. 60, the Department is authorized to promulgate regulations governing the design, construction, operation, and maintenance of public water systems in the State. The Department proposes amending R.61-58, State Primary Drinking Water Regulations, to adopt federal regulations commonly referred to as the Revised Consumer Confidence Report Rule.

The United States Environmental Protection Agency (EPA) promulgated the Revised Consumer Confidence Report Rule on May 24, 2024. This rule revised applicable portions of the Code of Federal Regulations (CFR), at 40 CFR Parts 141 and 142, to establish updated minimum requirements related to reports that community water systems must provide to their customers.

Pursuant to 40 CFR Part 142, States are required to adopt drinking water regulations no less stringent than federally promulgated national primary drinking water regulations in order to maintain State primary enforcement responsibility for public water systems. Accordingly, the Department proposes to amend R.61-58 to adopt the requirements of the Revised Consumer Confidence Report Rule.

The Administrative Procedures Act, S.C. Code Section 1-23-120(H)(1), exempts these amendments from General Assembly review, as the Department proposes these amendments for compliance with federal law.

8 PROPOSED REGULATIONS

Document No. 5447
DEPARTMENT OF INSURANCE
CHAPTER 69

Statutory Authority: 1976 Code Sections 1-23-110 and 38-3-110

69-64. Exempt Commercial Policies.

Preamble:

The Insurance Law gives the Director or his designee the authority to prescribe the standards for service to be observed by licensees transacting business in this state. That authority is also codified in the provisions referenced above. The Department of Insurance proposes to amend Regulation 69-64, Exempt Commercial Policies, to correct references to workers compensation insurance in the regulation and to clarify the Department's authority to request copies of desk files of form and rate filings used for exempt commercial policies.

Notice of Drafting for the proposed regulation was published in the State Register on October 24, 2025.

Section-by-Section Discussion:

69-64(A). Replace "38-1-20(40)" with "38-1-20(22)."

69-64(C). Add "The filing exemption shall not apply to loss cost adoption filings or to the multiplier for expenses, assessments, profit, and contingencies and any modifications to loss cost multipliers used by a workers' compensation insurer to be applied to approved loss costs to develop the insurer's rates as provided in Section 38-73-525" Strike "maintain a desk file of all rates so used and to exhibit the desk file to the Department upon request." Add "file with the Department according to Section 38-73-1060."

69-64(D). Add "and Rates." Add "or rating organization" Replace "an advisory" with "a rating." Replace "mailing" with "submitting." Strike "as soon as practicable," and replace with "through the System for Electronic Rate and Form Filing (SERFF) within 60 calendar days." Replace "order" with "objection to the insurer in SERFF". Add "previously filed in SERFF"

Notice of Public Hearing and Opportunity for Public Comment:

Interested persons may request a hearing on this regulation in accordance with Section 1-23-110(A)(3). Should a hearing be requested pursuant to Section 1-23-110(A)(3) of the Code of Laws of South Carolina 1976, as amended, such hearing will be held on March 11, 2026, at 1:00 PM in Room 252 of the Edgar A. Brown Building, 1205 Pendleton Street, Columbia, South Carolina 29201. Persons desiring to make oral comments at the hearing are asked to provide written copies of their presentation for the record. If a qualifying request pursuant to Section 1-23-110(A)(3) is not timely received, the hearing will be canceled.

Written comments, requests for the text of the proposed repeal language or any other information, and any requests for a public hearing, should be submitted to Office of General Counsel, 1201 Main Street, Suite 1000, Columbia, S.C. 29201 or to rmcneill@doi.sc.gov, on or before 5:00 PM on February 23, 2026.

Preliminary Fiscal Impact Statement:

No additional state funding is requested. The South Carolina Department of Insurance estimates that no additional costs will be incurred by the State and its political subdivisions in complying with the proposed repeal of Regulation 69-64.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION:

Purpose: The purpose of this regulation is to clarify appropriate rating for use by workers compensation insurers and to clarify the Department's authority over exempt commercial policies.

Legal Authority: 1976 Code Sections 1-23-110 and 38-3-110.

Plan for Implementation: The proposed regulation will be reflected in Chapter 69 upon publication in the State Register as a final regulation. The Department generally issues a bulletin to inform licensees of statutory and regulation changes.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The Department of Insurance proposes to amend Regulation 69-64, Exempt Commercial Policies, to correct references to workers compensation insurance in the regulation and to clarify the Department's authority to request copies of desk files of form and rate filings used for exempt commercial policies.

DETERMINATION OF COSTS AND BENEFITS:

There will be no increased cost to the State or its political subdivisions, nor will the proposed repeal result in any increased cost to the business community.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

None.

Statement of Rationale:

The regulation is being amended to correct references to workers compensation insurance in the regulation. The language in the regulation was superseded by state statute. It also clarifies the Department's authority to request copies of desk files of form and rate filings used for exempt commercial policies.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.gov/regnsrch.php>. Full text may also be obtained from the promulgating agency.

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Document No. 5446

PUBLIC SERVICE COMMISSION

CHAPTER 103

Statutory Authority: 1976 Code Section 58-3-140

103-822. Signature and Verification.

103-831. Computation of Time.

103-832. Subpoenas and Subpoenas Duces Tecum.

103-833. Written Interrogatories and Requests for Production of Documents and Things.

103-834. Depositions.

103-835. Other Discovery Procedures.

103-842. Order of Procedure.

103-842.1. Cases/Applications/Petitions with Established Comment Procedural Schedule Without a Hearing.
(New)

103-845. Witnesses.

103-846. Evidence.

103-851. Briefs or Proposed Orders.

Preamble:

On June 19, 2025, the Public Service Commission issued Commission Order No. 2025-391, and the Commission “instruct[ed] the Chief Clerk to schedule workshops as necessary and initiate a rulemaking related to the new and/or amended procedural requirements in Act No. 41 of 2025.” The proposed changes to the Commission’s regulations are contained in Chapter 103, Article 8 (Practice and Procedure).

Act No. 41 of 2025 is the “South Carolina Energy Security Act.” Section 58-3-140 (D) of Act No. 41 addresses testimony reduced to writing and filed with the Commission in advance of any hearing; rebuttal testimony responsive to the direct prefiled testimony of other parties; supplemental testimony and parties’ rights to respond to such supplemental testimony; the procedural schedule for each contested case proceeding that includes dates for completion of each phase of discovery; all discovery must be completed not less than ten days prior to the hearing; and the party with the burden of proof must be permitted to open and close its case, including the presentation of responsive witness testimony.

Section-by-Section Discussion:

Section	Type of Change	Purpose
103-822.	Amend	Amended to provide that a verification under oath may be required if facts are alleged to be true within the knowledge of the person filing the pleading, if requested by the Commission in writing
103-831.	Amend	Amended to delete “The provisions of Regulation 103-831 do not apply to Petitions for Rehearing or Reconsideration.”
103-832.	Amend	Amended to state a party of record may ask the Commission or its designee for leave to issue

		a Subpoena or Subpoena Duces Tecum
103-833.	Amend	Amended to require written interrogatories or requests for production of documents and things to be served according to the Commission's discovery procedural schedule; to state the scope of the Commission's discovery procedural schedule; and to state a copy of the answers or objections to written interrogatories or requests for production of documents and things must be served as outlined in the Commission's discovery procedural schedule, but not less than 20 days after the service thereof, unless a shorter time period is agreed to by the applicable parties serving and responding to the interrogatory or to the requests for production of documents and things
103-834.	Amend	Amended to state that a party of record's written request to the Commission for leave to take the testimony of any witness by deposition shall be filed with the Commission at least 10 days prior to the commencement of the scheduled hearing, except upon showing of exceptional circumstances or surprise
103-835.	Amend	Amended to state the party with the burden of proof may file a proposed procedural schedule with the Commission, including a proposed timeline for discovery, with the initial pleading
103-842.	Amend	Amended to align with Act No. 41 of 2025 and the party with the burden of proof's right to open and close its case, including the presentation of responsive witness testimony
103-842.1. (New)	Add	Added to provide the order of receipt of comments when an established comment procedural schedule does not include a

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		scheduled hearing before the Commission
103-845.	Amend	Amended to state that while a witness is on the witness stand or under oath, the witness may not discuss the substance of his or her testimony with his or her counsel; once excused from the witness stand, the witness may freely access counsel; and the witness shall be resworn if the witness presents testimony at a later phase in the same hearing; amended to add regulations related to rebuttal testimony, surrebuttal testimony, supplemental testimony and testimony responsive to supplemental testimony, and responsive testimony
103-846.	Amend	Amended to state that evidence filed with the Commission in written form due to an expedited hearing must be filed in compliance with the regulations of the Commission
103-851.	Amend	Amended to delete the requirement of filing ten hard copies with the Commission and staff of each brief and amended to provide that the presiding officer or the presiding officer's designee may fix the time for filing and service of briefs or proposed orders after consultation with the parties

The Notice of Drafting was published in the *State Register* on November 28, 2025.

Notice of Public Hearing and Opportunity for Public Comment:

Interested persons may submit comment(s) on the proposed regulations to the Public Service Commission of South Carolina, Clerk's Office, 101 Executive Center Drive, Suite 100, Columbia, South Carolina 29210, and interested persons may file comments using the methods outlined in Commission Order No. 2019-748, including, but not limited to, filing comments via contact@psc.sc.gov. Please reference Docket No. 2025-191-A. To be considered, the Public Service Commission must receive comments by 4:45 p.m. on Friday, February 27, 2026.

The Public Service Commission will conduct a public hearing on the proposed regulations on Tuesday, March 17, 2026, at 10:30 a.m. Interested members of the public and the regulated community are invited to make oral or written comments on the proposed regulations at the public hearing.

Preliminary Fiscal Impact Statement:

The Commission Staff does not anticipate additional substantial costs to the state or its political subdivisions if the proposed regulations are adopted.

Statement of Need and Reasonableness:

The statement of need and reasonableness was based on the Commission Staff's analysis pursuant to S.C. Code Ann. Sections 1-23-115(C)(1) through (3) and 1-23-115(C)(9) through (11).

DESCRIPTION OF REGULATION:

The proposed amended regulations and new regulation cover procedural matters contained in Act No. 41 of 2025. These procedural matters include issues such as the procedural schedule for discovery (e.g., subpoenas and subpoenas duces tecum, written interrogatories and requests for production of documents and things, and depositions); the order of presentation for a case; rebuttal, surrebuttal, supplemental, and responsive testimonies; computation of time; evidence before the Commission; signature and verification of pleadings; and briefs or proposed orders.

Purpose: The Commission Staff reviewed the Commission's Practice and Procedure Regulations (Chapter 103, Article 8) to propose changes based on the procedural requirements in Act No. 41 of 2025 as directed in Commission Order No. 2025-391.

Legal Authority: 1976 Code Section 58-3-140.

Plan for Implementation: The amended regulations and new regulation will take effect upon approval by the South Carolina General Assembly and publication in the State Register. The Commission's Clerk's Office will publish a copy of the final regulations in the Commission's Docket Management System in Docket No. 2025-191-A.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

Act No. 41 of 2025 became effective on May 12, 2025. The Commissioners in Order No. 2025-391 instructed the Chief Clerk to schedule workshops as necessary and initiate a rulemaking related to the new and/or amended procedural requirements in Act No. 41 of 2025. Workshops were conducted in Docket No. 2025-191-A, and interested stakeholders provided comments (oral and written) regarding new and/or amended procedural requirements needed after the enactment of Act No. 41 of 2025. The Commission Staff considered these comments when drafting the proposed amended regulations and new regulation.

DETERMINATION OF COSTS AND BENEFITS:

A benefit of reviewing and amending the Commission's regulations, if approved by the General Assembly, is to correct regulations that are inconsistent or conflict with recently enacted Act No. 41 of 2025. The costs related to amending the Commission's regulations due to any impact of Act No. 41 are minimal. For example, the Commission creates a procedural schedule for its dockets currently, so the addition of a discovery procedural schedule will not result in significant labor costs for Commission employees. Costs incurred appear to require Commission employees to make slight adjustments in their workload, but not significant adjustments.

UNCERTAINTIES OF ESTIMATES:

Unknown, but minimal if they exist. The proposed regulations are related to procedural requirements, and the Commission is currently responsible for administering the procedural requirements of its cases. The Commission

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began making necessary modifications to its procedural requirements after Act No. 41 became effective. The amendments to the Commission's regulations ensure that the Commission's regulations do not conflict and are not inconsistent with Act No. 41 of 2025.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

The environment and public health are not impacted by the proposed amended and new regulations.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

A detrimental effect on the environment and public health if the regulations are not implemented is nonexistent because the regulations do not impact the environment or public health.

Statement of Rationale:

The reason for proposing the regulations is to review the Commission's existing procedural requirements regulations to ensure that these current regulations do not conflict with Act No. 41 of 2025 as directed by the Commissioners in Order No. 2025-391.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.gov/regnsrch.php>. Full text may also be obtained from the promulgating agency.

Document No. 5448

PUBLIC SERVICE COMMISSION

CHAPTER 103

Statutory Authority: 1976 Code Section 58-3-140

103-845.1. Public Witness Testimony and Customer Public Hearings. (New)

Preamble:

On June 19, 2025, the Public Service Commission issued Order No. 2025-392, and the Commission "instruct[ed] the Chief Clerk to schedule workshops as necessary and initiate a rulemaking related to customer public hearings." S.C. Code Ann. Section 58-3-140(E) in Act 41 of 2025 – the "South Carolina Energy Security Act" reads as follows: "The commission may convene public hearings to allow public utility customers to address the commission as public witnesses without intervening in the proceedings and without subjecting themselves to discovery or prefilings testimony. Public witnesses may address the commission on issues related to customer service, utility operations, reliability, economic hardship, affordability, environmental concerns, or other matters that affect them. The public utility and the Office of Regulatory Staff shall work to investigate and resolve individual service issues raised by public witnesses."

Proposed new regulation 103-845.1 (Public Witness Testimony and Customer Public Hearings) addresses several procedural issues related to public witness testimony before the Commission. The proposed Public Witness Testimony and Customer Public Hearings regulation provides a documented procedure for such hearings for the public's awareness and use.

The proposed new regulation will require legislative review.

Section-by-Section Discussion:

Section	Type of Change	Purpose
103-845.1.	Add	Add regulation to address procedural issues related to public witness testimony and customer public hearings, including, but not limited to, pre-registration, the role of the Chairman and presiding officer, and cancellation of a public hearing.

The Notice of Drafting was published in the *State Register* on November 28, 2025.

Notice of Public Hearing and Opportunity for Public Comment:

Interested persons may submit comment(s) on the proposed regulation to the Public Service Commission of South Carolina, Clerk's Office, 101 Executive Center Drive, Suite 100, Columbia, South Carolina 29210, and interested persons may file comments using the methods outlined in Commission Order No. 2019-748, including, but not limited to, filing comments via contact@psc.sc.gov. Please reference Docket No. 2025-192-A. To be considered, the Public Service Commission must receive comments by 4:45 p.m. on Friday, February 27, 2026.

The Public Service Commission will conduct a public hearing on the proposed regulation on Tuesday, March 17, 2026, at 9:30 a.m. Interested members of the public and the regulated community are invited to make oral or written comments on the proposed regulation at the public hearing.

Preliminary Fiscal Impact Statement:

The Commission Staff does not anticipate additional costs to the state or its political subdivisions due to the implementation of proposed new Regulation 103-845.1. (Public Witness Testimony and Customer Public Hearings).

Statement of Need and Reasonableness:

The statement of need and reasonableness is based on the Commission Staff's analysis pursuant to S.C. Code Ann. Sections 1-23-115(C)(1) through (3) and 1-23-115(C)(9) through (11).

DESCRIPTION OF REGULATION:

The proposed new regulation provides the procedures for public witness testimony and customer public hearings scheduled before the Public Service Commission.

Purpose: The purpose for proposing Regulation 103-845.1. (Public Witness Testimony and Customer Public Hearings) includes Act 41 of 2025, specifically S.C. Code Ann. Section 58-3-140(E) that addresses public witnesses; the scope of public witness testimony; and the public utility and the Office of Regulatory Staff investigating and resolving individual service issues raised by public witnesses. Commission Order No. 2025-392 instructed the Chief Clerk to schedule workshops as necessary and initiate a rulemaking related to customer public hearings.

Legal Authority: 1976 Code Section 58-3-140.

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Plan for Implementation: The proposed change will take effect upon approval by the South Carolina General Assembly and publication in the State Register. The Commission's Clerk's Office will also publish a copy of the final regulation in the Commission's Docket Management System in Docket No. 2025-192-A.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

S.C. Code Ann. Section 58-3-140(E) authorizes the Commission to convene public hearings to allow public witnesses to testify before the Commission. Commission Order No. 2025-392 directed the Chief Clerk to schedule workshops as necessary and initiate a rulemaking related to customer public hearings. Workshops were conducted in Docket No. 2025-192-A, and interested stakeholders provided comments regarding public witness testimony. The Commission Staff considered these comments when drafting the proposed new Regulation 103-845.1.

DETERMINATION OF COSTS AND BENEFITS:

A benefit of Regulation 103-845.1. is the creation of a regulation that provides written procedures on public witness testimony before the Commission for the public and other stakeholders. The costs (e.g., labor costs or opportunity costs) related to time spent to research public witness testimony at the Commission are significantly reduced because the public witness testimony procedure is contained in one proposed new regulation instead of several sources.

UNCERTAINTIES OF ESTIMATES:

Unknown, but minimal if they exist. Proposed Regulation 103-845.1. documents the procedures for public witness testimony before the Commission, including, but not limited to, pre-registration of public witnesses; the scope of public witness testimony; and the Commission's authority to cancel a hearing with appropriate notice.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

The environment and public health are not impacted by the proposed new regulation.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

A detrimental effect on the environment and public health if the regulation is not implemented is nonexistent because the proposed new regulation does not impact the environment or public health.

Statement of Rationale:

The reason for the proposed new Regulation 103-845.1. is to provide written procedures for public hearings where members of the public testify regarding a pending case before the Commission.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.gov/regnsrch.php>. Full text may also be obtained from the promulgating agency.

Document No. 5445
DEPARTMENT OF TRANSPORTATION
CHAPTER 63
 Statutory Authority: 1976 Code Section 57-3-110

63-370. Private Driveway Entrances to Highways.
 63-380. Erosion Control.
 63-390 through 63-397. Tandem Trailer Combination and Other Larger Vehicle Access Control Act.
 63-700 through 63-718. Disadvantaged Business Enterprise Program.
 63-800 through 63-807. Bus Shelters.

Preamble:

These regulations are being promulgated to modernize, clarify and update existing regulations which govern, to the extent authorized by S. C. Code, Title 57. The regulations concern driveways, erosion control, tandem trailer combinations, disadvantage business enterprise program, guidelines for selection of set aside projects, bus shelters regulations.

Section-by-Section Discussion:

- 63- 370. Private Driveway Entrances to Highways. The South Carolina Department of Transportation proposes to repeal Chapter 63, Article 4, Subarticle 5 entitled “Private Driveway Entrances to Highways”. This regulation was promulgated in 1983. The residential driveway provisions are already codified in Section 57-5-1140 (including widths and culvert-cost responsibilities), and SCDOT’s exclusive authority under Section 57-3-110 is implemented through the ARMS manual and Engineering Directives, which govern driveway design and the encroachment-permit process.
- 63.380. Erosion Control. The South Carolina Department of Transportation proposes to repeal Chapter 63, Article 4, Subarticle 6 entitled “Erosion Control”. This regulation has been replaced by Regulations 72-405 through 72-445 standards for Stormwater Management and Sediment Reduction, 1976 Code Section 48-18-70(4).
- 63-390 through 63-397. Tandem Trailer Combination and Other Larger Vehicle Access Control Act. The South Carolina Department of Transportation proposes to amend Chapter 63, Article 4, Subarticle 7 entitled “Tandem Trailer Combination and Other Larger Vehicle Access Control Act”. This subarticle sets forth the regulations governing the operation of tandem trailer combination and other large vehicles within the State. In consultation with SC State Transport Police (STP), a Law Enforcement Division of South Carolina Department of Public Safety, STP has confirmed that they do not currently use these regulations. The South Carolina Department of Transportation proposes to retain Regulation 63-390 and strike the remaining provisions
- 63-700 through 63-718. Disadvantaged Business Enterprise Program. The South Carolina Department of Transportation proposes to repeal Chapter 63, Article 8 entitled “Disadvantaged Business Enterprises Program”. This article was promulgated to carry out the disadvantaged business enterprise program mandated by Section 12-28-2930 of the Code of Laws (1976) as amended, (hereinafter “State DBE Program”) and to comply with 49 CFR Part 26 (hereinafter Federal DBE Program). The program requires participation by ethnic minority and female/women owned businesses. The federal program requires removal of minority and sex-based certification. The department, as recipient of federal-aid highway and transit funds, is required and intends to implement DBE Program in accordance with 49 CFR part 26 criteria.

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63-800 through 63-807. Bus Shelters. The South Carolina Department of Transportation proposes to repeal Chapter 63, Article 9 entitled “Bus Shelters”. This Article was intended to regulate the placement of bus shelters, with commercial advertisement, on state right of way

The Notice of Drafting was published in the *State Register* on December 26, 2025.

Notice of Public Hearing and Opportunity for Public Comment:

Should a hearing be requested pursuant to Section 1-23-110(A)(3) of the 1976 Code, as amended, such hearing will be held at the South Carolina Department of Transportation, 955 Park Street, Columbia, S.C. on March 5, 2026, at 9:00 a.m. If no request is received by March 2, 2026, the hearing will be canceled. Written comments may be directed to Barbara Wessinger, Chief Counsel, South Carolina Department of Transportation, 955 Park Street, Columbia, SC 29202 not later than March 2, 2026.

Preliminary Fiscal Impact Statement:

No additional state funding is requested.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION:

Purpose: To modernize, clarify and update the existing regulations which govern driveways, erosion control, tandem trailer combinations, disadvantage business enterprise programs, guidelines for selection of set aside projects, bus shelters regulations.

Legal Authority: 1976 Code Section 57-3-110.

Plan for Implementation: The implementation of these proposed regulations will clarify and update the existing regulations.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

None.

DETERMINATION OF COSTS AND BENEFITS:

None.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

None.

Statement of Rationale:

These regulations are being promulgated to modernize, clarify and update existing regulations which govern, to the extent authorized by S. C. Code, Title 57, driveways, erosion control, tandem trailer combinations, disadvantage business enterprise program, guidelines for selection of set aside projects, bus shelters regulations.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: **<http://www.scstatehouse.gov/regnsrch.php>**. Full text may also be obtained from the promulgating agency.

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Filed: January 5, 2026 12:08pm

Document No. 5444
STATE COMMISSION ON HIGHER EDUCATION
CHAPTER 62
Statutory Authority: 1976 Code Section 59-104-20

62-300 - 62-375. Palmetto Fellows Scholarship Program.

Emergency Situation:

The South Carolina Commission on Higher Education proposes the following revisions to Chapter 62 regulation, R.62-300 through 62-375, Palmetto Fellows Scholarship Program. Revisions to the existing regulation for the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement Program are being considered to clarify the policies and procedures for administering the program. In the proposed amendments, regulation is being updated to reflect changes to the ACT test, making the Science subject test optional for a Composite score. Lastly, other changes to the regulation include updating of definitions and minor language changes to promote consistency.

Text:

Table of Contents:

- 62-300. Purpose of the Palmetto Fellows Scholarship and Scholarship Enhancement.
- 62-305. Allocation of Program Funds.
- 62-310. Definitions.
- 62-315. Initial Eligibility for Palmetto Fellows Scholarship.
- 62-318. Eligibility for Palmetto Fellows Scholarship Enhancement.
- 62-320. Palmetto Fellows Scholarship Application.
- 62-325. Palmetto Fellows Scholarship Selection Process.
- 62-330. Policies and Procedures for Awarding the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement.
- 62-335. Duration and Renewal of Awards.
- 62-340. Transfer of Reapplication for the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement.
- 62-345. Students with Disabilities.
- 62-350. Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Exchange Programs.
- 62-351. Military Mobilization.
- 62-355. Appeals Procedures.
- 62-360. Institutional Disbursement of Funds.
- 62-365. Refunds and Repayments.
- 62-370. Program Administration and Audits.
- 62-375. Suspension or Termination of Institutional Participation.

62-300. Purpose of the Palmetto Fellows Scholarship and Scholarship Enhancement.

A. Pursuant to Act 458 and amended by Act 95 and Act 162 in 2005, the Commission on Higher Education shall promulgate regulation and establish procedures to administer the Palmetto Fellows Scholarship Program. The General Assembly established the Palmetto Fellows Scholarship Program to foster scholarship among the State's postsecondary students and retain outstanding South Carolina high school graduates in the State through awards based on scholarship and achievement. The purpose of the Palmetto Fellows Scholarship Program is to

recognize the most academically talented high school seniors in South Carolina and to encourage them to attend eligible colleges or universities in the State. A secondary purpose is to help retain talented minority students who might otherwise pursue studies outside the State.

B. Pursuant to Act 115 and amended by Act 235 in 2008, the Commission on Higher Education shall promulgate regulation and establish procedures for administration of the Palmetto Fellows Scholarship Enhancement. The General Assembly established the Palmetto Fellows Scholarship Enhancement in order to foster scholarship among the State's postsecondary students through awards based on scholarship and achievement. The purpose of the Palmetto Fellows Scholarship Enhancement Program is to recognize the most academically talented college students throughout the state of South Carolina in the areas of education, accounting, mathematics and science and encourage them to attend eligible colleges or universities in the State. In order to receive a Palmetto Fellows Scholarship Enhancement, all students must qualify for a Palmetto Fellows Scholarship as stipulated herein. With Act 156, passed in 2024, the Enhancements were expanded to include students majoring in education programs leading to certification and accounting.

C. Independent and public institutions of higher learning in this or any other state in the U.S., outside the U.S. or abroad are prohibited from using the Palmetto Fellows Scholarship in programs that promote financial aid incentives or packages. Any mention of the Palmetto Fellows Scholarship in these financial aid packages must indicate the scholarship to be separate from the University that is offering the financial aid package, and reference the Palmetto Fellows Scholarship as a separate financial aid award, provided to the student by the State of South Carolina.

62-305. Allocation of Program Funds.

A. Funds made available for higher education grants and scholarships under Chapter 143 of Title 59 of the 1976 Code, as amended under Act 458, South Carolina Children First: Resources for Scholarship and Tuition Act of 1996, shall be included in the annual appropriation to the Commission on Higher Education. Fifty percent of the appropriation shall be designated for the Palmetto Fellows Scholarship Program and the remaining fifty percent shall be for the Need-based Grants Program. However, in instances where the equal division of the appropriated funds between the Palmetto Fellows Scholarship and Need-based Grants Programs exceeds the capacity to make awards in either program, the Commission on Higher Education has the authority to re-allocate the remaining funds between the two programs.

B. Under the South Carolina Education Lottery Act, a designated amount shall be allocated for Palmetto Fellows Scholarships and shall be included in the annual appropriation to the Commission on Higher Education.

C. After expending funds appropriated for Palmetto Fellows Scholarships from all other sources, there is automatically appropriated from the general fund of the State whatever amount is necessary to provide Palmetto Fellows Scholarships to all students meeting the requirements of Section 59-104-20.

D. The Palmetto Fellows Scholarship Enhancement is contingent upon the availability of funds appropriated by the General Assembly each academic year.

62-310. Definitions.

A. "Academic year" is defined as the twelve-month period of time during which a full-time student is expected to earn thirty credit hours. The period of time used to measure the academic year consists of the fall, spring and immediately succeeding summer terms.

B. "Annual credit hour requirement" is defined for the Palmetto Fellows Scholarship as a minimum of thirty (30) credit hours taken and earned at the end of each academic year based on the date of initial college enrollment. Credit hours cannot include remedial, continuing education, exempted credit hours (such as AP, CLEP, IB, etc.), credit hours earned before high school graduation (dual enrollment) and credit hours earned the

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summer term immediately following high school graduation. Credit hours earned before high school graduation, including Advanced Placement (AP) credit hours, International Baccalaureate (IB) credit hours, exempted credit hours as well as credit hours earned on active duty, must be placed on the student's official college transcript by the institution at which they are earned, and be counted toward the annual credit hour requirement for the purposes of the Palmetto Fellows Scholarship Enhancement. Eligible Palmetto Fellows may prorate their award amount for the term of graduation (see section 62-330.B.).

C. "Approved five-year bachelor's degree program" is defined as a five-year bachelor's program that is defined and approved by the Commission on Higher Education to receive the Palmetto Fellows Scholarship for a maximum of ten terms and the Scholarship Enhancement for a maximum of eight terms at the same eligible independent or public institution to complete the requirements for a bachelor's degree. An approved five-year bachelor's degree program does not include institutional and cooperative "3 plus 2" programs.

D. "Bachelor's degree program" is defined as an undergraduate program of study leading to the first bachelor's degree as defined by the U.S. Department of Education.

E. "CIP (Classification of Instructional Program) Code" is defined as the U.S. Department of Education's standard for federal surveys and state reporting for institutional data (majors, minors, options and courses). For the purpose of receiving the Palmetto Fellows Scholarship Enhancement, CIP Codes have been approved or identified by the Commission on Higher Education for eligible degree programs in the fields of education, mathematics and science.

F. "Continuing education coursework" is defined as postsecondary courses designed for personal development and that cannot be used as credit toward a degree.

G. "Continuously enrolled" is defined as enrollment without an interruption that would require the student to pursue a formal process of readmission to that institution. Formal petitions or applications for change of degree level shall be considered readmissions with the exception of students changing degree level within the programs cited in paragraphs L and HH of this section and students who have been granted preapproved leave status for no longer than one semester by their institution. Continuously enrolled includes summer terms, military mobilization, or students who transfer from a four-year institution only to return to a four-year institution. Students who are enrolled in internships, cooperative work programs, travel study programs, or National or International Exchange Programs that are approved by the home institution are considered continuously enrolled. Any student who has been suspended, expelled, does not attend subsequent (or consecutive semesters) that does not require a formal process of readmission to that institution, or voluntarily withdraws from a four-year institution and/or enrolls at a two-year institution during the interruption is considered to be no longer continuously enrolled.

H. "Cost-of-attendance" is defined by Title IV regulations and may include tuition, fees, books, room and board, and other expenses related to transportation, disability or dependent care.

I. "Cumulative grade point average (GPA)" is defined as the cumulative institutional GPA used for graduation purposes, which includes dividing the total number of quality points earned in all courses by the total credit hours in all courses attempted at the student's home institution. The cumulative GPA must be at least a 3.0 at the home institution for graduation purposes at the end of each academic year based on the date of initial college enrollment.

J. "Date of initial college enrollment" is defined as the first time a student matriculates into a postsecondary degree-granting institution after high school graduation or completion of an approved home school program, excluding the summer term immediately prior to the student's enrollment in the first regular academic year. Students must remain continuously enrolled as any break in enrollment (excluding summer) will count toward the student's terms of eligibility.

K. For the purposes of the Scholarship Enhancement, “declared major” is defined as an eligible degree program in which a student is enrolled as a full-time, degree-seeking student. The student must meet all requirements as stipulated by the policies established by the institution and the academic department the student is enrolled in a declared major in an eligible degree program. Students cannot minor in or take courses related to a specific program without meeting institutional and departmental policies and be considered enrolled in a declared major. Students must be enrolled in a declared major in an eligible degree program that is approved and assigned a CIP code by the Commission. Eligible degree programs are those listed as such on the Commission’s Web site. Students who change their declared major from an ineligible degree program to an eligible degree program within the same academic year shall not receive the Palmetto Fellows Scholarship Enhancement for that academic year. Additionally, students who change their declared major from an eligible degree program to an ineligible degree program within the same academic year will not lose eligibility until the next academic year.

L. “Degree-seeking student” is defined as a student enrolled full-time in a program of study that leads to the first bachelor’s degree, first approved five-year bachelor’s degree or a program of study that is structured so as not to require a bachelor’s degree at an eligible independent or public institution. Students must maintain their undergraduate status in order to receive the Palmetto Fellows Scholarship and the Scholarship Enhancement each academic year, with the exception of students enrolled in the following programs: 1) Master of Science in Physician Assistant Studies at the Medical University of South Carolina; 2) Doctor of Pharmacy at the Medical University of South Carolina; 3) Doctor of Pharmacy at the University of South Carolina; and 4) Doctor of Pharmacy at Presbyterian College. All programs must be approved by CHE for the purposes of receiving the scholarship enhancement.

M. “Eligible degree program” is defined for the purposes of the Palmetto Fellows Scholarship Enhancement as a degree program in education, mathematics or science as approved by the SC Commission on Higher Education. These programs include education, science or mathematics disciplines, accounting, computer science or informational technology, engineering, health care and health care related disciplines (including nursing, pre-medicine and pre-dentistry) as defined by the Commission on Higher Education. Enrollment in a minor does not meet the requirements of an eligible degree program for the Palmetto Fellows Scholarship Enhancement. Students must be enrolled in a declared major in an eligible degree program that is approved and assigned a CIP Code by the Commission. Eligible degree programs are those listed as such on the Commission’s Web site.

N. “Eligible high school” is defined as a public, private, charter, virtual, Montessori, or Magnet high school located within South Carolina, an approved home school program as defined in relevant State Statute (Sections 59-65-40, 45, and 47) or a preparatory high school located outside of the State while the student is a dependent of a legal resident of South Carolina who has custody or pays child support and college expenses of the dependent high school student in accordance with Section 59-112-10. A “preparatory high school” (out-of-state) is defined as a public or private school recognized by the state in which the school is located to offer curricula through the twelfth grade and prepares students for college entrance.

O. “Early awards” is defined as a period determined by CHE to apply for the Palmetto Fellows Scholarship. Application must be made through the students’ high school. This period is generally from the end of the student’s junior year (3rd year in high school) through April of the student’s senior year (4th year in high school).

P. “Early graduate” is defined as a student who graduates mid-year their senior year.

Q. “Eligible institution” is defined as a South Carolina two-year or four-year public or independent postsecondary, degree-granting institution.

R. “Felonies” are defined as crimes classified under State statute (Section 16-1-10) for which the punishment in federal or state law and typically requires imprisonment for more than one year.

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S. “Fifth year” is defined as the ninth or tenth consecutive term of undergraduate coursework in an approved five-year bachelor’s program. The fifth year is based on the student’s date of initial college enrollment after graduation from high school.

T. “First/freshman year” is defined as the first or second consecutive term of undergraduate coursework following high school graduation.

U. “For graduation purposes” is defined as any grade or credit hour that the home institution requires in accordance with their policies and procedures for graduation of the student, including electives and additional coursework.

V. “Fourth year” is defined as the seventh or eighth consecutive term of undergraduate coursework. The fourth year is based on the student’s date of initial college enrollment after graduation from high school.

W. “Full-time student” shall mean a student who has matriculated into a program of study leading to the first year certificate program, first two-year diploma program, first associate degree, first bachelor’s degree, first approved five-year bachelor’s degree or a program of study that is structured so as not to require a bachelor’s degree and leads to a graduate degree and who enrolls full-time, usually fifteen credit hours for the fall and fifteen credit hours for the spring term. In order for the student to be eligible for Scholarship disbursement, the student must be enrolled full-time at the home institution as stipulated by Title IV Regulations, except that credit hours may not include remedial coursework or continuing education coursework. Eligible Palmetto Fellows may prorate their award amount for the term of graduation (see section 62-330.B.).

X. “Gift aid” is defined as scholarships and grants that do not nor will not under any circumstance require repayment, and excludes any self-help aid such as student loans and work-study.

Y. “Home institution” is defined as the independent or public institution where the student is currently enrolled as a full-time, degree-seeking student and may be eligible for financial aid at the same institution.

Z. “Independent institutions” are defined, for the purposes of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement Programs, as those two-year and four-year institutions eligible to participate in the South Carolina Tuition Grants Program as defined in Chapter 113 of Title 59 of the 1976 Code, which stipulates that an “independent institution of higher learning means any independent eleemosynary junior or senior college in South Carolina whose major campus and headquarters are located within South Carolina and which is accredited by the Southern Association of Colleges and Schools; or an independent bachelor’s level institution which was incorporated in its original charter in 1962, was granted a license to operate in 1997 by the Commission on Higher Education, has continued to maintain a campus in South Carolina, and is accredited by the Southern Association of Colleges and Schools. Institutions whose sole purpose is religious or theological training or the granting of professional degrees do not meet the definition of ‘public or independent institutions’ for purpose of this charter”. Two-year independent institutions are not eligible to participate in the Palmetto Fellows Scholarship Program.

AA. “Ineligible degree program” is defined for the purposes of the Palmetto Fellows Scholarship Enhancement as any degree program that is not on the Commission’s posted list of eligible degree programs.

BB. “Late awards” is defined as a period determined by CHE for high school seniors to apply for the Palmetto Fellows Scholarship. Application must be made through the students’ high school. This period is generally from May through June of the academic year.

CC. “Lawful Presence” is defined as individuals who are US citizens, permanent residents, or non-US citizens and non-permanent residents who are legally present in the US. When verifying the lawful presence of an individual, institutional personnel shall not attempt to independently verify the immigration status of any alien, but shall verify any alien’s immigration status with the federal government pursuant to 8 USC Section 1373(c).

Only those individuals whose lawful presence in the US has been verified prior to initial college enrollment may receive the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement.

DD. “Military mobilization” is defined as a situation in which the U.S. Department of Defense orders service members to active duty away from their normal duty assignment during a time of war or national emergency. Service members include: 1) active duty and reserve members in the Army, Navy, Air Force, Marine Corps and Coast Guard, and; 2) members of the Army and Air National Guard.

EE. “Misdemeanor offenses” are defined as crimes classified under State statute (Section 16-1-100), less serious than felonies, and are typically punishable by fine or imprisonment for less than one year. A complete listing is located under Title 16 of State statute. Examples of alcohol and/or drug-related misdemeanor offenses in South Carolina include, but are not limited to, possession of alcohol while under the age of 21, possession of marijuana/illegal drugs, open container, transfer of alcohol to persons under 21, providing false information as to age (fake identification), etc.

FF. “Multi-handicapped student” shall be defined as a student who, in addition to being visually or hearing impaired, has at least one additional disabling condition that qualifies the student to receive specialized postsecondary education.

GG. “Palmetto Fellow” is defined as a student awarded the Palmetto Fellows Scholarship during his/her senior year of high school and continues to meet all eligibility requirements to receive the Palmetto Fellows Scholarship. A Palmetto Fellow who is not awarded any Palmetto Fellows Scholarship funds due to the cost of attendance being met by other sources of financial aid will still be classified as a Palmetto Fellow.

HH. “Program of study that is structured so as not to require a bachelor’s degree” shall be defined as a program of study that is structured so as not to require a bachelor’s degree for acceptance into the program and leads to a graduate degree, which will be the student’s first academic degree awarded, as defined by the U.S. Department of Education. Students are eligible for a maximum of eight terms as long as all other eligibility criteria are met and the program is approved by the Commission on Higher Education. Students must maintain their undergraduate status each academic term, with the exception of students enrolled in the following programs: 1) Master of Science in Physician Assistant Studies at the Medical University of South Carolina; 2) Doctor of Pharmacy at the Medical University of South Carolina; 3) Doctor of Pharmacy at the University of South Carolina; and 4) Doctor of Pharmacy at Presbyterian College. Students who have been awarded a bachelor’s or graduate degree are not eligible for funding. All programs must be approved by CHE for the purposes of enhancement eligibility.

II. “Public institutions” are defined, for the purposes of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement Programs, as those two-year and four-year institutions of higher learning as defined in Chapter 103 of Title 59 of the 1976 Code, which stipulates “public higher education shall mean any state supported postsecondary educational institution and shall include technical and comprehensive educational institutions.”

JJ. “Reapplication student” is defined as a student who applied for and was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to take a Gap year or attend an out-of-state, four-year institution. Students taking a Gap year (see section 62-310.SS.) must enroll in an eligible South Carolina institution no later than the fall term one year immediately following high school graduation and make a request to CHE for reapplication for the Palmetto Fellows Scholarship. During the Gap year, the student cannot attend any institution of higher education or earn any college credit hours or they forfeit their Palmetto Fellows Scholarship. If the student was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend an out-of-state institution at any time during the eight eligible terms immediately following high school graduation, after attending an out-of-state four-year institution, the student must return to South Carolina, enroll in an eligible South Carolina four-year institution, and make a request to CHE for reapplication for the Palmetto Fellows Scholarship.

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KK. “Remedial coursework” shall be defined as sub-collegiate level preparatory courses in English, mathematics, reading or any other course deemed remedial by the institution where the course is taken.

LL. “Second year” is defined as the third or fourth consecutive term of full-time, undergraduate coursework. The second year is based on the student’s date of initial college enrollment after graduation from high school.

MM. “South Carolina resident” is defined as an individual who satisfies the requirements of residency in accordance with the state of South Carolina’s Statute for Tuition and Fees, Section 59-112-10, and all related guidelines and regulations promulgated by the Commission on Higher Education as determined by the institutional residency officer each academic year. A student must be considered a South Carolina resident at the time of high school graduation, and at the time of initial college enrollment, in order to receive a Palmetto Fellows Scholarship.

NN. “Satisfactory academic progress in a declared major” is defined for the purposes of the Scholarship Enhancement as the progress required by the institution and academic department in which the student is enrolled as a full-time, degree-seeking student. Students must meet all requirements for satisfactory academic progress toward degree completion in their declared major as established by the policies of both the institution and the declared major in which the student is enrolled to meet the requirements of satisfactory academic progress.

OO. “Substantially deviates” shall be defined, for the purposes of reviewing out-of-state preparatory high school grading scales, as being less than equivalent to the current South Carolina Uniform Grading Policy.

PP. “Transfer student” is defined, for the purposes of the Program, as a student who has changed full-time enrollment from one eligible independent or public institution to another eligible independent or public institution.

QQ. “Transient student” is defined as a student enrolled in a non-matriculated status, which means he/she is granted temporary admission to earn credit hours that will transfer back to his/her home institution toward a degree. A transient student is not eligible to receive the Palmetto Fellows Scholarship or the Scholarship Enhancement unless the student is participating in a program that is both approved and accepted as full-time transfer credit by the home institution.

RR. “Third year” is defined as the fifth or sixth consecutive term of undergraduate coursework. The third year is based on the student’s date of initial college enrollment after graduation from high school.

SS. “Gap Year” is defined as a period of time immediately following high school graduation, including a semester or academic year (Fall and Spring semesters) taken by the student as a break between high school graduation and the date of initial college enrollment. The Gap year must be taken immediately following high school graduation and does not constitute a break in enrollment.

62-315. Initial Eligibility for Palmetto Fellows Scholarship.

A. In order to qualify for consideration for a Palmetto Fellows Scholarship, a student must:

1. Meet the eligibility criteria stipulated under the “Palmetto Fellows Scholarship Application” Section;
2. Be enrolled as a senior in an eligible high school;
3. Be classified as a South Carolina resident at the time of college enrollment;

4. Be a U.S. citizen or a lawful permanent resident that meets the definition of an eligible non-citizen under State Residency Statutes whose lawful presence in the US has been verified at the time of enrollment at the institution. When verifying the lawful presence of an individual, institutional personnel shall not attempt to

independently verify the immigration status of any alien, but shall verify any alien's immigration status with the federal government pursuant to 8 USC Section 1373(c). A student must be a legal permanent resident of the United States before being considered to be a South Carolina resident;

5. Be seriously considering attending, have applied, or have been accepted for admission to an eligible two-year or four-year degree-granting independent or public institution in South Carolina as a first-time, full-time, degree-seeking student; and

6. Certify that he/she has never been adjudicated delinquent, convicted or pled guilty or *nolo contendere* to any felonies and any second or subsequent alcohol, or drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the home institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or *nolo contendere* of a second or subsequent alcohol or drug related misdemeanor offense is only ineligible the next academic year of enrollment in an eligible independent or public institution after the date of the adjudication, conviction or plea. If the adjudication, conviction, or plea occurs during the academic year after the student has already submitted a signed affidavit to the home institution, the student will continue to be eligible for the remainder of that academic year. However, the student will be ineligible the following academic year of enrollment. If a student completes a pretrial intervention program and subsequently has his/her record expunged, the conviction will not affect the student's eligibility;

7. Submit the official Palmetto Fellows Scholarship Application by the established deadline(s) and comply with all the directions contained therein.

B. The high schools shall ensure that all students meeting the eligibility criteria are given the opportunity to be included in the applicant pool.

C. A student who graduates immediately after the high school sophomore year is eligible to apply for the Palmetto Fellows Scholarship, providing that the student meets all eligibility requirements as described in the "Initial Eligibility" Section and providing that the student is entering an eligible independent or public four-year institution no later than the fall term one year immediately following high school graduation.

D. A student who graduates in December/January of the high school senior year (considered an early graduate) is eligible to apply for the Palmetto Fellows Scholarship after the completion of the junior year but prior to graduating high school, provided that the student meets all eligibility requirements as described in the "Initial Eligibility" Section and provided that the student is entering an eligible independent or public four-year institution no later than the Spring term one year immediately following high school graduation. Early graduates must be certified by the high school principal that they have met the South Carolina graduation requirements. Students who graduate high school mid-year are unable to use rank as an eligibility criterion. The South Carolina UGP GPA, as well as the high school graduation date, must be printed on the official final high school transcript. Students must enroll full-time continuously at a four-year institution no later than the Spring term one year immediately upon high school graduation. Early graduates who enroll mid-year (spring term) and are awarded the Palmetto Fellows Scholarship through the Early Graduation process will officially begin their initial college enrollment. In order to receive the Palmetto Fellows Scholarship the next academic year for a student who enrolls mid-year, the student must earn a minimum of fifteen credit hours and a 3.0 cumulative institutional GPA by the end of the academic year.

E. Students cannot earn eligibility for the Palmetto Fellows Scholarship after high school graduation. All students must apply and be awarded during the high school senior year.

F. Students receiving the Palmetto Fellows Scholarship are not eligible for the LIFE Scholarship, SC HOPE Scholarship or Lottery Tuition Assistance within the same academic year.

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G. Any student who attempts to obtain or obtains the Palmetto Fellows Scholarship through means of a willfully false statement or failure to reveal any material fact, condition or circumstances affecting eligibility will be subject to applicable civil or criminal penalties, including loss of the Palmetto Fellows Scholarship.

62-318. Eligibility for Palmetto Fellows Scholarship Enhancement.

A. To be eligible for the Palmetto Fellows Scholarship Enhancement each academic year, a student must be:

1. A Palmetto Fellow at the time the Scholarship Enhancement is disbursed;
2. Enrolled full-time, degree-seeking in a declared major in an eligible degree program;
3. Making satisfactory academic progress toward completion of his/her declared major; and

4. Enrolled in the second year, third year, fourth year, or fifth year (if enrolled in a Commission approved five-year bachelor's degree) at an eligible four-year independent or public institution.

B. All students not majoring in education-related disciplines must successfully complete a total of at least fourteen credit hours of instruction in mathematics or life and physical science courses within an approved major, in any combination, by the end of the student's first year of enrollment in college (based on initial date of college enrollment). For the purpose of meeting the fourteen credit hour requirement at the end of the student's first year, exempted credit hours (AP, CLEP, IB, etc.), credit hours earned while in high school (dual enrollment, credit hours earned during the summer session immediately prior to the student's date of initial college enrollment, Pass/Fail courses with a grade of "Pass" (only), International Baccalaureate (IB) courses and Advanced Placement (AP) courses in mathematics, life and physical sciences and accounting, taken in high school in which the student scored a three or more on the advanced placement test and received college credit may be used. However, remedial coursework and continuing education coursework cannot be used to meet the fourteen credit hour requirement.

C. Students who initially enroll in college mid-year (i.e., spring term) as a first year student and meet the requirements under Section 62-318 may be eligible to receive a Palmetto Fellows Scholarship Enhancement at the beginning of the spring term of the next academic year (i.e., beginning with the third consecutive term of full-time enrollment based on initial date of college enrollment). A student who initially enrolls mid-year (i.e., spring term) must earn a minimum of 15 credit hours and a 3.0 cumulative institutional GPA to be awarded a Palmetto Fellows Scholarship the following academic year. A student must earn a 3.0 cumulative institutional GPA and a minimum of 30 credit hours each subsequent year of enrollment to receive a Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement.

D. For the 2024-25 academic year, a resident student who is at least in the second year of attendance, based on initial college enrollment, at an eligible four-year public or independent institution of higher learning in this State, who is majoring in science, mathematics, accounting, or an education program that leads to certification as defined by the Commission on Higher Education, and who is receiving a Palmetto Fellows Scholarship for the current year, shall receive an additional Palmetto Fellows Scholarship stipend equal to the cost of attendance after applying all other scholarships or grants, not to exceed two thousand five hundred dollars each year for no more than three additional years of instruction, including their sophomore year, if enrolled in a four-year degree program, or for not more than four additional years of instruction, including their sophomore year, if enrolled in an approved five-year degree program or a 3 plus 2 program. To receive the additional Palmetto Fellows Scholarship stipend each year, the student must receive the underlying Palmetto Fellows Scholarship for that year and must be making acceptable progress each year toward receiving a degree in their education major.

E. All education majors receiving the enhancement/stipend based on their status as an education major must enter into a contractual agreement, including a default provision, that stipulates that the stipend recipient shall

upon graduation work in a South Carolina public school for at least one school year for every year the stipend is received. A third party may be used for purposes of processing the contractual agreement.

F. Any student who attempts to obtain or obtains the Palmetto Fellows Scholarship Enhancement through means of a willfully false statement or failure to reveal any material fact, condition or circumstances affecting eligibility will be subject to applicable civil or criminal penalties, including loss of the Palmetto Fellows Scholarship Enhancement.

G. The Commission on Higher Education shall annually communicate with high school guidance counselors regarding the list of qualifying majors in this section.

62-320. Palmetto Fellows Scholarship Application.

A. The Commission on Higher Education will send information regarding the application process to all South Carolina high schools, home school associations and district superintendents. High schools and/or home school associations that do not receive information regarding the application process from the Commission on Higher Education by the beginning of each application process must contact the Commission for information. It is the sole responsibility of the high schools, home schools, home school associations, and district superintendents to contact CHE regarding the Palmetto Fellows Scholarship program including the application process. High school officials will identify students who meet the specified eligibility criteria by each established deadline. High school officials must submit applications (both electronic and paper documentation) no later than the established deadline(s) along with the appropriate signatures, official transcripts and test score verification to the Commission on Higher Education. High school officials must certify each eligible applicant's signature form. Students who are enrolled at out-of-state high schools are personally responsible for contacting the Commission on Higher Education about the application process and must adhere to the same established deadline(s).

B. The high schools and home school associations must submit a list to the Commission on Higher Education indicating the names of all students who meet the eligibility criteria at their high school. The list should indicate whether the student is submitting a completed application or declining the opportunity to apply. If the student declines the opportunity to apply, the high school will submit a form for each of these students, signed by both the student and the parent/guardian and indicating the reason(s) for not submitting an application. Students who decline to apply for the Scholarship forfeit any future eligibility under this Program.

C. Applications for early awards must be submitted to the Commission on Higher Education for the Palmetto Fellows Scholarship by the date established each academic year. Students must meet one of the following set of academic criteria in order to be eligible to apply for the early awards (students cannot use the early awards criteria to apply during the late awards):

1. Score at least 1200 on the SAT or an equivalent ACT score as determined by the Commission through the test administration date as determined by CHE of the senior year; earn a minimum 3.50 cumulative GPA on the current South Carolina Uniform Grading Policy (UGP) at the end of the junior year; and rank in the top six percent of the class at the end of either the sophomore or the junior year; or

2. The alternate criteria of a score at least 1400 on the SAT or an equivalent ACT score as determined by the Commission through the test administration date as determined by CHE of the senior year and earn a minimum 4.00 cumulative GPA on the UGP at the end of the junior year, without regard to class rank.

3. High schools or home school associations that do not rank as an official policy; or high schools whose grading policy deviates from the current South Carolina Uniform Grading Policy and do not convert the graduating class grades to the current South Carolina UGP to determine class rank, must use the alternate criteria of meeting the academic requirements for the Palmetto Fellow Scholarship.

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4. High schools or home school associations shall not use ranking for the sole purpose of obtaining eligibility for the state scholarships.

D. Applications for late awards must be submitted to the Commission on Higher Education for the Palmetto Fellows Scholarship by the date established in June each academic year. Students must meet one of the following set of academic criteria in order to be eligible to apply for the late awards:

1. Score at least 1200 on the SAT or an equivalent ACT score as determined by the Commission through the test administration date as determined by CHE of the senior year; earn a minimum 3.50 cumulative GPA on the UGP at the end of the senior year; and rank in the top six percent of the class at the end of the sophomore, junior or senior year; or

2. Score at least 1400 on the SAT or an equivalent ACT score as determined by the Commission through the test administration date as determined by CHE of the senior year and earn a minimum 4.00 cumulative GPA on the UGP at the end of the senior year, without regard to class rank.

3. High schools or home school associations that do not rank as a policy; or high schools whose grading policy deviates from the current South Carolina Uniform Grading Policy and that do not convert the graduating class grades to the current South Carolina UGP to determine class rank, must use the alternate criteria of meeting the academic requirements for the Palmetto Fellow Scholarship.

4. High schools or home school associations shall not use ranking for the sole purpose of obtaining eligibility for the state scholarships.

E. Students must have official verification that they earned the requisite score on the SAT or an equivalent ACT score. In order to determine the minimum composite score for the SAT, students must use the highest Math score combined with the highest Evidence-Based Reading and Writing score. However, students cannot use the Essay subsection score to meet the minimum SAT score requirement. ~~In order to determine the minimum composite score for the ACT, students must use the highest English score combined with the highest Math score, Reading score and Science score.~~ For the purposes of meeting the ACT test score requirement, the student must use the highest English, Math, and Reading scores, which may come from different test administrations. A Science score may be included to improve the composite score but is not required.

F. Grade point averages must be based on the current South Carolina Uniform Grading Policy, reported with at least two decimal places, and may not be rounded up. The South Carolina UGP GPA and class rank (if school/association officially ranks as a policy) must be printed on an official final end of year high school transcript, which must also include a uniform date of calculation as determined by the Commission on Higher Education. The graduation date must also be printed on the final end of senior year high school transcript. No coursework completed after the date of uniform calculation can be included in the end of the year GPA. Student must meet the scholarship eligibility criteria within four years of high school coursework.

G. Class rank must be based on the South Carolina Uniform Grading Policy using diploma candidates only. Class rank is determined at the end of the sophomore, junior and senior years (not the beginning of the next school year) before including any summer school coursework or including any students who transfer into your high school after the school year ended in May/June. Students cannot be removed from the class because they did not meet the eligibility criteria to apply, declined to apply, are not residents of the State, do not meet citizenship requirements, plan to attend college out-of-state, etc. The class rank information must include all students who attended your high school that school year. Only one student may occupy each place in class rank. The rank policy and rank policy information must be available to parents, students, colleges, and universities, and the Commission on Higher Education in publication form to include a school's website, student/parent handbook, and/or school profile. This language must include the ranking policy in place at the school/association. The ranking policy should be consistent in all places where the rank policy is published and is the same information disseminated to parents, students, colleges/universities, and the Commission. The South

Carolina UGP GPA and class rank (if school/association officially ranks as a policy) must be printed on an official final end of year high school transcript, which must also include a uniform date of calculation as determined by the Commission on Higher Education. The graduation date must also be printed on the final end of senior year high school transcript.

H. The number of students included in the top six percent of the class will be the next whole number if the top six percent is not already a whole number. For example, a class size of 185 students would include the top twelve students since 11.1 rounds up to twelve. For those high schools that officially rank as a policy (see section 62-320.G.) with fewer than twenty students in the class, the top two students (students ranked as number one and two) shall be considered for the Scholarship regardless of whether they rank in the top six percent of the class. These students must meet all other eligibility criteria.

I. In order to apply for the Palmetto Fellows Scholarship using rank as one of the eligibility criteria, home school students must be a member of an approved home school program (as defined in relevant State Statute) that provides an official class rank for their members. All high schools (see section 62-310.N.) and home school associations must submit a rank report on official school/association letterhead that includes the class rank and GPA based on the current South Carolina Uniform Grading Policy for all students in the applicant's class. If a student is unable to obtain rank verification, he/she may also be eligible to apply using the alternative criteria of scoring at least 1400 on the SAT (or an equivalent ACT score as determined by the Commission) and earning a minimum 4.00 cumulative GPA on the South Carolina UGP, without regard to class rank. These students must meet all other eligibility criteria.

J. For schools or home school associations that do not rank as an official policy, students must use the alternate criteria to meet eligibility requirements for the Palmetto Fellows Scholarship.

K. For the purposes of meeting the rank criterion, the existing high school rank of a South Carolina resident attending an out-of-state high school may be used, provided it is calculated pursuant to a state-approved, standardized grading scale at the respective out-of-state high school. If the Commission on Higher Education determines that a state-approved standardized grading scale substantially deviates from the South Carolina Uniform Grading Scale, the state-approved, standardized grading scale shall not be used to meet the eligibility requirements for the Palmetto Fellows Scholarship. The school counselor from the out-of-state preparatory school also has the option of converting the cumulative GPAs of all students in the applicant's class to the current South Carolina UGP to determine if the student ranks within the top six percent of the class and must provide a ranking report that identifies all students in the applicant's class and their respective GPA's based on the South Carolina UGP. When converting scores to the South Carolina UGP, weighting must adhere to the South Carolina UGP (i.e. honors no more than .50 and AP/IB no more than 1.0). In addition, scores/grades must correspond to the South Carolina UGP. For example, if a student earned a 90 in an honors class, the conversion of the scores/grades must be equivalent to the points assigned according to the current South Carolina UGP. To be considered equivalent, the out-of-state school's grading scale must adhere to the following minimum requirements:

1. Must include all courses carrying Carnegie units, including units earned at the middle school and high school level;

2. To be equivalent to an "A" letter grade, the numerical average must be ≥ 90 ; to be equivalent to a "B" letter grade the numerical average must be between 80 and 89; to be equivalent to a "C" letter grade the numerical average must be between 70 and 79; to be equivalent to a "D" letter grade the numerical average must be between 60 and 69; and to be equivalent to a "F" letter grade the numerical average must be between 51 and 59 (if a course with a numerical average of < 51 is considered passing by the high school the student earned the grade, then a 65 numerical average should be given);

3. Cannot add more than one half (.50) additional quality point for honors courses; cannot add more than one additional quality point for dual enrollment (DE) courses, Advanced Placement (AP) courses, and standard

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level International Baccalaureate (IB) courses; and, cannot add more than two additional quality points for higher level IB courses;

4. Must classify all other courses as College Preparatory if they are not already classified as honors, DE, AP or IB. For a class to be classified as honors, the course must be in English, mathematics, science or social studies or be the third/fourth level for all other content areas; and

5. If no numerical average is available, all letter grades must be converted to the equivalent numerical average based on the following: all "A" letter grades must be converted to a 95 numerical average, all "B" letter grades must be converted to a 85 numerical average, all "C" letter grades must be converted to a 75 numerical average, all "D" letter grades must be converted to a 65 numerical average, and all "F" letter grades must be converted a 50 numerical average.

L. Students who attend out-of-state preparatory high school may also be eligible to apply by using the alternative criteria of scoring at least 1400 on the SAT (or an equivalent ACT score as determined by the Commission) and earning a minimum 4.00 cumulative GPA on the current South Carolina Uniform Grading Policy. The student's school counselor must convert the student's grades to the UGP to determine if the student meets the GPA requirement. These students must meet all other eligibility criteria, including South Carolina residency requirements.

M. Students submitted for the late award will need to make arrangements for tuition and fee payments as a student will not be notified of their PFS status in enough time to meet any institutionally established payment deadlines.

62-325. Palmetto Fellows Scholarship Selection Process.

A. The Commission on Higher Education will notify students of their selection as a Palmetto Fellow along with the terms and conditions of the award.

B. Students who have met the academic requirements of the Scholarship must return a form to the Commission that designates an eligible two-year or four-year independent or public institution in which they plan to enroll by the date established by the Commission on Higher Education. The Palmetto Fellows Scholarship will only be awarded to those students who have a lawful presence in the United States and have been identified as a South Carolina resident at the time of initial college enrollment.

C. Visually impaired, hearing impaired or multi-handicapped students who qualify for the Scholarship may use the Palmetto Fellows Scholarship to attend a two-year or four-year out-of-state institution that specializes in educating students with their impairment upon receiving prior approval from the Commission on Higher Education. The Commission on Higher Education shall make the final decision whether an out-of-state institution specializes in the postsecondary education of visually impaired, hearing impaired or multi-handicapped students.

D. The Commission on Higher Education shall ensure that there is equitable minority participation in the Program.

62-330. Policies and Procedures for Awarding the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement.

A. The institution will identify award amounts, which cannot exceed:

1. \$6,700 the first/freshman year and \$7,500 for the second year, third year, fourth year and fifth year (if applicable) for the Palmetto Fellows Scholarship; Eligible Palmetto Fellows may prorate their award amount for the term of graduation.

2. \$2,500 for the second year, third year, fourth year and fifth year (if applicable) for the Palmetto Fellows Scholarship Enhancement if enrolled in a eligible four-year degree program or for not more than four years of instruction if enrolled in an eligible approved five-year degree program. Eligible Palmetto Fellows may prorate their award amount for the term of graduation.

3. For mid-year initial college enrollment (i.e. a student who starts college in the spring term), a student may receive a maximum of \$3,350 for the spring term. Beginning the second academic year (i.e. the fall term) a student may receive up to \$7,500 for the second year, third year, fourth year and fifth academic year (if applicable) for the Palmetto Fellows Scholarship; Eligible Palmetto Fellows may prorate their award amount for the term of graduation.

B. Half shall be awarded during the fall term and half during the spring term. Palmetto Fellows Scholarships and Palmetto Fellows Scholarship Enhancements are to be used only toward payment for cost-of-attendance as established by Title IV Regulations with modifications set forth in D below for the academic year the award is made at the designated independent or public institution. The maximum amount awarded shall not exceed the cost-of-attendance as established by Title IV Regulations for any academic year. During the final term of attendance, the institution may prorate the Palmetto Fellow Scholarship and the Palmetto Fellows Scholarship Enhancement award amount, for the number of credit hours attempted for the current term of attendance, which must be the term of graduation for the student. Proration will be based on 12 credit hours.

C. Students who change their major from an ineligible degree program to an eligible degree program during the same academic year cannot be awarded the Palmetto Fellows Scholarship Enhancement until the next academic year. Additionally, students who change their major from an eligible degree program to an ineligible degree program during the same academic year will retain their Palmetto Fellows Scholarship Enhancement eligibility for the remainder of the current academic year.

D. Charges for room and board are to be limited as follows:

1. Room charges shall not exceed the average cost of on-campus residential housing; and
2. Board charges shall not exceed the cost of the least expensive campus meal plan that includes 21 meals per week.

E. In determining the amount awarded for the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement, all other sources of gift aid, including federal, State, private and institutional funds, must be applied to the unmet cost-of-attendance before calculating the Scholarship and Enhancement amounts and making the award. Adjustments to the financial aid package will be made to the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement in accordance with prescribed Title IV regulations in order to prevent an over-award.

F. Although a student may be named a Palmetto Fellow, the student may not receive a monetary award, if the award when combined with all other sources of gift aid would cause the student to receive financial assistance in excess of the student's cost-of-attendance as defined by Title IV regulations and the guidelines contained herein.

G. Eligible two-year and four-year independent and public institutions will notify students of their award along with the terms and conditions.

H. Effective Fall 2008, Section 59-101-430 (A), Chapter 101, Title 59 of the 1976 Code states that unlawful aliens are prohibited from attending South Carolina Public institutions of higher learning. This does apply to students who are currently enrolled, as well as new enrollees. In accordance of this law, institutions must institute a process that verifies an individual's lawful presence in the United States. This process must verify any alien's immigration status with the federal government. Students receiving the Palmetto Fellows Scholarship and the

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Palmetto Fellows Scholarship Enhancement must be verified. Any student that is not verified and documented by the institution will not receive the Scholarship.

I. All eligible independent and public institutions that participate in the program must verify the lawful presence in the US of any student who receives a Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement prior to awarding the Scholarship to the student. When verifying the lawful presence of an individual, institutional personnel shall not attempt to independently verify the immigration status of any alien, but shall verify any alien's immigration status with the federal government pursuant to 8 USC Section 1373(c).

J. The institution must retain annual paper or electronic documentation for each award to include at a minimum:

1. Institutional Student Information Record (ISIR) or affidavit documenting that the student is not in default or does not owe a refund on any state or federal financial aid

2. Affidavit documenting that the student has never been convicted of any felonies and has not been convicted of any second or subsequent alcohol/drug-related misdemeanor offense within the past academic year as stated under "Initial Eligibility" and "Duration and Renewal of Awards" Sections

3. Award notification

4. Institutional disbursements to student

5. Verification student is not in default and does not owe a refund or repayment

6. Student's residency status and citizenship status

7. Enrollment status and degree-seeking status

8. Verification of cumulative GPA and annual credit hours for renewal purposes

9. Verification from the institutional Disability Services Provider of student's disability and approval of reduced course-load requirement (if appropriate)

10. Military mobilization orders (if appropriate)

11. Verification student met fourteen credit hour requirement at the end of the first year of college enrollment for the 2007-08 freshman class and thereafter (Palmetto Fellows Scholarship Enhancement purposes only)

12. Verification from academic department of enrollment in a declared major in an eligible degree program (Palmetto Fellows Scholarship Enhancement purposes only).

13. Verification from the institution that lawful presence in the US, and has been verified.

14. Collect certification from education majors receiving enhancement/stipend monies of their completed contractual work agreement for the stipend.

K. It is the institution's responsibility to ensure that only eligible students receive the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement.

L. The student shall be required to provide a state recognized unique identifier in order for the institution to award, disburse, and/or transfer the student's state scholarship and/or grant to an eligible institution.

62-335. Duration and Renewal of Awards.

A. The Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement where applicable shall be initially awarded for one academic year. The institution shall adjust the amount of the Scholarship and Enhancement awards during the academic year in the event of a change in the student's eligibility.

B. Students selected as Palmetto Fellows must enter an eligible two-year or four-year independent or public institution no later than the fall term one year immediately following high school graduation. Students must be continuously enrolled at an eligible two-year or four-year institution. Students with a break in continuous full-time enrollment at a two-year or four-year institution will forfeit the scholarship.

C. A Palmetto Fellows Scholarship may be renewed annually for no more than a total of two terms towards a one-year certificate or diploma program, or four terms (based on the date of initial college enrollment) toward the first associate degree or two-year diploma program, or eight terms (based on the date of initial college enrollment) toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for no more than a total of ten terms (based on the date of initial college enrollment) toward the first approved five-year bachelor's degree. The Palmetto Fellows Scholarship Enhancement may not be awarded for no more than a total of six terms (based on the date of initial college enrollment) toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for no more than a total of eight terms (based on the date of initial college enrollment) toward the first approved five-year bachelor's degree. Students who have already been awarded their first bachelor or graduate degree are not eligible to receive the Palmetto Fellows Scholarship or the Palmetto Fellows Scholarship Enhancement. During the final term of attendance, the institution may prorate the Palmetto Fellow Scholarship and the Palmetto Fellows Scholarship Enhancement award amount, for the number of credit hours attempted for the current term of attendance, which must be the term of graduation for the student. Proration will be based on 12 credit hours (see section 62-330.B).

D. The institution is responsible for obtaining institutional certification of each recipient's cumulative grade point average and annual credit hours for the purposes of determining eligibility for award renewal. For the Palmetto Fellows Scholarship Enhancement, the institution must also obtain verification from the academic department of enrollment in a declared major in an eligible degree program.

E. By the end of the spring term each academic year, the institution must notify all Palmetto Fellows who have not met the continued eligibility requirements for the next academic year. The notification should include information regarding the student's ability to attend summer school in order to meet the continued eligibility requirements.

F. The eligible two-year or four-year independent or public institution is responsible for reporting to the Commission on Higher Education credit hours earned at the home institution only. Transfer credit hours cannot be reported by the home institution.

G. In order to retain eligibility for the Palmetto Fellows Scholarship after the initial year, the student must meet the following continued eligibility requirements:

1. Enroll and be continuously enrolled at an eligible two-year or four-year public or independent institution as a full-time, degree-seeking student at the time of Scholarship disbursement;

2. Earn at least a 3.0 cumulative GPA at the home institution for graduation purposes by the end of each academic year;

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3. Earn a minimum of thirty credit hours for graduation purposes by the end of each academic year. Exempted credit hours (such as AP, CLEP, etc.), credit hours earned before high school graduation, and credit hours earned the summer term immediately following high school graduation cannot be used to meet the annual credit hour requirement;

4. Certify each academic year that he/she has not defaulted and does not owe a refund or repayment on any federal or state financial aid. If a student has an Institutional Student Information Record (ISIR) or its equivalent on file, the ISIR information will be used to verify default status or refund/repayment owed. Students who have not completed the Free Application for Federal Student Aid (FAFSA) must have an affidavit on file to verify that he/she is not in default and does not owe a refund or repayment on any federal or state financial aid, including the state grants/scholarships, Pell Grant, Supplemental Educational Opportunity Grant, Federal Perkins or Stafford Loan; and

5. Certify each academic year that he/she has never been adjudicated delinquent, convicted or pled guilty or *nolo contendere* to any felonies and any second or subsequent alcohol/drug-related misdemeanor offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit to the home institution. However, a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or *nolo contendere* of a second or subsequent alcohol or drug-related misdemeanor offense is only ineligible for the next academic year of enrollment at an eligible independent or public institution after the date of the adjudication, conviction or plea. If the adjudication, conviction or plea occurs during the academic year after the student has already submitted a signed affidavit to the institution, the student will continue to be eligible for the remainder of the academic year. However, the student will be ineligible for the Scholarship for the following academic year of enrollment. If a student completes a pretrial intervention program and his/her record is subsequently expunged, the charge will not affect Scholarship eligibility.

H. In order to retain eligibility for the Palmetto Fellows Scholarship Enhancement, a student must:

1. Be a Palmetto Fellow at the time the Scholarship Enhancement is disbursed;
2. Be enrolled and continuously enrolled at an eligible four-year public or independent institution as a full-time, degree-seeking student in a declared major in an eligible degree program;
3. Be making satisfactory academic progress toward completion of his/her declared major;
4. Be enrolled in the second year, third year, fourth year or fifth year (if enrolled in a Commission approved five-year bachelor's degree) at an eligible four-year independent or public institution; and
5. Successfully complete a total of at least fourteen credit hours of instruction in accounting, mathematics, or life and physical science courses within an approved major, in any combination by the end of the student's first year of enrollment in college (based on initial date of college enrollment). For the purpose of meeting the fourteen credit hour requirement at the end of the student's first year, exempted credit hours (AP, CLEP, IB, etc.), credit hours earned while in high school (dual enrollment), and credit hours earned during the summer session immediately prior to the student's date of initial college enrollment may be used. However, remedial coursework and continuing education coursework cannot be used to meet the fourteen credit hour requirement. Palmetto Fellows who were already enrolled in at least their second year in the 2007-2008 academic year only are not required to meet the fourteen credit hour requirement at the end of their first/freshman year.

I. Any student who attempts to obtain or obtains a Palmetto Fellows Scholarship or Palmetto Fellows Scholarship Enhancement through means of a willfully false statement or failure to reveal any material fact, condition, or circumstances affecting eligibility will be subject to applicable civil or criminal penalties, including loss of the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement.

62-340. Transfer of or Reapplication for the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement.

A. Palmetto Fellows enrolled at an eligible two-year or four-year independent or public institution may transfer to another two-year or four-year eligible independent or public institution in South Carolina upon obtaining prior approval from the Commission on Higher Education, by submitting a transfer form, which is available on the Commission's Web site.

B. A student who applied for and was offered the Palmetto Fellows Scholarship as a senior in high school, but declined the award to attend an out-of-state two-year or four-year institution no later than the fall term one year immediately following high school graduation or a student who attends an out-of-state institution at any time during the eight eligible terms, must reapply if they transfer to an eligible two-year or four-year independent or public institution in South Carolina. The reapplication form is available on the Commission's Web site.

C. Transfer students and reapplication students are only eligible to receive the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement for the remaining terms of eligibility (based on the date of initial college enrollment).

D. Transfer students and reapplication students must comply with all standards for continued eligibility as defined under the "Duration and Renewal of Awards" Section in order for their award to be eligible for transfer.

E. The eligible two-year or four-year independent or public institution is responsible for reviewing all Palmetto Fellows transferring to their institution to determine whether the students are eligible for the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement.

F. The eligible two-year or four-year independent or public institution is responsible for reporting to the Commission on Higher Education credit hours earned at their institution only. Transfer credit hours cannot be reported by the home institution.

62-345. Students with Disabilities.

A. Palmetto Fellows who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all eligibility requirements as defined in the "Initial Eligibility" Section, except for the full-time enrollment requirement, in order to be eligible to receive funding. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

B. For renewal, Palmetto Fellows who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must meet all renewal requirements as defined in the "Duration and Renewal of Awards" Section, except for a student not meeting the annual credit hour requirement who is approved by the Disability Services Provider at the home institution to be enrolled in less than full-time status or less than the required annual credit hours for that academic year. Each academic year for award renewal, students must earn the required number of hours approved by the institutional Disability Services Provider at the home institution and earn a minimum 3.0 cumulative grade point average at the home institution for graduation purposes. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

C. The institutional Disability Services Provider must provide written documentation to the Office of Financial Aid prior to each academic year verifying that the student is approved to be enrolled in less than full-time status or less than the required annual credit hours. It is the responsibility of transfer students and reapplication students to provide written documentation from the previous institutional Disability Services Provider.

D. Palmetto Fellows who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 are eligible to receive up to the maximum number of available terms and available funds.

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62-350. Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Student Exchange Programs.

A. Students enrolled in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs that are approved by the home institution and that the home institution accepts as full-time transfer credit are eligible to receive Palmetto Fellows Scholarship and Palmetto Fellow Scholarship Enhancement funds during the period in which the student is enrolled in such programs. Students will be required to meet the continued eligibility requirements.

B. Eligible students may use the appropriated portion of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement funds for internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs that are approved by the home institution and that the home institution accepts as full-time transfer credit. Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement funds must be paid directly to the student's account at the home institution. The amount awarded cannot exceed the cost-of-attendance at the home institution or the cost-of-attendance at the host institution, whichever is less. The Commission on Higher Education will not transfer funds to the institutions where students will participate in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs. The home institution is responsible for funds according to the "Program Administration and Audits" Section.

C. Students who enroll in one academic term at the home institution and also enroll in an internship, cooperative work program, travel study program, or National or International Student Exchange Program that are approved by the home institution and that do not award full-time transfer credit during the same academic year must earn at least fifteen credit hours and a minimum 3.0 cumulative grade point average at the home institution for graduation purposes by the end of the academic year to be eligible for renewal the next academic year. The student may continue to be eligible for up to the maximum terms of eligibility based on the date of initial college enrollment (provided the student meets the continued eligibility requirements).

D. For students enrolling in an internship, cooperative work program, travel study program, or National or International Student Exchange Program that is approved by the home institution but does not award full-time transfer credit for the entire academic year, renewal for the next academic year will be based on the prior year's eligibility. The student may continue to be eligible for up to the maximum terms of eligibility based on the date of initial college enrollment (provided the student meets the continued eligibility requirements).

E. Students enrolling in an internship, a cooperative work program, a travel study program, or National or International Student Exchange Program that are approved by the home institution during the academic year and did not use their entire eligibility for the Palmetto Fellows Scholarship or the Palmetto Fellows Scholarship Enhancement funds during this period shall be allowed to receive one term of Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement funds during the succeeding summer or at the end of the maximum terms of eligibility based on the date of initial college enrollment (provided the student meets the continued eligibility requirements). In order to receive the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement funds for the succeeding summer term, students must enroll in twelve credit hours at the home institution. In order to maintain eligibility for the next academic year for students who only attend summer school, the student must earn at least twelve credit hours by the end of the academic year. For students who enroll in summer school and one other term of the academic year, the student must earn a total of at least 27 credit hours by the end of the academic year. The student must meet all continued eligibility requirements, except for the completion of the annual credit hour requirement for the academic year.

F. The home institution will be responsible for obtaining official certification of the student's cumulative grade point average and annual credit hours earned for purposes of determining eligibility for Scholarship and Enhancement renewal for the next academic year. For purposes of Enhancement eligibility, the home institution must also obtain certification from the academic department of enrollment in a declared major in an eligible degree program.

62-351. Military Mobilization.

A. Service members who are enrolled in college and are affected by military mobilizations will not be penalized for the term they are required to withdraw after the full refund period based on the institutional policies and procedures. Institutions are strongly encouraged to provide a full refund of required tuition, fees and other institutional charges or to provide a credit in a comparable amount against future charges for students who are forced to withdraw as a result of military mobilization. Additionally, the term(s) that the service member is mobilized will not count against the maximum terms of eligibility. The service member shall be allowed to receive the unused term(s) while mobilized during the succeeding summer term or at the end of the maximum terms of eligibility (provided the service member meets continued eligibility requirements). The service member must re-enroll in an eligible independent or public institution within twelve months upon their demobilization and provide official documentation to verify military deployment to the institutional Financial Aid Office upon re-enrollment. Reinstatement will be based upon the service member's eligibility at the time he/she was mobilized. If the service member re-enrolls after the twelve month period, the service member must submit an Appeal Application to the Commission on Higher Education by the established deadline in order to be considered for reinstatement.

B. Service members who are enrolled in college and are mobilized for a minimum of one academic year may be eligible the next academic year, if they met the continued eligibility requirements at the end of the last academic year of attendance. Service members may continue to be eligible for up to the maximum terms of eligibility based on the date of initial college enrollment (provided the service member meets the continued eligibility requirements).

C. Service members who are enrolled in college and are mobilized for one academic term must complete at least fifteen credit hours and a minimum 3.0 cumulative grade point average at the home institution for graduation purposes by the end of the academic year to be eligible for renewal for the next academic year. Service members may continue to be eligible for up to the maximum terms of eligibility based on the date of initial college enrollment (provided the service member meets the continued eligibility requirements).

D. In order to receive the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement for summer school for any unused term(s), the service member must enroll in twelve credit hours during the succeeding summer term at the home institution. For service members who enroll in summer school and one other term of the academic year, the service member must earn a total of at least twenty-seven credit hours by the end of the academic year. In order to maintain eligibility for the next academic year for service members who only attend summer school, the member must earn at least twelve credit hours by the end of the academic year. The service member must meet all continued eligibility requirements, except for the completion of the annual credit hour requirement for the academic year.

E. The home institution will be responsible for obtaining verification of military mobilization status, cumulative grade point average and annual credit hours for the purpose of determining eligibility to renew the Palmetto Fellows Scholarship for the next academic year. For purposes of the Palmetto Fellows Scholarship Enhancement, the home institution must also obtain certification from the academic department of enrollment in a declared major in an eligible degree program.

62-355. Appeals Procedures.

A. The Commission on Higher Education shall define the procedures for scholarship appeals.

B. A student who does not meet the continued eligibility criteria for renewal of the Palmetto Fellows Scholarship forfeits continued participation in the Program and may request an appeal based on extenuating circumstances.

C. A student is allowed to submit only one appeal each academic year.

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D. A completed appeal's application must be filed with the Commission on Higher Education by the established deadline of the academic year the scholarship is requested. The student must provide a completed application for appeal, a letter requesting an appeal describing the extenuating circumstance, official transcripts from all prior institutions, and any other supporting documentation to substantiate the basis for the appeal. It is the responsibility of the student to ensure that all documents necessary to file an appeal are received at the Commission by the established deadline. Commission staff will not contact the student regarding missing or incomplete appeals documentation. Failure to submit a completed appeal's application by the required deadline(s) will result in forfeiture of the scholarship.

E. A student who fails to submit an appeal by the required deadline will result in forfeiture of the award.

F. The Palmetto Fellows Scholarship shall be suspended during the appeal period, but will be awarded retroactively if the appeal is granted.

G. Students cannot appeal solely on the loss of the Palmetto Fellows Scholarship Enhancement.

H. The Appeals Committee's decision is final.

62-360. Institutional Disbursement of Funds.

A. The institution will identify award amounts, which cannot exceed:

1. \$6,700 the first/freshman year and \$7,500 for the second year, third year, fourth year and fifth year (if applicable) for the Palmetto Fellows Scholarship; Eligible Palmetto Fellows may prorate their award amount for the term of graduation (see section 62-330.B.).

2. \$2,500 for the second year, third year, fourth year and fifth year (if applicable) for the Palmetto Fellows Scholarship Enhancement if enrolled in a eligible four-year degree program or for not more than four years of instruction if enrolled in an eligible approved five-year degree program. Eligible Palmetto Fellows may prorate their award amount for the term of graduation (see section 62-330.B.).

3. For mid-year initial college enrollment (i.e. a student who starts college in the spring term), a student may receive a maximum of \$3,350 for the spring term. Beginning the second academic year (i.e. the fall term) a student may receive up to \$7,500 for the second year, third year, fourth year and fifth year (if applicable) for the Palmetto Fellows Scholarship; Eligible Palmetto Fellows may prorate their award amount for the term of graduation (see section 62-330.B.).

B. Half shall be awarded during the fall term and half during the spring term. Funds cannot be disbursed during the summer or any interim sessions except for disbursements made in accordance with the requirements of the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs, or National or International Student Exchange Programs" or "Military Mobilization" Sections. Palmetto Fellows may not be funded for more than a total of eight terms of study toward the first bachelor's degree or a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree or for more than a total of ten terms of study toward the first approved five-year degree. Palmetto Fellows Scholarship Enhancements may not be funded for more than a total of six terms toward the first bachelor's degree or a program of study that is structures so as not to require a bachelor's degree or for no more than a total of eight terms toward the first-approved bachelor's degree.

C. The Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement cannot be applied to remedial coursework, continuing education coursework, a second bachelor's degree or to graduate coursework, unless the graduate coursework is required as part of a program of study that is structured so as not to require a bachelor's degree and leads to a graduate degree as defined in the "Definitions" Section or the student is enrolled in one of the following programs: 1) Master of Science in Physician Assistant Studies at the Medical

University of South Carolina; 2) Doctor of Pharmacy at the Medical University of South Carolina; 3) Doctor of Pharmacy at the University of South Carolina; and 4) Doctor of Pharmacy at Presbyterian College. In the event of early graduation, the award is discontinued.

D. Students who change their major from an ineligible degree program to an eligible degree program during the same academic year cannot be awarded the Palmetto Fellows Scholarship Enhancement until the next academic year. Additionally, students who change their major from an eligible degree program to an ineligible degree program during the same academic year will retain their Palmetto Fellows Scholarship Enhancement eligibility for the remainder of the current academic year.

E. The institution shall provide each Palmetto Fellow with an award notification for each academic year, which will contain the terms and conditions of the Scholarship and other financial aid awarded. Students will be notified of adjustments in financial aid due to changes in eligibility and/or over-award issues. The Commission on Higher Education, for documentation purposes, requires that each institution obtain verification of acceptance of the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement and terms for the awards.

F. After the last day to register for each term of the academic year, the institution will verify enrollment of each recipient as a South Carolina resident who is a full-time degree-seeking student.

G. The institution must submit a request for funds and/or return of funds by the established deadline each term. The Commission will disburse funds to eligible independent and public institutions to be placed in each eligible student's account. In addition, a listing of eligible recipients by identification number with the award amounts must be sent to the Commission on Higher Education by the established deadline each term. At this time, any unused funds must be returned to the Commission immediately.

H. The Commission will disburse awards to the eligible four-year independent and public institutions to be placed in each eligible student's account.

I. The student shall be required to provide a state recognized unique identifier in order for the institution to award, disburse, and/or transfer the student's state scholarship and/or grant to an eligible institution.

62-365. Refunds and Repayments.

A. In the event a student who has been awarded the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement withdraws, is suspended from the institution, or drops below full-time status during any regular term of the academic year, institutions must reimburse the Program for the amount of the Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement for the term in question pursuant to refund policies of the institution. Collection is the responsibility of the institution.

B. In the event a student withdraws or drops below full-time status after the institution's refund period and therefore must pay tuition and fees for full-time enrollment, the award may be retained by the student pursuant to the refund policies of the institution.

C. In the event a student who has been awarded the Palmetto Fellows Scholarship and the Palmetto Fellows Scholarship Enhancement and has been identified as not being a South Carolina resident at any time, the institution must reimburse funds to CHE for the time period the student was no longer a South Carolina resident.

62-370. Program Administration and Audits.

A. The South Carolina Commission on Higher Education shall be responsible for the oversight of functions (e.g., guidelines, policies, rules, regulations) relative to this Program with the eligible independent and public institutions. The Commission on Higher Education shall be responsible for the allocation of funds, promulgation

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of guidelines and regulation governing the Program, any audits, or other oversight as may be deemed necessary to monitor the expenditure of funds.

B. According to the Audit Policies and Procedures for Scholarship and Grant Programs Manual, all eligible independent and public institutions must abide by all Program policies, rules and regulations. Institutions also agree to maintain and provide all pertinent information, records, reports or any information as may be required or requested by the Commission on Higher Education or the General Assembly to ensure proper administration of the Program.

C. The Chief Executive Officer at each eligible independent and public institution shall identify to the Commission on Higher Education an institutional representative who is responsible for the operation of the Program on the campus and will serve as the contact person for the Program. The institutional representative will act as the student's fiscal agent to receive and deliver funds for use under the Program.

D. All eligible independent and public institutions that participate in the program must verify the lawful presence in the US of any student who receives a Palmetto Fellows Scholarship and Palmetto Fellows Scholarship Enhancement prior to awarding the Scholarship to the student. When verifying the lawful presence of an individual, institutional personnel shall not attempt to independently verify the immigration status of any alien, but shall verify any alien's immigration status with the federal government pursuant to 8 USC Section 1373(c).

E. The participating institution shall identify to the Commission on Higher Education an institutional representative who will be responsible for determining residency and lawful presence classification for the purposes of awarding the Palmetto Fellows Scholarship.

F. Independent and public institutions of higher learning in this, or any other state in the U.S., are prohibited from using the Palmetto Fellows Scholarship in programs that promote financial aid incentives or packages. Any mention of the Palmetto Fellows Scholarship in these financial aid packages must indicate the scholarship to be separate from the University that is offering the financial aid package, and reference the Palmetto Fellows Scholarship as a separate financial aid award, provided to the student by the State of South Carolina.

G. All eligible independent and public institutions shall submit separate invoices for the purposes of enhancements, as determined by the Commission on Higher Education.

62-375. Suspension or Termination of Institutional Participation.

A. The Commission on Higher Education may review institutional administrative practices to determine compliance with pertinent statutes, guidelines, rules or regulations. If such a review determines that an institution has failed to comply with Program statutes, guidelines, rules or regulations, the Commission on Higher Education may suspend, terminate, or place certain conditions upon the institution's continued participation in the Program and require reimbursement to the Program for any funds lost or improperly awarded.

B. Upon receipt of evidence that an institution has failed to comply, the Commission on Higher Education shall notify the institution in writing of the nature of such allegations and conduct an audit.

C. If an audit indicates that a violation(s) may have occurred or are occurring at any eligible independent or public institution, the Commission on Higher Education shall secure immediate reimbursement from the institution in the event that any funds were expended out of compliance with the provisions of the Act, any relevant statutes, guidelines, rules, and regulations.

D. All eligible independent and public institutions that participate in the scholarship enhancement program shall report to CHE the recipients of each enhancement award, per term within the deadlines as determined by CHE. In reporting recipients of the enhancement, institutions shall distinguish recipients by their status in the

eligible major, ensuring that education, accounting, math, and science majors are individually identified, in a format as determined by CHE.

Fiscal Impact Statement:

There will be no cost incurred by the State or any of its political subdivisions.

Statement of Rationale:

These regulations are updated to be consistent with changes in law and to clarify the policies and procedures for administering the program.