



South Carolina Commission on Higher Education

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June 3, 2010

MEMORANDUM

To: Ms. Cynthia Mosteller, Chair, and Members
Committee on Access & Equity and Student Services

From: Dr. Karen Woodfaulk, Director
Student Services Division

Lottery Tuition Assistance Program for Two-Year Public and Independent Institution

Proposed Regulatory Amendments for the 2011-12 Academic Year

The Commission on Higher Education staff proposes amendments to the regulation for the Lottery Tuition Assistance Program for Two-Year Public and Independent Institutions. Act 280, the SC Illegal Immigration Reform Act, was approved during the 2008 legislative session and must be incorporated into the regulation. In addition, CHE is adding proposed language to the existing regulation to ensure that when higher education institutions are offering financial aid incentive packages to students, the state's contribution to the award is recognized as a separate part of the package.

The South Carolina Association of Financial Aid Administrators' CHE Advisory Committee met on March 5, 2010, and provided their suggestions and comments about the proposed regulation. The proposed regulation was also e-mailed to the financial aid officers at all public and independent institutions via their listserv and requested their input. CHE staff also presented the proposed changes to the regulation at the annual SCASFAA conference on April 14-16 of this year. The recommendations from the financial aid community were incorporated into the proposed regulation.

The regulation proposes five major amendments, and several clarifying amendments to the administration of the Lottery Tuition Assistance Program for Two-Year Public and Independent Institutions:

1. Act 280, the SC Illegal Immigration Reform Act, was passed during the 2008 legislative session. The Act requires institutions of higher learning in this state to develop a process through which a student's lawful presence in the United States is verified through the Federal Government. Students whose lawful presence cannot be verified cannot attend any of South Carolina's public higher education institutions, nor can they receive public benefits at any of the state's independent institutions. The proposed changes to the existing Lottery Tuition Assistance Program for Two-Year Public and Independent Institutions regulation are necessary to ensure the current regulation is consistent with the legislative mandates of the South Carolina Illegal Immigration Act.

2. Replace the continued eligibility requirement with SAP provided by Title IV Regulation. This will make it consistent with the SAP Title IV regulation that has both a quantitative and qualitative standard to measure progress.
3. Specify that only degree-seeking students at their home institution may receive LTAP. Transient students are not eligible to receive LTAP funding.
4. Specify the only exception where a student can receive LTAP and the LIFE Scholarship in the same academic year.
5. Specifies that higher education institutions separate the Lottery Tuition Assistance Program from any financial aid that the institution is offering.

The first major amendment is based on Act 280, the South Carolina Illegal Immigration Reform Act. The amendment ensures that a student's lawful presence in the United States has been verified with the Federal Government before the student is eligible to receive Lottery Tuition Assistance for Two-Year Public and Independent Institutions.

- **Section 62-900.155 (J)** – Defines “Unlawful presence or unlawful aliens” is defined as individuals that are in the United States illegally or undocumented. Students who have an unlawful presence in the United States are prohibited from attending a public institution of higher learning. Students who have an unlawful presence in the United States and enrolled in any SC independent and public institutions.
- **Section 62-900.170(E)** – Adds that institutions must institute a process that verifies an individual's lawful presence in the United States. Verification must be by the federal government. Students lawful presence must be verified at the time of initial college enrollment for a student to be eligible to receive Lottery Tuition Assistance.
- **Section 62-900.170(E)(11)** – Adds “verification from the appropriate institutional department that lawful presence of the student has been verified with the Federal Government pursuant to 8 USC Section 1373(c)” to the list of items that an institution must include in Lottery Tuition Assistance recipients student file each year.
- **Section 62-900.190(A)** – Clarifies that if a student is found to be a non SC resident or has an unlawful presence in the United States during any term of the academic year, institutions must reimburse the Lottery Tuition Assistance Program for the term in question pursuant to refund policies of the institution.

The second major amendment replaces the current continued eligibility requirements to mirror the Satisfactory Academic Progress as provided by Title IV Regulations. This allows for consistency with the SAP Title IV Regulation that has both a quantitative and qualitative standard to measure progress. In addition, by including SAP by Title IV Regulation it disqualifies degree-seeking students that do not show progression in the same field of study.

- **Section 62-900.175 – Duration of Award and Continued Eligibility**
 - C. Students must meet satisfactory academic progress established by the institution for the purposes of complying with Title IV regulations for continued eligibility to receive Lottery Tuition Assistance.
- **Section 62-900.165 – Student Eligibility**
 - B. Students shall not be eligible to receive Lottery Tuition Assistance for more than one certificate, diploma, or degree earned within any five-year period unless the additional certificate, diploma, or degree constitutes progress in the same field of study. Students must be making satisfactory academic progress towards completion of the requirements of the program as provided by Title IV Regulations.

- **Section 62-900.160 – Program Definitions**

P. “Satisfactory academic progress” shall mean the minimum academic standard for academic progress established by the institution for the purpose of complying with Title IV regulations for federal Student Aid Programs and for State scholarship and grants.

The third major amendment clarifies that students cannot receive LTAP as a transient student.

- **Section 62-900.165 – Student Eligibility**

E. Only students who are degree-seeking shall receive Lottery Tuition Assistance at their home institution. Transient students shall not receive Lottery Tuition Assistance.

The fourth major amendment clarifies the exception of when a student can receive LTAP and the LIFE Scholarship in the same academic year.

- **Section 62-900.165 – Student Eligibility**

F. First-time freshman, who are eligible LIFE Scholarship recipients, attending an eligible two-year or technical college and enrolled in a minimum of 12 credit hours of non remedial courses shall receive the LIFE Scholarship. Eligible first-time freshman LIFE Scholarship recipients who are enrolled and taking less than 12 credit hours of non remedial courses only shall receive up to two terms of Lottery Tuition Assistance during their first year.

The last major amendment inserts language that prohibits independent and public two-year institutions from using the Lottery Tuition Assistance program in programs that promote financial aid incentives or packages. The language also requires that any mention of the Lottery Tuition Assistance in these financial aid packages must indicate the grant to be separate from the college that is offering the financial aid package, and reference the Lottery Tuition Assistance as a separate financial aid award, provided to the student by the State of South Carolina

- **Section 62-900.150 & 62-900.195 Program Administration and Audits**

D. Independent and public institutions of higher learning in this, or any other state in the U.S., are prohibited from using the Lottery Tuition Assistance Program or “LTAP” in programs that promote financial aid incentives or packages. Any mention of the Lottery Tuition Assistance Program or “LTAP” 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 Lottery Tuition Assistance Program as a separate financial aid award, provided to the student by the State of South Carolina.

All proposed changes are highlighted in red in the attached regulation.

Recommendation

The Commission staff recommends that the Committee on Access & Equity and Student Services approve the proposed amendments to the regulation for the SC Need-based Grant. If approved by the Committee on Access & Equity and Student Services and the Commission on Higher Education, the proposed regulation will be submitted to the General Assembly during the 2011 legislative session for approval under the Administrative Procedures Act.