



South Carolina Commission on Higher Education

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October 6, 2016

Proposed Regulatory Amendments **Determination of Rates for Tuition and Fees**

At the request of the institutional officers, Commission staff has made revisions to the Regulations Regarding the Determination of Rates of Tuition and Fees.

A special advisory group of state residency officers, organized in 2013 by CHE staff, was contacted on August 2, 2016 and asked to provide suggested changes and amendments to the regulation for the determination of rates of tuition and fees. Feedback on proposed changes was accepted through August 19, 2016. Once the proposed regulations are approved by the Committee on Access & Equity and Student Services, the draft of changes will be sent to institutional residency officers for feedback.

The regulation proposes two significant amendments, based of statutory changes enacted since the last time the regulation was amended in 2001, and several clarifying amendments to the administration of the South Carolina Residency program.

Section 62-602: Sets forth clarifications to definition used in the regulation. "Dependent" is clarified to be consistent with CHE Guidance issued in 2015. Definition of "Family Domicile in this state is terminated" was struck to ensure that regulation is consistent with Section 59-112-30 of SC Code of Laws. Definition of "Independent" is clarified to identify institutional cost of attendance as support measure.

Section 62-604: Clarifies that the federal agency responsible for issuance of permanent residency is the US Citizenship and Immigration Services

Section 62-607 A: Amended to ensure that regulation is consistent with Section 59-112-30 of SC Code of Laws, related to independent individuals who leave the state while they have a dependent enrolling in college in the immediate future

Section 62-609 A: Amended to ensure that regulation is consistent with Section 59-112-50 of SC Code of Laws, related to active duty military members and veterans. Changes were necessary due to the passage of Act 33 of 2012, related to military members transferred away from South Carolina while their dependents were enrolled in higher education. Changes were also necessary due to the passage of Act 11 of 2015, related to veterans who are receiving federal educational benefits.

Section 62-609 B & C: Amended to clarify residency requirements for the SREB contract program and the Academic Common Market Program.

Recommendation

The Committee on Access & Equity and Student Services commends favorably to the Commission approval of the proposed amendments to the regulation for the Determination of Rates of Tuition and Fees. 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 SC General Assembly during the 2017 legislative session for approval under the Administrative Procedures Act.

Document No.
COMMISSION ON HIGHER EDUCATION
CHAPTER 62
Statutory Authority: 1976 Code Section 59-149-10

62-600. Determination of Rates of Tuition and Fees

Preamble:

R.62-600 of Chapter 62 is being amended. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the definition of an independent is clarified to provide flexibility for the student and institution in determining if a student meets the definition. In addition, clarification is being given to the list of items that serve as indicia of intent for South Carolina Residency. There are also additional clarifications being proposed, such as correctly identifying the Federal Agency which issues permanent residency cards to new residents of the United States. The revisions seek to promote consistency among the State institutions and their residency classification processes.

The proposed regulation will require legislative review.

A Notice of Drafting for the proposed regulation was published in the South Carolina State Register on July 22, 2016.

Section-by-Section Discussion

- Section 62-602: Sets forth clarifications to definition used in the regulation. “Dependent” is clarified to be consistent with CHE Guidance issued in 2015. Definition of “Family Domicile in this state is terminated” was struck to ensure that regulation is consistent with Section 59-112-30 of SC Code of Laws. Definition of “Independent” is clarified to identify institutional cost of attendance as support measure.
- Section 62-603: Amended title for this section to include “Establishing Residency”.
- Section 62-604: Clarifies that the federal agency responsible for issuance of permanent residency is the US Citizenship and Immigration Services
- Section 62-605: Sets forth the requirements to demonstrate intent to become a South Carolina resident for tuition and fee purposes. Clarification for vehicle registrations is provided.
- Section 62-606: Provides the necessary requirements for active duty military members stationed outside of South Carolina, who are looking to maintain South Carolina Residency for tuition and fee purposes.
- Section 62-607: Amended to ensure that regulation is consistent with Section 59-112-30 of SC Code of Laws, related to independent individuals who leave the state while they have a dependent enrolling in college in the immediate future.
- Section 62-609: Amended to ensure that regulation is consistent with Section 59-112-50 of SC

Code of Laws, related to active duty military members and veterans. Changes were necessary due to the passage of Act 33 of 2012, related to military members transferred away from South Carolina while their dependents were enrolled in higher education. Changes were also necessary due to the passage of Act 11 of 2015, related to veterans who are receiving federal educational benefits. Finally, changes were made to develop Sections B & C, concerning determining residency requirements for the SREB contract program and the Academic Common Market Program.

Notice of Public Hearing and Opportunity for Public Comment:

Interested members of the public and regulated community are invited to make oral or written comments on the proposed regulation at a public hearing to be conducted by the South Carolina Commission on Higher Education on December 1, 2016, to be held in the Main Conference Room at 1122 Lady Street, Suite 300, Columbia, SC. The meeting will commence at 1:00 p.m. at which time the Commission will consider items on its agenda in the order presented. The order of presentation for public hearings will be noted in the Commission's agenda to be published by the Commission ten days in advance of the meeting.

Interested persons are also provided an opportunity to submit written comments on the proposed regulation by writing to Dr. Karen Woodfaulk, Director of Student Services, South Carolina Commission on Higher Education, 1122 Lady Street, Suite 300, Columbia, SC 29201. Comments must be received no later than 5:00 p.m. on November 28, 2016. Comments received shall be considered by the staff in formulating the final proposed regulation for the public hearing on December 1, 2016, as noticed above. Comments received by the deadline shall be submitted to the Commission in summary of public comments for consideration at the public hearing.

Preliminary Fiscal Impact Statement:

There will be no increased administrative costs to the state or its political subdivisions.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: 62-600 DETERMINATION OF RATES OF TUITION AND FEES

Purpose: R.62-600 of Chapter 62 is being amended and replaced in its entirety. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the definition of a dependent is clarified and the use of voter registration cards to prove SC residency will be prohibited. In addition, institutional residency officers will be allowed to develop an appeal process for students to challenge institutional residency decisions. There are also additional clarifications being proposed, such as adding definitions and minor grammatical changes to promote consistency among the State institutions and their residency classification processes.

Legal Authority: The legal authority for R.62-900.85-140 is 1976 Code Section 59-149-10.

Plan for Implementation: The proposed regulation will take effect upon approval by the South Carolina General Assembly and publication in the *State Register*. The proposed regulation will be implemented by providing the regulated community with copies of the regulation.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The proposed regulation is needed to provide information to South Carolina residents concerning the requirements to receive in state tuition and fee classification and to provide guidance to state institutions when classifying students as in state students for tuition and fee purposes.

DETERMINATION OF COSTS AND BENEFITS: Promulgation of this regulation will not result in additional costs to the state or its political subdivisions. It is believed that the proposed regulation will benefit our state by providing students with requirements for receiving in state classification and institutions by providing guidance in determining student residency classification.

UNCERTAINTIES OF ESTIMATES: None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: Not applicable.

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

Statement of Rationale:

R.62-600 of Chapter 62 is being amended. Revisions to the existing regulation for the SC Residency Regulation are being considered to clarify the policies and procedures for administering the program. In the proposed amendment, the definition of an independent is clarified to provide flexibility for the student and institution in determining if a student meets the definition. In addition, clarification is being given to the list of items that serve as indicia of intent for South Carolina Residency. There are also additional clarifications being proposed, such as correctly identifying the Federal Agency which issues permanent residency cards to new residents of the United States. The revisions seek to promote consistency among the State institutions and their residency classification processes.

Instructions:

Amend R.62-600 through 62-612 with the following.

Text:

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- 62-600. Rates of Tuition and Fees.
- 62-601. Code of Laws Governing Residence.
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- 62-603. Citizens and Permanent Residents.
- 62-604. Non-Resident Aliens, Non-Citizens, and Non-Permanent Residents.
- 62-605. Establishing the Requisite Intent to Become a South Carolina Domiciliary.
- 62-606. Maintaining Residence.
- 62-607. Effect of Change of Residency.
- 62-608. Effect of Marriage.
- 62-609. Exceptions.
- 62-610. Application for Change of Resident Status.

62-611. Incorrect Classification.

62-612. Inquiries and Appeals.

62-600. Rates of Tuition and Fees.

A. Resident classification is an essential part of tuition and fee determination, admission regulations, scholarship eligibility, and other relevant policies of the state. It is important that institutions have fair and equitable regulations that can be administered consistently and are sensitive to the interests of both students and the state. The Commission on Higher Education hereby establishes regulations for the Statute Governing Residency for Tuition and Fee Purposes to be applied consistently by all South Carolina institutions of higher education. These regulations do not address residency matters relating to in county categories used within the State's technical colleges.

B. Institutions of higher education are required by the Statute to determine the residence classification of applicants. The initial determination of one's resident status is made at the time of admission. The determination made at that time, and any determination made thereafter, prevails for each subsequent semester until information becomes available that would impact the existing residency status and the determination is successfully challenged. The burden of proof rests with the students to show evidence as deemed necessary to establish and maintain their residency status.

62-601. Code of Laws Governing Residence.

Rules regarding the establishment of legal residence for tuition and fee purposes for institutions of higher education are governed by Title 59, Chapter 112 of the 1976 South Carolina Code of Laws, as amended.

62-602. Definitions.

A. "Academic Session" is defined as a term or semester of enrollment. (62-607.B)

B. "Continue to be Enrolled" is defined as continuous 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. (62-607.A)

C. "Dependent Person" is defined as one whose predominant source of income or support is from payments from a parent, spouse, or guardian, who claims the dependent person on his/her federal income tax return. In the case of those individuals who are supported by family members who do not earn enough reportable income for taxation purposes, a dependent person can be defined as one who qualifies as a dependent or exemption on the federal income tax return of the parent, spouse, or guardian. A dependent person is also one for whom payments are made, under court order, for child support and the cost of the dependent person's college education. A dependent person's residency is ~~based upon the residency~~ presumed to be that of the person upon whom they are dependent. (62-602.G) (62-602.N) (62-603.B) (62-605.C) (62-607.A)

D. "Domicile" is defined as the true, fixed, principal residence and place of habitation. It shall indicate the place where a person intends to remain, or to where one expects to return upon leaving without establishing a new domicile in another state. For purposes of this section, one may have only one legal domicile. One is presumed to abandon automatically an old domicile upon establishing a new one. Housing provided on an academic session basis for student at institutions shall be presumed not to be a place of principal residence, as residency in such housing is by its nature temporary. (62-602.E) (62-

602.K) (62-602.M) (62-602.N) (62-603.A) (62-603.B) (62-605.B) (62-605.C) (62-607.A) (62-607.B) (62-608.A) (62-608.C) (62-608.D) (62-609.A.3) (62-609.A.4)

~~E. “Family’s Domicile in this State is Terminated” is defined as an employer directed transfer of the person upon whom the student is dependent and is not construed to mean a voluntary change in domicile. Also included is a relocation of the person upon whom the student is dependent who is laid off through no fault of their own, e.g., plant closure, downsizing, etc., who accepts employment in another state prior to relocating. (62-607.A)~~

F. “Full time employment” is defined as employment that consists of at least thirty seven and one half hours a week on a single job in a full time status, with gross earnings of at least minimum wage. However, a person who works less than thirty seven and one half hours a week but receives or is entitled to receive full time employee benefits shall be considered to be employed full time if such status is verified by the employer. A person who meets the eligibility requirements of the Americans with Disabilities Act must present acceptable evidence that they satisfy their prescribed employment specifications in order to qualify as having full time employment. (62-605.C.1) (62-609.A.2) (62-609.A.3)

G. “Guardian” is defined as one legally responsible for the care and management of the person or property of a minor child based upon the five tests for dependency prescribed by the Internal Revenue Service; provided, however, that where circumstances indicate that such guardianship or custodianship was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or dependent person, it shall not be given such effect. (62-602.C) (62-602.E) (62-602.I) (62-602.M) (62-603.B) (62-605.C)

H. “Immediately Prior” is defined as the period of time between the offer of admission and the first day of class of the term for which the offer was made, not to exceed one calendar year. (62-607.A)

I. “Independent Person” is defined as one in his/her majority (eighteen years of age or older) or an emancipated minor, whose predominant source of income is his/her own earnings or income from employment, investments, or payments from trusts, grants, scholarships, commercial loans, or payments made in accordance with court order: and for the purposes of determining residency for tuition and fees, An an independent person:

(1) must provide more than half of his or her support, which shall include the institutional cost of attendance as defined by Title IV, during the twelve months immediately prior to the date that classes begin for the semester for which resident status is requested; An independent person

(2) cannot claim the domicile of another individual as their own for the purposes of establishing intent to become a South Carolina resident; An independent person

(3) must have established his/her own domicile and provide documentation of establishing his/her own domicile for twelve months to include documentation of renting a domicile if applicable, prior to receiving instate in-state tuition and fees; and An independent person

(4) cannot be claimed as a dependent or exemption on the federal tax return of his or her parent, spouse, or guardian for the year in which resident status is requested (62-602.N) (62-603.A) (62-605.C) (62-607.B) (62-608.B)

J. “Minor” is defined as a person who has not attained the age of eighteen years. An “emancipated minor” shall mean a minor whose parents have entirely surrendered the right to the care, custody and earnings of such minor and are no longer under any legal obligation to support or maintain such minor. (62-602.G)

K. “Non-resident Alien” is defined as a person who is not a citizen or permanent resident of the United States. By virtue of their non-resident status “non-resident aliens” generally do not have the capacity to establish domicile in South Carolina. (62-602.M) (62-604.A)

L. “Parent” is defined as the father, mother, stepfather, stepmother, foster parent or parent of a legally adopted child. (62-602.C) (62-602.E) (62-602.I) (62-602.J) (62-602.M) (62-603.B) (62-603.C) (62-605.C)

M. “Reside” is defined as continuous and permanent physical presence within the State, provided that absences for short periods of time shall not affect the establishment of residence. Excluded are absences associated with requirements to complete a degree, absences for military training service, and like absences, provided South Carolina domicile is maintained. (62-603.A) (62-606.B) (62-609.A) (62-609.A.3) (62-609.A.4) (62-609.B)

N. “Resident” for tuition and fee purposes is defined as an independent person who has abandoned all prior domiciles and has been domiciled in South Carolina continuously for at least twelve months immediately preceding the first day of class of the term for which resident classification is sought and for whom there is an absence of domiciliary evidence in other states or countries, notwithstanding other provisions of the Statute. (62-600.A) (62-600.B) (62-602.I) (62-602.K) (62-602.M) (62-603.A) (62-603.B) (62-603.C) (62-604.A) (62-605.A) (62-605.C) (62-605.C.7) (62-606.A) (62-606.A.5) (62-606.B) (62-607.A) (62-608.B) (62-609.A.3) (62-610.A) (62-610.B) (62-611.A) (62-611.B)

O. “Spouse” is defined as the husband or wife of a married person in accordance with Title 20, Chapter 1 of the 1976 South Carolina Code of Laws, as amended. (62-602.C) (62-602.E) (62-602.I) (62-602.M) (62-603.B) (62-605.C)

P. “Temporary Absence” is defined as a break in enrollment during a fall or spring semester (or its equivalent) during which a student is not registered for class. (62-606.A)

Q. “Terminal Leave” is defined as a transition period following active employment and immediately preceding retirement (with a pension or annuity), during which the individual may use accumulated leave. (62-609.A.4)

R. “United States Armed Forces” is defined as the United States Air Force, Army, Marine Corps, Navy, and Coast Guard. (62-606.B) (62-609.A(1))

S. “Trust” is defined as a legal entity created by a grantor for the benefit of designated beneficiaries under the laws of the state and the valid trust instrument. However, that where circumstances indicate that such trust was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or independent person, it shall not be given such effect.

62-603. Establishing Residency, Citizens and Permanent Residents.

A. Independent persons who have physically resided and been domiciled in South Carolina for twelve continuous months immediately preceding the date the classes begin for the semester for which resident status is claimed may qualify to pay in state tuition and fees. The twelve month residency period starts when the independent person establishes the intent to become a South Carolina resident per Section 62-605 entitled “Establishing the Requisite Intent to Become a South Carolina Domiciliary.” The twelve month residency period cannot start until the absence of indicia in other states is proven. Absences from

the State during the twelve month period may affect the establishment of permanent residence for tuition and fee purposes.

B. The resident status of a dependent person is based on the resident status of the person who provides more than half of the dependent person's support and claims or, only in the case of those individuals who are supported by family members who do not earn enough reportable income for taxation purposes, qualifies to claim the dependent person as a dependent for federal income tax purposes. Thus, the residence and domicile of a dependent person shall be presumed to be that of their parent, spouse, or guardian.

C. In the case of divorced or separated parents, the resident status of the dependent person may be based on the resident status of the parent who claims the dependent person as a dependent for tax purposes; or based on the resident status of the parent who has legal custody or legal joint custody of the dependent person; or based on the resident status of the person who makes payments under a court order for child support and at least the cost of his/her college tuition and fees.

62-604. Non-Resident Aliens, Non-Citizens, and Non-Permanent Residents.

A. Except as otherwise specified in this section or as provided in Section 62-609 (1) & (2), independent non-citizens and non-permanent residents of the United States will be assessed tuition and fees at the non-resident, out of state rate. Independent non-resident aliens, including refugees, asylees, and parolees may be entitled to resident, in state classification once they have been awarded permanent resident status by the [U.S. Department of Justice United States Citizenship and Immigration Services \(USCIS\)](#) and meet all the statutory residency requirements provided that all other domiciliary requirements are met. Time spent living in South Carolina immediately prior to the awarding of permanent resident status does not count toward the twelve month residency period. Certain non resident aliens present in the United States in specified visa classifications are eligible to receive in state residency status for tuition and fee purposes as prescribed by the Commission on Higher Education. They are not, however, eligible to receive state sponsored tuition assistance/scholarships.

B. Title 8 of the Code of Federal Regulations (CFR) serves as the primary resource for defining visa categories.

62-605. Establishing the Requisite Intent to Become a South Carolina Domiciliary.

A. Resident status may not be acquired by an applicant or student while residing in South Carolina for the primary purpose of enrollment in an institution or for access to state supported programs designed to serve South Carolina residents. An applicant or student from another state who comes to South Carolina usually does so for the purpose of attending school. Therefore, an applicant or student who enrolls as a non-resident in an institution is presumed to remain a non-resident throughout his or her attendance and does not qualify under any of the residency provisions.

B. If a person asserts that his/her domicile has been established in this State, the individual has the burden of proof. Such persons ~~should~~ must provide to the designated residency official of the institution to which they are applying any and all evidence the person believes satisfies the burden of proof. The residency official will consider any and all evidence provided concerning such claim of domicile, but will not necessarily regard any single item of evidence as conclusive evidence that domicile has been established.

C. For independent persons or the parent, spouse, or guardian of dependent persons, examples of indicia showing intent to become a South Carolina resident may include, ~~although any single indicator may not be conclusive,~~ the following indicia:

1. Statement of full time employment;
2. Designating South Carolina as state of legal residence on military record;
3. Possession of a valid South Carolina driver's license, or if a non-driver, a South Carolina identification card. Failure to obtain this within 90 days of the establishment of the intent to become a South Carolina resident will delay the beginning date of residency eligibility until a valid South Carolina driver's license is obtained;
4. Possession of a valid South Carolina vehicle registration card for every vehicle the independent person is in sole or partial ownership. Failure to obtain this within 45 days of the establishment of the intent to become a South Carolina resident will delay the beginning date of residency eligibility until the applicant obtains a valid South Carolina vehicle registrations card(s);
5. Maintenance of an established and current domicile in South Carolina;
6. Paying South Carolina income taxes as a resident during the past tax year, including income earned outside of South Carolina from the date South Carolina domicile was claimed;
7. Ownership of principal residence in South Carolina; ~~and~~
8. Licensing for professional practice (if applicable) in South Carolina.

D. The individual seeking residency must ensure that no item from the list above or any other item, reflects residency or intent to be a resident in another state or country. Having any one item from the list above or any other item(s) reflecting residency in another state or country will delay the beginning date of residency. The absence of indicia in other states or countries is required before the student is eligible to pay in state rates.

62-606. Maintaining Residence.

A. A person's temporary absence from the State does not necessarily constitute loss of South Carolina residence unless the person has acted inconsistently with the claim of continued South Carolina residence during the person's absence from the State. The burden is on the person to show retention of South Carolina residence during the person's absence from the State. Steps a person should take to retain South Carolina resident status for tuition and fee purposes include:

1. Continuing to use a South Carolina permanent address on all records;
2. Maintaining South Carolina driver's license;
3. Maintaining South Carolina vehicle registration;
4. Satisfying South Carolina resident income tax obligation. Individuals claiming permanent residence in South Carolina are liable for payment of income taxes on their total income from the date that they established South Carolina residence. This includes income earned in another state or country.

B. Active duty members of the United States Armed Forces and their dependents who are permanently assigned to a state outside of South Carolina on active duty are eligible to pay in state tuition and fees as long as they continuously claim South Carolina as their state of legal residence during their military service. Documentation will be required in all cases to support this claim, including an official Leave and Earnings Statement (LES) demonstrating South Carolina as the member's state of legal residence. South Carolina residents who change their state of legal residence while in the military lose their South Carolina resident status for tuition and fee purposes.

62-607. Effect of Change of Residency.

A. Notwithstanding other provisions of this section, any dependent person of a legal resident of this state who has been domiciled with his/her family in South Carolina for a period of not less than three

years ~~and whose family's domicile in this state is terminated~~ immediately prior to his/her enrollment may enroll at the in state rate and may continue to be enrolled at such rate even if the parent, spouse or guardian upon whom he is dependent moves his domicile from this State. ~~Any dependent person of a legal resident of this state who has been domiciled with his/her family in South Carolina for a period of not less than three years and whose family's domicile in this state is terminated after his/her enrollment may continue to receive in state rates, however, a~~ The student must continue to be enrolled and registered for classes (excluding summers) in order to maintain eligibility to pay in state rates in subsequent semesters. Transfers within or between South Carolina colleges and universities of a student seeking a certificate, diploma, associate, baccalaureate, or graduate level degree does not constitute a break in enrollment.

B. ~~If a dependent or independent person voluntarily leaves the state~~ domicile of an independent person in South Carolina is lost after enrollment, and information becomes available that would impact the existing residency status, eligibility for in state rates shall end on the last day of the academic session during which domicile is lost. Application of this provision shall be at the discretion of the institution involved. However, a student must continue to be enrolled and registered for classes (excluding summers) in order to maintain eligibility to pay in state rates in subsequent semesters.

62-608. Effect of Marriage.

A. In ascertaining domicile of a married person, irrespective of gender, such a review shall be determined just as for an unmarried person by reference to all relevant evidence of domiciliary intent.

B. If a non-resident marries a South Carolina resident, the non-resident does not automatically acquire South Carolina resident status. The non-resident may acquire South Carolina resident status if the South Carolina resident is an independent person and the non-resident is a dependent of the South Carolina resident.

C. Marriage to a person domiciled outside South Carolina shall not be solely the reason for precluding a person from establishing or maintaining domicile in South Carolina and subsequently becoming eligible or continuing to be eligible for residency.

D. No person shall be deemed solely by reason of marriage to a person domiciled in South Carolina to have established or maintained domicile in South Carolina and consequently to be eligible for or to retain eligibility for South Carolina residency.

62-609. Exceptions.

A. Persons in the following categories qualify to pay in state tuition and fees without having to establish a permanent home in the state for twelve months. Persons who qualify under any of these categories must meet the conditions of the specific category on or before the first day of class of the term for which payment of in state tuition and fees is requested. The following categories apply only to in state tuition and do not apply to State supported scholarships and grants. Individuals who qualify for in state tuition and fees under the following exceptions do not automatically qualify for LIFE, SC HOPE or Palmetto Fellows Scholarships.

1. "Military Personnel and their Dependents": Members of the United States Armed Forces who are permanently assigned in South Carolina on active duty and their dependents are eligible to pay in state tuition and fees. When such personnel are transferred from the State, their dependents may continue to pay in state tuition and fees as long as they are continuously enrolled or transfer to an eligible institution during the term or semester, excluding summer terms, immediately following their enrollment at the

previous institution. In the event of a transfer, the receiving institution shall verify the decision made by the student's previous institution in order to certify the student's eligibility for in-state tuition rates. It is the responsibility of the transferring student to ensure that all documents required to verify both the previous and present residency decisions are provided to the institution. Members of the United States Armed Forces who are permanently assigned in South Carolina on active duty Such persons (and their dependents) may also be eligible to pay in state tuition and fees as long as they are continuously enrolled after their discharge from the military, provided they have demonstrated an intent to establish a permanent home in South Carolina and they have resided in South Carolina for a period of at least twelve months immediately preceding their discharge. Military personnel who are not stationed in South Carolina and/or former military personnel who intend to establish South Carolina residency must fulfill the twelve month “physical presence” requirement for them or their dependents to qualify to pay in state tuition and fees.

2. “Faculty and Administrative Employees with Full Time Employment and their Dependents”: Full time faculty and administrative employees of South Carolina state supported colleges and universities and their dependents are eligible to pay in state tuition and fees.

3. “Residents with Full Time Employment and their Dependents:” Persons who reside, are domiciled, and are full time employed with an employer that is physically located in the State and who continue to work full time until they meet the twelve month requirement and their dependents are eligible to pay in state tuition and fees, provided that they have taken steps to establish a permanent home in the State. Steps an independent person must take to establish residency in South Carolina are listed in Section 62-605 entitled (“Establishing the Requisite Intent to Become a South Carolina Domiciliary”).

4. “Retired Persons and their Dependents:” Retired persons who are receiving a pension or annuity who reside in South Carolina and have been domiciled in South Carolina as prescribed in the Statute for less than a year may be eligible for in state rates if they maintain residence and domicile in this State. Persons on terminal leave who have established residency in South Carolina may be eligible for in state rates even if domiciled in the State for less than one year if they present documentary evidence from their employer showing they are on terminal leave. The evidence should show beginning and ending dates for the terminal leave period and that the person will receive a pension or annuity when he/she retires.

5. “Covered Individuals Receiving Specific Education Benefits:” Covered individuals living in South Carolina, who are enrolled in a public institution of higher education and receiving educational assistance under Chapter 30 and Chapter 33, Title 38 of the United States Code, are entitled to pay in-state tuition and fees without regard to the length of time the covered individual has resided in this State. For purposes of this subsection, a covered individual is defined as either a veteran receiving educational assistance under Chapter 30 and Chapter 33, Title 38 of the United States Code, who served ninety days or longer on active duty in the Uniformed Service of the United States, their respective Reserve forces, and the National Guard and who enrolls within three years of discharge; or a person who is entitled to and receiving assistance under Section 3311(b)(9) or 3319, Title 38 of the United States Code by virtue of the person's relationship to the veteran described in sub-item, who enrolls in an eligible South Carolina institution within three years of the eligible veteran's discharge. At the conclusion of the applicable three-year period described in this section, a covered individual shall remain eligible for in-state rates as long as he remains continuously enrolled in an in-state institution or transfers to another in-state institution during the term or semester, excluding summer terms, immediately following his enrollment at the previous in-state institution. In the event of a transfer, the in-state institution receiving the covered individual shall verify the covered individual's eligibility for in-state rates with the covered individual's prior in-state institution. It is the responsibility of the transferring covered individual to ensure all documents required to verify both the previous and present residency decisions are provided to the in-state institution

B. South Carolina residents who wish to participate in the Regional Contract Program ~~Contract for Services program~~ sponsored by the Southern Regional Education Board (SREB) must have continuously resided in the State for other than educational purposes for at least two years immediately preceding their submission of the residency status application ~~for consideration~~ and must meet all other residency requirements during this two year period. A determination of one's resident status made at the time of one's initial application to be certified as a South Carolina resident for purposes of participation in the Regional Contract Program does not prevail for each subsequent academic year. A South Carolina resident student who has been certified as a State resident for the purpose of participating in the Southern Regional Education Board Contract Program must be recertified prior to the beginning of each fall semester for each academic year for which benefits are requested.

C. South Carolina residents who wish to participate in the Academic Common Market program sponsored by the Southern Regional Education Board must be a resident for at least one year, or satisfy the conditions of an exception as provided in R.62-609A(1), R.62-609A(3) or R.62-609A(4), immediately preceding application for consideration and must meet all other residency requirements during this one year period.

62-610. Application for Change of Resident Status.

A. Persons applying for a change of resident classification must complete a residency application/petition and provide supporting documentation prior to a reclassification deadline as established by the institution.

B. The burden of proof rests with those persons applying for a change of resident classification who must show required evidence to document the change in resident status.

62-611. Incorrect classification.

A. Persons incorrectly classified as residents are subject to reclassification and to payment of all non-resident tuition and fees not paid. If incorrect classification results from false or concealed facts, such persons may be charged tuition and fees past due and unpaid at the out of state rate. The violator may also be subject to administrative, civil, and financial penalties. Until these charges are paid, such persons will not be allowed to receive transcripts or graduate from a South Carolina institution.

B. Residents whose resident status changes are responsible for notifying the Residency Official of the institution attended of such changes.

62-612. Inquiries and Appeals.

A. Inquiries regarding residency requirements and determinations should be directed to the institutional residency official.

B. Each institution will develop an appeals process to accommodate persons wishing to appeal residency determinations made by the institution's residency official. Each institutions appeal process should be directed by that institutions primary residency officer, in conjunction with those individuals who practice the application of State residency regulations on a daily basis. The professional judgment of the residency officer and administrators will constitute the institutional appeal process. Neither the primary residency official nor appellate official(s) may waive the provisions of the Statute or regulation governing residency for tuition and fee purposes.

Fiscal Impact Statement:

The SC Commission on Higher Education estimates that no additional costs will be incurred by the State and its political subdivisions by approving the above regulations.

Statement of Rationale:

The SC Commission on Higher Education is mandated to promulgate regulation and establish procedures for the determination of tuition and fee rates.

DRAFT

CHAPTER 112
Determination of Rates of Tuition and Fees

SECTION 59-112-10. Definitions.

As used in this chapter:

A. The words “state institution” mean those post- secondary educational institutions under the jurisdiction of:

- (1) the Board of Trustees, Clemson University;
- (2) the Board of Trustees, Medical University of South Carolina;
- (3) the Board of Trustees, South Carolina State University;
- (4) the Board of Trustees, College of Charleston;
- (5) the Board of Trustees, Lander University;
- (6) the Board of Trustees, Francis Marion University;
- (7) the Board of Visitors, The Citadel;
- (8) the Board of Trustees, the University of South Carolina;
- (9) the Board of Trustees, Winthrop University;
- (10) the Board of Trustees, Coastal Carolina University;
- (11) the State Board for Technical and Comprehensive Education.

B. The word “student” shall mean any person enrolled for studies in any State Institution.

C. The word “residence” or “reside” shall mean continuous and permanent physical presence within this State, provided, that temporary absences for short periods of time shall not affect the establishment of a residence.

D. The word “domicile” shall mean a person’s true, fixed, principal residence and place of habitation; it shall indicate the place where such person intends to remain, and to which such person expects to return upon leaving without establishing a new domicile in another state. For purposes of this section one may have only one legal domicile; one is presumed to abandon automatically an old domicile upon establishing a new one. Housing provided on an academic session basis for students at State Institutions shall be presumed not to be a place of principal residence, as residency in such housing is by nature temporary.

E. The words “in-state rates” shall mean charges for tuition and fees established by State Institutions for persons who are domiciled in South Carolina in accordance with this chapter; the words “out-of-state rates” shall mean charges for tuition and fees established by State Institutions for persons who are not domiciled in South Carolina in accordance with this chapter.

F. The words “independent person” shall mean a person in his majority, or an emancipated minor, whose predominant source of income is his own earnings or income from employment, investments, or payments from trusts, grants, scholarships, loans or payments of alimony or separate maintenance made pursuant to court order.

G. The words “dependent” or “dependent person” mean:

- (1) one whose financial support is provided not through his own earnings or entitlements, but whose predominant source of income or support is payments from a parent, spouse, or guardian, and who qualifies as a dependent or an exemption on the federal tax return of the parent, spouse, or guardian; or
- (2) one for whom payments are made, under court order, for child support and the cost of his college education by an independent person meeting the provisions of Section 59-112-20 A or B.

The words “dependent” or “dependent person” do not include a spouse or former spouse who is the recipient of alimony or separate maintenance payments made pursuant to court order.

H. The word “minor” shall mean a person who has not attained the age of eighteen years; and the words “emancipated minor” shall mean a minor whose parents have entirely surrendered the right to the care, custody and earnings of such minor and are no longer under any legal obligation to support or maintain such minor.

I. The word “parent” shall mean a person’s natural or adoptive father or mother; or if one parent has custody of the child, the parent having custody; or if there is a guardian or other legal custodian of such person, then such guardian or legal custodian; provided, however, that where circumstances indicate that

such guardianship or custodianship was created primarily for the purpose of conferring South Carolina domicile for tuition and fee purposes on such child or dependent person, it shall not be given such effect.

J. The word "spouse" shall mean the husband or wife of a married person.

HISTORY: 1978 Act No. 466, Section 1; 1988 Act No. 510, Section 10; 1988 Act No. 578, Section 1; 2000 Act No. 254, Section 4.

SECTION 59-112-20. South Carolina domicile defined for purposes of rates of tuition and fees.

South Carolina domicile for tuition and fee purposes shall be established as follows in determinations of rates of tuition and fees to be paid by students entering or attending State Institutions:

A. Independent persons who reside in and have been domiciled in South Carolina for a period of no less than twelve months with an intention of making a permanent home therein, and their dependents, may be considered eligible for in-state rates.

B. Independent persons who reside in and have been domiciled in South Carolina for fewer than twelve months but who have full-time employment in the State, and their dependents, may be considered eligible for in-state rates for as long as such independent person is employed on a full-time basis in the State.

C. Where an independent person meeting the provisions of Section 59-112-20 B above, is living apart from his spouse, or where such person and his spouse are separated or divorced, the spouse and dependents of such independent person shall have domiciliary status for tuition and fee purposes only under the following circumstances:

(1) if the spouse requesting domiciliary status for tuition and fee purposes remains domiciled in South Carolina although living apart or separated from his or her employed spouse;

(2) if the dependent requesting domiciliary status for tuition and fee purposes is under the legal custody or guardianship, as defined in Section 59-112-10 I above, of an independent person who is domiciled in this State; or if such dependent is claimed as an income tax exemption by the parent not having legal custody but paying child-support, so long as either parent remains domiciled in South Carolina.

D. The residence and domicile of a dependent minor shall be presumed to be that of the parent of such dependent minor.

E. Independent persons who reside in and are domiciled in Chatham-Effingham and Bryan County Georgia, and their dependents, may be considered eligible for in-state rates for as long as the Georgia Board of Regents offers its Georgia Tuition Program by which it grants in-state tuition to students residing in the Beaufort and Jasper county area.

HISTORY: 1978 Act No. 466, Section 2; 2008 Act No. 353, Section 2, Pt 1F, eff July 1, 2009.

Effect of Amendment

The 2008 amendment added E, effective July 1, 2009.

SECTION 59-112-30. Effect of change of residency.

When the domicile of a student or of the person upon whom a student is financially dependent changes after enrollment at a State Institution, tuition charges shall be adjusted as follows:

A. Except as provided in Section 59-112-20 B above, when domicile is taken in South Carolina, a student shall not become eligible for in-state rates until the beginning of the next academic session after expiration of twelve months from date of domicile in this State.

B. When South Carolina domicile is lost, eligibility for in-state rates shall end on the last day of the academic session in which the loss occurs; however, application of this subsection shall be at the discretion of the institution involved.

C. Notwithstanding the other provisions of this section, any dependent person who has been domiciled with his family in South Carolina for a period of not less than three years immediately prior to his enrollment may enroll in a state-supported institution of higher learning at the in-state rate and may continue to be enrolled at such rate even if the parent, spouse or guardian upon whom he is dependent moves his domicile from this State.

HISTORY: 1978 Act No. 466, Section 3; 1979 Act No. 130, Section 1.

SECTION 59-112-40. Effect of marriage.

Except as provided in Section 59-112-20 above, marriage shall effect determinations of domicile for tuition and fee purposes only insofar as it operates to evince an intention by the parties to make a permanent home in South Carolina.

HISTORY: 1978 Act No. 466, Section 4.

SECTION 59-112-50. Tuition rates for military personnel and their dependents.

(A) Notwithstanding another provision of law, during the period of their assignment to duty in South Carolina, members of the Armed Services of the United States stationed in South Carolina and their dependents are eligible for in-state tuition rates. When these armed service personnel are ordered away from the State, their dependents are eligible for in-state tuition rates as long as they remain continuously enrolled at the state institution in which they are enrolled at the time the assignment ends or transfer to an eligible institution during the term or semester, excluding summer terms, immediately following their enrollment at the previous institution. In the event of a transfer, the receiving institution shall verify the decision made by the student's previous institution in order to certify the student's eligibility for in-state tuition rates. It is the responsibility of the transferring student to ensure that all documents required to verify both the previous and present residency decisions are provided to the institution. These persons and their dependents are eligible for in-state tuition rates after their discharge from the armed services even though they were not enrolled at a state institution at the time of their discharge, if they have evidenced an intent to establish domicile in South Carolina and if they have resided in South Carolina for a period of at least twelve months immediately preceding their discharge. Active duty military personnel may be charged less than the undergraduate tuition rate for South Carolina residents for courses that are presented on a distance basis, regardless of residency.

(B)(1) Active duty military personnel may be charged less than the undergraduate tuition rate for South Carolina residents for courses that are presented on a distance basis, regardless of residency.

(2) For purposes of this section, "active duty military personnel" includes, but is not limited to, active duty guardsmen and active duty reservists.

(C)(1) Notwithstanding any other provision of law, a covered individual enrolled in a public institution of higher education and receiving educational assistance under Chapter 30 and Chapter 33, Title 38 of the United States Code are entitled to pay in-state tuition and fees without regard to the length of time the covered individual has resided in this State.

(2) For purposes of this subsection, a covered individual is defined as:

(a) a veteran who served ninety days or longer on active duty in the Uniformed Service of the United States, their respective Reserve forces, and the National Guard and who enrolls within three years of discharge; or

(b) a person who is entitled to and receiving assistance under Section 3311(b)(9) or 3319, Title 38 of the United States Code by virtue of the person's relationship to the veteran described in subitem (a).

(3) A covered individual must live in this State while enrolled at the in-state institution.

(4) At the conclusion of the applicable three year period in subsection (C)(2)(a), a covered individual shall remain eligible for in-state rates as long as he remains continuously enrolled in an in-state institution or transfers to another in-state institution during the term or semester, excluding summer terms, immediately following his enrollment at the previous in-state institution. In the event of a transfer, the in-state institution receiving the covered individual shall verify the covered individual's eligibility for in-state rates with the covered individual's prior in-state institution. It is the responsibility of the transferring covered individual to ensure all documents required to verify both the previous and present residency decisions are provided to the in-state institution.

HISTORY: 1978 Act No. 466, Section 5; 2008 Act No. 299, Section 1, eff June 11, 2008; 2010 Act No. 246, Section 4, eff July 1, 2010; 2012 Act No. 133, Section 1, eff April 2, 2012; 2015 Act No. 11 (S.391), Section 1, eff July 1, 2015.

Editor's Note

2010 Act 246, Section 5, provides as follows:

"This act takes effect July 1, 2010, contingent upon available funding and agreement by the Interstate Commission to SECTION 3 of this act."

Effect of Amendment

The 2008 amendment, in the second sentence, substituted "are eligible for in-state tuition rates so long as they remain continuously enrolled at" for "may continue for an additional twelve months to have this eligibility at", in the third sentence deleted "for a period of twelve months" following "in-state rates" and substituted "evidenced" for "evinced", and made nonsubstantive amendments throughout.

The 2010 amendment rewrote this section.

The 2012 amendment added the subsection (A) designator before the first paragraph; added language permitting active duty military personnel to be charged less than in-state tuition for distance learning classes at the end of subsection (A); and added subsection (B), regarding the definition of "active duty military personnel".

2015 Act No. 11, Section 1, in (B), added (1), and redesignated former (B) as (B)(2); and added (C).

SECTION 59-112-60. Faculty, administrative employees and dependents; eligibility to attend classes and receive tuition assistance.

(A) Except as provided in this section, full-time faculty and administrative employees of State Institutions and their spouses and children are excluded from the provisions of this chapter.

(B) Employees of public colleges, universities, and technical colleges may attend classes at an institution of higher learning and receive tuition assistance in accordance with State Fiscal Accountability Authority guidelines and regulations.

HISTORY: 1978 Act No. 466, Section 6; 2002 Act No. 356, Section 1, Part II.G.

Code Commissioner's Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

SECTION 59-112-70. Abatement of rates for nonresidents on scholarship. waiver for students participating in international Sister-State agreement or student exchange programs.

(A) Notwithstanding other provisions of this chapter, the governing boards listed in Section 59-112-10A, are authorized to adopt policies for the abatement of any part or all of the out-of-state rates for students who are recipients of scholarship aid.

(B) State-supported colleges and universities, including the technical colleges, may waive the nonresident portion of tuition and fees for those students who are participating in an international Sister-State agreement program which the Governor and the General Assembly have entered to promote the economic development of South Carolina. The nonresident fee waiver for the students is applicable only for those Sister-State agreements where South Carolina students receive reciprocal consideration. The Commission on Higher Education, through coordination with the State Fiscal Accountability Authority, will annually notify institutions of the Sister-State agreements eligible for the nonresident fee waiver. The credit hours generated by these students must be included in the Mission Resource Requirement for funding.

(C) State-supported colleges and universities that have an established and ongoing relationship in one or more degree programs with an international institution, the terms of which have been formally approved by the institution's board of trustees, and a relationship that includes regular arrangements for the enrollment of qualified students and the exchange of faculty between the institutions, although not

necessarily in equal exchange numbers, may waive the nonresident portion of tuition and fees for nonresident students enrolled in the program.

HISTORY: 1978 Act No. 466, Section 7; 2002 Act No. 356, Section 1, Part II.F; 2008 Act No. 353, Section 2, Pt 1.E.1, eff July 1, 2008.

Code Commissioner's Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

Effect of Amendment

The 2008 amendment added subsection (C) relating to foreign student exchange programs.

SECTION 59-112-80. Administration of chapter; burden of proving eligibility on students.

Each State Institution shall designate an official to administer the provisions of this chapter. Students making application to pay tuition and fees at in-state rates shall have the burden of proving to the satisfaction of the aforesaid officials of State Institutions that they have fulfilled the requirements of this chapter before they shall be permitted to pay tuition and fees at such rate.

HISTORY: 1978 Act No. 466, Section 8.

SECTION 59-112-90. Penalties for willful misrepresentations.

Where it appears to the satisfaction of officials charged with administration of these provisions that a person has gained domiciliary status improperly by making or presenting willful misrepresentations of fact, such persons shall be charged tuition and fees past due and unpaid at the out-of-state rate, plus interest at a rate of eight percent per annum, plus a penalty amounting to twenty-five percent of the out-of-state rate for one semester; and until these charges have been paid no such student shall be allowed to receive transcripts or graduate from any State Institution.

HISTORY: 1978 Act No. 466, Section 9.

SECTION 59-112-100. Regulations.

The Commission on Higher Education may prescribe uniform regulations for application of the provisions of this chapter and may provide for annual review of such regulations.

HISTORY: 1978 Act No. 466, Section 10.

SECTION 59-112-110. University of South Carolina's Aiken Campus and Aiken Technical College; in-state tuition for certain Georgia residents.

The University of South Carolina's Aiken Campus and Aiken Technical College may offer in-state tuition to a student whose legal residence is in the Richmond/Columbia County area of the State of Georgia as long as the Georgia Board of Regents continues its Georgia Tuition Program by which in-state tuition is offered to students residing in the Aiken/Edgefield/McCormick County area of the State of South Carolina, or students residing in the Aiken/Edgefield County area of the State of South Carolina if the Georgia Board of Regents does not include McCormick County residents in its Georgia Tuition Program.

HISTORY: 2002 Act No. 356, Section 1, Part II.B.

SECTION 59-112-115. Vote on tuition change.

When the governing board of a public institution of higher learning, excluding technical colleges, adopts a change to the tuition or fees imposed on students, the change may be implemented by the institution only

after a public vote with the number of trustees voting for and against the change being counted. A majority vote is required to implement any change to the tuition or fees. For technical colleges, when the local area commission of a technical college adopts a change to the tuition or fees imposed on students, the change may be implemented by the technical college only after a public vote with the number of local area commissioners voting for and against the change being counted. A majority vote is required to implement any change to the tuition or fees. A change to tuition or fees adopted by the local area commission must be reported to the State Board for Technical and Comprehensive Education within five business days.

HISTORY: 2011 Act No. 74, Pt VI, Section 11, eff August 1, 2011.

SECTION 59-112-120. In-state tuition at technical colleges for bordering state residents.

The South Carolina Technical Colleges may offer in-state rates to residents of bordering North Carolina and Georgia communities if a reciprocal agreement is in effect with the two-year colleges in these neighboring regions or when students from these out-of-state communities are employed by South Carolina employers who pay South Carolina taxes.

HISTORY: 2008 Act No. 353, Section 2, Pt 1.G.1, eff July 1, 2008.

SECTION 59-112-130. Institutions with law schools; fee waivers.

A public institution of higher learning with a law school may offer fee waivers to no more than four percent of the law school student body. This waiver does not affect the capacity of the fee waivers for four percent of the undergraduate student body. This waiver must not be applied to fees for out-of-state students.

HISTORY: 2008 Act No. 353, Section 2, Pt 1.H, eff July 1, 2009.

SECTION 59-112-140. Caterpillar Dealer Academy.

The area commission for the Florence-Darlington Technical College may waive the requirements of this chapter for student participants in the Caterpillar Dealer Academy operated by Florence-Darlington Technical College.

HISTORY: 2011 Act No. 74, Pt VI, Section 15, eff August 1, 2011.