

## **Legislative Updates of interest for Higher Education: Week of Feb. 16-20, 2015**

(Highlighted & bolded text is linked to source. Bill numbers go to the most recent version on the SC General Assembly website, [www.scstatehouse.gov](http://www.scstatehouse.gov). This report is not intended to be all inclusive. For additional information on the 2015 session, see SC General Assembly website. For information reports on CHE's website, [Click Here](#))

### ***In the House***

**Budget:** House Ways & Means met during the week to deliberate recommendations for the Appropriations and Capital Reserve Fund Bills. A report on Ways & Means recommendations for higher education is attached. The recommendations will be considered next by the full House. The House debate is expected to take place during the week of March 9<sup>th</sup>.

**H.3037**, relating to in-state tuition for nonresident veterans, was placed on the Calendar for consideration of the House upon a favorable report of House Education and Public Works Higher Education Subcommittee on Wednesday. H.3037 provides for the waiver of the 12 month physical presence requirement for discharged veterans who are establishing SC residency for tuition and fee purposes and their dependents. As advanced, H.3037 does not address federal legislation ([Veterans Choice Act of 2014, Section 702](#)) which requires states to provide in-state tuition rates to certain veterans, their spouses and dependents who are receiving Post 9/11 GI and Montgomery Bill education benefits. A bill is under consideration in the Senate Education, [S.391](#), which would address the federal requirements.

**H.3192**, relating to amendments to FOIA concerning the posting of meeting agendas and requirements for adding items to an announced agenda, was given third reading and sent to the Senate where it was introduced on Wednesday and referred to the Senate Judiciary Committee.

**H.3191**, relating to various amendments to FOIA, was amended during the week and given third reading on Thursday and to the Senate. H.3191 creates the Office of Freedom of Information Act Review within the Administrative Law Court and also makes other changes including but not limited to provisions relating to the assessment of fees by agencies in fulfilling FOIA requests, provisions regarding the timeframe for response and provisions for records that must be made available for public inspection during hours of operation.

*Introduced in the House during the week:*

**H. 3672**, to make changes to the Education Finance Act and funding of South Carolina K-12 (*Sponsors: Horne and McLeod. Referred to: Ways and Means Committee*)

### ***In the Senate—***

**S.382** to authorize the president of SC State University to institute a mandatory furlough was given third reading and sent to the House where it was introduced on Tuesday and sent to the House Ways and Means Committee.

*Introduced in the Senate during the week:*

**S. 475**, Bill Title: A JOINT RESOLUTION TO REMOVE THE CURRENT MEMBERS OF THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY AND DEVOLVE THE BOARD'S POWERS UPON A NEW APPOINTED BOARD, TO SPECIFY THE MEMBERS OF THE NEW BOARD, TO PROVIDE ADDITIONAL POWERS TO THE NEW BOARD, AND TO PROVIDE THAT THE NEW BOARD SHALL SERVE UNTIL JULY 1, 2018, AT WHICH TIME ANOTHER BOARD SHALL BE ELECTED IN THE SAME MANNER AS THE CURRENT BOARD WAS ELECTED. S.475 was introduced on Thursday and referred to Senate Education. After a unanimous consent request, it was then recalled and recommitted to Senate Education retaining its place on the Senate Calendar. (Sponsors: Leatherman, Setzler, Courson, Matthews, Jackson, Hutto, O'Dell and Williams. Referred to: Senate Education)

## Notes on Ways and Means Budget Recommendations for FY 2015-16 for CHE and Higher Education 2/21/2015

The full Ways & Means Committee met during the week of Feb. 16<sup>th</sup> to consider budget recommendations. Recommendations were approved by the Committee on Thursday (Feb 20). The budget bills (Appropriations Bill and Capital Reserve Fund Bill) will be prepared in the upcoming week and placed before the House during the week of March 2<sup>nd</sup>. It is anticipated that the full House will begin its debate during the week of March 9<sup>th</sup>. ([Click Here for anticipated budget schedule](#)). Please note this report is based on information as of 2/21/2015 and is subject to change as the budget bills move through the process. For more information on the FY 2015-16 budget bills, [Click Here](#). Ways & Means committee materials are posted online [HERE](#) (See meeting dates Feb. 17-19. Spreadsheets adopted are available under Feb. 19)

**Statewide:** FY 2015-16 recommendations include an increase of \$236M in general funds (recurring) and \$247M in non-recurring funds from anticipated prior year surplus (\$49M), Master (Tobacco) Settlement provision (\$70M) and Capital Reserve Fund (\$128M). Also available are \$323M in Lottery funds (a decrease of \$31M compared to expenditures in the prior year) and \$683M from EIA funds for public (K-12) education (net increase of \$35M over prior year).

- Of the total available increased recurring funds, higher education overall received a net decrease of \$16M. The decrease results from a shift of \$24.5M in general funds that supported LIFE which were supplanted with Lottery Funds. The resulting freed-up general funds from this shift were not then fully re-directed to the higher education budget area.
  - As described below, institutions received \$8.4 million in recurring fund dollars, CHE received recurring funds for the re-establishment of an audit position and SC Tuition Grants received a recurring increase for tuition grants.
  - The Ways & Means recommendations did not include a cost of living increase for state employees.
- Of the total \$247M available in nonrecurring funds statewide, higher education appropriations totaled \$23M or 9%, with institutions receiving approximately \$21.7M of these funds toward requested initiatives.
- Of the available \$323M in lottery funds, higher education appropriations total \$293M or 90%. Of the amount for higher education lottery appropriations, 99.8% (\$292M) is for SC's undergraduate student scholarships and grant programs.

Recommendations follow for CHE, the Institutions, Scholarships and Grants, and the Lottery. Described are budget increases/decreases for recurring base funds and one-time (non-recurring) funds.

### **Commission on Higher Education (CHE)**

- Increase of \$85,000 in recurring dollars for CHE request to re-establish an audit position.
- Decrease of \$260,000 for CHE administrative funds to administer scholarship programs resulting from the removal of authority in the lottery expenditure proviso to use lottery funds for this purpose. These funds have been provided since FY06.
- No increased recurring funds were provided for CHE request for \$95,000 to support data security and IT needs resulting from increases in state-mandated requirements.
- No increased recurring funds were provided for CHE's requested Innovations for Student Affordability initiative for institutional projects.
- No increased funds were provided to support CHE request to increase SREB program funds by \$229,300 to support contract (Vet. Medicine/Optomety) programs at current participation.
- No increased recurring funds to restore funding for the Governor's Professor of the Year.

- CHE requests to provide a stable, predictable funding source for PASCAL which has been included at \$1.5 million as the first priority for excess unclaimed prize funds was not supported. PASCAL for the first time in several years is not included in the lottery expenditure recommendations. (PASCAL receives base funding of \$179,179 which was included). A requested adjustment to other fund authorization (net decrease of \$500,000) was made.
- Adjusts other funds as requested: 1) remove \$1.9M in authorization for the federal CACG grant which ended in 2014; 2) removes non-existent funding authorized of \$4M for Need-Based grants; and 3) increases authorization for College Goal Sunday as requested by \$6,000,
- No new funds were included for SmartState® (last funded in FY08).

**Institutions:**

- \$8.4M in recurring funds for selected projects at 7 institutions and to the Technical College Board for the technical colleges
- \$1.2M in nonrecurring surplus funds spread across two 4-year institutions, a technical college, and the State Technical College Board
- \$1M in nonrecurring surplus funds for the Technical College System readySC program
- \$20.3M (16%) of the \$128M available from the Capital Reserve Fund bill recommendations including funding for various projects at 11 institutions and the Technical College System Office. ([Click Here](#) for a copy of the CRF)
- Ways and Means included a \$497M in capital improvement bond funds of which \$257M or 52% was provided to colleges and universities including \$50M for MUSC MUHA Children's Hospital, \$111M for projects at technical colleges, and \$96M for projects at the senior research and four-year colleges and universities. (For a copy, [Click Here](#) and See Amendment #47)

*(For a copy of the higher education budget area spreadsheet which includes recommended recurring and nonrecurring fund recommendations by agency and institution, [Click Here](#))*

**Scholarship and Grant Programs:**

Scholarship and grant programs include funding from lottery and general fund budget sources. Ways and Means recommendations for scholarships and grants totaled \$373M in appropriations which support:

- Full-funding of merit-based scholarship programs including increases in lottery funds for Palmetto Fellows, LIFE, and HOPE. Total funding from all sources is \$265M with an increase from prior year initial appropriations of \$7.5M included. Of note, \$24.5M for LIFE in recurring State General Funds was shifted to the lottery.
- Decrease in Need-Based Grants by \$2.6 million compared to the current year as nonrecurring surplus funds receive in FY15 were not annualized. Need-based grants is supported at a total of \$25M. (CHE requested at least annualization of \$2.6 and increased funds to the extent possible. FY15 Funding is \$27.6M.)
- Level funding for SC National Guard College Assistance Program (\$4,545,000 in lottery and \$89,968 in recurring funds)
- Decrease of \$1.7 million from Lottery Tuition Assistance (\$47.4M compared to \$49.1M in FY15)
- Increase SC Tuition Grants funding by \$136,772 in recurring funds to support requested increase in grants per student of \$100. \$31.8M)

**Lottery:**

In FY15 (this year), the General Assembly appropriated \$354M in certified lottery proceeds, certified unclaimed prize funds, and excess or surplus lottery funds for higher education and K-12 programs with 80% to higher education and 20% to K-12.

For FY16, available lottery dollars recommended by Ways and Means based on BEA estimates include a total of \$323M in appropriations from certified proceeds (\$311M) and unclaimed prize funds (\$12M). Of these funds, recommended higher education appropriations total \$294M or 91% of the total including:

- Full funding of merit-based scholarship programs (Palmetto Fellows, LIFE, and HOPE) for growth (\$7.5M increase required to fully fund. \$24.5M shifted to the lottery from general funds for LIFE.)
- Level Lottery Funding for Need-based grants at \$13M, Lottery Tuition Assistance (2-year) at \$47.4M (decrease of \$1.7M), SC National Guard CAP at \$4,545,000, and Tuition Grants at \$8M
- No lottery funds were provided to SC State which has previously received \$2.5M each year.
- Technology Grants for 2- & 4-year Public Institutions were not funded for the first time since the inception of the lottery. These grants were established in the original legislation and until FY10 were funded at \$12M. In FY15, the appropriation was \$7.4M
- Higher Education Excellence Enhancement Program at \$1.03M (Funding in FY14 totaled \$4.3M)

For a copy of the lottery expenditure proviso, [Click Here](#) and see Amendment #45

### **Provisos**

(Numbered provisos are FY16 renumbered base)

CHE requested technical changes to update provisos that were made including the deletion of 11.14 (SC National Guard College Assistance Program) which was codified in 2014 and a technical change to 11.7 (Performance Improvement Pool) to update an obsolete reference. CHE requested a new proviso relating to SmartState and authorization of matching funds which was not supported.

Other new or amended provisos of interest for higher education are outlined below. Copies of the proviso language are attached.

#### **Several other higher education provisos were recommended by Ways & Means for deletion including:**

- 3.2 (LEA: Lottery Technology Funds)
- 11.2 (CHE: Out of State School of the Arts)
- 11.16 (CHE: Mission, Ethics, and Values Statements)
- 11.17 (CHE: Distribution of Materials on College Campuses)
- 11.18 (CHE: Required Reading Material Reporting)
- 14.1 (CU: Travel Advances and Subsistence Expenses)
- 19.1 (SCSU: BRIDGE Program)
- 20.4 (USC: Energy-Related Economic Development)
- 117.62 (GP: LightRail)

#### **Several new/amended provisos of interest were adopted including:**

See attached for New/Amended Provisos adopted relating to the following. New provisos are referenced with section numbers and letters as the new numbers are not yet available:

- Amended 3.1 (LEA: Audit) to add provisions for additional review and related requirements by CHE and SDE for lottery programs. (Amendment #28)

- New Proviso 3.hea in lottery section to prohibit lottery funds at institutions not domiciled in this state.
- Moved language included in FY15 lottery proviso to enable year-round awards for Palmetto Fellows and LIFE scholarships to CHE's section as a stand-alone proviso. (11.sa)
- New proviso relating to requirements for the transfer of associate of arts and associate of science transfer programs at public institutions. (11.tran)
- New proviso to require quarterly reporting by institutions regarding other fund expenditures. (11.of)
- New proviso regarding required reporting on graduation rates. (11.gd)
- New proviso requiring CHE to study and report on equalizing in-state tuition rates. (11.et)
- New proviso requiring CHE with SC Student Loan Corporation to report on student debt. (11sd)
- New proviso relating to other funded institutional FTE. (11.fte)
- New proviso regarding federal and other funded FTE regarding exemption of these FTE from state mandated pay increases. (11.ec)
- New proviso regarding SmartState to cause \$2.9M of funds for Commerce awards to be remitted to the general fund. (11.rec, Amendment #13)
- New proviso to limit 4% waivers for colleges and universities excepting technical colleges. (11.fpw, Amendment 14)
- New proviso to require reporting to CHE on tuition and fee abatements. (11.ab, Amendment 15)
- New proviso requiring institutions to submit reports on institutional debt by November 1. (11.oid)
- New proviso to require instruction in personal finance. (11.cc, Amendment #32)
- New proviso to require CHE to establish a uniform date for acceptance letters. (11.al)
- New proviso relating to academic program approval which requires CHE to evaluate all academic programs of an institution prior to approving any new program and to develop and submit evaluation criteria. (11.cpe, Amendment #18)
- New proviso to establish various continuous improvement goals for institutions relating to graduation rates, in-state enrollment, and job placement. (11.cig)
- New proviso for Clemson relating to the study of an alternate entity to purchase and run the main campus electrical infrastructure and related maintenance infrastructure. (14.ei, Amendment 21)
- New proviso regarding SC State to provide for the removal and replacement of the board of trustees. (19.iga, Amendment #26)
- New proviso regarding the allocation and distribution of recurring funding provided for USC Palmetto College. (20.pco, Amendment #36)
- New proviso to allow to provide that funds may be carried forward for the SC Aeronautic Training Center. (25.at)
- New proviso relating to the articulation of courses of the Governor's School for Science and Mathematics. (1.ac, Amendment #9)
- Amended proviso 93.18 regarding employee compensation to add clarification relating to colleges and universities.
- Amended proviso 117.55 relating to employee bonuses to add clarification relating to colleges and universities and require reporting.
- Amended proviso 117.105 to enable the use of state airplanes by higher education institutions. (Amendment #23)
- New proviso relating to the establishment of a data sharing and reporting by DEW. (117.eto, Amendment 25)

**3.1 AMEND (Audit) SUBCOMMITTEE RECOMMENDATION: AMEND** proviso.

**3.1.** (LEA: Audit) Each state agency receiving lottery funds shall develop and implement procedures to monitor the expenditures of lottery funds in order to ensure that lottery funds are expended in accordance with applicable state laws, rules, and regulations. For institutions of higher learning, adopted procedures to monitor expenditures of lottery funds shall be reported to the Commission on Higher Education by August, 1, 2015, and these expenditures are subject to annual verification and audit by the Commission on Higher Education on a rotational schedule not to exceed three years. The Office of the State Auditor shall ensure that state agencies receiving lottery funds have procedures in place to monitor expenditures of lottery funds and that the monitoring procedures are operating effectively.

**3.hea ADD (Higher Education Allocations) SUBCOMMITTEE RECOMMENDATION: ADD** new proviso.

**3.hea.** (LEA: Higher Education Allocations) Education Lottery Account funds provided to institutions of higher learning shall only be expended by and/or allocated to higher education institutions domiciled in this state.

**11.sa ADD (Scholarship Awards) SUBCOMMITTEE RECOMMENDATION: ADD** new proviso to provide guidelines for a student to receive a Palmetto Fellows or LIFE scholarship award during the summer in addition to fall and spring semesters. Direct that the student must continue to meet eligibility requirements and be enrolled full-time, which for summer requires 12 hours. Direct that the total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if the student does not complete at least 12 hours of academic credit during the summer sessions. Direct that if a summer award is made, the student's total award during their enrollment may not exceed the amount provided under current semester limits. *Moved from the lottery proviso.*

**11.sa.** (CHE: Scholarship Awards) A student may receive a Palmetto Fellows or LIFE scholarship award during the summer, in addition to fall and spring semesters of an academic year, provided continued eligibility requirements are met as of the end of the spring semester. Students must enroll full-time, which for purposes of the summer award will require enrollment in at least twelve hours over the course of the summer. The summer is defined as the period between the end of the spring term and prior to the opening of the fall term. The total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if less than twelve hours for academic credit are not completed by the student during summer sessions. If awarded in the summer, a student's total award during his or her enrollment may not exceed the amount that would otherwise be provided under current semester limits applied for the scholarship awards. The Commission on Higher Education may provide additional guidelines necessary to ensure uniform implementation.

**11.tran ADD (Transferability) SUBCOMMITTEE RECOMMENDATION: ADD** new proviso.

**11.tran.** (CHE: Transferability) Transfer students from two-year public institutions of higher learning accepted to public research institutions and four-year colleges and universities with an earned Associate of Arts or Associate of Science degree are guaranteed the award of at least sixty credit hours of transfer coursework and will have all general education requirements waived. Course prerequisites and minimum credit requirements for the awarding of degrees shall still apply. The Commission on Higher Education, in consultation with the State Board for Technical and Comprehensive Education and the public institutions of higher learning, will develop policies by May 2, 2016, for implementation of the provisions herein effective beginning in fall 2016.

## Amendment #11

**11.of. (CHE: Other Funds Expenditure Authorization)** State institutions of higher learning, including technical schools, shall not expend an amount of other funds in excess of the total authorized by this act and any amount approved by the Other Funds Oversight Committee. Each institution and school shall prepare a quarterly report, which includes quarterly and fiscal year-to-date other funds appropriations expenditure amounts, and provide the reports, no later than fifteen days after the end of the quarter, to the Senate Finance Committee, the House Ways and Means Committee, the Executive Budget Office, and the Revenue and Fiscal Affairs Office. Upon a finding by the Executive Budget Office that an institution or school has breached its other fund authorization, the executive director shall send a letter notifying the ~~State Treasurer~~ **Comptroller General** as to the amount of unauthorized spending and the ~~State Treasurer shall withhold an equal amount from that institution or school's next available general fund appropriation transfer and remit it to the general fund~~ **Comptroller General shall reduce an equal amount from that institution or school's general fund appropriation.**

**11.gd ADD (Graduation Data) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.gd. (CHE: Graduation Data)** Institutions of higher learning must annually report graduation data in terms of true freshman cohort; a student who starts their college career as a freshman at the institution and graduates from that institution. Institutions must also report graduation data in terms of the Voluntary System of Accountability (VSA). Both calculations must be submitted to the Commission on Higher Education on or before December 1st.

**11.et ADD (Equalizing In-State Tuition) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.et. (CHE: Equalizing In-State Tuition)** The Commission on Higher Education shall study in-state tuition rates at all state institutions of higher learning to determine the feasibility of equalizing in-state tuition rates. The commission shall report the findings of the study to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by December 1, 2015.

**11.sd ADD (Student Debt) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.sd. (CHE: Student Debt)** The Commission on Higher Education, in collaboration with the Student Loan Corporation, shall determine outstanding student loan debt numbers and default rates as of July 1, 2015, for each public institution of higher learning. Results shall be reported annually to the Chairman of the Senate Finance Committee and Chairman of the House Ways and Means Committee by October 1st.

- 11.fte** **ADD** (Other Funded FTE Revenue) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.fte. (CHE: Other Funded FTE Revenue) Each institution of higher learning, when requesting additional other funded full-time equivalent positions shall ensure that sufficient revenues exist to fund the salary and fringe benefits for the positions. In addition, the institution shall also ensure that in the calculation of the revenue required for the positions, future pay increases and future health insurance adjustments as may be mandated by the General Assembly are taken into consideration.*

- 11.ec** **ADD** (Federal and Other Fund Compensation Increase Exemption) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

*11.ec. (CHE: Federal and Other Fund Compensation Increase Exemption) Notwithstanding the requirements of proviso 93.24 (Employee Compensation), institutions of higher learning shall be exempt from having to provide state imposed pay raises to other and federal funded full-time equivalent positions.*

Amendment #13

*11.rec. (CHE: Remit Endowed Chairs Commerce Awards Funds) All monies set aside for the Centers of Excellence Matching Endowment that have not named a matching source of funds by July 1, 2015. The \$2,900,000 of the Endowed Chairs Program funds that have been set aside for "Commerce Awards" shall be remitted to the general fund by August 1, 2015.*

Amendment #14

*11.fpw. (CHE: 4% Waivers) When each institution of higher learning establishes the allotted amount of money to be used as a fee waiver, the formula to be used across the board shall be defined as "Total Waiver Allotment per Statute=Unduplicated headcount (full annual in-state geo tuition) x 4 percent." In order to qualify for a fee waiver a student must be in-state (based on geo-origin); must be an undergraduate; must be enrolled in at least 12 hours; and must maintain a 3.0 grade point average per semester. Formula calculation and award data must be submitted to the Commission on Higher Education by October 1 of each year. When reporting data, the institution must identify all other financial awards the student is receiving as well as if the student is an athlete and how many semesters the student has received the waiver. If the information is not provided to the Commission on Higher Education by October 1, the commission must notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and those institutions shall have their general fund appropriations reduced by the total waiver allotment per the respective institution. State technical schools shall be exempt from the requirements of this provision.*

## Amendment #15

~~***11.ab. (CHE: Abatements)** For tuition and fee purposes, public institutions of higher learning may adopt policies in addition to those in accordance with Section 59-112-10 et seq. of the 1976 Code and State Regulations 62-600 through 62-612 to waive some or all of the out-of-state tuition rates for those nonresident students who receive scholarship aid. Such waivers shall not exceed the total four percent fee waiver allotted amount.*~~

~~*Calculation of **waivers abatements** for out-of-state students must be submitted to the Commission on Higher Education by October 1 each year. When reporting data, the institution must identify the geo-origin of the student, class of the student, all other financial awards the student is receiving as well as if the student is an athlete and how many semesters the student has received the waiver.*~~

~~*If the information is not provided to the Commission on Higher Education by October 1, the commission must notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and those institutions shall have their general fund appropriations reduced by the total waiver allotment per the respective institution.*~~

- 11.oid** **ADD** (Outstanding Institutional Debt) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

~~***11.oid. (CHE: Outstanding Institutional Debt)** By November 1st, institutions of higher learning must submit to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Commission on Higher Education, data on all outstanding institutional debt for their respective institution. Data shall include, but not be limited to, the amount of the initial debt, year in which the debt was incurred, the year in which the debt will be satisfied, the repayment schedule, and the purpose for which the debt was incurred.*~~

## Amendment #32

~~***11.cc. (CHE: Personal Finances Core Curriculum)** Each institution of higher learning, excluding technical schools, shall offer a course **or include in an existing course** designed for first-year students, **information** regarding personal finances which must be included in an institution's general education ~~core~~ **freshman** curriculum. State technical schools shall include information regarding personal finances in freshman orientation.*~~

- 11.al** **ADD** (Uniform Acceptance Letter Deadline) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

~~***11.al. (CHE: Uniform Acceptance Letter Deadline)** The Commission on Higher Education shall work with all institutions of higher learning to establish a uniform deadline for acceptance letters for the fall semester for incoming freshman.*~~

## Amendment #18

~~***11.cpe. (CHE: Comprehensive **Academic** Program Evaluation)** The Commission on Higher Education shall not grant a new **academic** program at an institution of higher learning until a comprehensive evaluation has been conducted on all the **academic** programs at that institution. The commission shall develop criteria to evaluate whether existing **academic** programs are essential and valuable to the institution and to the students enrolled in the institution. The commission shall submit the evaluation criteria to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.*~~

**11.cig** ADD (Higher Education Continuous Improvement Goals) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso.

**11.cig.** (CHE: Higher Education Continuous Improvement Goals) In an effort to encourage improvements in higher education, attainment of the following goals will be considered with appropriation requests. Clemson University, the Citadel, and the University of South Carolina Columbia Campus shall improve their percentage of full time in-state undergraduate students by 2% of total enrollment in the fall class of 2015 and by 5% by 2020. The Medical University of South Carolina shall increase graduate percentage of in-state students by 2%. Coastal Carolina University, the University of Charleston, Francis Marion University, Lander University, USC Aiken, USC Beaufort, USC Upstate, and Winthrop University shall increase retention by 2% over two years and shall increase the four-year graduation rate by 3% over 4 years. The state's technical schools shall increase job placement by 2% over two years.

Amendment #21

**14.ei.** (CU: Electrical Infrastructure) Clemson University is directed to enter into negotiations with an appropriate entity or an electric cooperative **to determine the feasibility** for the purchase and operation of the main campus electrical infrastructure and maintenance associated with said infrastructure. **A report shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 1, 2015 on the results of the negotiations.**

Amendment #26

**19.iga.** (SCSU: Interim Governing Authority and Control) Since South Carolina State University is faced with student enrollment revenues that are insufficient to cover existing expenditure obligations, such that the continuing viability of the institution is in jeopardy or could be threatened, and in order to preserve the long and distinguished history of South Carolina State University:

(A) The members of the Board of Trustees of South Carolina State University serving on the effective date of this act are hereby removed from their positions, powers and duties. An Interim Board of Trustees is hereby created and shall be composed of the members of the State Fiscal Accountability Authority, who shall serve ex officio, or their designee, who shall serve at the pleasure of the appointing member of the authority. The duties and powers of the former board are hereby transferred to the interim board of trustees. The interim board of trustees is directed to remove the president of South Carolina State University serving on the effective date of this act, if it is determined that would be in the best interest of the university, and is directed to employ an interim president who shall be employed on an at-will basis.

(B) The interim president, whose actions must be overseen by the Interim Board of Trustees, shall review both the educational accreditation of the university and the past and current financial situation of the university and make recommendations to the Interim Board of Trustees, to the State Fiscal Accountability Authority, to the General Assembly, and to the Executive Budget Office regarding the path that the university must pursue in order to lead the university out of the current financial crisis with an emphasis on having the university return to the valuable and functional institution of higher learning that it has been in the past.

(C) The Interim Board of Trustees and the interim president shall carry out the appropriate responsibilities concerning all daily operations of South Carolina State University, including, but not limited to the expenditure of funds necessary for the university's daily operations.

The Interim Board of Trustees shall serve in their respective capacities until the election of new members of the board of trustees for South Carolina State University by the General Assembly.

The Interim Board of Trustees shall be indemnified in the same manner as members of the Retirement System Investment Commission, mutatis mutandis.

## Amendment #36 SUB

**NEW**

**20.pco.** (USC: Palmetto College - Operating) The University of South Carolina is directed to allocate additional, recurring state appropriations totaling \$373,010 to the USC campuses at Lancaster, Salkehatchie, Sumter and Union ~~based on a three-year rolling average of enrollment~~ in order to reduce the per-student funding disparity that exists between each of these campuses. The university shall determine the appropriate enrollment measure to guide the distribution of these additional, recurring state appropriations. The allocation of state funds shall be reported to the Commission on Higher Education, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways & Means Committee.

**25.at** **ADD** (Aeronautics Training Center) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the State Board for Tec and Comp Ed to carry forward S.C. Aeronautics Training Center funds and to use the funds for the same purpose.

**25.at.** (TEC: Aeronautics Training Center) Funds appropriated for the S.C. Aeronautics Training Center may be carried forward from the prior fiscal year into the current fiscal year and utilized for the same purpose.

## Amendment #9

**1.ac.** (SDE: GSSM Articulated Courses) Courses offered by the Governor's School for Science and Mathematics and articulated with any South Carolina institution of higher learning are considered to be articulated with every other South Carolina institution higher learning, as specified by the Master Transfer and Articulation Agreement in accord with Act 137 of 1995, provided such courses appear among the list of 86 courses agreed upon for such transfer.

**DEPARTMENT OF ADMINISTRATION****93.18 AMEND (Compensation - Reporting of Supplemental Salaries) SUBCOMMITTEE RECOMMENDATION: AMEND proviso.**

**93.18.** (DOA: Compensation - Reporting of Supplemental Salaries) No supplement shall be paid to an agency's employee, including presidents of colleges and universities, unless the agency head or designated official of the employing agency, in the case of colleges and universities, their board of trustees, has approved the conditions and amount of salary supplement. Any compensation, excluding travel reimbursement, from an affiliated public charity, foundation, clinical faculty practice plan, or other public source or any supplement from a private source to the salary appropriated for a state employee and fixed by the State must be reported by the employing agency to the Department of Administration. The report must include the employee's base salary, amount of the supplement, source of the supplement, and any condition of the supplement. The employing agency must report this information on or before August thirty-first of each year and must include the total amount and source of the salary supplement received by the employee during the preceding fiscal year (July first through June thirtieth). The Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.

**GENERAL PROVISIONS****117.55 AMEND (Employee Bonuses) SUBCOMMITTEE RECOMMENDATION: AMEND proviso.**

**117.55.** (GP: Employee Bonuses) State agencies and institutions are allowed to spend state, federal, and other sources of revenue to provide selected employees lump sum bonuses, not to exceed three thousand dollars per year, based on objective guidelines established by the Department of Administration. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems. Employees, including presidents of colleges and universities, earning \$100,000 or more shall not be eligible to receive bonuses under this provision. The employing agency must report this information on or before August 31st of each year and must include the total amount and source of the bonus received by the employee during the preceding fiscal year (July 1st through June 30th). The Human Resources Division of the Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.

## Amendment #25

**117.eto (GP: Employment Training Outcomes Data Sharing)** The Department of Employment and Workforce (DEW), in developing the Workforce and Labor Market Information System (WLMIS) improvements required of the Workforce Innovation and Opportunity Act (WIOA) (P.L. 113-128), will require integration of training and employment data for the purposes of improving longitudinal assessment of employment outcomes for the various training providers eligible to receive funding appropriated or authorized by this Act.

(A) As the entity with authority for the oversight and maintenance for the WLMIS, DEW shall establish a Governance Policy for the management, development, security, partner collaboration, and sharing responsibilities no later than July 1, 2015.

(B) No later than July 22, 2015, DEW must develop a model data-sharing agreement with eligible training providers (ETPs). As specified by the WIOA Act, this agreement will require ETPs to submit data related to the types of training programs offered, individual student coursework and outcomes, program completion and time to complete, program costs, and tuition assistance. It will further require reporting of personally identifiable information (PII) to match training and employment data to determine placement in companies and jobs by the North American Industry Classification (NAIC) System and Standard Occupation Classification (SOC) System and other information necessary for DEW to accurately and completely assess the effectiveness and return on investment of all training programs offered by the entity.

(C) No later than January 1, 2016, DEW must develop a model data-sharing agreement with the South Carolina Department of Education, the Center for Educator Recruitment, Retention and Advancement, and the Education Oversight Committee, the South Carolina Vocational Rehabilitation Department, ~~and~~ the Commission on Higher Education, **and the Department of Commerce** to capture and match data as enumerated in item (A) of this section. This agreement will

ensure collaborative sharing of matched data with each partner agency for the purpose of program assessment and effectiveness in compliance with state and federal laws.

(D) DEW and the South Carolina Student Loan Corporation shall, by January 1, 2016, enter into a data-sharing agreement to determine the average debt load carried by individuals who participate in training programs with eligible training providers. This agreement will ensure collaborative sharing of matched data for the purpose of program assessment and effectiveness in compliance with state and federal laws.

(E) No later than June 30, 2016, DEW must develop a model data-sharing agreement with the South Carolina Department of Social Services to capture data related to New Hire status and social service data. This agreement will ensure collaborative sharing of matched data for the purpose of program assessment and effectiveness in compliance with state and federal laws.