

Legislative Updates of Interest for Higher Education: Week of May 2-6, 2016

(Highlighted & bolded text is linked to source. Bill numbers go to the most recent version on the SC General Assembly website, www.scstatehouse.gov. This report is not intended to be all inclusive. For additional information on the 2016 Session, see SC General Assembly website. For information reports on CHE's website, [Click Here](#))

In the House

- Introduced in the House:
 - [S.685](#), relating to the regulation of engineers and surveyors was received from the Senate and referred to House Labor, Commerce and Industry Committee.
- [S.1035](#), relating to telemedicine, passed the House and was returned to the Senate with amendments.
- House Education and Public Works Committee K-12 Subcommittee met on Wednesday and considered several bills including [H.5216](#), S.C. Course Access Act concerning approval of course providers for K-12 education. Following testimony by various parties, H.5216 was carried over for further consideration.

The House adjourned on Thursday and will next on Session until Tuesday, May 17.

In the Senate

- 2016-17 Budget Update ([Appropriations Act Bill, H.5001, and Capital Reserve Fund Bill, H.5002](#)): The full Senate gave second reading to the budget bills on Tuesday. On Wednesday, the Senate gave final approval to the budget bills and returned the budget bills to the House for its consideration. The House may further amend the bills, and should differences remain, the budget bills will go to conference committee so that the differences may be resolved before the budget bills are sent to the Governor for consideration.

Before giving second reading to the Appropriations Bill, several amendments were adopted relating to higher education including: 1) an amendment to CHE Part 1A relating to the disposition of the 6 positions provided to CHE (no change in the increased funds provided to CHE but positions delineated to recognize accounting/fiscal management positions and to realign personnel and employer contributions); 2) a technical amendment to proviso 3.1 to delete language relating to a report submitted by CHE in March; 3) an amendment to proviso 3.6 to amend the definition for the use of funds; 4) the addition of \$10 million nonrecurring to be spread to the public colleges and universities for maintenance; and 5) the addition of \$100,000 nonrecurring to be provided to CHE for the purpose of scholarships for advanced nursing. With regard to the Capital Reserve Fund Bill, the recommendations advanced by Senate Finance were adopted with one amendment to provide additional clarification regarding the use of funds provided to Aiken Technical College. Copies of these amendments may be accessed in the Senate Journal of Tuesday, May 3, [Here](#).

For information reported previously on Senate Finance Committee recommendations and earlier reports, [Click Here](#).

A comparison of House and Senate recommendations relating to CHE budget priorities is attached.

The Senate adjourned on Wednesday and will meet next on Wednesday, May 11, 2016.

For information on other bills of interest under consideration during the 2015-2016 Session, [CLICK HERE](#)

**SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION (CHE)
FY 2016-17 BUDGET PRIORITIES**

CHE FY16 Requests	House FY17 Budget Rec. Increases or Decreases (as of 3/23/2016)	Senate FY17 Budget Rec. Increases or Decreases (as of 5/4/2016)
<p>CHE CORE MISSION FUNCTIONS Recurring increase requested: \$1,572,200 Increase State Funded FTE's by 16 from 26.7 to 42.7 CHE is requesting an increase in operating funds for the agency to enable CHE to carry out its core mission functions. The request includes support for the addition of 16 funded State FTE across Academic Affairs and Fiscal Affairs.</p> <p>Related Provisos: CHE also requested two new budget provisos relating to program approval and termination authority and institutional budget review</p>	<p style="text-align: center;">\$300,000 recurring Increase 3 State FTE including: 2 Program Manager II and 1 Data Coordinator II</p> <p style="text-align: center;">Other: Decreased in Proviso 3.6 from \$345,000 to \$250,000 (\$95K) in authorization for the use lottery funds for scholarship and grant program administration and audit.</p> <p style="text-align: center;">Requested new provisos not included</p>	<p style="text-align: center;">\$600,000 Recurring Increase 6 FTE including: 2 Program Manager II, 1 Data Coordinator II, 2 Accounting/Fiscal Manager I, and 1 Accounting/Fiscal Manager II</p> <p style="text-align: center;">\$100,000 nonrecurring in Proviso 118.16</p> <p style="text-align: center;">Other: Proviso 3.6 included authorization level at \$345,000 for use of lottery funds for scholarship and grant program administration and audit</p> <p style="text-align: center;">Requested new provisos not included</p>
<p>CHE LEGAL STAFFING SUPPORT Recurring increase requested: \$250,000 CHE has not had general counsel on staff and has recently contracted for legal assistance. The requested funding will support anticipated on-going needs for legal services.</p>	\$125,000 recurring	\$125,000 nonrecurring in Proviso 118.16
<p>CHE TECHNOLOGY NEEDS Recurring increase requested: \$330,000 CHE is seeking recurring funds to meet agency technology needs to enhance operations in support of core mission functions. Funding will support upgrades to CHE's database, website, phone system, conference room and other core technology needs to improve and facilitate external communication.</p>	Request not funded	\$300,000 Recurring \$30,000 nonrecurring in Proviso 118.16
<p>GOVERNOR'S PROFESSOR OF THE YEAR Recurring increase requested: \$15,000 CHE is seeking restoration of program funding lost during the recession in order to re-establish annual awards for recognition of professors.</p>	Request not funded	\$15,000 recurring
Subtotal Core Agency Recurring Requests: \$2,167,700	\$425,000 recurring (\$330,000 net increase incl. authorization decrease)	\$915,000 recurring \$255,000 nonrecurring Total \$1,170,000
<p>Other Agency Budget Technical Requests FY16 Health Insurance Plan Allocation, Annualize \$9,594 SREB Technical Adjustment, Combining SREB Funding Lines (moving \$7,177 from SREB Arts Program into SREB Program and Assessments) CHE is not requesting any adjustments to Federal Fund Authorizations CHE is seeking legislation to serve as portal agency for SARA. If enacted, an adjustment will be needed to other funds authorization. Request TBD.</p>	<p style="text-align: center;">Included as requested Not included n/a Note: H.4639 enacted 3/14/16, CHE did not request change</p>	<p style="text-align: center;">Included as requested Included as requested n/a Note: H.4639 enacted 3/14/16, CHE did not request change</p>
<p>SREB PROGRAMS AND SERVICES Recurring increase requested: \$242,212 Requests supports programmed increases for SREB contract programs in veterinary medicine and optometry.</p>	\$242,212 lottery (Funded by decreasing CHE recurring line by \$71,244 and putting \$313,456 in lottery)	\$245,212 (\$35,000 recurring plus \$210,212 nonrecurring in Proviso 118.16)

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CHE FY16 Requests	House FY17 Budget Rec. Increases or Decreases (as of 3/23/2016)	Senate FY17 Budget Rec. Increases or Decreases (as of 5/4/2016)
<p>NEED-BASED GRANTS Recurring increase of \$4,537,078 which includes an increase of \$1,973,078 and annualization of \$2,600,000</p>	\$4,537,078 included in lottery	\$4,537,078 included in lottery
<p>Other State-supported Student Aid Fully fund merit-based financial aid programs (Palmetto Fellows, LIFE, & HOPE)</p> <p>Level funding (\$51.1M) for LTA</p> <p>Level funding (\$4,634,968) SCNG CAP</p>	<p>Shifts \$33,000,919 from recurring (GF) to Lottery and Fully funded for growth with increase of \$6,426,600</p> <p style="text-align: center;">\$51M in lottery</p> <p style="text-align: center;">Level funding as requested</p> <p><i>Other items related to student aid included through CHE but not requested: n/a</i></p>	<p>Shifts \$33,000,919 from recurring (GF) to Lottery and Fully Funded for growth with increase of \$6,426,000</p> <p>Includes provision for SDE to work in cooperation with CHE on study of 10-point scale and impact to merit scholarships</p> <p style="text-align: center;">\$51.1M in lottery</p> <p style="text-align: center;">Level funding as requested</p> <p><i>Other items related to student aid included through CHE but not requested: Included \$50,000 recurring pass through for Greenwood Scholarships Includes \$100,000 nonrecurring in proviso 118.16 to CHE for advanced nursing scholarships</i></p>
<p>COLLEGE TRANSITION NEED-BASED GRANTS Recurring increase requested: \$170,822 Program provides need-based grants to eligible students with intellectual disabilities enrolled in recognized college transition programs. The funding benefits students in programs at Clemson, USC, Coastal Carolina, College of Charleston, and Winthrop. Current available funding is \$179,178.</p>	\$170,822 recurring	\$170,822 recurring
<p>STATE ELECTRONIC LIBRARY, PASCAL \$1.5M in stable funding source</p>	Request not funded	Included \$1,412,514 as first priority in excess unclaimed prize funds after \$18 million certified unclaimed prize funds
<p>VETERANS TUITION DIFFERENTIAL SUPPORT Request to continue funding provided to offset tuition loss for institutions in implementing Act 11 of 2015 which required in-state tuition to be provided to certain eligible out-of-state veterans and dependents.</p>	Request not funded	\$3.9M nonrecurring included in Proviso 118.16
<p>MAINTENANCE, EQUIPMENT, & OTHER FACILITIES NEEDS \$19,900,000 Lottery or Nonrecurring funds to support on –going facility maintenance needs</p> <p>Also requested a proviso change to enable funds to be spread per a formula by CHE relative to maintenance needs rather than by the formula used in recent years that has spread such funds relative to appropriations.</p>	Request not funded; However provided project specific funds nonrecurring funding directly to institutions.	Provided nonrecurring funds directly to institutions for maintenance and an additional \$10M through CHE to be allocated across institutions pro rata relative to FY16 recurring (General Fund) appropriations

Other: Lottery Technology funding for 4-yr and 2-yr public institutions included in Senate at \$7.2. Lottery Technology was not funded in the House.