



**SOUTH CAROLINA**  
COMMISSION ON HIGHER EDUCATION

July 30, 2018

Dear President,

I hope your summer is going well. As you are aware, the General Assembly recently concluded its legislative session and the Fiscal Year 2018-19 Budget was signed by the Governor. As some legislative items (budget provisos in particular) can go overlooked, I wanted to ensure that you and your staff are aware of new requirements included via proviso in this year's budget.

Enclosed you will find a list of new or revised provisos which may affect your institution, either directly or indirectly.

Additionally, I am enclosing two memorandums:

1. A memorandum regarding the South Carolina Income Tax Credit for Tuition, which was enacted in 2017.
2. A memorandum regarding Proviso 11.23, which provides the definition of anti-Semitism, as defined by the General Assembly, for your consideration in determining whether there has been a violation of a college or university policy prohibiting discriminatory practices on the basis of religion.

If you have any questions about the provisos or the corresponding requirements, you or your staff can contact Katie Philpott, Government Affairs Manager, via email at [kphilpott@che.sc.gov](mailto:kphilpott@che.sc.gov) or phone at (803) 606-7496.

Thank you and have a great rest of the summer.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Schilz".

Jeff Schilz

Enclosures

1A.2. (SDE-EIA: African-American History) Funds provided for the development of the African-American History curricula may be carried forward into the current fiscal year. Funds that are currently a salary line item will be reallocated for the development of instructional materials and programs and the implementation of professional learning opportunities that promote African American history and culture. For the current fiscal year, not less than seventy percent of the funds carried forward must be expended for the development of additional instructional materials by nonprofit organizations, school districts, or institutions of higher education selected through a grant process by the Department of Education.

1A.49. (SDE-EIA: Public Charter Pupil Counts) With funds appropriated to charter schools sponsored by either the South Carolina Public Charter School District or a registered Institution of Higher Education, the sponsor must require each charter school to submit a student attendance report for the 5th, 45th, 90th and 135th days. Reporting requirements shall include both Average Daily Membership and Weighted Pupil Unit membership. The South Carolina Public Charter School District or a registered Institution of Higher Education shall then provide the data for each charter school to the Department of Education. Quarterly, the department will submit the information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee.

The South Carolina Public Charter School District or a registered Institution of Higher Education must also require each virtual charter school to collect the following information: (1) the reason or reasons why each student enrolled in the virtual charter school district from both the parent(s) and the referring school district; and (2) the reason or reasons why a student withdrew from the virtual charter school district. This data must be provided to the Department of Education quarterly and must include the unique student identifier. The department, in turn, will provide summary information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee on the enrollment and withdrawal information on June 30th of the current fiscal year.

1A.50. (SDE-EIA: South Carolina Public Charter School Funding) The funds appropriated in Part IA, Section VIII.H.- South Carolina Public Charter School Statewide Sponsor must be allocated in the following manner to students at charter schools within the South Carolina Public Charter School District or within a registered Institution of Higher Education: Pupils enrolled in virtual charter schools sponsored by the South Carolina Public Charter School District or a registered Institution of Higher Education shall receive \$1,900 per weighted pupil and pupils enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District or a registered Institution of Higher Education shall receive \$3,600 per weighted pupil. Any unexpended funds, not to exceed ten percent of the prior year appropriation, must be carried forward from the prior fiscal year and expended for the same purpose. Any unexpended funds exceeding ten percent of the prior year appropriation must be transferred to the Charter School Facility Revolving Loan Program established in Section 59-40-175. For Fiscal Year 2018-19, the timelines set forth for ruling on charter school applications are extended for sixty calendar days for all applications submitted to the South Carolina Public Charter School District if the district determines that an applicant should be permitted to amend its application to meet the requirements of Section 59-40-60 and Section 59-40-70, of the 1976 Code, based on an applicant's proposal to address an existing achievement gap utilizing an evidence-based educational program in an underserved geographical area of the state including, but not limited to, charter schools proposed to be located in any school district that is a plaintiff in the Abbeville law suit. The South Carolina Public Charter School District shall report to the Senate Finance Committee and the House Ways and Means Committee on the outcomes of this extended time for a hearing at the end of the application cycle.

1.3. (SDE: EFA Formula/Base Student Cost Inflation Factor) To the extent possible within available funds, it is the intent of the General Assembly to provide for one hundred percent of full implementation of the Education Finance Act to include an inflation factor projected by the Revenue and Fiscal Affairs Office to match inflation wages of public school employees in the Southeast. The base student cost for the current fiscal year has been determined to be \$2,485. For the current fiscal year, the total pupil count is projected to be 727,513. The average per pupil funding is projected to be \$6,198 state, of which \$2,372 comes from the EFA, \$1,281 federal, and \$5,982 local. This is an average total funding level of \$13,461 excluding revenues of local bond issues. For the current fiscal year the South Carolina Public Charter School District and any institution of higher education sponsoring a public charter school shall receive and distribute state EFA funds

to the charter school as determined by one hundred percent of the current year's base student cost, as funded by the General Assembly multiplied by the weighted students pupils enrolled in the charter school, which must be subject to adjustment for student attendance.

The Revenue and Fiscal Affairs Office, must post in a prominent place on their website for each school district projections, including the per pupil state, federal and local revenues, excluding revenues of local bond issues, for the current fiscal year. Also, as soon as practicable, upon determining the exact numbers regarding pupil count and funding, the Revenue and Fiscal Affairs Office, shall also post on their website the one hundred thirty-five day average daily membership for each school district and per pupil state, federal and local revenues, excluding revenues of local bond issues, based on the most recent audited financial statement as reported annually pursuant to Section 59-17-100. The Department of Education and the Education Oversight Committee shall provide in a prominent place on their internet websites a link to the information posted by the Revenue and Fiscal Affairs Office, including the projected numbers and the exact numbers.

For the current fiscal year, the pupil classification weightings are as follows:

- |     |  |      |
|-----|--|------|
| (1) | K-12 pupils or base students including homebound students  | 1.00 |
|     | Students served in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code shall receive a weighting of 2.10. |      |
| (2) | Weights for students with disabilities as prescribed in Section 59-20-40(1)(c) Special Programs  |      |
| (3) | Precareer and Career Technology  | 1.29 |
| (4) | Additional weights for personalized instruction:   |      |
| (A) | Gifted and Talented  | 0.15 |
| (B) | Academic Assistance  | 0.15 |
| (C) | Limited English Proficiency  | 0.20 |
| (D) | Pupils in Poverty  | 0.20 |
| (E) | Dual Credit Enrollment   | 0.15 |

No local match is required for the additional weightings for personalized instruction in the current school year. Charter school per pupil calculations for locally sponsored charters will continue to be calculated according to Section 59-40-140 of the 1976 Code. Students may receive multiple weights for personalized instruction; however, within each weight, students should only be counted once. These weights are defined below:

Students in poverty are students who qualify for Medicaid, SNAP, TANF, or are homeless, transient, or in foster care.

Gifted and talented students are students who are classified as academically or artistically gifted and talented or who are enrolled in Advanced Placement (AP) and International Baccalaureate (IB) courses in high school. Districts shall set-aside twelve percent of the funds for serving artistically gifted and talented students in grades three through twelve.

Students in need of academic assistance are students who do not meet state standards in mathematics, English language arts, or both on state approved assessments in grades three through eight and high school assessments for grades nine through twelve. The additional weight generates funds needed to provide additional instructional services to these students.

Students with limited English proficiency are students who require intensive English language instruction programs and whose families require specialized parental involvement intervention.

Funds received by a school district pursuant to the dual credit weighting must be used to defray all possible costs of dual credit courses for students. Students identified for dual credit enrollment must be identified in PowerSchool as taking a course that will lead to both high school credit and post-secondary credit. Districts must utilize these funds to offset the cost of tuition, fees, instructors, and instructional materials for qualifying courses with the local technical college or other institution of higher education. Each school district shall report to the department the number of students participating in dual credit courses and specify the cost borne by each entity. School districts must assist students in accessing Lottery Tuition Assistance when applicable.

Further, the Department of Education may use school district student counts for personalized instruction as collected in the same manner as the prior fiscal year, PowerSchool or other available existing data sources as determined by the department to calculate the school district add on weightings for the personalized instruction classifications and the determination of the school districts monetary entitlement. End of year adjustments shall be based on the one hundred thirty-five day student average daily membership for all classifications. During the current fiscal year the department will update PowerSchool calculations, reports, screen development, documentation, and training to incorporate the new pupil classification weightings and

to make final district allocation adjustments by June 30. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

11.23. (CHE: Prohibition of Discriminatory Practices) (A) In the current fiscal year and from the funds appropriated to the Commission on Higher Education, the commission shall print and distribute to all South Carolina public colleges and universities the definition of anti-Semitism.

(B) For purposes of this proviso, the term "definition of anti-Semitism" includes:

- (1) a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of anti-Semitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities;
- (2) calling for, aiding, or justifying the killing or harming of Jews;
- (3) making mendacious, dehumanizing, demonizing, or stereotypical allegations about Jews as such or the power of Jews as a collective;
- (4) accusing Jews as a people of being responsible for real or imagined wrongdoing committed by a single Jewish person or group, the state of Israel, or even for acts committed by non-Jews;
- (5) accusing the Jews as a people, or Israel as a state, of inventing or exaggerating the Holocaust;
- (6) accusing Jewish citizens of being more loyal to Israel, or to the alleged priorities of Jews worldwide, than to the interest of their own nations;
- (7) using the symbols and images associated with classic anti-Semitism to characterize Israel or Israelis;
- (8) drawing comparisons of contemporary Israeli policy to that of the Nazis;
- (9) blaming Israel for all inter-religious or political tensions;
- (10) applying double standards by requiring of it a behavior not expected or demanded of any other democratic nation;
- (11) multilateral organizations focusing on Israel only for peace or human rights investigations; and
- (12) denying the Jewish people their right to self-determination, and denying Israel the right to exist, provided, however, that criticism of Israel similar to that leveled against any other country cannot be regarded as anti-Semitic.

(C) South Carolina public colleges and universities shall take into consideration the definition of anti-Semitism for purposes of determining whether the alleged practice was motivated by anti-Semitic intent when reviewing, investigating, or deciding whether there has been a violation of a college or university policy prohibiting discriminatory practices on the basis of religion.

(D) Nothing in this proviso may be construed to diminish or infringe upon any right protected under the First Amendment to the Constitution of the United States or Section 2, Article I of the South Carolina Constitution, 1895.

117.142. (GP: Opioid Abuse Prevention and Treatment Plan) From the funds appropriated and authorized to the Department of Alcohol and Other Drug Abuse Services and the Department of Health and Human Services in the current fiscal year, the agencies shall establish a coalition of state agencies, providers and other related entities to combat the opioid epidemic in a collaborative manner and ensure that appropriate services and treatments are made available statewide. This initiative should include efforts to coordinate funding for the provision of treatment with an assessment of current programs and funding levels, to enhance available prevention, treatment and recovery services; expand provider capacity; and enable workforce development for substance use disorder services. General Funds appropriated to any state agency for Opioid Abuse Prevention and Treatment may be carried forward and expended for the same purpose.

(A) The Department of Alcohol and Other Drug Abuse Services, the State Law Enforcement Division, and the Department of Health and Human Services shall establish an advisory board with representation from both agencies, to provide both oversight and administrative direction to the coalition. The advisory board may also include representation from the Department of Health and Environmental Control, the Department of Mental Health, the Medical University of South Carolina, the University of South Carolina's School of Medicine, the Department of Labor Licensing and Regulation, the Department of Corrections, state and local law enforcement agencies, the judicial branch, the South Carolina Hospital Association, the South Carolina Medical Association, the South Carolina Primary Health Care Association, Behavioral Health Centers

and other related entities. The advisory board must consider recommendations made in the 2018 report by the South Carolina House of Representatives Opioid Abuse Prevention Study Committee, as well as any recommendations made by the South Carolina Behavioral Health Coalition related to substance use disorders and create a plan to ensure implementation of appropriate recommendations.

(B) The Department of Health and Human Services may leverage any and all available federal funds to implement enhanced treatment services and resources for this coalition. The department may also develop a waiver application through the Centers for Medicaid and Medicare Services that could provide coverage for populations that have a substance use disorder diagnosis. Until a waiver is approved to expand access to substance use treatment in Institutions of Mental Disease (IMD), the department shall ensure that IMDs are considered an "in lieu of" service in its managed care contracts, when medically appropriate. The department must also work with Medicaid Managed Care Organizations to ensure policies governing the clinical review, utilization management, and determinations of medical necessity for Medication-Assisted Treatment (MAT) for opioid use disorder are consistent with American Society for Addiction Medicine (ASAM) criteria.

(C) In consultation with the Department of Alcohol and Other Drug Abuse Services and the Medical University of South Carolina Hospital Authority, the Department of Health and Human Services shall review and evaluate outcomes data from the 2018 pilot program for MAT services for prescription opioid dependency and addiction established by Act 97 of 2017. Based on the success rate and ability to replicate this pilot, the department may provide funding not to exceed \$2,500,000 to continue and expand the program to additional providers that are necessary to ensure greater impact in geographical areas of critical need. All medications proven to be effective in treating opioid addiction shall be considered as viable options on a case by case basis to ensure the greatest level of success for individuals in the program.

(D) The Department of Alcohol and Other Drug Abuse Services and the Department of Health and Human Services shall assist the Department of Health and Environmental Control with any funding required to implement necessary programmatic enhancements to the Prescription Monitoring Program. The departments must consider changes to strengthen risk assessments and patient support tools, as well as the potential integration of Electronic Health Record systems. To the extent possible, the program must be expanded to include the administration of naloxone and other opioid overdose antidotes.

(E) In order to provide comprehensive treatment, from the point of incarceration, to individuals charged with criminal offenses who suffer from any substance use disorder that is treatable with medication, the Department of Alcohol and Other Drug Abuse Services must solicit potential cooperation from law enforcement, the state's solicitors, Magistrate Courts and Circuit Courts, to establish a diversion program in at least one judicial circuit. This program shall provide both behavioral and medical treatment, consultations with peer support specialists, and continued supervision of participants who are released, which may include electronic monitoring.

(F) The Department of Alcohol and Other Drug Abuse Services and the Department of Health and Human Services shall also coordinate with at least one four-year college or university and one two-year technical college with on-campus dormitories to establish pilot programs for Collegiate Recovery Programs to target intervention and the retention of students. These programs must offer academic support in designated spaces that provide for group meetings, clinical support, technology access, and academic advising, to assist students in recovery.

(G) The advisory board shall provide a report on the success of the development of the plan and the implementation of recommendations to the Chairman of the Senate Finance Committee, the Chairman of the House Ways & Means Committee, and the Governor no later than January 31, 2019. The report may also include proposals for amending existing recommendations or the establishment of new policies to combat the opioid epidemic.

117.146. (GP: Statewide Real Estate Plan Implementation) Pursuant to legislative intent expressed in Proviso 118.2 (Titling of Real Property) of this Act to establish a comprehensive central real property and office facility management process to plan for the needs of state government agencies; and to achieve maximum efficiency and economy in the use of state-owned, state-leased, and commercial leased facilities, all state agencies are directed as follows:

- (1) In the current occupation of state-owned and commercial facilities or prior to incurring an obligation to expend funds through entering or renewing a lease for state-owned or commercial facilities, state agencies shall work in conjunction with the Department of Administration to achieve uniform space standards in state-owned, state-leased, and commercial leased facilities

resulting over time in an overall target density of 210 square feet per person unless otherwise approved by the department.

- (2) Prior to entering or renewing any contract for leasing real property, state agencies shall comply with the Department of Administration's site selection criteria for state-owned, state-leased, or commercial leased space,
- (3) State agencies shall record into the South Carolina Enterprise Information System (SCEIS) all maintenance and operations expenditures for state-owned and state-leased facilities in the manner prescribed by the Department of Administration.
- (4) State agencies shall provide to the Department of Administration a list of all contracts related to facilities management, maintenance, and support, and shall not renew or enter into any new contracts related to facilities management, maintenance or support without prior approval from the Department of Administration.
- (5) Under guidance and direction of the Department of Administration, state agencies shall annually report on and submit plans to address ongoing and deferred maintenance for all state-owned real property.
- (6) State agencies shall annually update and submit an inventory of state-owned facilities and land to the Department of Administration by June 30 of each fiscal year in the manner prescribed by the department. Each submission shall include a portfolio assessment with recommendations for any dispositions.

The Legislative Branch, the Judicial Branch, public institutions of higher learning, technical colleges, political subdivisions and quasi-governmental bodies are generally exempt from the requirements of this proviso; provided, however, that public institutions of higher learning and technical colleges shall be subject to the provisions of paragraph (6) in its entirety, and the provisions of paragraph (1) with respect to any facility or portion thereof used for administrative and office space.

The Department of Administration shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding compliance with this proviso no later than December 31 of each calendar year, beginning December 31, 2018.

117.147. (GP: Statewide Administrative Services) The Department of Administration may provide consolidated administrative services to all agencies to promote cost savings, process integrity and other efficiencies, and to reduce duplication, overlap and redundancies, or any combination thereof and to provide for consistency in transactions and processes and to advance a statewide approach to agency administration. Consolidated administrative services may include, but are not limited to: 1) financial and accounting support, such as accounts payable and receivable processing, procurement processing, journal entry processing and financial reporting assistance; 2) human resources administrative support, such as transaction processing and reporting, payroll processing, and human resources training; and 3) budget support, such as budget transaction processing and budget reporting assistance.

Agencies that receive twenty million dollars or less in total appropriations in the current fiscal year shall consult with the Department of Administration to determine whether the use of consolidated administrative services offered by the department would be beneficial to the agency. The Legislative Branch, the Judicial Branch, public institutions of higher learning and technical colleges shall be exempt from the requirements of this provision.

The Department of Administration shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding agency utilization of administrative services offered by the department no later than December 31, 2018.

117.167. (GP: Medical Marijuana Research) With funds provided in this fiscal year, the University of South Carolina College of Pharmacy and the Medical University of South Carolina are authorized, to the extent permitted by and in accordance with federal laws and regulations, to undertake the following actions: acquire pharmaceutical grade marijuana, marijuana extracts, semi-pure isolates, and purified compounds, including, but not limited to, THC, CBD, CBO, cannabiniol, and cannabigerol for use in research and clinical trials to develop potential therapeutic agents for epilepsy, Dravet's Syndrome, chronic pain, cancer, reduction of nausea, and vomiting induced by chemotherapy, glaucoma, obesity, multiple sclerosis, drug abuse, inflammation, and autoimmune disorders, including encephalomyelitis.

The University of South Carolina and the Medical University of the South Carolina are further authorized to form collaborations, agreements, and partnerships with other public and private entities in order to conduct

this research and clinical trials, to the extent permitted by and in accordance with federal laws and regulations, as well as to pursue both public and private funding. Further, the University of South Carolina and the Medical University of South Carolina are directed to provide to the members of the South Carolina General Assembly, on or before the first day of the 2019 legislative session, with a written summary of the actions they have undertaken pursuant to this proviso and the material findings, if any, resulting from such activities.