

Legislative Updates of interest for Higher Education Week of Feb. 18 – Feb. 22, 2008

Budget Update –

The Full Ways and Means Committee met throughout the week and adopted budget recommendations on Thursday. The Committee's recommendations will be advanced to the full House for consideration in the early March. Under the recommendations, most state agencies including higher education receive agency base cuts of approximately 2.4%. In addition, there were also reductions across state agencies and higher education relating to travel and information technology that had been recommended by the Governor in his Executive Budget. Across higher education agencies (CHE, Tuition Grants, and State Technical College System Office, and public colleges and universities), these reductions to recurring appropriations total approximately \$24 million. Recommendations did include funding for a state employee pay increase of 1%. The following provides information on the other funding recommendations of the Ways and Means Committee that directly affect higher education.

Additional funding is recommended to enable the anticipated growth in the merit scholarship programs (Palmetto Fellows, LIFE, and Hope) in the upcoming year to be met. Considering both lottery and general funds used to fund these programs, the increased funding totals \$10,231,701. Recommended funding for Need-based Grants and Lottery Tuition Assistance remains level with current funding. The National Guard Tuition Assistance Program received \$3,000,000 in FY 2007-08 but will receive only \$1,700,000 under the recommendations since one-time funding of \$1,300,000 which was used to fund this program in FY 2007-08 was not continued.

In regard to recommendations from one-time or non-recurring funding sources, Ways and Means has recommended funding for CHE technology (\$130,000), the University Center of Greenville (\$1,112,229), SCMEP (\$1,200,000), and SC LightRail (\$4,500,000). This funding will enable the current funding levels for these programs to be continued. Additionally, other non-recurring funding that is recommended for FY 2008-09 for higher education agencies includes: Citadel Computer System (\$1,270,000), Francis Marion Master of Science and Education Feasibility Study (\$50,000), Lander Nursing Initiative (\$200,000), USC Upstate Master of Education and Special Education (\$100,000), USC Beaufort Bluffton Campus Technology (\$25,000), USC Lancaster Technology (\$50,000), Winthrop Science Center (\$50,000), and College of Charleston Science Center (\$1,500,000). Funding for the statewide higher education electronic library (PASCAL), which has been included as non-recurring funds in the amount of \$2,000,000 each year over four years, was not recommended.

Other higher education programs funded through the SC Education Lottery are continued at the current levels including: Technology for Public 4- and 2-year Institutions (\$12,000,000), Centers of Economic Excellence or the Endowed Chairs program (\$30,000,000) SC State (\$2,500,000), and Higher Education Excellence Enhancement (\$4,700,000). See above for information on the state's scholarship programs which are funded with lottery and general fund revenue.

It is important to keep in mind that we are still early in the budget process. The Ways and Means recommendations must be taken up by the House, and the Senate will consider its recommendations in the upcoming months.

In the House –

On Wednesday, the House Education and Public Works Regulation Subcommittee gave initial approval to CHE Regulations relating to licensing and statutory provisions for free tuition for residents sixty years and older. (See [Document #3129](#), Licensing Criteria; [Document #3170](#), Nonpublic Postsecondary Institution Licensing, Use of Surety Bond Funds; and [Document #3143](#) Free Tuition for Residents Sixty Years of Age). These regulations will be advanced to the full committee. A bill, [H.4724](#), relating to the creation of a board of regents, was introduced and referred to the House Education and Public Works Committee.

In the Senate –

During the week, the Senate's debate focused largely on bills relating to payday lending and DUI laws. In regard to legislation relating to higher education, [H.4494](#), relating to the Centers of Economic Excellence Act, was introduced on Tuesday and referred to Senate Finance. Additionally, the report of the Education Committee on [S.909](#), which provides free tuition for certain eligible members of the SC National Guard or Reserve Components that are awarded a bronze star medal or higher military award, was received. S.909 was then sent to Senate Finance Committee for further consideration.

Other –

[S.1034](#) which extends the Higher Education Study Committee reporting deadline until September 15, 2008, was signed by the Governor.

Reminder: The above report is not intended to be all inclusive. Bill numbers are linked to the SC General Assembly page. The link should go to the most recent version of the bill. For additional information on legislation referenced above and other legislation relating to higher education, see http://www.che.sc.gov/CHE_Docs/InfoCntr/Legis/HigherEd_Legis_List.xls . Detailed information on the 2008 Session of the General Assembly may be access at www.scstatehouse.net or from links included on CHE's website at <http://www.che.sc.gov/Home/CHELegislativeUpdates/LegislativeSession2008.aspx> .