

## Legislative Updates of interest for Higher Education Week of Jan. 11 - 15, 2010

*(Yellow highlighted text is hot-linked to source.)*

The second year of the General Assembly's two-year continuing session opened on January 12, 2010. The General Assembly meets through June 3, 2010.

Legislation from the prior 2009 session continues in the current session. In advance of the 2010 session, bills were prefiled by the House on November 17, December 1, and December 15 and by the Senate on December 9. To view the prefiled legislation, [Click Here](#). For a report on the prefiled legislation of interest to higher education, [Click Here](#). For information regarding all legislation under consideration, [Click Here](#) or see the General Assembly's website at [www.scstatehouse.gov](http://www.scstatehouse.gov). A summary of activity of interest for higher education during the 2009 session is available at [Click Here](#).

### ***In the House –***

Prefiled House legislation was introduced and referred to Committee. [H.4087](#), relating to the Greenville Technical College Commission was given its third reading and sent to the Senate. Also considered during the week and sent to the Senate was [H.4299](#) relating to flexibility for K-12 in light of the budget situation.

The Ways and Means Committee met on January 12 and received a briefing on the outlook for state revenues from Dr. Bill Gillespie, the state's chief economist, and on the state's educational lottery from Ms. Paula Harper-Bethea, Executive Director of the SC Lottery Commission. For a copy of the Committee's January 12 meeting materials which include Dr. Gillespie's remarks, the Lottery Commission presentation, the preliminary budget outlook for FY 2010-11, and a copy of the Committee schedule for consideration of FY 2010-11 appropriations, [Click Here](#).

Ways and Means budget subcommittees have begun to hold hearings. During the week, the Budget Subcommittee on Higher Education, Technical and Cultural Resources held meetings on Tuesday and Wednesday hearing from the Commission on Higher Education (CHE), SC Tuition Grants Commission, Winthrop, the Technical College System, and Lander University. Members of the Higher Education, Technical and Cultural Resources budget subcommittee include Representatives Limehouse (chair), Barfield, Merrill, and Neilson.

CHE outlined in its testimony priorities for FY 2010-11 which were developed in recognition of the state's economic condition. CHE has requested for higher education that funding be maintained to the greatest extent possible and that higher education be treated equitably in the event additional state funding cuts are necessary. It was noted that the federal education stimulus funds for higher education in FY 2009-10 and anticipated in FY 2010-11 are helping but have not made up for the shortfalls experienced to date. Other priorities for FY 2010-11 include continuing lottery funding for higher education programs including level funding for lottery tuition assistance for students at two-year colleges and technology funding for public two-year and four-year colleges and universities; enacting regulatory reform (H.3365 and H.3841) in 2010 which passed by the House in 2009; and providing for special requests for key statewide collaborations that assist students in successfully achieving a degree and advance the state's economic position. The latter requests include restoration of PASCAL, the state's higher education virtual library; continued support for Need-based student aid; and restoration of Centers of Economic Excellence. CHE also noted that bond funding for institutional facilities needs is also critical. For a copy of CHE's testimony, [Click Here](#).

### ***In the Senate –***

Prefiled House legislation was introduced and referred to Committee. [H.4087](#), a bill relating to the Greenville Technical College Area Commission, was amended and read a second time. [S.517](#), a Joint Resolution relating to state agency's and implementation of fee increases, also received its second reading.

On Thursday, January 14, a special Joint Committee on Regulatory Reform met to consider higher education bills [H.3365](#), Higher Education Efficiency and Administrative Policies Act, and [H.3841](#), Technical College Administrative Efficiencies Act. The Joint Committee is chaired by Senator Courson and is comprised of the Senate Education Higher Education Subcommittee and the Senate Finance Higher Education Budget Subcommittee. The committee advanced the bills to full Senate Education Committee for consideration with anticipated amendments to be considered in full committee.

***Budget News –***

State revenue estimates continued to fall after the budget for FY 2009-10 was adopted. Revenue estimates have dropped by \$454 million since the the budget was adopted and resulted in action of the Budget and Control Board to adopt 4.04% statewide agency reductions in September and 5% statewide agency reductions in December. For FY 2010-11, a budget deficit as large as \$575 million is anticipated and agency's have been put on notice to expect additional reductions in the upcoming fiscal year. See the above link to the House Ways and Means Committee January 12 meeting materials, for additional details.

The Governor released his Executive Budget Recommendations prior to the start of the session on January 7. For a copy, [Click Here](#). As part of his recommendations, the Governor recommended reduced funding for higher education by approximately \$102 million or 19% for institutions. Included in the budget were the balance of the federal American Recovery and Reinvestment Act (ARRA) Education Stabilization funds for higher education of \$108 million, which like the ARRA funding of just under \$100 million for FY 2009-10, were spread based on institutional shortfalls. Like past years, the Governor made recommendations for a board of regents, tuition caps, and consolidation of administrative functions. Additionally, the recommendations cut funding for a number of higher education programs including the University Center of Greenville and the Lowcountry Graduate Center. While the Governor recommended continued funding for scholarship and need-based grant programs, the recommendations did like last year called for discontinuing the funding for enhanced merit awards for LIFE and Palmetto Fellows recipients who are majoring in science and math areas.

*\*\* Bill numbers are linked to the SC General Assembly page and the link goes to the most recent version of the bill.*

***Reminder: The above report is not intended to be all inclusive. For additional information on legislation referenced above and other legislation relating to higher education, see CHE's website at <http://www.che.sc.gov/Home/CHELegislativeUpdates/LegislativeSession2010.aspx> . Detailed information on the 2010 Session of the General Assembly may be access at [www.scstatehouse.gov](http://www.scstatehouse.gov) or from links included on CHE's website.***