

OUTCOME OF THE 2017 SC GENERAL ASSEMBLY AS RELATED TO THE SC TUITION GRANTS PROGRAM

The South Carolina Higher Education Tuition Grants Commission submitted its 2017-2018 State Budget Request last September requesting an increase of \$5,282,886 necessary to increase the Tuition Grant by \$450 per student for the new award year.

The Governor's Office did not hold a Budget Hearing with the South Carolina Higher Education Tuition Grants Commission and did not contact the Commission concerning the Commission's Budget Request. In January 2017, then Governor Haley released her 2017-2018 Executive Budget in which she recommended no new funds for the South Carolina Tuition Grants Program but did recommend funding the requested increase of \$16,000 necessary for information security expenses.

On January 10, 2017, the Commission appeared before the House Ways and Means Higher Education Subcommittee to present its Budget Request. The Commission thanked the legislature for the increased funding provided last year enabling the Commission to raise the Maximum Grant. The Commission asked that the Ways and Means Committee increase Program funding by an adjusted amount of \$4,422,031 (based on a slight reduction in recipients and projected carry-forward funds) to enable the Maximum Grant to be increased by \$450. The House Ways and Means Committee and the full House did not approve the Commission's request to increase funding for the Tuition Grants Program. Although supported by the Tuition Grants Commission, the House also did not approve the Commission on Higher Education's request for an increase of \$1.1 million for the State Need-Based Grants Program. New funds of \$16,000 were approved by the House for necessary information security administrative expenses.

On March 1, 2017, the Commission appeared before the Senate Finance Higher Education Subcommittee to present its Budget Request asking that the requested increase of \$4.4 million be approved. In its budgetary deliberations, the Senate Finance Committee and full Senate approved an increase of \$1.3 million for the Tuition Grants Program. The Senate also approved an increase of \$1.3 million for the State Need-Based Grants Program slightly exceeding CHE's request. Additionally, the Senate approved the request for new funds of \$16,000 for information security expenses.

Because of the differences in the House and Senate versions of the State Budget, a Conference Committee is deliberating the differences for the Tuition Grants Program as well as all other State budget items including many Higher Education funding items. At this time, there has been very little movement or compromise between the House and Senate conferees and the final State Budget has not been approved by the General Assembly. There is a concern that those differences may not be resolved prior to the beginning of the next fiscal year beginning on July 1, 2017. A Continuing Resolution by the General Assembly will allow the Commission to continue with operations and the processing of Tuition Grants applications until a resolution is reached and a final State Budget is approved and signed by the new Governor.