

FISCAL IMPACT STATEMENT ON BILL NO. **H.3224**

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TO: The Honorable Phillip D. Owens, Chairperson, House Education and Public Works Committee
FROM: State Budget Division, Budget and Control Board
ANALYSTS: Nicole Jennings; Stephen Gardner
DATE: March 5, 2013 SBD: 2013032

AUTHOR: Representative J.E. Smith PRIMARY CODE CITE: 59-101-400
SUBJECT: Military Service Occupation, Education, and Credentialing Act

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

House Bill 3224 amends Chapter 101, Title 59 of the Code of Laws of South Carolina, 1976, by adding Section 59-101-400 which allows a public, post-secondary institution of higher education to award educational credit to an honorably discharged member of the Armed Forces for a course that is part of military training or service and provides for licensing of active duty military personnel and their spouses. Unless there are existing policies in place, the legislation further requires the institution to implement related policies and regulations within a specified time frame.

EXPLANATION OF IMPACT:

Commission on Higher Education (CHE)

Based on the colleges' and universities' individual responses to the CHE survey, it was determined the legislation would likely impact tuition and fee revenues collected. However, the degree to which the enactment of this provision would impact tuition and fee revenue could *not* be determined. According to CHE survey results, the impact will depend on the number of individuals expected to apply and found eligible, which is unknown and not readily determinable.

A small number of institutions reported enactment would result in additional administrative costs for operating needs and staff necessary to coordinate the review and approval process. Administrative costs ranged from \$12,000 to \$71,150.

The state's colleges and universities receive a combination of General Fund appropriations and student tuition and fees for support of educational and general operating needs. If any one institution has substantial numbers of eligible students and the loss in revenue resulting from the enactment of the provision is not covered by increased state general funds, an increase to student tuition and fees could be necessary to comply with the legislation.

State Board for Technical and Comprehensive Education

Department of Labor, Licensing and Regulation

The Agencies estimate this Bill will have no fiscal impact on the State General Fund or on Federal and/or Other Funds.

Approved by:



Brenda Hart
Assistant Director, State Budget Division