



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	H. 3144	Introduced on January 12, 2021
Author:	White	
Subject:	SC Workforce Industry Needs Scholarship (SC WINS)	
Requestor:	House Ways and Means	
RFA Analyst(s):	A. Martin	
Impact Date:	March 17, 2021	Updated for Additional Agency Response

Fiscal Impact Summary

This bill defines the South Carolina Workforce Industry Needs Scholarship (SC WINS), which is administered by the State Board of Technical and Comprehensive Education (SBTCE). This scholarship is currently available to students attending a two-year technical college and dually enrolled high school students. In order to qualify for the current scholarship, students must either major in a critical workforce area program or fall at or below 185% of Federal income poverty guidelines. This bill would remove the income qualifications so that only students majoring in a critical workforce area would qualify for the scholarship. SBTCE estimates that 3,000 students will receive awards totaling \$4,400,000 based solely on income eligibility requirements during FY 2020-21. Therefore, this bill would reduce scholarship disbursements by approximately \$4,400,000 in FY 2021-22. SC WINS is currently funded through the SC Education Lottery (SCEL).

This bill will require the SBTCE to determine which majors qualify as critical workforce programs. This bill codifies current practices in this regard. Therefore, this bill will have no fiscal impact on the agency.

This fiscal impact has been updated to include a response from SBTCE.

Explanation of Fiscal Impact

Updated for Agency Response on March 17, 2021

Introduced on January 12, 2021

State Expenditure

This bill defines the South Carolina Workforce Industry Needs Scholarship (SC WINS). This scholarship will be available to students of two-year public technical colleges and dually enrolled high school students who receive a Lottery Tuition Assistance Program (LTAP) Scholarship and major in a critical workforce area program. The SC WINS award is equal to the remaining cost of tuition and mandatory fees after applying all other scholarships and grants. However, the scholarship may not exceed \$2,500 each school year. An SC WINS recipient will also receive an additional \$300 book allowance each year for a total award of \$2,800. A student may receive the award for a maximum of three years if enrolled in an associate degree program or for two years if enrolled in a diploma or certificate program. During their freshman year, the student

must be enrolled in at least six credit hours of instruction each semester, which must include at least three credit hours of instruction in one of the critical workforce areas. A dual-enrollment student in high school who is majoring in one of the critical workforce areas at a technical college also qualifies for SC WINS.

As part of the qualifications for SCWINS, the student must also receive an LTAP Scholarship in the same school year. In order to qualify for LTAP, a student must be a legal resident of the state and be enrolled in a minimum of 6 credit hours as a degree-seeking student. LTAP recipients may not receive the HOPE, LIFE, or Palmetto Fellows Scholarship in addition to LTAP.

The SBTCE will be responsible for defining what constitutes a critical workforce program area. The board will communicate annually with high school guidance counselors regarding the list of majors that qualify for this scholarship. The list of qualifying majors must be reviewed at least every five years and adjusted as needed based on workforce trends and industry needs. Changes to the list of programs must be ratified by the South Carolina Coordinating Council for Workforce Development (CCWD). As this bill codifies current practices in this regard. Therefore, this bill will have no fiscal impact on the agency.

SBTCE currently offers the SC WINS to students enrolled in a two-year technical college and dual enrollment high school students. The qualifications for the scholarship are set forth in Proviso 3.5 of the most recent Appropriations Act. The current qualifications for the scholarship are similar to the qualifications listed in the bill. In addition, students that fall at or below 185% of Federal income poverty guidelines currently qualify for the SC WINS, regardless of their major.

SC WINS is currently funded through the SC Education Lottery (SCEL). Funding was first appropriated in FY 2019-20 in the amount of \$17,000,000. SBTCE was appropriated another \$17,000,000 for FY 2020-21 for SC WINS. As this is not an open-ended scholarship, maximum award amounts are determined by available funding and the estimated number of students eligible for the scholarship. In FY 2020-21, the maximum award amount is \$100 per credit hour for tuition and fees after applying all other scholarships and grants. In addition, students enrolled in at least one course in a critical workforce area could receive a book allowance of up to \$300 per year. During FY 2019-20, SBTCE awarded a total of \$15,178,342 to SC WINS recipients.

This bill would remove the income qualifications so that only students majoring in a critical workforce area would qualify for the scholarship. SBTCE estimates that 3,000 students will receive awards totaling \$4,400,000 during FY 2020-21 based solely on income eligibility requirements. Therefore, this bill would reduce scholarship disbursements by approximately \$4,400,000 in FY 2021-22. The scholarship is currently funded with proceeds from the SCEL.

This fiscal impact has been updated to include a response from SBTCE.

State Revenue

N/A

Local Expenditure & Revenue

N/A

Introduced on January 12, 2021

State Expenditure

This bill establishes South Carolina Workforce Industry Needs Scholarship (SC WINS). This scholarship will be available to students of two-year public technical colleges who receive a Lottery Tuition Assistance Program (LTAP) Scholarship and major in a critical workforce area program. The SC WINS award is equal to the remaining cost of tuition and mandatory fees after applying all other scholarships and grants. However, the scholarship may not exceed \$2,500 each school year. An SC WINS recipient will also receive an additional \$300 book allowance each year for a total award of \$2,800. A student may receive the award for a maximum of three years if enrolled in an associate degree program or for two years if enrolled in a diploma or certificate program. During their freshman year, the student must be enrolled in at least six credit hours of instruction each semester, which must include at least three credit hours of instruction in one of the critical workforce areas. A dual-enrollment student in high school who is majoring in one of the critical workforce areas at a technical college also qualifies for SC WINS.

As part of the qualifications for the SCWP Scholarship, the student must also receive an LTAP Scholarship in the same school year. In order to qualify for LTAP, a student must be a legal resident of the state and be enrolled in a minimum of 6 credit hours as a degree-seeking student. LTAP recipients may not receive the HOPE, LIFE, or Palmetto Fellows Scholarship in addition to LTAP.

The SBTCE will be responsible for defining what constitutes a critical workforce program area. The board will communicate annually with high school guidance counselors regarding the list of majors that qualify for this scholarship. The list of qualifying majors must be reviewed at least every five years and adjusted as needed based on workforce trends and industry needs. Changes to the list of programs must be ratified by the South Carolina Coordinating Council for Workforce Development (CCWD). As this bill codifies current practices in this regard, we do not anticipate that this bill will have an impact on the agency.

SBTCE currently offers the SC WINS to students enrolled in a two-year technical college and dual enrollment high school students. These students qualify for the SC WINS by meeting all the qualifications listed in the bill. In addition, students that fall at or below 185% of Federal income poverty guidelines also qualify for the current SC WINS.

SC WINS is currently funded through the SC Education Lottery (SCEL). Funding was first appropriated in FY 2019-20 in the amount of \$17,000,000. SBTCE was appropriated another \$17,000,000 for FY 2020-21 for SC WINS. As this is not an open-ended scholarship, award amounts are determined by funding and the number of students eligible for the scholarship. According to information on SBTCE's website, students may currently receive up to \$100 per credit hour for tuition and fees after applying all other scholarships and grants. In addition,

students enrolled in at least one course in a critical workforce area could receive a book allowance of up to \$300 per year.

SBTCE is working to estimate of the number of students who currently qualify for SC WINS based on income level only. Under this bill, only students majoring in a critical workforce area would qualify for SC WINS. The fiscal impact of this bill is pending, contingent upon a response from SBTCE regarding the number of students qualifying for SC WINS.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director