



**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.*

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**Bill Number:** H. 3796 Introduced on February 2, 2021  
**Author:** Allison  
**Subject:** LIFE Scholarships  
**Requestor:** House Ways and Means  
**RFA Analyst(s):** Tipton  
**Impact Date:** February 1, 2022

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### **Fiscal Impact Summary**

This bill provides an additional LIFE Scholarship stipend in the amount of \$7,500 to certain education majors within ninety days after graduating from a public or private state institution of higher learning (IHL).

This bill would result in at least a \$6,750,000 increase in LIFE Scholarship expenditures beginning in FY 2022-23, based on data provided by the Commission on Higher Education (CHE). This increase would first be funded by excess Lottery proceeds, above the amount appropriated in the Appropriations Act for LIFE Scholarships. Any amounts in excess would become an obligation of the General Fund. Additionally, the bill could increase the number of students majoring in education. However, the level of growth is currently unknown.

The expenditure impact of this bill on CHE to manage the administrative duties that correspond with the new stipend is pending, contingent upon further review by the agency.

### **Explanation of Fiscal Impact**

#### **Introduced on February 2, 2021**

#### **State Expenditure**

This bill provides an additional LIFE Scholarship stipend in the amount of \$7,500 to certain education majors within ninety days after graduating from a state public or private IHL. In order to receive this stipend, graduates must have received the LIFE Scholarship for at least one year of their undergraduate career. In addition, they must receive a baccalaureate degree in one of the following majors: early childhood education, elementary education, middle level education, secondary education, art education, dance education, music education, foreign language education, physical education, or special education.

CHE has reported the number of graduates for each year beginning in FY 2016-17 through FY 2020-21 who graduated with an education degree and received the LIFE Scholarship at some point in their undergraduate career. Over the last five years, the group of graduates meeting these criteria has grown from 768 to 862, which is an increase of approximately 2.9 percent over this period. Based on this trend, RFA estimates that there will be approximately 900 graduates in FY 2022-23 that will meet the requirements for the additional stipend. At \$7,500 per graduate, this

bill will increase LIFE Scholarship disbursements by at least \$6,750,000 beginning in FY 2022-23. CHE indicated that while this bill could increase the number of students majoring in education, the level of growth is currently unknown.

The most recent FY 2022-23 estimate for LIFE Scholarship expenditures provided by CHE is approximately \$235,077,000. Therefore, this bill would increase LIFE Scholarship expenditures by approximately 2.9 percent in FY 2022-23. This increase would first be funded by excess Lottery proceeds, above the amount appropriated in the Appropriations Act for LIFE Scholarships. Any amounts in excess would become an obligation of the General Fund.

CHE indicated that while the bill does not specify new requirements for the agency, it would be best practice for the agency to manage the administrative duties that correspond with the new stipend. The expenditure impact on CHE is pending, contingent upon further review by the agency.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director