**A** **BILL**

TO AMEND SECTION 59‑150‑380, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE EDUCATIONAL LOTTERY TEACHING SCHOLARSHIP GRANTS PROGRAM, SO AS TO REVISE THE PURPOSES AND FUNDING OF THE PROGRAM TO INCLUDE SCHOLARSHIPS AND GRANTS FOR TEACHERS TO OBTAIN A MASTER’S DEGREE IN THEIR CONTENT AREA, FULL SCHOLARSHIPS TO UNDERGRADUATES WHO CHOOSE TO MAJOR IN EDUCATION, AND GRANTS TO TEACHERS AND CERTIFIED PROSPECTIVE TEACHERS TO REPAY STUDENT LOANS, TO ESTABLISH THE TERMS, CONDITIONS, AND PROCEDURES FOR THESE GRANTS AND SCHOLARSHIP PROGRAMS; AND TO PROVIDE THAT THE LIFE SCHOLARSHIP UNDER CHAPTER 149, TITLE 59 AND THE HOPE SCHOLARSHIP UNDER SECTION 59‑150‑370 ARE CLOSED TO NEW RECIPIENTS EFFECTIVE JULY 1, 2019.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. The General Assembly finds that:

(A) only 24.6 percent of HOPE scholarship recipients retain their scholarships after the first year;

(B) only 22.2 percent of LIFE scholarship recipients attending technical schools retain their scholarships after the first year;

(C) only 51.4 percent of LIFE scholarship recipients at a four‑year institution retain their scholarships after the first year;

(D) only 86.7 percent of the remaining recipients retain their scholarships after the second year; and

(E) the four‑year graduation rate at our public institutions of higher learning in South Carolina is 41.7 percent.

For these reasons and in order to allocate scarce funding resources in the most effective manner possible, and to improve the results reflected above through having the best teachers possible, the General Assembly therefore has determined to enact the provisions of this act.

SECTION 2. Section 59‑150‑380 of the 1976 Code is amended to read:

“Section 59‑150‑380. (A)(1) The Commission on Higher Education, in consultation with the State Department of Education, must develop an Education Lottery Teaching Scholarship Grants Program to provide certified teachers in the public schools of this State grants not to exceed ~~one thousand dollars per year~~ the full cost of tuition and attendance to attend public or private colleges and universities for the purposes of ~~upgrading existing content area skills or~~ obtaining a master’s degree in the teacher’s content area. ~~If there are insufficient funds in the Education Lottery Account to provide the grant to each eligible recipient for a particular year, priority must be given to those teachers whose subject areas are critical subject needs as determined by the State Department of Education.~~

(2) For purposes of this subsection, the Commission on Higher Education shall develop and publish on its website a list of master’s degree programs and institutions which offer these programs for teachers to attend and enroll in when applying for these grants. If a teacher desires to enroll in a master’s degree program or attend an institution not on the list developed by the commission, the teacher may make application to the commission for approval of that master’s program or institution in order to receive these grants.

(B) In addition to the provisions of subsection (A), undergraduates or high school seniors enrolled in or accepted into a public or private college or university whose major is or will be education may be provided scholarships by the commission in the same manner provided in subsection (A) for teachers equal to the full cost of tuition and attendance to obtain a baccalaureate degree in education. These grants and scholarships to students must be for one academic year and are renewable for additional academic years not to exceed three if the student is making satisfactory progress toward obtaining the desired degree each year based on the criteria established by the commission for this purpose. As a condition for receiving a grant or scholarship under this subsection, a teacher or student by contract with the commission must agree to teach or continue to teach in the public or independent schools of this State for that number of years equal to the number of years the grants or scholarships were received. Failure to achieve the desired degree obligates the student to repay all funds received, together with interest at the average prime lending rate of the three largest banks in South Carolina by deposits over such period of time as determined by the commission after considering the student’s financial condition and resources. Waivers to this repayment requirement may be granted by the commission in extraordinary circumstances.

(C) In lieu of the provisions of subsections (A) and (B), a current teacher in the public or private schools of this State or a person who is certified to teach in the public or private schools of this State who is not presently teaching, may apply to the commission for a grant to repay undergraduate or graduate student loans incurred by that teacher in an amount not to exceed thirty thousand dollars. As a condition of receiving this grant, the teacher must agree to teach in the public or private schools in this State for a period of one school year for each ten thousand dollars received. Failure to teach in the manner required by this subsection, regardless of whether or not a teaching position is available in a desired location, requires repayment of the grant in the same manner provided in subsection (B).

(D) The term ‘a public or independent or private school of this State’ means K‑12 schools including alternative or special education schools. The South Carolina Lottery Commission shall consult with the Commission on Higher Education in the selection of grant and scholarship recipients under the provisions of this section. The General Assembly, beginning with fiscal year 2019‑2020, shall appropriate to the Commission on Higher Education sufficient funds to implement the provisions of this section to be held by the commission in a special fund set aside for this purpose. Any education lottery proceeds not needed to fund the grants and scholarships provided for by this section must be used for other K‑12 educational purposes in the manner the General Assembly shall provide by law.”

SECTION 3. Except for those HOPE and LIFE scholarship recipients who are entitled to continue receiving these scholarships for a specified duration of time as provided in SECTION 4, the LIFE scholarship under Chapter 149, Title 59 and the HOPE scholarship under Section 59‑150‑370 of the 1976 Code are closed to new recipients, including current high school seniors, effective July 1, 2019.

SECTION 4. This act takes effect on July 1, 2019, provided that a HOPE or LIFE scholarship recipient receiving such a scholarship on the effective date of this act may continue to receive the scholarship for the duration of the student’s undergraduate attendance at his or her present institution or at another institution provided the student continues to achieve the matriculation requirements to continue or regain receiving the scholarship as provided by law.

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