

# Higher Education Opportunity Act

The Higher Education Opportunity Act (HEOA) is the culmination of bipartisan discussions among South Carolina Senate leaders about how to address chronic underfunding of South Carolina's public colleges and universities and the resulting increases in tuition.

The result is a comprehensive proposal that both restores funds to institutions and provides more opportunity for South Carolina students to earn a degree — making it one of the most encouraging pieces of legislation for higher education in years.

The prospects of the HEOA received a boost in June with a U.S. Supreme Court ruling that paves the way for states to realize new revenue through Internet retail sales. For South Carolina, this could translate to more than \$400 million annually. The HEOA earmarks a portion of these new funds to restore the decade-long decline in state funding.



**South Carolina has one of the highest per capita tuition rates in the country. We need to work together on long term solutions to make college more affordable and more accessible for all South Carolinians.**

*—UofSC President Bob Caslen*



## What the bill does:

- Freezes tuition for in-state students for one year and caps tuition growth for our state's students in future years by reinvesting more than \$125 million back into public colleges.
- Rewards colleges for enrolling more in-state students by distributing the additional funding based on in-state student enrollment. Lack of state funding is a major reason for the recent increase in out-of-state student enrollment.
- Requires no state tax increases. Instead, funding comes from a combination of existing and future state revenues placed into a new Higher Education Opportunity trust fund.
- Modernizes the state's scholarship offerings by ensuring the sustainability of current merit-based scholarships program (Palmetto Fellows, LIFE and HOPE) while focusing more state resources on assisting students with financial need.
- Establishes reliable funding dedicated entirely to repairing our public colleges' aging and crumbling campus facilities, infrastructure and equipment.
- Cuts duplicative and costly red tape and state regulation of public colleges while still maintaining proper oversight.
- Recurring state funding would be benchmarked with overall state revenue. Institutions would benefit in years with increased state revenue, but also would share a proportional reduction in leaner years.