

## Amendment # 9 [TRA]

Language

**REPRESENTATIVE STAVRINAKIS PROPOSES THE FOLLOWING AMENDMENT:**

### **SECTION 27 - STATE LIBRARY**

**NEW**

**27.cl. (LIB: Content Licensing)** From the funds appropriated to the State Library that are not allocated for Distribution to Subdivisions, the State Library shall:

(1) license content with unlimited simultaneous access rights to make certain that users are never turned away from a digital content item and to allow broad classroom use for both K-12 and academic institutions, to ensure the value of the state's investment is fully leveraged;

(2) only license content that can be accessed easily by one or two clicks without a library card or a South Carolina state identification card, i.e. geo-located authentication;

(3) only license content on platforms optimized for use on mobile phones;

(4) license content that is intellectually accessible to the general population and can serve the needs of many, rather than scholarly research content more appropriate for a university research library;

(5) license collections to support traditionally underserved populations, focusing on early literacy, reluctant readers, health and wellness, job skills, personal finance, and aging; and

(6) only license full text collections, not indexes or tools to recommend texts that cannot be accessed freely;

The State Library is prohibited from using appropriated funds to license reference products where the same information is easily found in free online products such as Wikipedia and shall not license databases of articles from mainstream newspapers and magazines since these can almost always be accessed free online and are easily discovered through Internet search engines such as Google, etc.

## Amendment # 22 [K12]

### Language

### REPRESENTATIVE COBB-HUNTER PROPOSES THE FOLLOWING AMENDMENT:

### SDE-Educational Credit for Exceptional Needs Children

### Amend

1.86. (SDE: Educational Credit for Exceptional Needs Children) (A) As used in this proviso:

(1) "Eligible school" means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that:

(a) offers a general education to primary or secondary school students;

(b) does not discriminate on the basis of race, color, or national origin;

(c) is located in this State;

(d) has an educational curriculum that includes courses set forth in the state's diploma requirements, graduation certificate requirements (for specials needs children), and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress;

(e) has school facilities that are subject to applicable federal, state, and local laws; ~~and~~

(f) is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools, or the South Carolina Independent Schools Association; and

(g) offers a specially designed program or learning resource center to provide needed accommodations based on the needs of exceptional needs students or is a school specifically existing to meet the needs of only exceptional needs students with documented disabilities.

(2) "Exceptional needs child" means a child:

(a) (i) who has been evaluated in accordance with this state's evaluation criteria, as set forth in S.C. Code Ann. Regs. 43-243.1, and determined eligible as a child with a disability who needs special education and related services, in accordance with the requirements of Section 300.8 of the Individuals with Disabilities Education Act; or

(b) (ii) who has been diagnosed within the last three years by a licensed speech-language pathologist, psychiatrist, or medical, mental health, psychoeducational, or other comparable licensed health care provider as having a neurodevelopmental disorder, a substantial sensory or physical impairment such as deaf, blind, or orthopedic disability, or some other disability or acute or chronic condition that significantly impedes the student's ability to learn and succeed in school without specialized instructional and associated supports and services tailored to the child's unique needs; ~~and~~

~~(b) the child's parents or legal guardian believes that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.~~

(3) "Independent school" means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

(4) "Nonprofit scholarship funding organization" means a charitable organization that:

(a) is exempt from federal tax pursuant to Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the code;

(b) allocates, after its first year of operation, at least ninety-seven percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this proviso, and incurs administrative expenses annually, after its first year of operation, of not more than three percent nor more than \$200,000 in the aggregate, whichever is less, of its annual contributions and revenue for a particular year to cover operational costs;

(c) allocates all of its funds used for grants on an annual basis to children who are exceptional needs students;

(d) does not provide grants solely for the benefit of one school, and if the department determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this proviso may be disallowed;

(e) does not have as a volunteer, contractor, consultant, fundraiser or member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this proviso from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member;

(f) does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony;

(g) does not release personally identifiable information pertaining to students or donors or use information collected about donors, students or schools for financial gain; and

(h) must not place conditions on schools enrolling students receiving scholarships to limit the ability of the schools to enroll students accepting grants from other nonprofit scholarship funding organizations.

(5) "Parent" means the natural or adoptive parent or legal guardian of a child.

(6) "Person" means an individual, partnership, corporation, or other similar entity.

(7) "Qualifying student" means a student who is an exceptional needs child, a South Carolina resident, and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the applicable school year.

(8) "Resident public school district" means the public school district in which a student resides.

(9) "Transportation" means transportation to and from school only.

(10) "Tuition" means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school, textbook fees, and school-related transportation.

(11) "Department" means the Department of Revenue.

(B) (1) A person is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:

(a) the contribution is used to provide grants for tuition to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and

(b) the person does not designate a specific child or school as the beneficiary of the contribution.

(2) An individual is entitled to a refundable tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities, not exceeding ten thousand dollars per child, the individual contributes as tuition for exceptional needs children within their custody or care and enrolled in eligible schools who qualify for these grants under the provisions of this proviso. The cumulative maximum total for credits authorized by this subitem may not exceed four million dollars. However, if a child within the care and custody of an individual receives a tuition scholarship from a nonprofit scholarship funding

organization, then the individual only may claim a credit equal to the difference of ten thousand dollars or the cost of tuition, whichever is lower, and the amount of the scholarship.

(C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for qualifying students with exceptional needs to attend an independent school. Before awarding any grant, a scholarship funding organization must receive written documentation from the parent documenting that the qualifying student is an exceptional needs child. Upon approving the application, the scholarship funding organization must issue a check to the eligible school in the name of the qualifying student. In the event that the qualifying student leaves or withdraws from the school for any reason before the end of the semester or school year and does not reenroll within thirty days, then the eligible school must return a prorated amount of the grant to the scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student's departure.

(D) (1) (a) The tax credits authorized by subsection (B) may not exceed cumulatively a total of twelve million dollars for contributions made on behalf of exceptional needs students. If the department determines that the total of such credits claimed by all taxpayers exceeds either limit amount, it shall allow credits only up to those amounts on a first come, first served basis.

(b) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department shall determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, 2016, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

(2) A taxpayer may not claim more than sixty percent of their total tax liability for the year in contribution toward the tax credit authorized by subsection (B)(1). This credit is not refundable.

(3) If a taxpayer deducts the amount of the contribution on the taxpayer's federal return and claims the credit allowed by this proviso, then the taxpayer must add back the amount of the deduction for purposes of South Carolina income taxes.

(4) The department shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if the credit limit is met at any time during Fiscal Year ~~2015-16~~ 2016-17.

(5) A person only may claim a credit pursuant to subsection (B) for contributions made between July 1, ~~2015~~ 2016, and June 30, ~~2016~~ 2017.

(E) A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the credit authorized by this proviso to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

(G) (1) ~~By August 1, 2015, each independent school must apply to the Education Oversight Committee to be considered an eligible institution for which it may receive contributions from a nonprofit scholarship funding organization for which the tax credit allowed by this proviso is allowed.~~ The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining *annually* if an eligible school meets the criteria established by subsection (A)(1), and shall ~~publish an approved list of such schools meeting the criteria~~ *maintain on its website a list of schools approved for participation in the program. Any school that participated in the program in the prior fiscal year and complied with the requirements of the program would have until December 30 of the current fiscal year to reapply for participation in the program and in the meantime would continue to be an eligible institution unless the school notifies the committee in writing of its decision not to participate in the program. Furthermore, any school that did not participate in the program in the prior fiscal year may apply for participation in the program at any time in the current fiscal year.* If an independent school does not apply to be an eligible school, the independent school may not be published as an approved school, and contributions to that school shall not be allowed for purposes of the credit allowed by this proviso. The Education Oversight Committee must

publish the approved list of schools on its website by September first of each year, shall update the list upon the approval of additional eligible schools, and the list must include their names, addresses, telephone numbers, and, if available, website addresses. Also, the score reports and audits received by the Education Oversight Committee pursuant to items (2)(b) and (c) must be published with the list. The Education Oversight Committee shall summarize or redact the score reports if necessary to prevent the disclosure of personally identifiable information. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members, including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

(2) An independent school's application for consideration as an eligible institution must contain:

(a) the number and total amount of grants received from each nonprofit scholarship funding organization in the preceding fiscal year;

(b) student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by the school receiving or entitled to receive scholarship grants pursuant to this proviso in the previous fiscal year;

(c) a copy of a compilation, review, or compliance audit of the organization's financial statements, conducted by a certified public accounting firm; and

(d) a certification by the independent school that it meets the definition of an eligible school as that term is defined in subsection (A)(1) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(3) Any independent school not determined to be an eligible school pursuant to the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(1)(d).

(H) (1) By August first of each year, each nonprofit scholarship funding organization must apply to the department to be considered an eligible organization for which its contributors are allowed the tax credit allowed by this proviso. If a nonprofit scholarship funding organization does not apply, the organization may not be published as an approved organization, and contributions to that organization shall not be allowed for purposes of the credit allowed by this proviso. A nonprofit scholarship funding organization's application must contain:

(a) the number and total amount of grants issued to eligible schools in the preceding fiscal year;

(b) for each grant issued to an eligible school in the preceding fiscal year, the identity of the school and the amount of the grant;

(c) an itemization and detailed explanation of any fees or other revenues obtained from or on behalf of any eligible schools;

(d) a copy of the organization's Form 990 or other comparable federal submission that indicates the provisions of the Internal Revenue Code under which the organization has been granted exempt status for purposes of federal taxation;

(e) a copy of a compilation, review, or audit of the organization's financial statements, conducted by a certified public accounting firm;

(f) the criteria and eligibility requirements for scholarship awards; and

(g) a certification by the organization that it meets the definition of a nonprofit scholarship funding organization as that term is defined in subsection (A)(4) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(2) By receiving the application materials and approving the organization as an eligible organization pursuant to item (1), the department is not determining that the organization meets all of the

requirements of a qualified nonprofit scholarship funding organization and the organization remains subject to examination as provided for pursuant to subsection (I).

(3) The department has authority to disclose the names of qualifying nonprofit scholarship funding organizations to the Education Oversight Committee. The department also may disclose to the Education Oversight Committee the names of organizations that applied but were not qualified by the department and those organizations whose eligibility has been revoked in accordance with subsection (I)(2), as well as the reason the application of the organization was not accepted or the reason its qualification was revoked.

(4) By September first of each year, the Education Oversight Committee must publish on its website a list of all qualifying nonprofit scholarship funding organizations, provided by the department, to include their names, addresses, telephone numbers, and, if available, website addresses. Also, the results of the audit required by item (1)(e) must be published with the list.

(I) (1) The department has authority to oversee, audit, and examine the nonprofit scholarship funding organizations, including determining whether the nonprofit scholarship funding organization is being operated in a manner consistent with the requirements for an IRC Section 501(c)(3) organization or is in compliance with any other provision of this proviso.

(2) (a) If at any time during the year, the department has evidence, through audit or otherwise, that a nonprofit scholarship funding organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso, the department immediately may revoke the organization's participation in the program and must notify the organization and the Education Oversight Committee in writing of the revocation.

(b) Notice of revocation may be provided to the organization by personal delivery to the organization, by first class mail to the last known address of the organization, or by other means reasonably designed to provide notice to the organization.

(c) Any donations made following the date the notice of revocation is received by the organization or in the case of delivery by mail ten days after the notice of revocation was mailed, will not qualify for the credit and the donated funds must be returned to the donor by the organization. This proviso shall not limit the department's authority to deny any tax credit or other benefit provided by this proviso if the circumstances warrant.

(d) (i) Within thirty days after the day on which the organization is notified of the revocation, the organization may request a contested hearing before the Administrative Law Court. Within thirty days after a request for a contested case hearing is received by the Administrative Law Court, an administrative law judge shall hold the contested case hearing and determine whether the revocation was reasonable under the circumstances. The department has the burden of proof of showing that the revocation was reasonable under the circumstances. The revocation is "reasonable" if the department has some credible evidence to believe that the organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso. The decision made by the administrative law judge is final and conclusive and may not be reviewed by any court. If the organization does not request a contested case hearing within thirty days of the immediate revocation, the revocation shall become permanent.

(ii) If the administrative law judge determines that the revocation was reasonable, the administrative law judge shall remand the case to the department to issue a department determination for permanent revocation within the time period determined by the judge. The organization may appeal this department determination in accordance with Section 12-60-460. At the contested case hearing on the department determination, the parties can raise new issues and arguments in addition to those issues and arguments previously presented at the revocation hearing.

(iii) If the administrative law judge determines that immediate revocation is not reasonable, the revocation shall be lifted and the organization may resume accepting donations and award scholarships hereunder. The department may still issue a department determination in accordance with Section 12-60-450(E)(2).

(iv) If at any time during the process, the department believes the organization is in compliance, the department, in its sole discretion, may reinstate the organization and notify the Education Oversight Committee.

(v) Following the permanent revocation of a nonprofit scholarship funding organization, the Education Oversight Committee has the authority to oversee the transfer of donated funds of the revoked organization to other nonprofit scholarship funding organizations.

(J) A nonprofit scholarship funding organization may transfer funds to another nonprofit scholarship funding organization, especially in the event that the organization cannot distribute the funds in a timely manner or if the organization ceases to exist. None of the funds that are transferred by one nonprofit scholarship funding organization to another may be considered by the former organization when calculating its administrative expenses.

## Amendment # 23 [K12]

Dollars

### REPRESENTATIVE LOFTIS PROPOSES THE FOLLOWING AMENDMENT:

#### EIA-Digital Learning

#### Amend

1A.d. (SDE-EIA: Digital Learning) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$1,900,000 will be authorized to be utilized to enter into one-year memoranda of agreements with public and private entities to pilot computer science initiatives in schools and school districts. The initiatives must focus on improving the digital literacy skills of students and teachers, expanding opportunities for students to learn coding, or providing computer science curriculum. To this end, at least \$1,500,000 must be authorized for **schools or** school districts that have poverty indices of eighty percent or greater or are a trial or plaintiff district in the Abbeville equity lawsuit. In these districts, the EOC will pilot a program that provides school districts with digital learning tools, digital resources, the curriculum foundry, technical support, and professional development.



Amendment # 24 [K12]

Dollars

REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

EIA-Family Connection

New

1A.FC. (SDE-EIA: Family Connection South Carolina) Funds appropriated in Section 1A, VIII.E, Partnerships, for Family Connection South Carolina (H63), shall be transferred in quarterly installments from the Department of Education to Family Connection South Carolina. Funds shall be used to provide support to families of children with disabilities. Support shall include, home visits, transition assistance, education assistance, parent support and parent training. The department shall establish guidelines through which Family Connection South Carolina shall provide planning documents to the department not later than July 15 of the current fiscal year, and quarterly reporting of expenditures thereafter; and a performance report submitted annually.

## Amendment # 25 [K12]

*Dollars*

**REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:**

**EIA-Low Achieving Schools**

**New**

1A.ias (SDE-EIA: Low Achieving Schools) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$500,000 shall be allocated to parent support initiatives and afterschool programs in historically underachieving communities.

## Amendment # 26 [K12]

Dollars

REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

SDE and EIA-Teacher Salary Increase

New

(SDE-EIA: XI.C.2.-Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule as its base. School districts shall utilize the additional funds made available from the Teacher Salary Supplement appropriation to provide the required one percent increase.

Additionally, for the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by an amount equal to a step on the salary schedule for any teacher entering the 23<sup>rd</sup> year if the district's salary schedule does not go beyond 22 years. Application of this provision must be applied uniformly for all eligible certified teachers. If a school district believes it will be unable to provide the required additional step without incurring a deficit, it may apply to the State Board of Education for a waiver from this requirement.

For purposes of this provision teachers shall be defined by the Department of Education using the Professional Certified Staff (PCS) System.

## Amendment #27 [CRJ]

Choose one: *Language*

**REPRESENTATIVE PITTS PROPOSES THE FOLLOWING AMENDMENT:**

### **COMMISSION ON INDIGENT DEFENSE/SECTION 61**

Delete:

~~61.13. — (INDEF: Indigent Verification) The Commission on Indigent Defense is directed to review the Affidavit for Indigency and Application for Counsel and make recommendations to the General Assembly by January 5, 2016, on any additional requirements for applicants in order to verify their financial status; the supporting documentation that should be required of all applicants in order to verify their financial status; and the standards by which an application should be approved and counsel appointed accordingly. Additionally, the commission shall report to the General Assembly by August 1, 2015, on the number of applications accepted and rejected during Fiscal Year 2014-15.~~

Amendment # 29 [TRA]

Dollars

REPRESENTATIVES WHITE, LIMEHOUSE, SIMRILL, BINGHAM, PITTS, HERBKERSMAN, MERRILL, G.M. SMITH, AND WHITMIRE PROPOSE THE FOLLOWING AMENDMENT:

SECTION 117 - GENERAL PROVISIONS

NEW

**117.ctc.** (GP: County Transportation Committee Road Program Supplement)  
The South Carolina Transportation Infrastructure Bank shall transfer the \$50,000,000 appropriated by Act 92 of 2015 to the Department of Transportation. The department shall distribute these funds to the County Transportation Committee Road Program pursuant to Section 12-28-2740 of the 1976 Code. County Transportation Committees shall utilize the funds distributed pursuant to this proviso solely for use on the state-owned secondary road system for paving, rehabilitation, resurfacing, and/or reconstruction, and bridge repair, replacement, or reconstruction. No funds from this allocation shall be used for any road, bridge, or highway that is not part of the state owned system.

Unexpended funds appropriated pursuant to this subsection may be carried forward and expended for the same purposes.

## Amendment # 30 [K12]

### Language

### REPRESENTATIVE ANTHONY PROPOSES THE FOLLOWING AMENDMENT:

### SDE-Educational Credit for Exceptional Needs Children

### Amend

1.86. (SDE: Educational Credit for Exceptional Needs Children) (A) As used in this proviso:

(1) "Eligible school" means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that:

(a) offers a general education to primary or secondary school students;

(b) does not discriminate on the basis of race, color, or national origin;

(c) is located in this State;

(d) has an educational curriculum that includes courses set forth in the state's diploma requirements, and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress;

(e) has school facilities that are subject to applicable federal, state, and local laws; and

(f) is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools, or the South Carolina Independent Schools Association; and

~~(g) offers a specially designed program or learning resource center to provide needed accommodations based on the needs of exceptional needs students or is a school specifically existing to meet the needs of only exceptional needs students with documented disabilities.~~ (g) provides a specially designed program or learning resource center to provide needed accommodations based on the needs of exceptional needs students or provides onsite educational services or supports to meet the needs of exceptional needs students, or is a school specifically existing to meet the needs of only exceptional needs students with documented disabilities.

(2) "Exceptional needs child" means a child:

(a) (i) who has been evaluated in accordance with this state's evaluation criteria, as set forth in S.C. Code Ann. Regs. 43-243.1, and determined eligible as a child with a disability who needs special education and related services, in accordance with the requirements of Section 300.8 of the Individuals with Disabilities Education Act; or

(b) (ii) who has been diagnosed within the last three years by a licensed speech-language pathologist, psychiatrist, or medical, mental health, psychoeducational, or other comparable licensed health care provider as having a neurodevelopmental disorder, a substantial sensory or physical impairment such as deaf, blind, or orthopedic disability, or some other disability or acute or chronic condition that significantly impedes the student's ability to learn and succeed in school without specialized instructional and associated supports and services tailored to the child's unique needs; ~~and~~ .

~~(b) the child's parents or legal guardian believes that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.~~

(3) "Independent school" means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

(4) "Nonprofit scholarship funding organization" means a charitable organization that:

(a) is exempt from federal tax pursuant to Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the code;

(b) allocates, after its first year of operation, at least ninety-seven percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this proviso, and incurs administrative expenses annually, after its first year of operation, of not more than three percent nor more than \$200,000 in the aggregate, whichever is less, of its annual contributions and revenue for a particular year to cover operational costs;

(c) allocates all of its funds used for grants on an annual basis to children who are exceptional needs students;

(d) does not provide grants solely for the benefit of one school, and if the department determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this proviso may be disallowed;

(e) does not have as a volunteer, contractor, consultant, fundraiser or member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this proviso from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member;

(f) does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony;

(g) does not release personally identifiable information pertaining to students or donors or use information collected about donors, students or schools for financial gain; and

(h) must not place conditions on schools enrolling students receiving scholarships to limit the ability of the schools to enroll students accepting grants from other nonprofit scholarship funding organizations.

(5) "Parent" means the natural or adoptive parent or legal guardian of a child.

(6) "Person" means an individual, partnership, corporation, or other similar entity.

(7) "Qualifying student" means a student who is an exceptional needs child, a South Carolina resident, and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the applicable school year.

(8) "Resident public school district" means the public school district in which a student resides.

(9) "Transportation" means transportation to and from school only.

(10) "Tuition" means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school, textbook fees, and school-related transportation.

(11) "Department" means the Department of Revenue.

(B) (1) A person is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:

(a) the contribution is used to provide grants for tuition to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and

(b) the person does not designate a specific child or school as the beneficiary of the contribution.

(2) An individual is entitled to a refundable tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities, not exceeding ten thousand dollars per child, the individual contributes as tuition for exceptional needs children within their custody or care and enrolled in eligible schools who qualify for these grants under the provisions of this proviso. The cumulative maximum total for credits authorized by this subitem may not exceed four million dollars. However, if a child within the care and custody of an individual receives a tuition scholarship from a nonprofit scholarship funding organization, then the individual only may claim a credit equal to the difference of ten thousand dollars or the cost of tuition, whichever is lower, and the amount of the scholarship.

(C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for qualifying students with exceptional needs to attend an independent school. Before awarding any grant, a scholarship funding organization must receive written documentation from the parent documenting that the qualifying student is an exceptional needs child. Upon approving the application, the scholarship funding organization must issue a check to the eligible school in the name of the qualifying student. In the event that the qualifying student leaves or withdraws from the school for any reason before the end of the semester or school year and does not reenroll within thirty days, then the eligible school must return a prorated amount of the grant to the scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student's departure.

(D) (1) (a) The tax credits authorized by subsection (B) may not exceed cumulatively a total of twelve million dollars for contributions made on behalf of exceptional needs students. If the department determines that the total of such credits claimed by all taxpayers exceeds either limit amount, it shall allow credits only up to those amounts on a first come, first served basis.

(b) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department shall determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, 2016, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

(2) A taxpayer may not claim more than sixty percent of their total tax liability for the year in contribution toward the tax credit authorized by subsection (B)(1). This credit is not refundable.

(3) If a taxpayer deducts the amount of the contribution on the taxpayer's federal return and claims the credit allowed by this proviso, then the taxpayer must add back the amount of the deduction for purposes of South Carolina income taxes.

(4) The department shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if the credit limit is met at any time during Fiscal Year ~~2015-16~~ 2016-17.

(5) A person only may claim a credit pursuant to subsection (B) for contributions made between July 1, ~~2015~~ 2016, and June 30, ~~2016~~ 2017.

(E) A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the credit authorized by this proviso to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

(G) (1) ~~By August 1, 2015, each independent school must apply to the Education Oversight Committee to be considered an eligible institution for which it may receive contributions from a nonprofit scholarship funding organization for which the tax credit allowed by this proviso is allowed.~~ The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining annually if an eligible school meets the criteria established by subsection (A)(1), and shall ~~publish an approved list of such schools meeting the criteria~~ maintain on its website a list of schools approved for participation in the program. Any school that participated in the program in the prior fiscal year and complied with the requirements of the



program would have until December 30 of the current fiscal year to reapply for participation in the program and in the meantime would continue to be an eligible institution unless the school notifies the committee in writing of its decision not to participate in the program. Furthermore, any school that did not participate in the program in the prior fiscal year may apply for participation in the program at any time in the current fiscal year. If an independent school does not apply to be an eligible school, the independent school may not be published as an approved school, and contributions to that school shall not be allowed for purposes of the credit allowed by this proviso. The Education Oversight Committee must publish the approved list of schools on its website by September first of each year, shall update the list upon the approval of additional eligible schools, and the list must include their names, addresses, telephone numbers, and, if available, website addresses. Also, the score reports and audits received by the Education Oversight Committee pursuant to items (2)(b) and (c) must be published with the list. The Education Oversight Committee shall summarize or redact the score reports if necessary to prevent the disclosure of personally identifiable information. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members, including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

(2) An independent school's application for consideration as an eligible institution must contain:

(a) the number and total amount of grants received from each nonprofit scholarship funding organization in the preceding fiscal year;

(b) student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by the school receiving or entitled to receive scholarship grants pursuant to this proviso in the previous fiscal year;

(c) a copy of a compilation, review, or compliance audit of the organization's financial statements, conducted by a certified public accounting firm; and

(d) a certification by the independent school that it meets the definition of an eligible school as that term is defined in subsection (A)(1) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(3) Any independent school not determined to be an eligible school pursuant to the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(1)(d).

(H) (1) By August first of each year, each nonprofit scholarship funding organization must apply to the department to be considered an eligible organization for which its contributors are allowed the tax credit allowed by this proviso. If a nonprofit scholarship funding organization does not apply, the organization may not be published as an approved organization, and contributions to that organization shall not be allowed for purposes of the credit allowed by this proviso. A nonprofit scholarship funding organization's application must contain:

(a) the number and total amount of grants issued to eligible schools in the preceding fiscal year;

(b) for each grant issued to an eligible school in the preceding fiscal year, the identity of the school and the amount of the grant;

(c) an itemization and detailed explanation of any fees or other revenues obtained from or on behalf of any eligible schools;

(d) a copy of the organization's Form 990 or other comparable federal submission that indicates the provisions of the Internal Revenue Code under which the organization has been granted exempt status for purposes of federal taxation;

(e) a copy of a compilation, review, or audit of the organization's financial statements, conducted by a certified public accounting firm;

(f) the criteria and eligibility requirements for scholarship awards; and

(g) a certification by the organization that it meets the definition of a nonprofit scholarship funding organization as that term is defined in subsection (A)(4) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(2) By receiving the application materials and approving the organization as an eligible organization pursuant to item (1), the department is not determining that the organization meets all of the requirements of a qualified nonprofit scholarship funding organization and the organization remains subject to examination as provided for pursuant to subsection (I).

(3) The department has authority to disclose the names of qualifying nonprofit scholarship funding organizations to the Education Oversight Committee. The department also may disclose to the Education Oversight Committee the names of organizations that applied but were not qualified by the department and those organizations whose eligibility has been revoked in accordance with subsection (I)(2), as well as the reason the application of the organization was not accepted or the reason its qualification was revoked.

(4) By September first of each year, the Education Oversight Committee must publish on its website a list of all qualifying nonprofit scholarship funding organizations, provided by the department, to include their names, addresses, telephone numbers, and, if available, website addresses. Also, the results of the audit required by item (1)(e) must be published with the list.

(I) (1) The department has authority to oversee, audit, and examine the nonprofit scholarship funding organizations, including determining whether the nonprofit scholarship funding organization is being operated in a manner consistent with the requirements for an IRC Section 501(c)(3) organization or is in compliance with any other provision of this proviso.

(2) (a) If at any time during the year, the department has evidence, through audit or otherwise, that a nonprofit scholarship funding organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso, the department immediately may revoke the organization's participation in the program and must notify the organization and the Education Oversight Committee in writing of the revocation.

(b) Notice of revocation may be provided to the organization by personal delivery to the organization, by first class mail to the last known address of the organization, or by other means reasonably designed to provide notice to the organization.

(c) Any donations made following the date the notice of revocation is received by the organization or in the case of delivery by mail ten days after the notice of revocation was mailed, will not qualify for the credit and the donated funds must be returned to the donor by the organization. This proviso shall not limit the department's authority to deny any tax credit or other benefit provided by this proviso if the circumstances warrant.

(d) (i) Within thirty days after the day on which the organization is notified of the revocation, the organization may request a contested hearing before the Administrative Law Court. Within thirty days after a request for a contested case hearing is received by the Administrative Law Court, an administrative law judge shall hold the contested case hearing and determine whether the revocation was reasonable under the circumstances. The department has the burden of proof of showing that the revocation was reasonable under the circumstances. The revocation is "reasonable" if the department has some credible evidence to believe that the organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso. The decision made by the administrative law judge is final and conclusive and may not be reviewed by any court. If the organization does not request a contested case hearing within thirty days of the immediate revocation, the revocation shall become permanent.

(ii) If the administrative law judge determines that the revocation was reasonable, the administrative law judge shall remand the case to the department to issue a department determination for permanent revocation within the time period determined by the judge. The organization may appeal this

department determination in accordance with Section 12-60-460. At the contested case hearing on the department determination, the parties can raise new issues and arguments in addition to those issues and arguments previously presented at the revocation hearing.

(iii) If the administrative law judge determines that immediate revocation is not reasonable, the revocation shall be lifted and the organization may resume accepting donations and award scholarships hereunder. The department may still issue a department determination in accordance with Section 12-60-450(E)(2).

(iv) If at any time during the process, the department believes the organization is in compliance, the department, in its sole discretion, may reinstate the organization and notify the Education Oversight Committee.

(v) Following the permanent revocation of a nonprofit scholarship funding organization, the Education Oversight Committee has the authority to oversee the transfer of donated funds of the revoked organization to other nonprofit scholarship funding organizations.

(J) A nonprofit scholarship funding organization may transfer funds to another nonprofit scholarship funding organization, especially in the event that the organization cannot distribute the funds in a timely manner or if the organization ceases to exist. None of the funds that are transferred by one nonprofit scholarship funding organization to another may be considered by the former organization when calculating its administrative expenses.

## Amendment # 31 [K12]

### Language

#### REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

#### SDE-EIA Technical Assistance

#### Amend

**1A.12.** (SDE-EIA: Technical Assistance) In order to best meet the needs of underperforming schools, funds appropriated for technical assistance *must be used* to *provide intensive support to* schools *and districts* with an absolute rating of below average or at-risk on the most recent annual school report card *or with the lowest percentages of students meeting state standards on state assessments on the most recent state assessments or with the lowest high school graduation rates* ~~must be allocated according to the severity of not meeting report card criteria.~~ *The department will create a system of tiers of technical assistance for low-performing schools and districts that will receive technical assistance. The tiers will be determined by factors that include, but are not limited to, length of time performance of the school or district has been at-risk/below average, annual achievement ratings, annual growth ratings, school or district accreditation, and/or financial risk status. The tiers of technical assistance may include a per student allocation, placement of a principal mentor, transformation coach, instructional leader, replacement of the principal, reconstitution of a school, and/or declaration of a state of emergency. Low-performing schools and districts shall be placed within the tiered technical assistance framework not later than December 15.*

~~Low-performing schools receiving an absolute rating of below average or at risk and shall receive a diagnostic review through the department. In addition, newly identified low-performing schools and districts must be reviewed by an External Review Team in the year of designation, and every third year thereafter. Based upon the recommendations in the review(s), low-performing schools and districts must develop and submit to the Department of Education an updated school renewal or district strategic plan outlining goals for improvements. The amended plans must address specific strategies designed to increase student achievement and must include measures to evaluate the success of implementation of the plan. Of the technical assistance funds allocated to below average or at-risk schools each allocation must address specific strategies designed to increase student achievement and must include measures to evaluate success. The school renewal plan may include expenditures for recruitment incentives for faculty and staff, performance incentives for faculty and staff, assistance with curriculum and test score analysis, professional development activities based on curriculum and test score analysis that may include daily stipends if delivered on days outside of required contract days. School expenditures of technical assistance shall be monitored by the Department of Education.~~

With the funds appropriated to the Department of Education, *and any experts placed in the school or district* for technical assistance services, ~~the department~~ will assist *low-performing schools and districts with an absolute rating of below average or at risk in designing and implementing the strategies and measurement identified in the* technical assistance school renewal *amended* plans and in brokering for technical assistance personnel as needed and as stipulated in the plan. In addition, the department must monitor student academic achievement and *progress on implementation of the plan* ~~the expenditure of technical assistance funds in schools receiving these funds and report their findings to the local legislative delegation and the Governor in the fall following the school or district designation as low-performing. General Assembly and the Education Oversight Committee by January first of each fiscal year as the~~

~~General Assembly may direct. If the Education Oversight Committee or the department requests information from schools or school districts regarding the expenditure of technical assistance funds pursuant to evaluations, the school or school district must provide the evaluation information necessary to determine effective use. If the school or school district does not provide the evaluation information necessary to determine effective use, the principal of the school or the district superintendent may be subject to receiving a public reprimand by the State Board of Education if it is determined that those individuals are responsible for the failure to provide the required information.~~

~~No more than five percent of the total amount appropriated for technical assistance services to schools with an absolute rating of below average or at risk may be retained and expended *Funds must be used* by the department for implementation and delivery of technical assistance services. Using previous report card data *and monitoring reports on the status of implementation of the school renewal plan*, the department shall identify priority schools. Up to \$6,000,000 of the total *funds* appropriated for technical assistance shall be used by the department to work with those schools identified as *low-performing and to support* priority schools *under the tiered system*. These funds shall not be transferred to any other funding category by the school district without prior approval of the State Superintendent of Education.~~

~~The department will create a system of levels of technical assistance for schools that will receive technical assistance funds. The levels will be determined by the severity of not meeting report card criteria. The levels of technical assistance may include a per student allocation, placement of a principal mentor, replacement of the principal, and/or reconstitution of a school.~~

~~Reconstitution means the redesign or reorganization of the school, which *may include* includes the declaration that all positions in the school are considered vacant. Certified staff currently employed in priority schools must undergo a formal *an* evaluation in the spring following the school's identification as a priority school and must meet determined goals to be rehired and continue their employment at that school. Student achievement will be considered as a significant factor when determining whether to ~~rehire existing staff~~. Educators who were employed at a school that is being reconstituted prior to the effective date of this proviso *July 1, 2009* and to whom the employment and dismissal laws apply will not lose their rights in the reconstitution. If they are not rehired or are not assigned to another school in the school district they have the opportunity for a hearing. However, employment and dismissal laws shall not apply to educators who are employed in the district and assigned to the priority schools *July 1, 2009* after the effective date of this proviso, in the event of a reconstitution of the school in which the educator is employed. Those rights are only suspended in the event of a reconstitution of the entire school staff. Additionally, the rights and requirements of the employment and dismissal laws do not apply to educators who ~~are currently~~ *on July 1, 2009 were* on an induction or annual contract, that subsequently ~~are~~ *were* offered continuing contract status after the effective date of this proviso, and are employed at a school that is subject to reconstitution under this proviso.~~

~~The reconstitution of a school could take place if the school has been identified as a priority school that has failed to improve satisfactorily. The decision to reconstitute a school shall be made by the State Superintendent of Education in consultation with the principal ~~and/or principal mentor~~, the school board of trustees, and the district superintendent. The decision to reconstitute a school shall be made by April first, at which time notice shall be given to all employees of the school. The department, in consultation with the ~~principal and~~ district superintendent, shall develop a staffing plan, ~~recruitment and performance bonuses~~, and a budget for each reconstituted school.~~

~~*The State Superintendent of Education may declare a state of emergency in a **school or** district if the accreditation status is probation or denied, if a majority of the schools fail to show improvement on the state accountability system, if the district is classified as being in "high risk" status financially, or for financial mismanagement resulting in a deficit. **The State Superintendent of Education may declare a state of emergency in a school if the accreditation status is probation or denied, or if the school fails to show improvement on the state accountability system.** Upon declaration of a state of emergency, the Superintendent may take over management of the school or district. Management of the school or district may include direct management, consolidation*~~

with another district, charter management, public/private management, or contracting with an educational management organization or another school district.

~~Upon approval of the school renewal plans by the department and the State Board of Education, a newly identified school or a currently identified school with an absolute rating of below average or at risk on the report card will receive a base amount and a per pupil allocation based on the previous year's average daily membership as determined by the annual budget appropriation. No more than fifteen percent of funds not expended in the prior fiscal year may be carried forward and expended in the current fiscal year for strategies outlined in the school's renewal plan. Schools must use technical assistance funds to augment or increase, not to replace or supplant local or state revenues that would have been used if the technical assistance funds had not been available. Schools must use technical assistance funds only to supplement, and to the extent practical, increase the level of funds available from other revenue sources.~~

## Amendment # 32 [K12]

*Language*

### REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

#### SDE-EIA Technical Assistance

##### Amend

**1A.cetf.** *(SDE-EIA: Career and Technical Equipment Funding) Funds appropriated for Modernize Career and Technical Equipment will be distributed to school districts and multi-district career centers based on the prior year actual student enrollment for career and technology education courses, with no district or multi-district career center receiving less than \$50,000. Funds may be expended for the purchase of career and technical equipment, the up fitting of facilities and the purchase of consumables. Each district must include in the district plan submitted to the Office of Career and Technology Education information on other career and technical equipment available. The district must include, at a minimum, equipment located at the career center and at the technical college, information on the alignment of equipment to current industry jobs and needs in the state as recommended by career and technical program advisory committees. District plans must include charter schools within the school district offering at least ~~two~~ **one** career and technical education completer programs. School districts and career centers may carry forward unexpended funds to be used for the same intended purposes to up fit career and technical facilities and replace career and technical program consumables.*

## Amendment # 33 [K12]

### Language

#### REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

#### SDE -Residential Treatment Facilities Student Enrollment and Funding

##### Amend

**1.42.** (SDE: Residential Treatment Facilities Student Enrollment and Funding) Each South Carolina resident of lawful school age residing in licensed residential treatment facilities (RTFs) for children and adolescents as identified on the State Qualified Providers list ~~defined under~~ and meets the requirements of Section 44-7-130 of the 1976 Code, (“students”) shall be entitled to receive educational services from the school district in which the RTF is located (“facility school district”). The responsibility for providing appropriate educational programs and services for these students, both with and without disabilities, who are referred, authorized, or placed by the State is vested in the facility school districts. RTF, and the parent or guardian of a student referred or placed in a RTF may consider the appropriateness of providing the student’s education program virtually through enrollment in either the facility district’s virtual program, the South Carolina virtual school program provided through the Department of Education (Virtual SC), or a virtual charter school authorized by the South Carolina Public Charter School District, or a virtual charter school authorized by an approved institute of higher education. This decision should be made jointly with the best interest of the student and what is clinically indicated being considered.

A facility school district must provide the necessary educational programs and services directly to the student at the RTF’s facility, provided that the RTF facility provides and maintains comparable adequate space for the educational programs and services consistent with all federal and state least restrictive environment requirements. Adequate space shall include appropriate electrical support and Internet accessibility. Unless the parent or legal guardian of the student seeks to continue the student’s enrollment in the resident school district under a medical homebound instruction program and the district approves, if appropriate, then, under these circumstances, the facility school district shall enroll the student and assume full legal and financial responsibility for the educational services including enrolling the student, approving the student’s entry into a medical homebound instructional program, if appropriate, and receiving and expending funds, unless the resident school district undertakes to carry out its educational responsibilities for the student directly. Alternatively, a facility school district may choose to provide the necessary educational programs and services by contracting with the RTF provided that the RTF agrees to provide educational services to the student at the RTF’s facility. Under these circumstances, the facility school district must enroll the student and pay the RTF for the educational services provided. If the facility school district determines the educational program being offered by the RTF does not meet the educational standards outlines in the contract, the facility district shall be justified in terminating the contract.

The facility school districts are entitled to receive the base student cost multiplied by the Education Finance Act pupil weighting for Homebound pupils of 2.10, as set forth in Section 59-20-40 of the 1976 Code and any eligible categorical and federal funds. These funds may be retained by the facility school districts for the purpose of providing the educational programs and services directly to students referred or placed by the State or the facility school districts may use these funds to reimburse RTFs for the educational programs and services provided directly by the RTFs. A facility school district is entitled to reimbursement from a resident school district for the difference between (1) the reasonable costs expended for the educational services provided directly by the facility school district or the amount paid to the RTF and (2) the aggregate amount of federal and state funding received by the facility school district for that student.



However, the reimbursement rate may not exceed \$45 per student per day. Facility school districts providing the educational services shall notify the resident district in writing within forty-five calendar days that a student from the resident district is receiving educational services pursuant to the provisions of the proviso. Reimbursements shall be paid within sixty days of billing, provided the facility district has provided a copy of the invoice to both the District Superintendent and the finance office of the resident district being invoiced. Should the facility school district be unable to reach agreement with the resident school district regarding reasonable costs differences, the facility school district shall notify the Department of Education's Office of General Counsel. The Department of Education shall facilitate a resolution of the dispute between the facility school district and the resident school district within forty-five days of the notice of dispute. If the issue of reasonable cost differences should remain unresolved, a facility school district shall have the right to file a complaint in a Circuit Court. Should a resident school district fail to distribute the entitled funding to the facility school district by the one hundred thirty-five day count, the Department of Education is authorized to withhold the equivalent amount of EFA funds and transfer those funds to the facility school district.

**If a child from South Carolina is placed in a RTF that is located out-of-state, the student's home district shall ensure a free and appropriate public education including such provisions as contracting with the RTF to deliver the educational services. Such educational services provided must comply with all state and federal educational laws. The student's home district must keep the student enrolled in order to receive the base student cost funding at a weighting of 2.10.**

If a child from out of state is placed in a RTF by an out-of-state school district or agency, the child's home state remains responsible for the educational services. The facility school district may choose to provide the educational program to the child and, upon choosing to do so, shall contract with the appropriate entity for payment of educational services provided to the child. Out-of-state students provided educational services by a facility school district shall not be eligible for funding through the Education Finance Act.

If a child is placed in a RTF by the child's parent or guardian and is not referred, authorized, or placed by the State, the facility school district may choose to provide the educational program to the child, and upon doing so, must negotiate with the resident school district for services through medical homebound procedures. A facility school district is responsible for compliance with all child find requirements under Section 504 of the Rehabilitation Act of 1973 and Individuals with Disabilities Act of 2004 (IDEA).

All students enrolled in the facility school districts shall have access to the facility school districts' general education curriculum, which will be tied to the South Carolina academic standards in the core content areas. All students with disabilities who are eligible for special education and related services under the Individuals with IDEA, as amended, and the State Board of Education (SBE) regulations, as amended, shall receive special education and related services in the least restrictive environment by appropriately certified personnel. Students in an RTF will at all times be eligible to receive the educational credits (e.g., Carnegie Units) earned through their educational efforts.

With respect to students enrolled in the facility school districts, for accountability purposes, the assessment and accountability measures for students residing in RTFs shall be attributed to a specific school only if the child physically attends the school. The performance of students residing in a RTF who receive their educational program on site at the RTF must be reflected on a separate line on the facility school district's report card and must not be included in the overall performance ratings of the facility school district. The Department of Education shall examine the feasibility of issuing report cards for RTFs. For the current fiscal year, a facility school district shall not have the district's state accreditation rating negatively impacted by deficiencies related to the delivery of an educational program at a RTF.

RTFs shall notify the facility school district as soon as practical, and before admission to the RTF if practical, of a student's admission to the RTF. RTFs, the facility school districts and the Department of Education shall use their best efforts to secure and/or exchange information, including documents and records necessary to provide appropriate educational services and/or related services as necessary to assist the facility school district in determining the resident school district. The Department of Education, in collaboration with state placing agencies, RTFs, facility school districts, and resident school districts, shall implement a system to follow the release of students from a RTF and re-enrollment in public, private, or special schools to ensure these students, when appropriate, are not recorded as dropouts.

Amendment # 35 [CRJ]

Choose one: *Language*

**REPRESENTATIVE GM SMITH PROPOSES THE FOLLOWING AMENDMENT:**

**[GENERAL PROVISION/SECTION 117]**

New:

117.sror (Sentencing Reform Oversight Committee Reauthorization) The Sentencing Reform Oversight Committee established by Chapter 28 of Title 24 of the South Carolina Code is reauthorized for the 2016-2017 Fiscal year, notwithstanding the provisions of 24-28-20(c). Four members shall be added to the Sentencing Reform Oversight Committee. Two shall be members of the House of Representative, one appointed by the Speaker of the House and one appointed by the Chairman of the Ways and Means Committee. Two shall be members of the Senate, one appointed by the President Pro Tempore of the Senate and one appointed by the Chairman of the Senate Finance Committee.

## Amendment # 37 [HEA]

Choose one: *Dollars*

### REPRESENTATIVE G.M. SMITH PROPOSES THE FOLLOWING AMENDMENT:

#### DHHS - Department of Health and Human Services

Amend:

**33.21** (DHHS: Medicaid Accountability and Quality Improvement Initiative) From the funds appropriated and authorized to the Department of Health and Human Services, the department is authorized to implement the following accountability and quality improvement initiatives:

(A) Healthy Outcomes Initiative - The Department of Health and Human Services may tie Disproportionate Share Hospital (DSH) payments to participation in the Healthy Outcomes Initiative and may expand the program as DSH funding is available.

(B) To improve community health, the department may explore various health outreach, education, patient wellness and incentive programs. The department may pilot health interventions targeting diabetes, smoking cessation, weight management, heart disease, and other health conditions. These programs may be expanded as their potential to improve health and lower costs are identified by the department.

(C) Rural Hospital DSH Payment - Medicaid-designated rural hospitals in South Carolina may be eligible to receive up to one hundred percent of costs associated with uncompensated care as part of the DSH program. Funds shall be allocated from the existing DSH program and shall not exceed ~~\$25,000,000 total funds~~. To be eligible, rural hospitals must participate in reporting and quality guidelines published by the department and outlined in the Healthy Outcomes Initiative. In addition to the requirements placed upon them by the department, rural hospitals must actively participate with the department and any other stakeholder identified by the department, in efforts to design an alternative health care delivery system in these regions.

(D) Primary Care Safety Net - The department shall implement a methodology to reimburse safety net providers participating in a hospital Healthy Outcomes Initiative program to provide primary care, behavioral health services, and pharmacy services for chronically ill individuals that do not have access to affordable insurance. Qualifying safety net providers are approved, licensed, and duly organized Federally Qualified Health Centers (FQHCs, ~~FQHCs and other~~ entities receiving funding under Section 330 of the Public Health Services Act, and ~~FQHC Look-A-Likes Act~~), Rural Health Clinics (RHCs), local alcohol and drug abuse authorities established by Act 301 of 1973, Free Clinics, other clinics serving the uninsured, and Welvista. The department shall formulate a methodology and allocate ~~at least \$5,000,000~~ \$4,000,000 for innovative care strategies for qualifying safety net providers. The department shall formulate a separate methodology and allocate ~~\$8,000,000~~ \$6,400,000 of

funding to FQHCs ~~at least \$4,000,000 for documented capital needs for FQHCs, at least \$2,000,000~~ \$1,600,000 for of funding for Free Clinics, and ~~at least \$2,000,000~~ \$1,600,000 of funding for local alcohol and drug abuse authorities created under Act 301 of 1973. The department shall develop a process for obtaining encounter-level data that may be used to ~~access~~ assess the cost and impact of services provided through this proviso. The department shall also explore a transition to a prospective payment system for FQHCs, to provide greater predictability and stability for FQHC budgets.

(E) Rural and Underserved Area Provider Capacity - The department shall incentivize the development of primary care access in rural and underserved areas through the following mechanisms:

(1) the department shall leverage Medicaid spending on Graduate Medical Education (GME) by implementing methodologies that support recommendations contained in the January 2014 report of the South Carolina GME Advisory Group;

(2) the department shall develop or continue a program to leverage the use of teaching hospitals to provide rural physician coverage, expand the use of Telemedicine, and ensure targeted placement and support of OB/GYN services in at least four counties with a demonstrated lack of adequate OB/GYN resources by June 30, ~~2016~~ 2017; and

(3) during the current fiscal year the department shall contract with the MUSC Hospital Authority in the amount of \$10,000,000 to lead the development and operation of an open access South Carolina Telemedicine Network. Working with the department, the MUSC Hospital Authority shall collaborate with Palmetto Care Connections to pursue this goal. No less than \$1,000,000 of these funds shall be allocated toward support of Palmetto Care Connections and other hospitals in South Carolina. MUSC Hospital Authority must provide the department with quarterly reports regarding the funds allocation and progress of telemedicine transformation efforts and networks. MUSC Hospital Authority shall publish a summary report to the General Assembly indicating the overall progress of the state's telemedicine transformation by March 1, ~~2015~~ 2016. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000, and the USC School of Medicine in the amount of \$2,000,000 to further develop statewide teaching partnerships.

(4) the department shall partner with the University of South Carolina School of Medicine to develop a statewide Rural Health Initiative to identify strategies for significantly improving health care access, supporting physicians, and reducing health inequities in rural communities. Any funding supplied by the department in support of the Rural Health Initiative may be deducted from the allocation made to the USC School of Medicine in section (E)(3) of this proviso.

(F) The department shall allocate funds to be used for obesity education for patients, reimbursement payments for providers, and continuing education for all providers through partnerships with the Department.

(G) To be eligible for funds in this proviso, providers must provide the department with patient, service and financial data to assist in the operation and ongoing evaluation of both the initiatives resulting from this proviso, and other price, quality, transparency and DSH accountability efforts currently underway or initiated by the department.

## Ways and Means Committee Amendment

The Revenue and Fiscal Affairs Office shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations.

(H) The department shall may pilot an all-inclusive health intervention program for wrap-around care to vulnerable mental health patients who frequent the emergency room in hotspots and underserved areas within the state. The pilot program must provide reports detailing progress on the target population and health outcomes achieved. These programs may be expanded as their potential to improve health and lower costs are identified by the department.

(I) The department shall publish quarterly reports on the agency's website regarding the department's progress in meeting the goals established by this provision.

## Amendment # 38 [HEA]

Choose one: *Dollars*

### REPRESENTATIVE G.M. SMITH PROPOSES THE FOLLOWING AMENDMENT:

#### DHHS - Department of Health and Human Services

New:

**33.rhi.** (DHHS: Rural Health Initiative) From the funds appropriated to the Department of Health and Human Services for the Rural Health Initiative, the department shall partner with the University of South Carolina, School of Medicine to develop a strategic plan for addressing medically underserved communities throughout the state. The department may leverage any and all available federal funds to implement this initiative.

(A) The Department of Health and Human Services shall develop a plan to address the following provisions:

(1) Rural Healthcare and Education - This initiative will support and develop rural medical education and delivery infrastructure in South Carolina through clinical practice, training and research within the USC School of Medicine.

(2) Rural Residency Training Enhancement Grants - The department and university shall determine areas for expanding family medicine residency programs, and any other appropriate primary care specialties identified by the Department into areas not served by Graduate Medical Education programs, in order to expose resident physicians to rural practice and enhance the opportunity to recruit these residents for long term practice in these communities. Up to \$500,000 of the funds appropriated to the department the Rural Health Initiative may be used for this purpose. The department shall determine a number of new residencies for the university and a methodology for accepting any additional proposals. For each new residency slot, an application for submission to the Accreditation Council for Graduate Medical Education must be developed no later than June 30, 2017.

(B) The Department of Health and Human Services, in cooperation with the State Fiscal Accountability Authority, shall develop one or more competitive procurements for a facility capable of providing Emergency Care Services in a geographical area determined by the department to be medically underserved. This facility and any equipment shall be exempt from and Department of Health and Environmental Control, Certificate of Need requirements or regulations. The facility must provide emergency care and stabilization beds twenty-four hours a day, seven days a week. The department shall seek one or more proposals from qualified entities to:

(1) Develop a facility capable of providing emergency care, twenty-four hours a day and seven days a week, and designed to incorporate the utilization of the Statewide Telemedicine Network.

(2) Provide for the delivery of care and the management of daily operations in the facility.

(C) The Revenue and Fiscal Affairs Office and the Area Health Education Consortium's Office of Healthcare Workforce Analysis and Planning shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations.

## Amendment # 39 [HEA]

Choose one: *Dollars*

### REPRESENTATIVE G.M. SMITH PROPOSES THE FOLLOWING AMENDMENT:

#### DHEC - Department of Health and Environmental Control

New:

**34.hhl.** (DHEC: Home Health License Transfer) From the funds made available through the transfer of licenses for Home Health Services from the Department of Health and Environmental Control to Capital Care Resources of South Carolina, LLC, the department shall use the first \$750,000 for the final close out of Home Health including coverage of contractual obligations for the Home Health information system and to transition those records to another format to meet record retention requirements and cover the one-time, non-recurring expenses for the following items:

(a)	Data Center Infrastructure	\$ 3,600,000
(b)	Pinewood Custodial Site Capital Improvements and Repairs	\$ 5,200,000
(c)	Electronic Medical Records	\$ 5,781,600
(d)	Flood Recovery Operations	\$ 2,500,000



## Amendment # 40 [HEA]

Choose one: *Dollars*

### REPRESENTATIVE G.M. SMITH PROPOSES THE FOLLOWING AMENDMENT:

#### DSS - Department of Social Services

New:

**38.14.** (DSS: Family Foster Care Payments) The Department of Social Services shall furnish as Family Foster Care payments for individual foster children under their sponsorship and under kinship care:

ages	0-5	<del>\$383</del>	<u>\$404</u>	per month
ages	6-12	<del>\$458</del>	<u>\$469</u>	per month
ages	13+	<del>\$518</del>	<u>\$535</u>	per month

These specified amounts are for the basic needs of the foster children to include kinship care assistance. Basic needs within this proviso are identified as food (at home and away), clothing, housing, transportation, education and other costs as defined in the U.S. Department of Agriculture study of "Annual Cost of Raising a Child to Age Eighteen". Further, each agency shall identify and justify, as another line item, all material and/or services, in excess of those basic needs listed above, which were a direct result of a professional agency evaluation of clientele need. Legitimate medical care in excess of Medicaid reimbursement or such care not recognized by Medicaid may be considered as special needs if approved by the sponsoring/responsible agency and shall be reimbursed by the sponsoring agency in the same manner of reimbursing other special needs of foster children.

## Amendment # 41 [K12]

Language

REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

John De La Howe Transition

Amend

7.tran. (JDLH: Transition) Effective July 1 of the current fiscal year, John de la Howe School shall enter into a management agreement with Clemson University whereby Clemson University shall provide all financial and programmatic management and operations of the John de la Howe School. The form of this management agreement shall be in the sole discretion of Clemson University will be transferred from the John de la Howe Board of Trustees to Clemson University. All funds appropriated for or otherwise paid to John de la Howe School shall be received by Clemson University as the fiscal agent for the John de la Howe School from which Clemson University shall deduct its costs, including personnel costs, for the services provided for under the management agreement. Clemson University shall not be responsible for any past, present, or future liabilities, obligations or debts of John de la Howe School or the John de la Howe School Board of Trustees. The Department of Administration and Executive Budget Office will assist Clemson University as needed in the transition. With the funds appropriated, Clemson University will evaluate the physical assets of the campus and capacity of existing staff to serve at risk students in accordance with the purposes of the will of Dr. John de la Howe and provide such programs and services in the current fiscal year as determined by Clemson University. The General Assembly asks that Clemson University consider the following in its evaluation: (1) what educational services can John de la Howe provide considering such options as becoming a charter school under Chapter 40 of Title 59 or a program under Section 59-19-350 of the 1976 Code; (2) what career opportunities especially in agribusiness can be provided at John de la Howe to prepare students for careers; and (3) what would be the costs of and timeframe for these changes. Clemson University will report to the Senate Finance Committee and to the House Ways and Means Committee by December 1 of the current fiscal year on its findings and recommendations.

## Amendment # 42 [K12]

Dollars

### REPRESENTATIVE BINGHAM PROPOSES THE FOLLOWING AMENDMENT:

#### SDE-EIA Surplus

#### Amend

**1A.52.** (SDE-EIA: Surplus) For Fiscal Year ~~2015-16~~ 2016-17, EIA surplus funds from the prior fiscal year and not otherwise appropriated or authorized must be carried forward and expended on the following items:

1. EOC - Partnerships for Innovation - ~~\$900,000~~ \$2,800,000;
2. Allendale County School District - \$150,000;
3. Modernize Vocational Equipment - \$1,501,307; ~~Instructional Materials \$20,451,750~~
4. ~~Assessment/Testing \$7,300,000; and~~
5. ~~Digital Music Materials as provided in FY 2014-15 up to \$625,000.~~
4. Industry Certification - \$3,000,000
5. Adult Education- \$1,500,000
6. Power Schools/Data Collection - \$1,952,000
7. IT Academy - \$750,000
8. Instructional Development and Digital Content Curation - \$493,443

Any additional funds carried forward and not otherwise appropriated or authorized may be used for Instructional Materials.

If excess EIA revenues are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.