**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑1‑505 SO AS TO REQUIRE THE STATE DEPARTMENT OF EDUCATION TO RELEASE HIGH SCHOOL GRADUATION RATE DATA BASED ON RACE OR ETHNICITY BY SEPTEMBER FIRST OF EACH YEAR; TO AMEND SECTIONS 59‑1‑450, 59‑1‑452, AS AMENDED, 59‑1‑453, 59‑6‑10, 59‑16‑70, 59‑18‑120, AS AMENDED, 59‑18‑310, AS AMENDED, 59‑18‑320, AS AMENDED, 59‑18‑350, AS AMENDED, 59‑18‑900, AS AMENDED, 50‑18‑920, AS AMENDED, 59‑18‑950, 59‑18‑1500, AS AMENDED, 59‑18‑1510, AS AMENDED, 59‑18‑1530, AS AMENDED, 59‑18‑1540, AS AMENDED, 59‑18‑1570, AS AMENDED, 59‑18‑1590, AS AMENDED, 59‑18‑1700, AS AMENDED, 59‑18‑1930, AS AMENDED, 59‑21‑440, 59‑21‑600, 59‑21‑1210, 59‑24‑65, 59‑26‑20, AS AMENDED, 59‑28‑150, 59‑28‑190, 59‑28‑200, AS AMENDED, 59‑28‑210, 59‑29‑170, 59‑29‑220, 59‑40‑70, AS AMENDED, 59‑40‑230, 59‑50‑20, AS AMENDED, 59‑59‑170, 59‑63‑65, 59‑139‑10, 59‑139‑40, 59‑139‑60, AND 59‑150‑325, ALL RELATING TO THE EDUCATION OVERSIGHT COMMITTEE, TO CHANGE CERTAIN REFERENCES FROM THE EDUCATION OVERSIGHT COMMITTEE TO THE DEPARTMENT OF EDUCATION, THE STATE BOARD OF EDUCATION, OR THE SUPERINTENDENT OF EDUCATION, AND TO DELETE CERTAIN REFERENCES TO THE EDUCATION OVERSIGHT COMMITTEE; TO REPEAL SECTIONS 59‑6‑15, 59‑6‑16, 59‑6‑17, 59‑6‑20, 59‑6‑30, 59‑6‑100, AND 59‑6‑110 ALL RELATING TO THE BUSINESS EDUCATION PARTNERSHIP AND EDUCATION IMPROVEMENT PROGRAM MONITORING; TO REPEAL SECTION 59‑21‑1220 RELATING TO THE CAMPUS INCENTIVE PROGRAM; TO REPEAL SECTIONS 59‑24‑100 AND 59‑24‑110 BOTH RELATING TO THE SCHOOL PRINCIPAL INCENTIVE PROGRAM; TO REPEAL SECTION 59‑28‑220 RELATING TO RECOMMENDATIONS FOR EMPLOYER TAX CREDIT INCENTIVES; TO REPEAL SECTION 59‑139‑50 RELATING TO A PLAN FOR TECHNICAL ASSISTANCE; AND TO REPEAL SECTION 59‑141‑10 RELATING TO NATIONAL EDUCATION GOALS.

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

SECTION 1. Article 5, Chapter 1, Title 59 of the 1976 Code is amended by adding:

“Section 59‑1‑505. By September first of each year, the State Department of Education shall release high school graduation rate data for all the schools of the State based on race or ethnicity.”

SECTION 2. Section 59‑1‑450 of the 1976 Code is amended to read:

“Section 59‑1‑450. The State Board of Education, through the Department of Education ~~and in consultation with the Education Oversight Committee~~, shall promulgate regulations for establishing parenting/family literacy programs to support parents in their role as the principal teachers of their preschool children. The programs must provide parent education to parents and guardians who have children ages birth through five years and who choose to participate in the programs and must include intensive and special efforts to recruit parents or guardians whose children are at risk for school failure. The program or programs also should include developmental screening for children and offer parents of children from birth through five years opportunities to improve their education if the parents do not possess a high school diploma or equivalent certificate.

The State Board of Education, through the Department of Education ~~and after consultation with the Education Oversight Committee~~, shall promulgate regulations to implement parenting/family literacy programs in all school districts or consortia of school districts. Priority must be given to serving those parents whose children are considered at risk for school failure according to criteria established by the State Board of Education. From funds appropriated for the programs, an adequate number of those parenting programs funded under the Target 2000 Act shall receive priority in funding for fiscal years ~~1993‑94~~ 1993‑1994 and ~~1994‑95~~ 1994‑1995 and must be funded at no less than the level received in fiscal year ~~1992‑93~~ 1992‑1993 contingent upon their agreeing to provide technical assistance to other districts and schools planning and implementing parenting/family literacy programs in concert with the Department of Education’s technical assistance process required in this chapter. Only those projects whose evaluations show them to be most effective may be selected based on criteria developed by the State Department of Education ~~in consultation with the Education Oversight Committee~~.

Beginning in fiscal year ~~1995‑96~~ 1995‑1996 for districts with Target 2000 Act parenting programs and in fiscal year ~~1993‑94~~ 1993‑1994 for all other school districts and district consortia, funding must be allocated to districts and consortia serving more than two thousand pupils on a base amount of not less than forty thousand dollars with any additional appropriation to be distributed based on the number of free and reduced‑price lunch‑eligible students in grades one through three in a district or consortium relative to the total free and reduced‑price lunch‑eligible students in grades one through three in the State. The programs developed in each district and consortium may draw upon lessons learned from parenting programs funded under this section.

The State Board of Education, through the Department of Education, in developing the regulations for this program shall consult with representatives of the Department of Health and Environmental Control, Department of Social Services, the South Carolina State Library, and Health and Human Services Finance Commission, and with adult education and early childhood specialists. In developing the regulations, the State Board and State Department of Education shall consider the guidelines developed for the Target 2000 Act parenting programs and any available evaluation data.

~~By December, 1993, the chairman of the Human Services Coordinating Council shall convene a committee consisting of supervisors of programs dealing with early childhood and parenting from the Department of Education, Department of Health and Environmental Control, the Department of Social Services, the South Carolina State Library, and the Health and Human Services Finance Commission; at least one representative from each of these agencies who administer these programs at the county and district level; and adult education and early childhood specialists. The Executive Director of the Finance Commission shall chair this committee. By July 1, 1994, this committee shall report to the Education Oversight Committee and the Joint Committee on Children ways to better coordinate programs for parenting and literacy and recommend changes to each agency’s state regulations or provisions of law which would better promote coordination of programs.~~ The Department of Health and Environmental Control, the Department of Social Services, and the Health and Human Services Finance Commission shall direct their employees at the county and district levels to cooperate with school district officials in establishing parenting/family literacy programs.”

SECTION 3. Section 59‑1‑452(B) of the 1976 Code, as last amended by Act 49 of 2005, is further amended to read:

“(B) Committee members shall serve three‑year terms except that of those initially appointed, four shall serve initial terms of one year, four shall serve initial terms of two years, and four shall serve initial terms of three years, these initial terms to be determined by lot at the first meeting of the committee. A member of the committee may not serve on ~~the Education Improvement Act Education Oversight Committee,~~ the Business‑Education Partnership for Excellence in Education, or the Business‑Education Subcommittee while serving on the committee created ~~under~~ pursuant to this section. A committee member shall attend at least eighty percent of the meetings of the committee in each fiscal year or be replaced. A vacancy must be filled in the manner of original appointment.”

SECTION 4. Section 59‑1‑453 of the 1976 Code is amended to read:

“Section 59‑1‑453. ~~For the purposes of the Target 2000‑School Reform for the Next Decade Act (1989 Act No. 194), the~~ The Department of Education ~~Oversight Committee, as provided for in Section 59‑6‑10,~~ shall serve as the oversight committee for the provisions of the Target 2000‑School Reform for the Next Decade Act ~~(1989 Act No. 194)~~. The Department of Education ~~Oversight Committee~~ shall oversee the planning, development, and implementation of the provisions as contained in Target 2000 and shall monitor the expenditures of the funds appropriated. ~~Each~~ A state agency and entity responsible for implementing Target 2000 funded programs must submit annually to the Department of Education ~~Oversight Committee~~ programs and expenditure reports and budget requests in a manner prescribed by the Department of Education ~~Oversight Committee~~.”

SECTION 5. Section 59‑6‑10 of the 1976 Code is amended to read:

“Section 59‑6‑10. ~~(A)~~ ~~In order to~~ The Department of Education shall assist in, recommend, and supervise implementation of programs and expenditure of funds for the Education Accountability Act and the Education Improvement Act of 1984~~, the Education Oversight Committee is to serve as the oversight committee for these acts~~. The Department of Education ~~Oversight Committee~~ shall:

(1) review and monitor the implementation and evaluation of the Education Accountability Act and Education Improvement Act programs and funding;

(2) make programmatic and funding recommendations to the General Assembly;

(3) report annually to the General Assembly, State Board of Education, and the public on the progress of the programs;

(4) recommend Education Accountability Act and EIA program changes to state agencies and other entities as it considers necessary.

~~Each~~ A state agency and entity responsible for implementing the Education Accountability Act and the Education Improvement Act funded programs shall submit to the Department of Education ~~Oversight Committee~~ programs and expenditure reports and budget requests as needed and in a manner prescribed by the Department of Education ~~Oversight Committee~~.

~~The committee consists of the following persons:~~

~~(1)~~ ~~Speaker of the House of Representatives or his designee;~~

~~(2)~~ ~~President Pro Tempore of the Senate or his designee;~~

~~(3)~~ ~~Chairman of the Education and Public Works Committee of the House of Representatives or his designee;~~

~~(4)~~ ~~Chairman of the Education Committee of the Senate or his designee;~~

~~(5)~~ ~~Governor or his designee;~~

~~(6)~~ ~~Chairman of the Ways and Means Committee of the House of Representatives or his designee;~~

~~(7)~~ ~~Chairman of the Finance Committee of the Senate or his designee;~~

~~(8)~~ ~~State Superintendent of Education or the superintendent’s designee who shall be an ex officio nonvoting member;~~

~~(9)~~ ~~five members representing business and industry who must have experience in business, management, or policy to be appointed as follows: one by the Governor, one by the President Pro Tempore of the Senate, one by the Speaker of the House, one by the Chairman of the Senate Education Committee, and one by the Chairman of the House Education and Public Works Committee; and~~

~~(10)~~ ~~five members representing public education teachers and principals to be appointed as follows: one by the Governor, one by the President Pro Tempore of the Senate, one by the Speaker of the House, one by the Chairman of the Senate Education Committee, and one by the Chairman of the House Education and Public Works Committee.~~

~~Initial appointment must be made by July 31, 1998, at which time the Governor or his designee shall call the first meeting. At the initial meeting, a chairman elected from the members representing the business and industry appointees and a vice chairman representing the education members shall be elected by a majority vote of the committee. The members appointed pursuant to items (1) through (8) may serve notwithstanding the provisions of Section 8‑13‑770. Their terms of office on the committee must be coterminous with their terms of office as Governor, Superintendent of Education, or members of the General Assembly.~~

~~(B)~~ ~~The terms of office of the members of the Education Oversight Committee, except for the legislative members, Governor, and State Superintendent of Education, are four years and until their successors are appointed and qualify except of those first appointed the terms must be staggered as follows:~~

~~(1)~~ ~~initial terms of two years shall be served by the two members of the business and industry community appointed by the chairmen of the Education Committees;~~

~~(2)~~ ~~initial terms of three years shall be served by the members of the education community appointed by the President Pro Tempore of the Senate and the Speaker of the House; and~~

~~(3)~~ ~~all other voting members shall serve initial four‑year terms. The terms of chairman and vice chairman shall be two years. At the end of each two‑year term, an election must be held for the chairmanship and vice chairmanship by majority vote of the members attending with quorum present. No member shall serve more than four consecutive years as chairman or vice chairman.~~

~~Members of the committee shall meet no less than once a quarter and annually shall submit their findings and recommendations to the General Assembly before March first of each fiscal year. The staff positions of the Education Oversight Committee and the people presently in those positions initially shall be transferred to the Education Oversight Committee as administrative staff to carry out its functions.~~”

SECTION 6. Section 59‑16‑70 of the 1976 Code, as added by Act 26 of 2007, is amended to read:

“Section 59‑16‑70. ~~At the end of each semester, the State Department of Education shall provide student records, including course grades and performance on state assessments, to the Education Oversight Committee.~~ The Department of Education ~~Oversight Committee~~ shall monitor the impact of credits earned in the virtual school, on the school and district ratings, with particular attention to performance on end‑of‑course examinations and graduation rates.”

SECTION 7. Section 59‑18‑120 of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“Section 59‑18‑120. As used in this chapter:

(1) ~~‘Oversight Committee’ means the Education Oversight Committee established in Section 59‑6‑10.~~

~~(2)~~ ‘Standards‑based assessment’ means an assessment where an individual’s performance is compared to specific performance standards and not to the performance of other students.

(~~3~~2) ‘Disaggregated data’ means data broken out for specific groups within the total student population, such as by race, gender, level of poverty, limited English proficiency status, disability status, or other groups as required by federal statutes or regulations.

(~~4~~3) ‘Longitudinally matched student data’ means examining the performance of a single student or a group of students by considering their test scores over time.

(~~5~~4) ‘Academic achievement standards’ means statements of expectations for student learning.

(~~6~~5) ‘Department’ means the State Department of Education.

(~~7~~6) ‘Absolute performance’ means the rating a school will receive based on the percentage of students meeting standard on the state’s standards based assessment.

(~~8~~7) ‘Growth’ means the rating a school will receive based on longitudinally matched student data comparing current performance to the previous year’s for the purpose of determining student academic growth.

(~~9~~8) ‘Objective and reliable statewide assessment’ means assessments that yield consistent results and that measure the cognitive knowledge and skills specified in the state‑approved academic standards and do not include questions relative to personal opinions, feelings, or attitudes and are not biased with regard to race, gender, or socioeconomic status. The assessments must include a writing assessment and multiple‑choice questions designed to reflect a range of cognitive abilities beyond the knowledge level. Constructed response questions may be included as a component of the writing assessment.

(~~10~~9) ~~‘Division of Accountability’ means the special unit within the oversight committee established in Section 59‑6‑100.~~

~~(11)~~ ‘Formative assessment’ means assessments used within the school year to analyze general strengths and weaknesses in learning and instruction, to understand the performance of students individually and across achievement categories, to adapt instruction to meet students’ needs, and to consider placement and planning for the next grade level. Data and performance from the formative assessments must not be used in the calculation of school or district ratings.”

SECTION 8. Section 59‑18‑310(E) of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“(E) The State Board of Education shall create a statewide adoption list of formative assessments for grades one through nine aligned with the state content standards in English/language arts and mathematics that satisfies professional measurement standards in accordance with criteria ~~jointly~~ determined by the ~~Education Oversight Committee and the~~ State Department of Education. The formative assessments must provide diagnostic information in a timely manner to all school districts for each student during the course of the school year. For use beginning with the 2009‑2010 school year, and subject to appropriations by the General Assembly for the assessments, local districts must be allocated resources to select and administer formative assessments from the statewide adoption list to use to improve student performance in accordance with district improvement plans. However, if a local district already administers formative assessments, the district may continue to use the assessments if they meet the state standards and criteria pursuant to this subsection.”

SECTION 9. Section 59‑18‑320 of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“Section 59‑18‑320. (A) After the first statewide field test of the assessment program in each of the four academic areas, and after the field tests of the end of course assessments of high school credit courses, the Department of Education ~~Oversight Committee, established in Section 59‑6‑10, will~~ shall review the state assessment program and the course assessments for alignment with the state standards, level of difficulty and validity, and ~~for the~~ ability to differentiate levels of achievement, and ~~will~~ shall make recommendations for needed changes~~, if any~~. The review ~~will~~ must be provided to the State Board of Education, ~~the State Department of Education,~~ the Governor, the Senate Education Committee, and the House Education and Public Works Committee as soon as feasible after the field tests. ~~The Department of Education will then report to the Education Oversight Committee no later than one month after receiving the reports on the changes made to the assessments to comply with the recommendations.~~

(B) After review and approval by the State Board of Education ~~Oversight Committee~~, the standards‑based assessment of mathematics, English/language arts, social studies, and science ~~will~~ must be administered to ~~all~~ public school students in grades three through eight, to include those students as required by the federal Individuals with Disabilities Education Improvement Act and by Title 1 of the Elementary and Secondary Education Act. To reduce the number of days of testing, to the extent possible, field test items must be embedded with the annual assessments. In accordance with the requirements of the federal No Child Left Behind Act, science assessments must be administered annually to all students in one elementary and one middle school grade. The State Department of Education shall develop a sampling plan to administer science and social studies assessments to all other elementary and middle school students. The plan ~~shall~~ will provide for all students and both content areas to be assessed annually; however, individual students, except in census testing grades, are not required to take both tests. In the sampling plan, approximately half of the assessments must be administered in science and the other half in social studies in each class. To ensure that school districts maintain the high standard of accountability established in the Education Accountability Act, performance level results reported on school and district report cards must meet consistently high levels in all four core content areas. The core areas must remain consistent with the following percentage weightings established and approved by the State Department of Education ~~Oversight Committee~~: in grades three through five, thirty percent each for English/language arts and math, and twenty percent each for science and social studies; and in grades six through eight, twenty‑five percent each for English/language arts and math, and twenty‑five percent each for science and social studies. For students with documented disabilities, the assessments developed by the Department of Education ~~shall~~ must include the appropriate modifications and accommodations with necessary supplemental devices as outlined in a student’s Individualized Education Program and as stated in the Administrative Guidelines and Procedures for Testing Students with Documented Disabilities.

(C) After review and approval by the State Board of Education ~~Oversight Committee~~, the end of course assessments of high school credit courses ~~will~~ must be administered to all public school students as they complete each course.

~~(D)~~ ~~Any new standards and assessments required to be developed and adopted by the State Board of Education, through the Department of Education for use as an accountability measure, must be developed and adopted upon the advice and consent of the Education Oversight Committee.~~”

SECTION 10. Section 59‑18‑350(A) of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“(A) The State Board of Education, in consultation with the State Department of Education ~~Oversight Committee~~, shall provide for a cyclical review by academic area of the state standards and assessments to ensure that the standards and assessments are maintaining high expectations for learning and teaching. At a minimum, each academic area should be reviewed and updated every seven years. After each academic area is reviewed, a report on the recommended revisions must be presented to the ~~Education Oversight Committee and the~~ State Board of Education for consideration. After approval by the E~~ducation Oversight Committee and the~~ State Board of Education, the recommendations may be implemented. However, the previous content standards ~~shall~~ must remain in effect until approval has been given by both entities. As a part of the review, a task force of parents, business and industry persons, community leaders, and educators, to include special education teachers, shall examine the standards and assessment system to determine rigor and relevancy.”

SECTION 11. Section 59‑18‑900(A)‑(C) of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“(A) The Department of Education ~~Oversight Committee~~, working with the State Board of Education, ~~is directed to~~ must establish a comprehensive annual report card, its format, and an executive summary of the report card to report on the performance for the individual primary, elementary, middle, high schools, and school districts of the State. The comprehensive report card must be in a reader‑friendly format, using graphics whenever possible, published on the state, district, and school website, and, upon request, printed by the school districts. The school’s ratings on academic performance must be emphasized and an explanation of their significance for the school and the district also must be reported. The annual report card must serve at least five purposes:

(1) inform parents and the public about the school’s performance;

(2) assist in addressing the strengths and weaknesses within a particular school;

(3) recognize schools with high performance;

(4) evaluate and focus resources on schools with low performance; and

(5) meet federal report card requirements.

(B) The Department of Education ~~Oversight Committee~~, working with the State Board of Education and a broad‑based group of stakeholders, including, but not limited to, parents, business and industry persons, community leaders, and educators, shall determine the criteria for and establish five academic performance ratings of excellent, good, average, below average, and school/district at‑risk. Schools and districts shall receive a rating for absolute and growth performance. Only the scores of students enrolled in the school at the time of the forty‑five‑day enrollment count ~~shall~~ must be used to determine the absolute and growth ratings. Graduation rates must be used as an additional accountability measure for high schools and school districts. The Department of Education ~~Oversight Committee~~, working with the State Board of Education, shall establish three student performance indicators which will be those considered to be useful for assessing a school’s overall performance and appropriate for the grade levels within the school.

The student performance levels are: Not Met, Met, and Exemplary. ‘Not Met’ means ~~that~~ the student did not meet the grade level standard. ‘Met’ means the student met the grade level standard. ‘Exemplary’ means the student demonstrated exemplary performance in meeting the grade level standard. For purposes of reporting as required by federal statute, ‘proficiency’ ~~shall~~ must include students performing at Met or Exemplary.

(C) In setting the criteria for the academic performance ratings and the performance indicators, the Department of Education ~~Oversight Committee~~ shall report the performance by subgroups of students in the school and schools similar in student characteristics. Criteria must use established guidelines for statistical analysis and build on current data‑reporting practices.”

SECTION 12. Section 59‑18‑920 of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“Section 59‑18‑920. A charter school established pursuant to Chapter 40, Title 59 shall report the data requested by the Department of Education necessary to generate a report card. The Department of Education shall utilize this data to issue a report card with performance ratings to parents and the public containing the ratings and explaining its significance and providing other information similar to that required of other schools in this section. The performance of students attending charter schools sponsored by the South Carolina Public Charter School District must be included in the overall performance ratings of the South Carolina Public Charter School District. The performance of students attending a charter school authorized by a local school district must be reflected on a separate line on the school district’s report card and must not be included in the overall performance ratings of the local school district. An alternative school is included in the requirements of this chapter; however, the purpose of an alternative school must be taken into consideration in determining its performance rating. The Department of Education ~~Oversight Committee~~, working with the State Board of Education and the School to Work Advisory Council, shall develop a report card for career and technology schools.”

SECTION 13. Section 59‑18‑950 of the 1976 Code, as added by Act 353 of 2008, is amended to read:

“Section 59‑18‑950. Notwithstanding another provision of law to the contrary, the Department of Education ~~Oversight Committee~~ may base ratings for school districts and high schools on criteria that include graduation rates, exit examination performance, and other criteria identified by technical experts and appropriate groups of educators and workforce advocates.”

SECTION 14. Section 59‑18‑1500(A)(1) of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“(1) The faculty of the school with the leadership of the principal must review its renewal plan and revise it with the assistance of the school improvement council established in Section 59‑20‑60. The revised plan should ~~look at~~ consider every aspect of schooling, and must outline activities that, when implemented, can reasonably be expected to improve student performance and increase the rate of student progress. The plan must include actions consistent with each of the alternative researched‑based technical assistance criteria as approved by the ~~Education Oversight Committee and the~~ State Department of Education and must be consistent with the external review team report. The plan should provide a clear, coherent plan for professional development, which has been designed by the faculty, that is ongoing, job related, and keyed to improving teaching and learning. A school renewal plan must address professional development activities that are directly related to instruction in the core subject areas and may include the use of funds appropriated for technical assistance to provide compensation incentives in the form of salary supplements to classroom teachers who are certified by the State Board of Education. The purpose of the compensation packages is to improve student achievement and to improve the recruitment and retention of teachers with advanced degrees in schools designated as below average or school/district at‑risk. If the school renewal plan is approved, the school ~~shall~~ must be permitted to use technical assistance funds to provide the salary supplements. A time line for implementation of the activities and the goals to be achieved must be included.”

SECTION 15. Section 59‑18‑1510(A) of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“(A) When a school receives a rating of school/district at‑risk or upon the request of a school rated below average, an external review team process must be implemented by the Department of Education to examine school and district educational programs, actions, and activities. The ~~Education Oversight Committee, in consultation with the~~ State Department of Education~~,~~ shall develop the criteria for the identification of persons to serve as members of an external review team which shall include representatives from selected school districts, respected retired educators, State Department of Education staff, higher education representatives, parents from the district, and business representatives.”

SECTION 16. Section 59‑18‑1530(D) of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“(D) In order to attract a pool of qualified applicants to work in low‑performing schools, the ~~Education Oversight Committee, in consultation with the~~ South Carolina Department of Education~~,~~ shall develop criteria for the identification, selection, and training of principals with a history of exemplary student academic achievement. Retired educators may be considered for a principal specialist position. A principal specialist may be hired for a school designated as school/district at‑risk, if the district board of trustees chooses to replace the principal of that school. The principal specialist ~~will~~ shall assist the school in gaining knowledge of best practices and well‑validated alternatives in carrying out the recommendations of the review team. The specialist ~~will~~ shall demonstrate effective leadership for improving classroom practices, assist in the analyses of assessment data, work with individual members of the faculty emphasizing needed changes in classroom instructional strategies based upon analyses of assessment data, and support teachers in acquiring new skills designed to increase academic performance. School districts are asked to cooperate in releasing employees for full‑time or part‑time employment as a principal specialist.”

SECTION 17. Section 59‑18‑1540 of the 1976 Code, is amended to read:

“Section 59‑18‑1540. Each principal continued in employment in schools designated as below average or school/district at‑risk ~~must~~ shall participate in a formal mentoring program with a principal. The Department of Education~~, working with the Education Oversight Committee,~~ shall design the mentoring program. A principal mentor may be employed as a component of the technical assistance strategy.”

SECTION 18. Section 59‑18‑1570(C) of the 1976 Code is amended to read:

“(C) The district board of trustees may appoint at least two nonvoting members to the board from a pool nominated by the ~~Education Oversight Committee and the~~ State Department of Education. The appointed members shall have demonstrated high levels of knowledge, commitment, and public service, must be recruited and trained for service as appointed board members by ~~the Education Oversight Committee and~~ the State Department of Education, and shall represent the interests of the State Board of Education on the district board. Compensation for the nonvoting members must be paid by the State Board of Education in an amount equal to the compensation paid to the voting members of the district board.”

SECTION 19. Section 59‑18‑1590 of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“Section 59‑18‑1590. Notwithstanding ~~any other~~ another provision of law, and in order to provide assistance at the beginning of the school year, schools may qualify for technical assistance based on the criteria established by the Department of Education ~~Oversight Committee~~ for school ratings and on the most recently available end‑of‑year assessment scores. In order to best meet the needs of low‑performing schools, the funding provided for technical assistance ~~under~~ pursuant to the Education Accountability Act may be reallocated among the programs and purposes specified in this section. The State Department of Education shall establish criteria for reviewing and assisting schools rated school/district at‑risk or below average. Funds must be expended on strategies and activities expressly outlined in the school plan. The activities may include, but are not limited to, teacher specialist, principal specialist, curriculum specialist, principal leader, principal mentor, professional development, compensation incentives, homework centers, formative assessments, or comprehensive school reform efforts. The State Department of Education shall provide information on the technical assistance strategies and their impact to the State Board of Education, ~~the Education Oversight Committee,~~ the Senate Education Committee, the Senate Finance Committee, the House of Representatives Education and Public Works Committee, and the House of Representatives Ways and Means Committee annually.”

SECTION 20. Section 59‑18‑1700 of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“Section 59‑18‑1700. (A) An on‑going public information campaign must be established to apprise the public of the status of the public schools and the importance of high standards for academic performance for the public school students of South Carolina. A special committee must be appointed by the ~~chairman of the Education Oversight Committee~~ State Superintendent of Education to include two committee members representing business and two representing education and others representing business, industry, and education. The committee shall plan and oversee the development of a campaign, including public service announcements for the media and other ~~such~~ avenues as deemed appropriate for informing the public.

(B) A separate fund within the state general fund ~~will~~ must be established to accept grants, gifts, and donations from ~~any~~ a public or private source or monies that may be appropriated by the General Assembly for the public information campaign. Members of the ~~Oversight Committee representing business will~~ Department of Education shall solicit donations for this fund. Income from the fund must be retained in the fund. All funds may be carried forward from fiscal year to fiscal year. The State Treasurer shall invest the monies in this fund in the same manner as other funds under his control are invested. The ~~Oversight Committee~~ Department of Education shall administer and authorize ~~any~~ disbursements from the fund. Private individuals and groups ~~shall~~ must be encouraged to contribute to this endeavor.”

SECTION 21. Section 59‑18‑1930 of the 1976 Code, as last amended by Act 282 of 2008, is further amended to read:

“Section 59‑18‑1930. The Department of Education ~~Oversight Committee~~ shall provide for a comprehensive review of state and local professional development to include principal leadership development and teacher staff development. The review must provide an analysis of training to include what professional development is offered, how it is offered, the support given to implement skills acquired from professional development, and how the professional development enhances the academic goals outlined in district and school strategic plans. The ~~Oversight Committee~~ Department of Education shall recommend better ways to provide and meet the needs for professional development, to include the use of the existing five contract days for in‑service. Needed revisions ~~shall~~ must be made to state regulations to promote use of state dollars for training which meets national standards for staff development.

~~Upon receipt of the recommendations from the comprehensive review of state and local professional development,~~ The State Department of Education shall develop an accountability system to ensure that identified professional development standards are effectively implemented. As part of this system the department shall provide information on the identified standards to all principals and other professional development leaders. Training for all school districts in how to design comprehensive professional development programs that are consistent with the standards also ~~shall~~ must be a part of the implementation. A variety of staff development options that address effective teaching and assessment of state academic standards and workforce preparation skills ~~shall~~ must be included in the information provided to principals and other professional development leaders to ensure high levels of student achievement.”

SECTION 22. Section 59‑21‑440 of the 1976 Code is amended to read:

“Section 59‑21‑440. The State Department of Education shall provide a monthly report to the State Board of Education~~, the Education Oversight Committee, the Committee on Financing Excellence, and the Education‑Business Partnership~~ on approved expenditures and compliance with the tax reduction requirement.”

SECTION 23. Section 59‑21‑600 of the 1976 Code is amended to read:

“Section 59‑21‑600. Notwithstanding the provisions of Section 59‑21‑540, and in order to ~~insure~~ ensure adequate educational services for trainable mentally handicapped pupils and profoundly mentally handicapped pupils in South Carolina school districts, the State Board of Education, ~~upon the recommendation of the Education Oversight Committee,~~ through the State Department of Education, shall develop a regulation for distribution of funds appropriated by the General Assembly for this purpose.”

SECTION 24. Section 59‑21‑1210 of the 1976 Code is amended to read:

“Section 59‑21‑1210. The State Board of Education, in consultation with the Department of Education ~~Oversight Committee~~, shall develop and implement a campus incentive program to reward faculty members who demonstrate superior performance and productivity. Funds for the campus incentive program must be provided by the General Assembly in the annual general appropriations act.”

SECTION 25. Section 59‑24‑65(1) of the 1976 Code is amended to read:

“(1) A task force appointed by the State Superintendent of Education shall begin on or before July 1, 1999, to design this program so that the first class of participants shall begin during school year 1999‑2000. The task force shall include, but is not limited to, representatives from the State Department of Education, business leaders, university faculty, district superintendents, school principals, South Carolina Teachers of the Year, representatives from professional organizations, ~~members of the Education Oversight Committee,~~ and appropriate legislative staff.”

SECTION 26. Section 59‑26‑20(j) of the 1976 Code, as last amended by Act 353 of 2008, is further amended to read:

“(j) the Commission on Higher Education, in consultation with the State Department of Education and the staff of the South Carolina Student Loan Corporation, shall develop a loan program in which talented and qualified state residents may be provided loans to attend public or private colleges and universities for the sole purpose and intent of becoming certified teachers employed in the State in areas of critical need. Areas of critical need ~~shall~~ must include both geographic areas and areas of teacher certification and must be defined annually for that purpose by the State Board of Education. The definitions used in the federal Perkins Loan Program ~~shall~~ must serve as the basis for defining ‘critical geographical areas’, which ~~shall~~ must include special schools, alternative schools, and correctional centers as identified by the State Board of Education. The recipient of a loan is entitled to have up to one hundred percent of the amount of the loan plus the interest canceled if he becomes certified and teaches in an area of critical need. Should the area of critical need in which the loan recipient is teaching be reclassified during the time of cancellation, the cancellation ~~shall~~ must continue as though the critical need area had not changed. Additionally, beginning with the 2000‑2001 school year, a teacher with a teacher loan through the South Carolina Student Loan Corporation shall qualify, if the teacher is teaching in an area newly designated as a critical needs area (geographic or subject, or both). Previous loan payments ~~will~~ may not be reimbursed. The Department of Education and the local school district are responsible for annual distribution of the critical needs list. It is the responsibility of the teacher to request loan cancellation through service in a critical needs area to the Student Loan Corporation by November first.

Beginning July 1, 2000, the loan must be canceled at the rate of twenty percent or three thousand dollars, whichever is greater, of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in either an academic critical need area or in a geographic need area. The loan must be canceled at the rate of thirty‑three and one‑third percent, or five thousand dollars, whichever is greater, of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in both an academic critical need area and a geographic need area. Beginning July 1, 2000, ~~all~~ loan recipients teaching in the public schools of South Carolina but not in an academic or geographic critical need area ~~are to~~ must be charged an interest rate below that charged to loan recipients who do not teach in South Carolina.

Additional loans to assist with college and living expenses must be made available for talented and qualified state residents attending public or private colleges and universities in this State for the sole purpose and intent of changing careers in order to become certified teachers employed in the State in areas of critical need. These loan funds also may be used for the cost of participation in the critical needs certification program pursuant to Section 59‑26‑30(A)(8). ~~Such~~ These loans must be cancelled under the same conditions and at the same rates as other critical need loans.

In case of failure to make a scheduled repayment of an installment, failure to apply for cancellation of deferment of the loan on time, or noncompliance by a borrower with the intent of the loan, the entire unpaid indebtedness including accrued interest, at the option of the commission, ~~shall~~ must become immediately due and payable. The recipient shall execute the necessary legal documents to reflect his obligation and the terms and conditions of the loan. The loan program, if implemented, pursuant to the South Carolina Education Improvement Act, ~~is to~~ must be administered by the South Carolina Student Loan Corporation. Funds generated from repayments to the loan program must be retained in a separate account and utilized as a revolving account for the purpose that the funds were originally appropriated. Appropriations for loans and administrative costs incurred by the corporation ~~are to~~ must be provided in annual amounts, recommended by the Commission on Higher Education, to the State Treasurer for use by the corporation. The Department of Education ~~Oversight Committee~~ shall review the loan program annually and report to the General Assembly.

Notwithstanding another provision of this item:

(1) For a student seeking loan forgiveness pursuant to the Teacher Loan Program after July 1, 2004, ‘critical geographic area’ is defined as a school that:

(a) has an absolute rating of below average or unsatisfactory;

(b) has an average teacher turnover rate for the past three years that is twenty percent or higher; or

(c) meets the poverty index criteria at the seventy percent level or higher.

(2) After July 1, 2004, a student shall have his loan forgiven based on those schools or districts designated as critical geographic areas at the time of employment.

(3) The definition of critical geographic area ~~must~~ may not change for a student who has a loan, or who is in the process of having a loan forgiven before July 1, 2004.”

SECTION 27. Section 59‑26‑20(n) of the 1976 Code is amended to read:

“(n) the Commission on Higher Education, in consultation with the State Department of Education and the staff of the South Carolina Student Loan Corporation, shall develop a Governor’s Teaching Scholarship Loan Program to provide talented and qualified state residents loans not to exceed five thousand dollars a year to attend public or private colleges and universities for the purpose of becoming certified teachers employed in the public schools of this State. The recipient of a loan is entitled to have up to one hundred percent of the amount of the loan plus the interest on the loan canceled if he becomes certified and teaches in the public schools of this State for at least five years. The loan is canceled at the rate of twenty percent of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in a public school. However, beginning July 1, 1990, the loan is canceled at the rate of thirty‑three and one‑third percent of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in both an academic critical need area and a geographic need area as defined annually by the State Board of Education. In case of failure to make a scheduled repayment of ~~any~~ an installment, failure to apply for cancellation or deferment of the loan on time, or noncompliance by a borrower with the purpose of the loan, the entire unpaid indebtedness plus interest is, at the option of the commission, immediately due and payable. The recipient shall execute the necessary legal documents to reflect his obligation and the terms and conditions of the loan. The loan program must be administered by the South Carolina Student Loan Corporation. Funds generated from repayments to the loan program must be retained in a separate account and utilized as a revolving account for the purpose of making additional loans. Appropriations for loans and administrative costs must come from the Education Improvement Act of 1984 Fund, on the recommendation of the Commission on Higher Education to the State Treasurer, for use by the corporation. The Department of Education ~~Oversight Committee~~ shall review this scholarship loan program annually and report its findings and recommendations to the General Assembly. For purposes of this item, a ‘talented and qualified state resident’ includes freshmen students who graduate in the top ten percentile of their high school class, or who receive a combined verbal plus mathematics Scholastic Aptitude Test score of at least eleven hundred and enrolled students who have completed one year (two semesters or the equivalent) of collegiate work and who have earned a cumulative grade point average of at least 3.5 on a 4.0 scale. To remain eligible for the loan while in college, the student must maintain at least a 3.0 grade point average on a 4.0 scale.”

SECTION 28. Section 59‑28‑150(10) of the 1976 Code is amended to read:

“(10) monitor and evaluate parental involvement programs statewide by designing a statewide system which will determine program effectiveness and identify best practices and report evaluation findings and implications to the General Assembly~~,~~ and the State Board of Education~~, and Education Oversight Committee~~.”

SECTION 29. Section 59‑28‑190 of the 1976 Code is amended to read:

“Section 59‑28‑190. The Department of Education ~~Oversight Committee~~ shall survey parents to determine if state and local efforts are effective in increasing parental involvement. This information ~~shall~~ must be used in the public awareness campaign required by the Education Accountability Act to promote the importance of parental involvement. The campaign ~~shall~~ must include:

(1) advice for parents on how to help their children be successful in school and the importance of nurturing their children’s skills and abilities;

(2) requests to employers, state agencies, entities, community groups, nonprofit organizations, and faith communities that work with children and families to distribute and display parent advice and other pertinent parent information;

(3) promotion of the benefits of increased productivity, loyalty, and sense of community which result from parent‑friendly workplace policies;

(4) ideas and encouragement to employers to adopt parent‑friendly workplace policies and to provide information on the importance of parents to a child’s academic success;

(5) recognition of businesses and employers where parent‑friendly policies have been adopted; and

(6) recognition of agencies and faith communities that have supported and increased parental involvement.”

SECTION 30. Section 59‑28‑200 of the 1976 Code, as last amended by Act 254 of 2006, is further amended to read:

“Section 59‑28‑200. The ~~Education Oversight Committee and the~~ State Superintendent of Education shall develop and publish jointly informational materials for distribution to all public school parents and to teachers. The informational materials for distribution ~~shall~~ must include:

(1) an explanation of the grade‑level academic content standards and advice on how parents can help their children achieve the standards and the relationship of the standards to the state assessments; and

(2) printed information about the standards and advice relative to parental involvement in their children’s education for visible display and use in every public school K‑12 classroom.”

SECTION 31. Section 59‑28‑210 of the 1976 Code is amended to read:

“Section 59‑28‑210. The Department of Education ~~Oversight Committee~~ shall disseminate the informational materials prepared pursuant to Section 59‑28‑200 to all districts and schools.”

SECTION 32. Section 59‑29‑170 of the 1976 Code is amended to read:

“Section 59‑29‑170. ~~Not~~ No later than August 15, 1987, gifted and talented students at the elementary and secondary levels must be provided programs during the regular school year or during summer school to develop their unique talents in the manner the State Board of Education must specify and to the extent state funds are provided. The Department of Education ~~Oversight Committee~~ shall study the implementation of this section and report its findings to the General Assembly by July 1, 1986. By August 15, 1984, the State Board of Education shall promulgate regulations establishing the criteria for student eligibility in Gifted and Talented Programs. The funds appropriated for Gifted and Talented Programs under the Education Improvement Act of 1984 must be allocated to the school districts of the State on the basis that the number of gifted and talented students served in each district bears to the total of all those students in the State. However, districts unable to identify more than forty students using the selection criteria established by regulations of the State Board of Education shall receive fifteen thousand dollars annually. Provided, further, school districts shall serve gifted and talented students according to the following order of priority: (1) grades 3‑12 academically identified gifted and talented students not included in the state‑funded Advanced Placement Program for eleventh and twelfth grade students; (2) after all students eligible under priority one are served, students in grades 3‑12 identified in one of the following visual and performing arts areas: dance, drama, music, and visual arts must be served; and (3) after all students eligible under priorities one and two are served, students in grades 1 and 2 identified as academically or artistically gifted and talented must be served. All categories of students identified and served ~~shall~~ must be funded at a weight of .30 for the base student cost as provided in Chapter 20 of this title. Where funds are insufficient to serve all students in a given category, the district may determine which students within the category ~~shall~~ must be served. Provided, further, ~~no~~ a district ~~shall~~ may not be prohibited from using local funds to serve additional students above those for whom state funds are provided.”

SECTION 33. Section 59‑29‑220 of the 1976 Code is amended to read:

“Section 59‑29‑220. The State Board of Education, in conjunction with the South Carolina Arts Commission, shall plan and develop discipline‑based arts education curricula in the visual arts, music, dance, and drama which complies with the State Department of Education discipline‑based arts education curriculum framework. The State Board of Education shall cause the arts education curricula to be pilot tested in selected school districts during ~~1989‑90, 1990‑91, 1991‑92, and 1992‑93~~ the 1989‑1990, 1990‑1991, 1991‑1992, 1992‑1993 school years and shall provide teacher in‑service training programs for arts specialists and classroom teachers.

After pilot testing, the State Board of Education shall establish regulations related to in‑service training and curriculum development in cooperation with the Arts in Basic Curriculum Steering Committee ~~and after consultation with the Education Oversight Committee~~. These regulations ~~shall~~ must encourage innovation and flexibility and reflect the integrity of instruction required by each arts discipline. These regulations must be developed in cooperation with school and district‑level teachers and administrators.

Funds for the program must be used by the school districts to:

(1) plan, develop, and implement discipline‑based arts education curricula in ~~the~~ visual arts, music, dance, or drama compatible with the State Department of Education discipline‑based arts education curriculum framework;

(2) provide teacher in‑service training programs for arts specialists or appropriate classroom teachers or both which are approved by the State Department of Education working with the state’s colleges and universities;

(3) hire certified arts specialists or contract with professional artists approved by the South Carolina Arts Commission to assist certified arts specialists or appropriate classroom teachers or both in planning, developing, and implementing discipline‑based arts education curricula.

~~The Joint Legislative Study Committee on Formula Funding shall review whether or not arts education should be given a weighting under the Education Finance Act, if appropriate, recommend a weighting, and report to the Education Oversight Committee by December 1, 1990. The General Assembly shall phase in the arts education program and funding for the arts education program after piloting over three years in substantially equal annual intervals.~~”

SECTION 34. Section 59‑40‑70(A)(1) of the 1976 Code, as last amended by Act 274 of 2006, is further amended to read:

“(A) The Charter School Advisory Committee ~~must be~~ is established by the State Board of Education to review charter school applications for compliance with established standards that reflect the requirements and intent of this chapter. Members must be appointed by the State Board of Education unless otherwise indicated.

(1) The advisory committee shall consist of eleven members ~~as follows~~:

(a) the President of the South Carolina Association of Public Charter Schools~~, the president~~ or his designee and one additional representative from the association;

(b) the Executive Director of the South Carolina Association of School Administrators~~, the executive director~~ or his designee;

(c) the Executive Director of the South Carolina Chamber of Commerce~~, the executive director~~ or his designee and one additional representative from the chamber;

(d) ~~South Carolina~~ the State Superintendent of Education ~~Oversight Committee, the chair~~ or ~~a business~~ his designee;

(e) the Chairman of the South Carolina Commission on Higher Education~~, the chair~~ or his designee;

(f) the Executive Director of the South Carolina School Boards Association~~, the executive director~~ or his designee;

(g) the President of the South Carolina Alliance of Black Educators~~, the president~~ or his designee; and

(h) one teacher and one parent ~~to be~~ appointed by the State Superintendent of Education.”

SECTION 35. Section 59‑40‑230(A) of the 1976 Code, as added by Act 274 of 2006, is amended to read:

“(A) The South Carolina Public Charter School District must be governed by a board of trustees consisting of not more than eleven members:

(1) two appointed by the Governor;

(2) one appointed by the Speaker of the House of Representatives;

(3) one appointed by the President Pro Tempore of the Senate; and

(4) seven ~~to be~~ appointed by the Governor upon the recommendation of the:

(a) South Carolina Association of Public Charter Schools and one additional representative from the association;

(b) South Carolina Association of School Administrators;

(c) South Carolina Chamber of Commerce;

(d) ~~South Carolina Education Oversight Committee~~ State Superintendent of Education;

(e) South Carolina School Boards Association;

(f) South Carolina Alliance of Black Educators.

The nine members appointed by the Governor pursuant to this subsection are subject to advice and consent of the Senate. Membership of the committee must reflect representatives from each of the entities in item (A)(4) or their designee as reflected in their recommendation.

Each member of the board of trustees shall serve terms of three years, except that, for the initial members, two appointed by the Governor, one by the Speaker of the House, and one by the President Pro Tempore of the Senate, shall serve terms of one year and three appointed by the Governor shall serve terms of two years. A member of the board may be removed after appointment pursuant to Section 1‑3‑240. In making appointments, every effort must be made to ensure that all geographic areas of the State are represented and that the membership reflects urban and rural areas of the State as well as the ethnic diversity of the State.”

SECTION 36. Section 59‑50‑20 of the 1976 Code, as last amended by Act 84 of 2005, is further amended to read:

“Section 59‑50‑20. The school is governed by a board of directors composed of ~~sixteen~~ fifteen members, as follows:

(1) one member from each congressional district, appointed by the Governor;

(2) six members from the State at large, appointed by the Governor;

(3) ~~the Chairman of the Education Oversight Committee or his designnee who serves ex officio;~~

~~(4)~~ the State Superintendent of Education or his designee who serves ex officio;

(~~5~~4) the Executive Director of the Commission on Higher Education or his designee who serves ex officio; and

(~~6~~5) the chairman of the school’s foundation board or his designee who serves ex officio.

Members appointed by the Governor serve for terms of four years and until their successors are appointed and qualify. Members receive mileage, subsistence, and per diem allowed by law for members of state boards, committees, and commissions.

In making the appointments, the Governor shall seek to obtain the most qualified persons from business, industry, and the educational and arts communities.”

SECTION 37. Section 59‑59‑170(A) of the 1976 Code, as added by Act 88 of 2005, is amended to read:

“(A) There is created the Education and Economic Development Coordinating Council. The council is comprised of the following members representing the geographic regions of the State and must be representative of the ethnic, gender, rural, and urban diversity of the State:

(1) State Superintendent of Education or his designee;

(2) Executive Director of the South Carolina Employment Security Commission or his designee;

(3) Executive Director of the State Board for Technical and Comprehensive Education or his designee;

(4) Secretary of the Department of Commerce or his designee;

(5) Executive Director of the South Carolina Chamber of Commerce or his designee;

(6) Executive Director of the South Carolina Commission on Higher Education or his designee;

(7) the following members who must be appointed by the State ~~superintendent~~ Superintendent of Education:

(a) a school district superintendent;

(b) a principal;

(c) a school guidance counselor;

(d) a teacher; and

(e) the director of a career and technology center;

(8) the following members who must be appointed by the Chairman of the Commission on Higher Education:

(a) the president or provost of a research university;

(b) the president or provost of a four‑year college or university; and

(c) the president of a technical college;

(9) ten representatives of business appointed by the Governor, at least one of ~~which~~ whom must represent small business. Of the representatives appointed by the Governor, five must be recommended by ~~state‑wide~~ statewide organizations representing business and industry. The chair ~~is to~~ must be selected by the Governor from one of his appointees;

(10) ~~Chairman of the Education Oversight Committee or his designee;~~

~~(11)~~ a member from the House of Representatives appointed by the Speaker of the House; and

(~~12~~11) a member from the Senate appointed by the President Pro Tempore.

Initial appointments must be made by October 1, 2005, at which time the Governor shall call the first meeting. Appointments made by the Superintendent of Education~~,~~ and the Governor ~~are to~~ must ensure that the demographics and diversity of this State are represented.”

SECTION 38. Section 59‑63‑65 of the 1976 Code is amended to read:

“Section 59‑63‑65. School districts ~~which~~ that choose to reduce class size to fifteen to one in grades one through three ~~shall~~ must be eligible for funding for the reduced pupil‑teacher ratios from funds provided by the General Assembly for this purpose. Funding for schools in districts designated as impaired or for schools rated as unsatisfactory on the accountability ratings ~~will~~ must receive priority in the distribution of funds. Funding for the impaired district schools and schools ranked unsatisfactory ~~will~~ must be allocated based on the average daily membership in grades one through three in those schools for implementing reduced class size of fifteen to one in those grades. Other school districts ~~will~~ must receive funding allocated based on free and reduced lunch eligible students. Local match is required for the lower ratio funding based on the Education Finance Act formula. Boards of trustees of each school district may implement the lower pupil‑teacher ratios on a school‑by‑school, grade‑by‑grade, or class‑by‑class basis. District boards of trustees implementing the reduced ratios must establish policies to give priority to reduce the ratios in schools with the highest number of students eligible for the federal free and reduced lunch program, and these students must be given priority in implementing the reduced class size. Unobligated funds from state appropriations which become available to a district during a fiscal year ~~shall~~ must be redistributed to fund additional teachers on a prorated basis.

Districts choosing to implement the reduced class size must track ~~the~~ students served in classes with a 15:1 ratio for three years so that the impact of smaller class size can be evaluated. The Department of Education~~, working with the Accountability Division, will~~ shall develop a plan for evaluating the impact of this initiative ~~and report to the Education Oversight Committee no later than December 1, 2001~~. School districts must document the use of these funds to reduce class size and the State Department of Education ~~will~~ shall conduct audits to confirm appropriate use of class size reduction funding.

As used in this section, ‘teacher’ refers to an employee possessing a professional certificate issued by the State Department of Education whose full‑time responsibility is instruction of students. Pupil‑teacher ratio is based on average daily membership.

Portable or other temporary classroom space may be used to meet ~~any~~ facilities needs for reducing class size to fifteen to one, and notwithstanding the provisions of Section 59‑144‑30, funding derived from the Children’s Education Endowment Fund may be used to acquire ~~such~~ these portable or temporary facilities.”

SECTION 39. Section 59‑139‑10(A) of the 1976 Code is amended to read:

“(A) The State Board of Education, through the Department of Education ~~and in consultation with the Education Oversight Committee~~, shall develop and implement regulations requiring that beginning in school year ~~1993‑94~~ 1993‑1994 and by school year ~~1994‑95~~ 1994‑1995, each school district, in coordination with its schools, and each school in the district shall design a comprehensive, long‑range plan with annual updates to carry out the purposes of this chapter. To that end, the plans ~~shall~~ must:

(1) establish an early childhood initiative which integrates the planning and direction of the half‑day program for four‑year‑olds established in Section 59‑5‑65, the parenting program established in Section 59‑1‑450, the early childhood assistance program established in Section 59‑139‑20, school practices in kindergarten through grade three, and any other federal, state, or district programs for preschool children in the district in order to better focus on the needs of this student population;

(2) develop an academic assistance initiative to support students with academic difficulties in grades four through twelve so they are able to progress academically and move through school with their peers; and

(3) provide staff training, upon appropriation of funds by the General Assembly for this purpose, to prepare and train teachers and administrators in the teaching techniques and strategies needed to implement the district and school plan.”

SECTION 40. Section 59‑139‑40 of the 1976 Code is amended to read:

“Section 59‑139‑40. By December~~,~~ 1993, the State Board of Education, through the Department of Education ~~and in consultation with the Education Oversight Committee~~, shall develop criteria for the monitoring of the district and school plans and the implementation of the plans required ~~in~~ by this chapter.”

SECTION 41. Section 59‑139‑60 of the 1976 Code is amended to read:

“Section 59‑139‑60. The State Board of Education, through the State Department of Education ~~and in consultation with the Education Oversight Committee~~, shall establish an assessment system to evaluate the degree to which the purposes of this chapter are met. To that end, the State Board of Education, through the Department of Education shall:

(1) develop or adapt a developmentally appropriate assessment program to be administered to all public school students by the end of grade three that is designed to measure a student’s strengths and weaknesses in skills required to perform academic work considered to be at the fourth grade level. Information on each student’s progress and on areas in need of improvement must be provided to the student’s parent and fourth grade teacher. Aggregated information on student progress must be given to the students’ kindergarten through third grade schools so that deficiencies in the schools’ academic programs can be addressed;

(2) review the performance of students on the eighth grade basic skills assessment test and performance on the exit examination pursuant to Section 59‑30‑10, or their equivalent, for progress in meeting the skill levels required by these examinations. Student data must be aggregated by the schools the students attended so that programs’ deficiencies can be addressed;

(3) review the data on students overage for grade in each school at grades four and nine;

(4) monitor the performance of schools and districts so that continuing weaknesses in the programs preparing students for the fourth grade, ninth grade, and exit examination shall receive special assistance from the Department of Education; and

(5) propose other methods or measures for assessing how well the purposes of this chapter are met.”

SECTION 42. Section 59‑150‑325(A)( 1) of the 1976 Code is amended to read:

“(1) There is created ~~as a committee,~~ the South Carolina Education Lottery Oversight Committee, to be composed of twelve members. The members of the committee must be appointed as follows: the Speaker of the House of Representatives appoints three members, one of whom must be the Chairman of the House Education and Public Works Committee; the President Pro Tempore of the Senate appoints three members, one of whom must be the Chairman of the Senate Education Committee; the Chairman of the South Carolina Commission on Higher Education appoints three members; and the ~~Chairman of the South Carolina Education Oversight Committee~~ State Superintendent of Education appoints three members. The Speaker of the House of Representatives and the President Pro Tempore of the Senate must each appoint one co‑chairman from the membership of the South Carolina Education Lottery Oversight Committee. The oversight committee must periodically, but at least annually, inquire into and review the operations of the commission and review and evaluate the success with which the commission is accomplishing its statutory duties and functions as provided in this chapter. The oversight committee also must ~~also~~ hold an annual public hearing and may conduct an independent audit or investigation of the commission as necessary.”

SECTION 43. Sections 59‑6‑15, 59‑6‑16, 59‑6‑17, 59‑6‑20, 59‑6‑30, 59‑6‑100, 59‑6‑110, 59‑21‑1220, 59‑24‑100, 59‑24‑110, 59‑28‑220, 59‑139‑50, and 59‑141‑10 of the 1976 Code are repealed.

SECTION 44. Savings realized from SECTIONS 1 through 43 of this act must be used for instructional supplies as determined by the General Assembly in the annual appropriations act.

SECTION 45. This act takes effect upon approval by the Governor.

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