# CONSTITUTIONAL/ADMINISTRATIVE PACKAGE

### **Aeronautics Division**

**68D.10 CARRIED OVER** (Transfer of MUSC Aircraft) **WMC:** ADD new proviso to transfer the title and ownership of MUSC's Beechcraft King Air 90C model to the Aeronautics Commission for official use by the state. State the intent of the General Assembly that the Aeronautics Commission provide funding to MUSC to cover the value of the aircraft as soon as funds are available. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

68D.10. (AERO: Transfer of MUSC Aircraft) Title and ownership of the Medical University of South Carolina's Beechcraft King Air 90C model is transferred to the Aeronautics Commission for official use by the state in the manner prescribed by law. It is the intent of the General Assembly that the Aeronautics Commission shall provide funding to the Medical University to cover the value of the aircraft as soon as funding is available.

### **Administrative Law Court**

**71.3 CARRIED OVER** (Fee Increase) Prohibits the Administrative Law Court, for FY 09-10, from charging or increasing filing fees beyond the amounts charged on January 1, 2009.

**WMC:** AMEND proviso to change "Fiscal Year 2009-2010" to "the current fiscal year." Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to authorize the court to increase filing fees as proposed in the amendments to the Rules of Procedure submitted pursuant to Section 1-23-670 [STATE AGENCY RULE MAKING AND ADJUDICATION OF CONTESTED CASES - FILING FEES].

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

71.3. (ALC: Fee Increase) For Fiscal Year 2009 2010 the current fiscal year, the Administrative Law Court may not charge or increase filing fees beyond the amounts charged on January 1, 2009 as proposed in the amendments to the Rules of Procedure submitted pursuant to Section 1-23-670 of the 1976 Code.

### **State Treasurer's Office**

**76.pdc CARRIED OVER** (Prepaid Debit Card Implementation) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the State Treasurer to develop and implement an electronic payroll payment plan that uses prepaid debit cards or other similar product to replace paper checks. Direct the State Treasurer to use a competitive process to solicit proposals and to include representatives of the State Employee's Association and an agency Human Resources Officer on the evaluation panel.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

76.pdc. (TREAS: Prepaid Debit Card Implementation) The State Treasurer is authorized to develop and implement an electronic payment plan for payroll purposes using prepaid debit cards or other similar product to replace paper checks. The State Treasurer shall use a competitive process to solicit proposals for a prepaid debit card and shall include on the evaluation panel representatives of the State Employee's Association and an agency Human Resources Officer.

# **B&C Board, Employee Benefits**

**80C.2 CARRIED OVER** (Funding Abortions Prohibited) Prohibits funds appropriated to the State Health Insurance Plan for employer contributions from being used to reimburse abortion expenses except in cases of rape, incest or where the life of the mother is in jeopardy. Prohibits the State Health Plan from offering coverage for abortion services.

**WMC:** AMEND proviso to delete the exception for cases of rape, incest, or where the life of the mother is in jeopardy. Fiscal Impact: No impact on the General Fund.

**HOU:** AMEND FURTHER to specify an exception for cases where the life of the mother is at risk and the pregnancy termination is incidental to the lifesaving intervention. Specify that the State Health Plan may not offer coverage for services incidental to abortion except as permitted in this provision. State that the physician shall act in accordance with the standard of care to preserve both the life of the mother and the pre-born child. Sponsors: Reps. Delleney and Rice.

#### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

**80C.2.** (BCB/EB: Funding Abortions Prohibited) No funds appropriated for employer contributions to the State Health Insurance Plan may be expended to reimburse the expenses of an abortion, except in cases of rape, incest or where the life of the mother is in jeopardy <u>at risk and the termination of the pregnancy is incidental to the lifesaving intervention</u>, and the State Health Plan may not offer coverage for abortion services <u>or services incidental to abortion except as permitted by this paragraph</u>. <u>The physician shall act in accordance with the standard of care to preserve both the life of the mother and the life of the pre-born child</u>.

### **State Ethics Commission**

**82.Ifi CARRIED OVER** (Lobbying Fee Increase) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the Ethics Commission to increase the registration fees for lobbyists and lobbyists principals to \$150 and to use these funds to offset costs associated with administration and enforcement of Chapter 17 of Title 2 [Lobbyists and Lobbying] and Chapter 13 of Title 8 [ETHICS, GOVERNMENT ACCOUNTABILITY, AND CAMPAIGN REFORM]. Authorize excess funds to be carried forward and used for the same purpose. Requested by Ethics Commission.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

82.Ifi. (ETHICS: Lobbying Fee Increase) The State Ethics Commission is authorized to increase lobbyist and lobbyist's principal registration fees to one hundred fifty dollars to be used to offset costs associated with the administration and enforcement of Chapter 17 of Title 2 and Chapter 13 of Title 8 of the South Carolina Code of Laws, 1976, as amended. Any excess funds may be carried forward into the current fiscal year to be used for the same purpose.

## Aid to Subdivisions-State Treasurer

**86.flx CARRIED OVER** (Flexibility) **REQUEST:** ADD new proviso to authorize a political subdivision that receives aid from the Local Government Fund to reduce its support to any state mandated program or requirement by up to the same percentage reduction in the amount appropriated to the Local Government Fund as compared to the last completed fiscal year.

### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

86.flx. (AS-TREAS: Flexibility) For the current fiscal year, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the last completed fiscal year.

### **General Provisions**

**89.43 CARRIED OVER** (Debt Collection Reports) Requires each state agency to submit a report to the Chairmen of the Senate Finance and House Ways and Means Committees by the last day of February, that provides details on the amount of outstanding debt the agency had the previous calendar year and the methods used to collect the debt.

**REQUEST:** AMEND proviso to define outstanding debt for purpose of this provision as a sum that remains due and owed to a state agency by a non-governmental entity for more than 60 days.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

- **89.43.** (GP: Debt Collection Reports) Each state agency shall provide to the Chairmen of the Senate Finance and House of Representatives Ways and Means Committees a report detailing the amount of its outstanding debt and all methods it has used to collect that debt. This report is due by the last day of February for the previous calendar year. For purposes of this provision, outstanding debt means a sum remaining due and owed to a state agency by a non-governmental entity for more than sixty (60) calendar days.
- 89.99 CARRIED OVER (ARRA Oversight) Directs that in order to provide transparency and accountability and to maintain the separation of duties as provided by our Constitution, the State Treasurer and the "Comptroller General" shall organize and co-chair a committee for monitoring funds associated with the ARRA of 2009 and that the committee shall collect information from state agencies and institutions regarding the funds they receive from ARRA. Directs that information collected shall include, but not be limited to, the name of the state agency or local government entity, program designation, purpose for which the funds were received and expended, and the amount of funds received and expended. Directs that the information collected also include data and documentation on jobs created resulting from receipt of the federal stimulus funds and to collect other information as required by ARRA. Authorize the co-chairs to require local government entities to provide information they deem relevant, including audit reports.

**REQUEST:** AMEND proviso to direct the committee to assess state agencies an amount of funds equal to the pro rata share of ARRA funding each agency received that is adequate to fund activities related to carrying out the committee's functions of central oversight for

transparency and accountability of ARRA funding. Direct that the total assessment not exceed the central administrative budget submitted to the federal government for these activities. Direct the agencies to transfer the assessment from appropriated or authorized funds into an account established by the State Treasurer. Direct the B&C Board, Office of State Budget to assist agencies in identifying funding sources and making the transfers which must occur by 10/1/10. Direct unexpended funds, at the end of the ARRA reporting period, to be remitted to the contributing agencies on a pro-rata basis.

#### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

89.99. (GP: ARRA Oversight) In order to provide transparency and accountability, and to maintain the separation of duties as provided by our Constitution, the State Treasurer and Comptroller General shall organize and co-chair a committee for monitoring funds associated with the American Recovery and Reinvestment Act of 2009. This committee shall collect information from state agencies and institutions regarding funds received from the American Recovery and Reinvestment Act of 2009. Information collected shall include, but not be limited to, the name of state agency or institution, the program designation, the purpose for which the funds were received and expended, and the amount of funds received and expended. The information shall also include data and documentation on job creation resulting from receipt of the federal stimulus funds and any other data or explanation as required by the American Recovery and Reinvestment Act of 2009. The co-chairs may also require local government entities to provide any information deemed relevant to provide disclosure of the American Recovery and Reinvestment Act of 2009 funds to the public, including audit reports. To provide funding for the central oversight costs for transparency and accountability of ARRA funding, the committee is directed to assess state agencies an amount of funds equal to their pro rata share of ARRA funds received, adequate to fund the activities related to carrying out these functions. The total assessment shall not exceed the central administrative budget submitted to the federal government for these activities. The funds shall be transferred by the agencies assessed into an account established by the State Treasurer. Agencies are authorized and directed to transfer the invoiced amounts from appropriated or authorized funds. The Budget and Control Board, Office of State Budget shall assist agencies in identifying funding sources and making the necessary transfers. Funds are to be transferred by no later than October 1, 2010. At the end of the ARRA reporting period, any funds not expended for central administrative costs shall be remitted to the contributing agencies on a pro-rata basis.

89.117 CARRIED OVER (Retirement Systems) HOU: ADD new proviso to authorize a charter school who employs an individual who is on leave from a local school district on or after 7/1/06, to participate in the S.C. Retirement Systems as a covered employer with regards to that employee on leave through 7/30/11, to the extent that the charter school and the employee have made the required employer and employee contributions to the System and direct that the employee shall accrue benefits and credits in the System. Direct the charter school to remit and the employee to make the required employer contributions to the Retirement System and direct that the contributions be picked up in accordance with Section 9-1-1020 [EMPLOYEE ANNUITY SAVINGS FUND; DEDUCTIONS FROM COMPENSATION OF MEMBERS OF SYSTEM; EMPLOYER TO PAY REQUIRED MEMBER CONTRIBUTIONS ON EARNINGS AFTER JULY 1, 1982; TAX TREATMENT; FUNDING; RETIREMENT TREATMENT]. Authorize the Retirement System to impose reasonable administrative requirements. Sponsor: Rep. Cooper.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

89.117. (GP: Retirement Systems) A charter school employing an individual on leave from a local school district on, or after July 1, 2006 shall participate in the South Carolina Retirement Systems as a covered employer with respect to the employee on leave through June 30, 2011 only to the extent that the charter school and the employee have made required employer and employee contributions to the South Carolina Retirement Systems from the employee's date of employment with the charter school. The employee on leave from a local school district employed by a charter school shall accrue benefits and credits in the South Carolina Retirement Systems. The charter school shall remit to the Retirement Systems the employer contributions required by law for participating employers. The employee shall make the employee contributions to the Retirement Systems required by law and the contributions must be picked up in accordance with Section 9-1-1020. The South Carolina Retirement Systems may impose reasonable requirements to administer this section.

**89.bsl CARRIED OVER** (Broadband Spectrum Lease) **REQUEST:** ADD new proviso to require the General Assembly to approve any exercise of the Educational Broadband Service Spectrum Lease Agreements Middle Band Segment Channel recapture provisions if the exercise of those provisions would result in a decrease to the General Fund. Requested by Budget and Control Board.

### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

89.bsl. (GP: Broadband Spectrum Lease) The General Assembly must approve any exercise of the Middle Band Segment Channel recapture provisions contained in the Educational Broadband Service Spectrum Lease Agreements if the exercise of the recapture provisions would result in a decrease in payments received by the State for deposit into the State General Fund.

## NATURAL RESOURCES PACKAGE

## Department of Parks, Recreation, and Tourism

**39.5 CARRIED OVER** (Product Development Funds) Establishes the guidelines for administering funds allocated for the Product Development Program. Directs the department to transfer \$2 million of uncommitted Product Development Program funds to the Destination Specific Tourism Program and to use \$526,200 for general agency operations.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete the requirement that \$2 million of uncommitted Product Development Program funds be transferred to the Destination Specific Tourism Program. Authorize PRT to use all uncommitted Product Development funds for agency operating expenses.

### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

**39.5.** (PRT: Product Development Funds) All Product Development funds, whether carried forward or new appropriations, must be matched with a 2 to 1 private funds ratio. An organization receiving a state grant must certify that, as of the date of the application: (i) the private funds are new dollars as of the current fiscal year specifically designated for the purpose of matching state funds; (ii) the private funds have not been previously allocated or designated for product development; (iii) the organization has on hand or has an approved line of credit of not less than the amount of private funds needed to provide the required match. Grant

recipients shall provide a quarterly report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the director of the Department of Parks, Recreation and Tourism on the expenditure of the grants funds and on the proposed outcome measures. The department is further directed, for Fiscal Year 2009-10, to transfer \$2,000,000 of uncommitted Product Development Program funds to the Destination Specific Tourism Program. In addition, the <u>The</u> department is authorized to utilize \$526,200 of uncommitted Product Development funds for general agency operational purposes.

39.12 CARRIED OVER (Destination Specific Tourism Transfer) WMC: ADD new proviso to direct the Department of Revenue, for FY 2010-11, to transfer to PRT the Motion Picture Incentive Rebate set-aside funds carried forward from the prior fiscal year. Direct that these funds be used for the Destination Specific Tourism Program and authorize the funds to be carried forward and used for the same purpose. Fiscal Impact: No impact on the General Fund. HOU: AMEND new proviso to specify Motion Picture Incentive "Wage" Rebate. Sponsor: Rep. White.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso as amended.

#### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

39.12. (PRT: Destination Specific Tourism Transfer) From the funds set aside pursuant to the Motion Picture Incentive Wage Rebate, for Fiscal Year 2010-11 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and utilized for the Destination Specific Tourism Program. These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.

## **General Provisions**

89.112 **CARRIED OVER** (Inter-Agency Loan - Aeronautics Commission and PRT) WMC: ADD new proviso to authorize the Aeronautics Commission to borrow up to \$15,000,000 during the current fiscal year from the Insurance Reserve Fund (IRF) to fund the South Carolina Air Services Incentive and Development Fund. Require that the funds be repaid as follows: In any year after the current fiscal year that the annual aircraft property tax revenues collected pursuant to Article 19 of Title 12, Chapter 37 [ASSESSMENT OF PROPERTY TAXES: AIRCRAFT] exceed \$6,000,000, funds collected in excess of that amount shall be used to repay the IRF instead of being paid into the General Fund. Require that the amount repaid to the IRF be repaid with interest as calculated by the State Treasurer's Office. Direct that after the loan has been fully repaid or there are no outstanding loans, any aircraft property tax revenues collected in a fiscal year which exceeds \$6,000,000 shall be paid into the S.C. Air Services Incentive and Development Fund rather than be paid into the General Fund. Authorize PRT to enter into a loan agreement on behalf of the State with Beaufort County in an amount up to \$10,000,000 to promote tourism. Direct that the money to finance the loan is to be acquired from the IRF and the loan is to be repaid to the IRF within 5 years using Beaufort County's local accommodations tax revenues. Require the county take actions necessary to authorize repayment of the loan with local accommodations tax revenues prior to any funds being dispersed. Require the State Treasurer's Office approve the loan agreement terms and conditions and ensure that the IRF is fully repaid with interest. Reduce the Division of the Savannah Valley Development's prior authorization to borrow funds from the Insurance Reserve Fund to ten million dollars. Fiscal Impact: No impact on the

General Fund. Funds will be borrowed and repaid, with interest from the Insurance Reserve Fund.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND new proviso to delete the authorization for PRT to enter into a loan agreement with Beaufort County.

### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

89.112. (GP: Inter-Agency Loan - Aeronautics Commission and PRT) (A) During the current fiscal year, the South Carolina Aeronautics Commission may borrow up to fifteen million dollars from the Insurance Reserve Fund to fund the South Carolina Air Services Incentive and Development Fund. Any money borrowed from the Insurance Reserve Fund must be repaid as prescribed herein. In any fiscal year following the current fiscal year in which the annual aircraft property tax revenues collected pursuant to Title 12, Chapter 37, Article 19 of the 1976 Code exceed six million dollars, the revenues in excess of six million dollars will be used to repay the Insurance Reserve Fund instead of being paid into the General Fund. The money borrowed from the Insurance Reserve Fund must be repaid together with interest calculated by the State Treasurer's Office in an amount determined to approximate the lost investment earnings on the monies.

(B) After any and all loans entered pursuant to part (A) have been fully repaid or there are no loans outstanding, in any fiscal year in which annual aircraft property tax revenues collected pursuant to Title 12, Chapter 37, Article 19 exceed six million dollars, the revenues in excess of six million dollars will be paid into the South Carolina Air Services Incentive and Development Fund instead of being paid into the General Fund.

(C) During the current fiscal year, the Department of Parks Recreation and Tourism may enter into a loan agreement of up to ten million dollars on behalf of the State with Beaufort County to promote tourism. The money to finance the loan is to be acquired from the Insurance Reserve Fund and the loan is to be repaid to the Insurance Reserve Fund within five years using Beaufort County's local accommodations tax revenues. Prior to any funds being dispersed, the county must take the actions necessary to authorize the repayment with the local accommodations tax revenues. The State Treasurer's Office is to approve the terms and conditions of the loan agreement and ensure that the Fund is fully repaid for any monies taken from the Fund together with lost earnings.

(D) The prior authorization of the Division of the Savannah Valley Development to borrow funds from the Insurance Reserve Fund is reduced to ten million dollars.

# K-12 EDUCATION PACKAGE

## **Department of Education**

\$7,500 salary supplement to be paid to public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and by the National Board for Professional Teaching Standards for the length of the national certificate and to teachers employed at the special schools. Directs that up to 1,100 loan applications shall be processed annually. Authorizes funds collected from educators who are in default of the loan to be retained and carried forward for National Board purposes. Directs CERRA to develop guidelines and administer a loan program for teachers who are U.S. citizens or

permanent resident aliens applying for National Board certification. Directs that teachers who begin the application process after 7/1/07 are eligible for full loan forgiveness if at the time the teacher applies to the National Board they are teaching in a school with a below average or unsatisfactory rating. Directs that forgiveness be at the rate of 33% for each year of full time teaching in the same school regardless of whether the school exceeds a below average or unsatisfactory rating during the forgiveness period or for each year teaching full time in another school with a below average or unsatisfactory rating.

WMC: AMEND proviso to direct that effective July 1, 2010, the state will not award loans to teachers seeking National Board certification and will not pay a \$7,500 salary supplement to any teacher who receives such certification unless they received certification before July 1, 2010 or completed application for certification prior to July 1, 2010 and subsequently received the certification. Prohibit state funds from being paid to any teacher beyond the first ten years of receiving National Board certification except for individuals who have applied for or subsequently received their second ten year certification prior to July 1, 2010. Direct the department and the EOC to develop a pilot program to be administered by the department to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE). Direct the department, during FY 2010-11, to establish program guidelines, conduct an application process which requires at least 2/3 of the school's teachers to endorse the application, and select schools to participate in the pilot. Direct the department to provide a report on SITE to the General Assembly, the State Board of Education, and the EOC by January 15, 201 and to include the names of schools participating in the pilot for the following fiscal year. Specify that the department retain funds collected from educators who are in default of National Board loans. Authorize that up to 10% of the funds collected may be used by the department to offset loan collection administrative costs and the remainder of the funds be used for National Board loan purposes. Phases out National Board supplements after all existing commitments are made. Fiscal Impact: OSB indicates that discontinuing the NBC loan application of \$2,500 would reduce the overall need within the program by \$2,750,000. The number of teachers eligible to receive the \$7,500 salary supplement in FY 09-10 is 6,385 which is approximately 740 more than the prior fiscal year. If the same growth rate applies for FFY 10-11 the number of eligible teachers could reach 7,000. The impact of discontinuing the salary supplement to any teacher beyond the first 10 years taking into consideration the exceptions identified within this proviso is unknown. Requested by Education Oversight Committee. See EIA companion proviso 1A.14.

**HOU:** ADOPT proviso as amended.

### PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

1.48. (SDE: National Board Certification Incentive) Effective July 1, 2010, the state will not award loans to any teacher seeking National Board certification and will not pay a \$7,500 salary supplement to any teacher receiving National Board certification unless the teacher had received National Board certification prior to July 1, 2010 or had completed application for National Board certification prior to July 1, 2010 and subsequently received National Board certification. No state funds shall be paid to any teacher beyond the first ten years of receiving National Board certification except for those individuals who have applied for or subsequently receive their second ten year certification prior to July 1, 2010. The Department of Education and the Education Oversight Committee shall work together to develop a pilot program to be administered by the department to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE). During Fiscal Year 2010-11, the department shall establish guidelines for the program, conduct an application process which requires at least two-thirds of the school's teachers to endorse the application, and select schools to participate in the pilot. The department shall provide a report on the SITE to the General Assembly, the State

<u>Board of Education, and the Education Oversight Committee not later than January 15, 2011, including the names of schools participating in the pilot for the following fiscal year.</u>

Public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July 1 in the year following the year of achieving certification, beginning with 2009 applicants. Teachers employed at the special schools shall be eligible for this \$7,500 salary supplement. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall develop guidelines and administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who are applying to the National Board for Professional Teaching Standards for certification may receive a loan equal to the amount of the application fee. Up to eleven hundred loan applications shall be processed annually. One-half of the loan principal amount and interest shall be forgiven when the required portfolio is submitted to the national board. Teachers attaining certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, XIII.A. for National Board Certification, the State Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program. In addition, teachers who are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

Provided, further, that in calculating the compensation for teacher specialists, the State Department of Education shall include state and local compensation as defined in Section 59-18-1530 to include local supplements except local supplements for National Board certification. Teacher specialists remain eligible for state supplement for National Board certification.

Teachers who begin the application process after July 1, 2007 and who teach in schools which have an absolute rating of below average or at-risk at the time the teacher applies to the National Board for certification, but who fail to obtain certification, nonetheless shall be eligible for full forgiveness of the loan as follows: upon submission of all required materials for certification, one-half of the loan principal amount and interest shall be forgiven; forgiveness of the remainder of the loan will be at the rate of 33% for each year of full time teaching in the same school regardless of whether that school exceeds an absolute rating of

below average or at-risk during the forgiveness period, or for each year of full time teaching in another school that has an absolute rating of below average or at risk.

## **Department of Education - EIA**

1A.14 CARRIED OVER (National Board Certification Incentive) Provides guidelines for an annual \$7,500 salary supplement to be paid to public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and by the National Board for Professional Teaching Standards for the length of the national certificate and to teachers employed at the special schools. Directs that up to 1,100 loan applications shall be processed annually. Authorizes funds collected from educators who are in default of the loan to be retained and carried forward for National Board purposes. Directs CERRA to develop guidelines and administer a loan program for teachers who are U.S. citizens or permanent resident aliens applying for National Board certification. Directs that teachers who begin the application process after 7/1/07 are eligible for full loan forgiveness if at the time the teacher applies to the National Board they are teaching in a school with a below average or unsatisfactory rating. Directs that forgiveness be at the rate of 33% for each year of full time teaching in the same school regardless of whether the school exceeds a below average or unsatisfactory rating during the forgiveness period or for each year teaching full time in another school with a below average or unsatisfactory rating.

WMC: AMEND proviso to direct that effective July 1, 2010, the state will not award loans to teachers seeking National Board certification and will not pay a \$7,500 salary supplement to any teacher who receives such certification unless they received certification before July 1, 2010 or completed application for certification prior to July 1, 2010 and subsequently received the certification. Prohibit state funds from being paid to any teacher beyond the first ten years of receiving National Board certification except for individuals who have applied for or subsequently received their second ten year certification prior to July 1, 2010. Direct the department and the EOC to develop a pilot program to be administered by the department to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE). Direct the department, during FY 2010-11, to establish program guidelines, conduct an application process which requires at least 2/3 of the school's teachers to endorse the application, and select schools to participate in the pilot. Direct the department to provide a report on SITE to the General Assembly, the State Board of Education, and the EOC by January 15, 201 and to include the names of schools participating in the pilot for the following fiscal year. Specify that the department retain funds collected from educators who are in default of National Board loans. Authorize that up to 10% of the funds collected may be used by the department to offset loan collection administrative costs and the remainder of the funds be used for National Board loan purposes. Phases out National Board supplements after all existing commitments are made. Fiscal Impact: OSB indicates that discontinuing the NBC loan application of \$2,500 would reduce the overall need within the program by \$2,750,000. The number of teachers eligible to receive the \$7,500 salary supplement in FY 09-10 is 6,385 which is approximately 740 more than the prior fiscal year. If the same growth rate applies for FFY 10-11 the number of eligible teachers could reach 7,000. The impact of discontinuing the salary supplement to any teacher beyond the first 10 years taking into consideration the exceptions identified within this proviso is unknown. Requested by Education Oversight Committee. See general education companion proviso 1.48.

**HOU:** ADOPT proviso as amended.

PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

**1A.14.** (SDE-EIA: XI.C.2-National Board Certification Incentive) Effective July 1, 2010, the state will not award loans to any teacher seeking National Board certification and will not pay a \$7,500 salary supplement to any teacher receiving National Board certification unless the teacher had received National Board certification prior to July 1, 2010 or had completed application for National Board certification prior to July 1, 2010 and subsequently received National Board certification. No state funds shall be paid to any teacher beyond the first ten years of receiving National Board certification except for those individuals who have applied for or subsequently receive their second ten year certification prior to July 1, 2010. The Department of Education and the Education Oversight Committee shall work together to develop a pilot program to be administered by the department to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE). During Fiscal Year 2010-11, the department shall establish guidelines for the program, conduct an application process which requires at least two-thirds of the school's teachers to endorse the application, and select schools to participate in the pilot. The department shall provide a report on the SITE to the General Assembly, the State Board of Education, and the Education Oversight Committee not later than January 15, 2011, including the names of schools participating in the pilot for the following fiscal year.

Public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July 1 in the year following the year of achieving certification, beginning with 2009 applicants. Teachers employed at the special schools shall be eligible for this \$7,500 salary supplement. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall develop guidelines and administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who are applying to the National Board for Professional Teaching Standards for certification may receive a loan equal to the amount of the application fee. Up to eleven hundred loan applications shall be processed annually. One-half of the loan principal amount and interest shall be forgiven when the required portfolio is submitted to the national board. Teachers attaining certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, XIII.A. for National Board Certification, the State Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program. In addition, teachers who are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers moving to this State who hold a valid standard certificate from their sending state are exempted from

initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

Provided, further, that in calculating the compensation for teacher specialists, the State Department of Education shall include state and local compensation as defined in Section 59-18-1530 to include local supplements except local supplements for National Board certification. Teacher specialists remain eligible for state supplement for National Board certification.

Teachers who begin the application process after July 1, 2007 and who teach in schools which have an absolute rating of below average or at-risk at the time the teacher applies to the National Board for certification, but who fail to obtain certification, nonetheless shall be eligible for full forgiveness of the loan as follows: upon submission of all required materials for certification, one-half of the loan principal amount and interest shall be forgiven; forgiveness of the remainder of the loan will be at the rate of 33% for each year of full time teaching in the same school regardless of whether that school exceeds an absolute rating of below average or at-risk during the forgiveness period, or for each year of full time teaching in another school that has an absolute rating of below average or at risk.

1A.37 CARRIED OVER (Artistically and Academically High-Achieving Students) Directs how EIA funds appropriated for high achieving students must be allocated to districts. Requires that at least 85% of funds appropriated for each of these students be spent for instruction and instructional support for students who generated the funds. Authorizes up to \$500,000 of the funds to be retained by the department for teacher endorsement activities. Directs that 12% of the funds be set-aside to serve artistically gifted and talented students in grades 3-12. Suspends, for the 09-10 school year, endorsement criteria established by the State Board of Education for teachers assigned to teach gifted and talented and advanced placement classes.

**WMC:** AMEND proviso to change "2009-10" to "current" school year. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

# PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

**1A.37.** (SDE-EIA: Artistically and Academically High-Achieving Students) EIA funds appropriated for high achieving students must be allocated to districts based on two factors: (1) the number of students served in academic gifted and talented programs based on the prior year's 135-day count of average daily membership adjusted for the current year's 45-day count and the number of students identified as artistically gifted and talented; and (2) the number of students taking Advanced Placement or International Baccalaureate (IB) exams in the prior year. At least eighty-five percent of the funds appropriated for each student classified herein must be spent for instruction and instructional support for students who generated the funds. Up to \$500,000 of the funds may be retained by the Department of Education for teacher endorsement activities. Twelve percent of the funds shall be set-aside for serving artistically gifted and talented students in grades 3-12.

Endorsement criteria established by the State Board of Education for teachers assigned to teach gifted and talented and advanced placement classes shall be suspended for the 2009-10 *current* school year.

**1A.41 CARRIED OVER** (Statewide Student Information System) Authorizes the department, contingent on availability of FY 08-09 year end EIA cash balance to use up to \$5,000,000 for costs related to the statewide student information system conversion, implementation, support, maintenance, and training activities for state, school district, and school users essential for sustaining accountability and transparency.

**WMC:** AMEND proviso to change Fiscal Year "2008-09" to "2009-10" and "2009-10" to "2010-11". Fiscal Impact: No impact on the General Fund.

**HOU:** AMEND FURTHER to allow the department to use any remaining balance for transportation purposes. Sponsor: Rep. J.R. Smith.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

**1A.41.** (SDE-EIA: Statewide Student Information System) Contingent on the availability of a Fiscal Year 2008-09 2009-10 end of year EIA cash balance the department is authorized in Fiscal Year 2009-10 2010-11 to utilize up to \$5,000,000 for the costs related to the conversion, implementation, support, maintenance, and training activities for state, school district, and school users for the statewide student information system essential for sustaining accountability and transparency. The department may utilize any remaining balance for transportation purposes.

# HEALTH AND HUMAN SERVICES PROVISO PACKAGE

## **Department of Health and Human Services**

**CARRIED OVER** (Emergency Medical Services) Provides for the allocation of Emergency Medical Services funds to counties to improve and upgrade the EMS system throughout the state. Prohibits \$1,831,963 appropriated for Emergency Medical Services from being transferred to any other program. Authorizes unexpended funds to be carried forward. Provides the manner in which mandated budget reductions may be taken from this item.

**WMC:** AMEND proviso to change "\$1,831,963" to "\$1,610,512." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

(DHEC: Emergency Medical Services) Funds appropriated herein for Emergency Medical Services, shall be allocated for the purpose of improving and upgrading the EMS system throughout the state. The monies allocated to the Counties are for the purpose of improving or upgrading the local EMS system through the licensed ambulance services, the monies allocated to the EMS Regional Councils are for the administration of training programs and technical assistance to local EMS organizations and county systems. All additional funds are to be allocated as follows: to the counties at the ratio of 81% of the additional funds appropriated herein, to the EMS Regions at a ratio of 12% of the additional funds appropriated herein and to the state EMS Office at the ratio of 7% of the additional funds appropriated herein. The Department of Health and Environmental Control shall develop criteria and guidelines and administer the system to make allocations to each region and county within the state, based on demonstrated need and local match. Funds appropriated, \$1,831,963 \$1,610,512, to Emergency Medical Services shall not be transferred to other programs within the department's budget. Unexpended funds appropriated to the program may be carried forward to succeeding fiscal years and expended for administrative and operational support and for temporary and contract employees to assist with duties related to improving and upgrading the EMS system throughout the state, including training of EMS personnel and administration

of grants to local EMS providers. In addition, when instructed by the Budget and Control Board or the General Assembly to reduce funds by a certain percentage, the department may not reduce the funds appropriated for EMS Regional Councils or Aid to Counties greater than such stipulated percentage.

**CARRIED OVER** (Certificate of Need) **WMC:** ADD new proviso to direct that a Certificate of Need awarded by the department is valid for one year. Authorize the department to grant two extensions of up to nine months each if there is evidence that substantial progress has been made. Authorize the DHEC board to grant further extension of up to nine months each only if it determines that substantial progress has been made. *Increases the time for CON implementation from six months to one year and increases extensions from six to nine months.* Staffing has been reduced due to budget reductions and this increased time frame will help with workloads. Fiscal Impact: The department states this will potentially allow the deferral of hiring additional staff to review CONs in order to meet mandated deadlines, since staff currently devoted to processing extension requests may be redirected to CON application review. Requested by: Department of Health and Environmental Control.

**HOU:** ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

22.43. (DHEC: Certificate of Need) A Certificate of Need, awarded by the department, is valid for one year from the date of issuance. The department may grant two extensions of up to nine months each upon evidence that substantial progress has been made in accordance with procedures set forth in regulations. The board may grant further extension of up to nine months each only if it determines that substantial progress has been made in accordance with the procedures set forth in regulations.

# **Department of Social Services**

**CARRIED OVER** (Fee Schedule) Authorized DSS to charge fees and accept donations, grants, and bequests for social services provided under their direct responsibility on the basis of a fee schedule approved by the B&C Board. Directs the department to use the fees to further develop and administer the program efforts. Establishes the fee schedule for the current fiscal year.

**WMC:** AMEND proviso to add a \$50 fee for the Responsible Father Registry Search. *Act 41 of 2009 enacted the Responsible Father Registry. The \$50 fee is in line with various other Putative Father Registries around the country.* Fiscal Impact: No impact on the General Fund. OSB states that the department estimates \$50,000 will be generated annually from the Responsible Father Registry Search. Requested by Department of Social Services.

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

**26.7.** (DSS: Fee Schedule) The Department of Social Services shall be allowed to charge fees and accept donations, grants, and bequests for social services provided under their direct responsibility on the basis of a fee schedule approved by the Budget and Control Board. The fees collected shall be utilized by the Department of Social Services to further develop and

administer these program efforts. The below fee schedule is established for the current fiscal year.

Day Care	
Family Child Care Homes (up to six children)\$	15
Group Child Care Homes (7-12 children)\$	30
Registered Church Child Care (13+)\$	50
Licensed Child Care Centers (13-49)\$	50
Licensed Child Care Centers (50-99)\$	75
Licensed Child Care Centers (100-199)\$	100
Licensed Child Care Centers (200+)\$	
Central Registry Checks	
Non-profit Entities\$	8
For-profit Agencies\$	25
State Agencies\$	8
Schools\$	8
Day Care\$	8
Other – Volunteer Organizations\$	8
Other Children's Services	
Services Related to Adoption of Children from	
Other Countries\$	225
Court-ordered Home Studies in Non-DSS Custody Cases\$	850
Licensing Residential Group Homes Fee for an	
Initial License\$	250
For Renewal\$	75
Licensing Child Caring Institutions Fee for an	
Initial License\$	500
For Renewal\$	100
Licensing Child Placing Agencies Fee for an	
Initial License\$	500
For Renewal\$	
For Each Private Foster Home Under the	
Supervision of a Child Placing Agency\$	15
Responsible Father Registry	
Registry Search\$	50

# CORRECTIONS AND PUBLIC SAFETY PACKAGE

## **General Provisions**

89.pssc CARRIED OVER (Public Safety Service Charge) SFC SUBCOMMITTEE CHAIRMAN'S RECOMMENDATION: ADD new proviso to require DMV, at the time a motor vehicle registration fee is collected, to collect a \$4 annual public safety service charge on all vehicles required to be registered in addition to the registration fees required by law. Direct that \$2 of the funds collected for property carrying vehicles be deposited into a DOT special restricted account for commercial motor vehicle rest areas operating expenses. Direct that the remaining funds collected for property carrying vehicles and all service charges collected for other motor vehicles required to be registered be deposited into a DPS special restricted account for Highway Patrol and State Transport Police personnel and operating expenses. Authorize the funds to be retained and carried forward by the respective agencies and be used for the same purposes.

## PROVISO REVIEW SUBCOMMITTEE RECOMMENDATION: CARRIED OVER

89.pssc. (GP: Public Safety Service Charge) At the time of collection of the registration fee for a motor vehicle, the Department of Motor Vehicles shall collect a four dollar annual public safety service charge on all vehicles required to be registered in this state, in addition to the registration fees prescribed by law. Of the funds collected pursuant to this provision for property carrying vehicles, two dollars shall be deposited into a special restricted account of the Department of Transportation to be used for operating expenses of commercial motor vehicle rest areas. The remaining funds collected pursuant to this provision for property carrying vehicles and all service charges collected for other motor vehicles required to be registered shall be deposited into a special restricted account for the Department of Public Safety to be used for personnel and operating expenses of the South Carolina Highway Patrol and State Transport Police. All unexpended funds collected under this provision may be retained and carried forward by the Department of Transportation or the Department of Public Safety and used for the same purposes.

 $N:\S-FINANC\FISCAL\ YEAR\ 10-11\Provisos\Proviso\ Review\ Subcommittee\ Rec\Provisos\ carried\ over\ by\ proviso\ review\ subc.docx\ 4/8/2010\ 1:44:57\ PM$