

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2015-16**

SECTION 1 - H63-DEPARTMENT OF EDUCATION

1.3 CONFORM TO FUNDING / AMEND FURTHER (EFA Formula/Base Student Cost Inflation Factor) States the General Assembly's intent to fully implement the EFA including an inflation factor to match the inflation wages of public school employees in the southeast; states that for FY 14-15, the base student cost has been determined to be \$2,120; that the per pupil count is projected to be 708,231, and projects the average per pupil funding. Provides for the distribution of funds to the SC Public Charter School District. Requires the Revenue and Fiscal Affairs Office post each school district's projections on their website and for each school district to also post their numbers. Requires the department and the EOC provide links to this information on their websites. Provides pupil classification weightings.

WMC: AMEND proviso to update the projections for FY 15-16 as follows: base student cost \$2,220; total pupil count, 714,394; average per pupil funding: \$5,536 state, \$1,185 federal, and \$5,371 local, for an average total funding level of \$12,092, excluding local bond issues. Delete the school year 2014-15 local match exemption for additional weightings for personalized instruction. Define an accelerated student as one who is classified as gifted and talented or who is enrolled in AP or IB courses in high school or who is a state-identified artistically and academically high achieving student enrolled in a charter school serving core academic classes with an accelerated curriculum that has been verified by the department to meet SBE Regulations and are included on CHE's prior year list of transferable courses. Require the department report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by October 2, 2015, on the effects USDA community certification has had on the ability for individual districts and provide recommendations on using poverty data from the US Census Bureau to calculate a district's poverty allocation in lieu of direct certification.

HOU: AMEND FURTHER to reinsert the directive that no local match is required for additional weightings for personalized instruction in school year 2014-15, and after that, a local match to conform with the EFA will be required. Sponsor: Rep. Bingham.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND FURTHER to specify that no local match is required for additional weighting for personalized instruction in school year 2015-16. Delete reference to "Accelerated" students and reinsert "Gifted and talented" students.

1.3. (SDE: EFA Formula/Base Student Cost Inflation Factor) To the extent possible within available funds, it is the intent of the General Assembly to provide for one hundred percent of full implementation of the Education Finance Act to include an inflation factor projected by the Revenue and Fiscal Affairs Office to match inflation wages of public school employees in the Southeast. The base student cost for the current fiscal year has been determined to be ~~\$2,120~~ \$2,220. For the current fiscal year, the total pupil count is projected to be ~~708,231~~ 714,394. The average per pupil funding is projected to be ~~\$5,290~~ \$5,536 state, ~~\$1,154~~ \$1,185 federal, and ~~\$4,996~~ \$5,371 local. This is an average total funding level of ~~\$11,440~~ \$12,092 excluding revenues of local bond issues. For the current fiscal year the South Carolina Public Charter School District and any institution of higher education sponsoring a public charter school shall receive and distribute state EFA funds to the charter school as determined by one hundred percent of the current year's base student cost, as funded by the General Assembly multiplied by the weighted students pupils enrolled in the charter school, which must be subject to adjustment for student attendance.

The Revenue and Fiscal Affairs Office, must post in a prominent place on their website for each school district projections, including the per pupil state, federal and local revenues, excluding revenues of local bond issues, for the current fiscal year. Also, as soon as practicable,

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upon determining the exact numbers regarding pupil count and funding, the Revenue and Fiscal Affairs Office, shall also post on their website the one hundred thirty-five-day average daily membership for each school district and per pupil state, federal and local revenues, excluding revenues of local bond issues, based on the most recent audited financial statement as reported annually pursuant to Section 59-17-100. The Department of Education and the Education Oversight Committee shall provide in a prominent place on their internet websites a link to the information posted by the Revenue and Fiscal Affairs Office, including the projected numbers and the exact numbers.

For the current fiscal year, the pupil classification weightings are as follows:

- (1) K-12 pupils or base students including homebound students..... 1.00

Students served in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code shall receive a weighting of 2.10.

- (2) Weights for students with disabilities as prescribed in Section 59-20-40(1)(c) Special Programs

- (3) Precareer and Career Technology..... 1.29

- (4) Additional weights for personalized instruction:

- (A) Gifted and Talented..... 0.15

- (B) Academic Assistance..... 0.15

- (C) Limited English Proficiency 0.20

- (D) Pupils in Poverty 0.20

No local match is required for the additional weightings for personalized instruction in school year ~~2014-15~~ 2015-16 . ~~After the 2014-15 school year, a local match to conform with the Education Finance Act will be required.~~ Charter school per pupil calculations for locally sponsored charters will continue to be calculated according to Section 59-40-140 of the 1976 Code.

Students may receive multiple weights for personalized instruction; however, within each weight, students should only be counted once. These weights are defined below:

Gifted and talented ~~Accelerated~~ students are students who are classified as academically or artistically gifted and talented or who are enrolled in Advanced Placement (AP) and International Baccalaureate (IB) courses in high school or state-identified artistically and academically high-achieving students who are enrolled in charter schools serving in core academic classes with an accelerated curriculum that has been verified by the Department of Education to meet the requirements of State Board of Education Regulations and which are included on the prior year's Commission on Higher Education's list of transferable courses. Districts shall set-aside twelve percent of the funds for serving artistically gifted and talented students in grades three through twelve.

Students in need of academic assistance are students who do not meet state standards in mathematics, English language arts, or both on state approved assessments in grades three through eight and high school assessments for grades nine through twelve. The additional weight generates funds needed to provide additional instructional services to these students.

Students with limited English proficiency are students who require intensive English language instruction programs and whose families require specialized parental involvement intervention.

For the ~~2014-15~~ 2015-16 school year, students in poverty will continue to be defined as students eligible for free/reduced lunch and/or Medicaid. The Department of Education will continue to use counts from the 2013-14 school year to determine poverty funding for the add-on weighting. The department shall report on the effects USDA community certification have had on the ability for individual districts to report their poverty rate no later than October 1, 2015, and shall provide recommendations on using poverty data from the United States Census

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Bureau to calculate a district's poverty allocation in lieu of direct certification to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.

Further, the Department of Education may use school district student counts for personalized instruction as collected in the same manner as the prior fiscal year, PowerSchool or other available existing data sources as determined by the department to calculate the school district add on weightings for the personalized instruction classifications and the determination of the school districts monetary entitlement. End of year adjustments shall be based on the one hundred thirty-five day student average daily membership for all classifications. During the current fiscal year the department will update PowerSchool calculations, reports, screen development, documentation, and training to incorporate the new pupil classification weightings and to make final district allocation adjustments by June 30, ~~2015~~ 2016. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

- 1.20 RESTORE ORIGINAL PROVISO** (School Bus Purchase) Requires procurement of school buses to meet specifications developed by the School Bus Specifications Committee and allows the department to use specifications from Georgia and North Carolina, but if it does, requires the department submit a report to the Chairmen of the Senate Finance and House Ways and Means Committee that details the methodology used to determine the specifications were safe, more economical, and in the public interest when compared with the School Bus Specifications Committee specifications.

WMC: AMEND proviso change "Georgia or North Carolina" to "another state."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: RESTORE original proviso.

1.20. (SDE: School Bus Purchase) Any procurement of school buses with funds appropriated in this act or any other appropriation bill must meet specifications developed by the School Bus Specification Committee as established by the State Superintendent of Education. The School Bus Specifications Committee shall allow for input from all school bus chassis and body manufacturers. However, if it is safe, more economical, and in the public interest, the department may use the school bus specifications of **Georgia or North Carolina** ~~another state~~ in the procurement of school buses. If the department uses the specifications of **Georgia or North Carolina** ~~another state~~, the department must submit a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee detailing the methodology by which the alternative specifications were determined to be safe, more economical, and in the public interest, when compared to the specifications set forth by the School Bus Specifications Committee.

- 1.28 AMEND** (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments.

WMC: AMEND proviso to prohibit a school district from transferring funds provided for the EEDA or for Career and Technology Education. Change the reference to students with "exceptional needs" to "disabilities who have Individualized Education Programs." *Within the realm of education, the phrase "students with exceptional needs" includes students with disabilities as well as students who are in gifted and talented programs. Since the intent of this particular language is to have staffing ratios remain intact for students with disabilities, the language should be updated.* Requested by Department of Education. Companion to EIA proviso 1A.15.

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HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.28. (SDE: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, funds provided for the Education and Economic Development Act, funds provided for Career and Technology Education, nor required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for four-year old programs and programs serving students with ~~exceptional needs~~ disabilities who have Individualized Education Programs.

In order for a school district to take advantage of the flexibility provisions, at least seventy-five percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, instructional support, and non-instruction pupil services. No portion of the seventy-five percent may be used for business services, debt service, capital outlay, program management, and leadership services, as defined by In\$ite. The school district shall report to the Department of Education the actual percentage of its per pupil expenditures used for classroom instruction, instructional support, and non-instruction pupil services for the current school year ending June thirtieth. Salaries of on-site principals must be included in the calculation of the district's per pupil expenditures.

"In\$ite" means the financial analysis model for education programs utilized by the Department of Education.

School districts are encouraged to reduce expenditures by means, including, but not limited to, limiting the number of low enrollment courses, reducing travel for the staff and the school district's board, reducing and limiting activities requiring dues and memberships, reducing transportation costs for extracurricular and academic competitions, restructuring administrative staffing, and expanding virtual instruction.

School districts and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal year.

Prior to implementing the flexibility authorized herein, school districts must provide to Public Charter Schools the per pupil allocation due to them for each categorical program.

Quarterly throughout the current fiscal year, the chairman of each school district's board and the superintendent of each school district must certify where non-instructional or nonessential programs have been suspended and the specific flexibility actions taken. The certification must be in writing, signed by the chairman and the superintendent, delivered electronically to the State Superintendent of Education, and an electronic copy forwarded to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Education and Public Works Committee. Additionally, the certification must be presented publicly at a regularly called school board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

For the current fiscal year, Section 59-21-1030 is suspended. Formative assessments for grades one, two, and nine, the foreign language program assessment, and the physical education assessment must be suspended. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

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For the current fiscal year, savings generated from the suspension of the assessments enumerated above must be allocated to school districts based on weighted pupil units.

School districts must maintain a transaction register that includes a complete record of all funds expended over one hundred dollars, from whatever source, for whatever purpose. The register must be prominently posted on the district's internet website and made available for public viewing and downloading. The register must include for each expenditure:

- (i) the transaction amount;
- (ii) the name of the payee; and
- (iii) a statement providing a detailed description of the expenditure.

The register must not include an entry for salary, wages, or other compensation paid to individual employees. The register must not include any information that can be used to identify an individual employee. The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure. The register must be searchable and updated at least once a month.

Each school district must also maintain on its internet website a copy of each monthly statement for all of the credit cards maintained by the entity, including credit cards issued to its officers or employees for official use. The credit card number on each statement must be redacted prior to posting on the internet website. Each credit card statement must be posted not later than the thirtieth day after the first date that any portion of the balance due as shown on the statement is paid.

The Comptroller General must establish and maintain a website to contain the information required by this section from a school district that does not maintain its own internet website. The internet website must be organized so that the public can differentiate between the school districts and search for the information they are seeking.

School districts that do not maintain an internet website must transmit all information required by this provision to the Comptroller General in a manner and at a time determined by the Comptroller General to be included on the internet website.

The provisions contained herein do not amend, suspend, supersede, replace, revoke, restrict, or otherwise affect Chapter 4, Title 30, the South Carolina Freedom of Information Act.

1.43 AMEND (Residential Treatment Facilities Student Enrollment and Funding) Establishes guidelines for educational, financial and accountability of students between responsible licensed residential treatment facilities, school districts, parents, and the department.

WMC: AMEND proviso to change reference to "Virtual School Program" to "virtual school program" and specify the program name of "(Virtual SC)." Allow a student to also be enrolled in a virtual charter school authorized by an approved institute of higher education. Specify that a facility school district is also responsible for compliance with the Individuals with Disabilities Act of 2004 (IDEA). Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.43. (SDE: Residential Treatment Facilities Student Enrollment and Funding) Each South Carolina resident of lawful school age residing in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code, ("students") shall be entitled to receive educational services from the school district in which the RTF is located ("facility school district"). The responsibility for providing appropriate educational programs and services for these students, both with and without disabilities, who are referred, authorized, or placed by the State is vested in the facility school districts. For purposes of this proviso, an authorization must be pursuant to a physician's determination of medical necessity. If clinically appropriate, the facility school district, the RTF, and the parent or guardian

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of a student referred or placed in a RTF may consider the appropriateness of providing the student's education program virtually through enrollment in either the facility district's virtual program, the South Carolina ~~Virtual School Program~~ *virtual school program* provided through the Department of Education (*Virtual SC*), or a virtual charter school authorized by the South Carolina Public Charter School District, or a virtual charter school authorized by an approved institute of higher education. This decision should be made jointly with the best interest of the student and what is clinically indicated being considered.

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

The facility school districts are entitled to receive the base student cost multiplied by the Education Finance Act pupil weighting for Homebound pupils of 2.10, as set forth in Section 59-20-40 of the 1976 Code and any eligible categorical and federal funds. These funds may be retained by the facility school districts for the purpose of providing the educational programs and services directly to students referred or placed by the State or the facility school districts may use these funds to reimburse RTFs for the educational programs and services provided directly by the RTFs. A facility school district is entitled to reimbursement from a resident school district for the difference between (1) the reasonable costs expended for the educational services provided directly by the facility school district or the amount paid to the RTF and (2) the aggregate amount of federal and state funding received by the facility school district for that student. However, the reimbursement rate may not exceed \$45 per student per day. Facility school districts providing the educational services shall notify the resident district in writing within forty-five calendar days that a student from the resident district is receiving educational services pursuant to the provisions of the proviso. Reimbursements shall be paid within sixty days of billing, provided the facility district has provided a copy of the invoice to both the District Superintendent and the finance office of the resident district being invoiced. Should the facility school district be unable to reach agreement with the resident school district regarding reasonable costs differences, the facility school district shall notify the Department of Education's Office of General Counsel. The Department of Education shall facilitate a resolution of the dispute between the facility school district and the resident school district within forty-five days of the notice of dispute. If the issue of reasonable cost differences should remain unresolved, a facility school district shall have the right to file a complaint in a Circuit Court. Should a resident school district fail to distribute the entitled funding to the facility school district by the one hundred thirty-five day count, the Department of Education is authorized to withhold the equivalent amount of EFA funds and transfer those funds to the facility school district.

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

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

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

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

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

- 1.48 DELETE** (Teaching Requirement for Certified School Employees) Directs that all certified personnel employed in a school district should, if feasible, teach at least two classes per week within the school district in which they are employed.

WMC: DELETE proviso. *This proviso was added when districts were furloughing certified staff members due to budget cuts but is no longer needed.* Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.48. (SDE: Teaching Requirement for Certified School Employees) ~~From the funds appropriated, all certified public school teachers, certified special school classroom teachers,~~

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~~certified media specialists, certified guidance counselors, certified full time athletic directors, certified principals, certified assistant principals, and certified school district administrators that are employed by a school district should, if practicable, teach at least two classes per week within the school district they are employed.~~

- 1.62** **DELETE** (First Steps) Requires First Steps to submit its next external evaluation to the General Assembly by November 15, 2014 and to incorporate an update pertaining to the LAC June 2013 review of the initiative.

WMC: **DELETE** proviso. *Report has been submitted.* Requested by First Steps to School Readiness.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1.62.** (SDE: First Steps) The South Carolina First Steps to School Readiness Board of Trustees shall incorporate findings of the Legislative Audit Council within the scope of the First Steps next external evaluation. The report shall be submitted to the General Assembly no later than November 15, 2014.~~

- 1.65** **DELETE** (Digital Instructional Materials)) Provides the methodology for the department to use to allocate digital instructional materials. Requires districts submit requests to the State Board by August 15th and directs that funds not encumbered by January 15th be distributed to school districts that have not previously received an allocation. Directs that these funds are not subject to flexibility.

HOU: **DELETE** proviso. *See new proviso 1.89.* Sponsor: Rep. Bingham.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1.65.** (SDE: Digital Instructional Materials) Utilizing the funds appropriated for digital instructional materials, the Department of Education shall determine a per pupil amount using the prior year's 135 ADM. These funds shall be made available to all school districts using the following procedure:~~

~~(1) The Department of Education shall create a digital instructional materials list composed of those items which have been requested by districts and that have received Board approval;~~

~~(2) Districts may request that the State Board of Education review digital instructional materials for inclusion on the list when the material has been reviewed by the district, received approval by the local board of trustees for use in its district and been found to reflect the substance and level of performance outlined in the state adopted grade specific educational standards, contain current content information, and are cost effective;~~

~~(3) Within thirty days of receiving the request, the State Board of Education must approve or disapprove the district's request. Those materials receiving approval shall be placed on the department's approved digital instructional materials list. Once items are placed on the approved list, all districts may choose items from that list;~~

~~(4) On a form provided by the department, a district may request an allocation by denoting the number of students, grade level, and subject for which the digital materials will be used. Districts may only request digital materials in one subject area and may not receive textbooks for the students using digital materials in that subject area; and~~

~~(5) Digital Instructional Materials shall include the digital equivalent of materials and devices.~~

~~District requests must be submitted to the State Board of Education for consideration not later than August fifteenth of the current fiscal year. Any funds appropriated for digital instructional materials which have not been encumbered by January fifteenth, shall be distributed~~

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~~to school districts which have not previously received an allocation. These districts shall receive a per pupil allocation which must be used for technology infrastructure needed to prepare the district for using digital instructional materials. These funds shall not be subject to flexibility.~~

- 1.66** **AMEND** (~~Child Development Education Pilot Program~~ *Full-Day 4K*) Creates CDEPP, a voluntary program which focuses on developmental and learning support to be ready for school for four year olds in the trial and plaintiff school districts with expansion to eligible children in school districts with a poverty index of 70% or greater.

WMC: AMEND proviso to delete all of the proviso except for (K) and (N). Amend (K) to allow eligible students who live in a school district with a poverty index of 70% or greater to participate in the S.C. Early Reading Development and Education Program; direct that public and private providers will be reimbursed for instructional costs at a rate of \$4,218 per student enrolled; direct that eligible students enrolling or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment; direct that new providers participating for the first time who enroll between 1-6 eligible children are eligible to receive up to \$1,000 per child in materials and equipment grant funding, and direct that providers who enroll 7 or more eligible children are eligible for funding not to exceed \$10,000; require providers receiving equipment funding participate for a minimum of 3 years; and direct that funding is contingent on receipt of data as requested by SDE and First Steps. Amend (N) to delete the requirement that certain data be included in the EOC annual evaluation of CDEPP. *See companion EIA proviso 1A.31.*

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.66. (~~SDE: Child Development Education Pilot Program~~ *Full-Day 4K*) ~~There is created the South Carolina Child Development Education Pilot Program (CDEPP). This program shall be available for the current school year on a voluntary basis and shall focus on the developmental and learning support that children must have in order to be ready for school and must incorporate parenting education.~~

~~(A) For the current school year, with funds appropriated by the General Assembly, the South Carolina Child Development Education Pilot Program shall first be made available to eligible children from the trial and plaintiff school districts in the Abbeville County School District et. al. vs. South Carolina and then expanded to eligible children residing in school districts with a poverty index of seventy percent or greater.~~

~~Unexpended funds from the prior fiscal year for this program shall be carried forward and shall remain in the program. In rare instances, students with documented kindergarten readiness barriers may be permitted to enroll for a second year, or at age five, at the discretion of the Department of Education for students being served by a public provider or at the discretion of the Office of South Carolina First Steps to School Readiness for students being served by a private provider.~~

~~(B) Each child residing in the pilot districts, who will have attained the age of four years on or before September first, of the school year, and meets the at risk criteria is eligible for enrollment in the South Carolina Child Development Education Pilot Program for one year.~~

~~The parent of each eligible child may enroll the child in one of the following programs:~~

~~(1) a school year four year old kindergarten program delivered by an approved public provider; or~~

~~(2) a school year four year old kindergarten program delivered by an approved private provider.~~

~~The parent enrolling a child must complete and submit an application to the approved provider of choice. The application must be submitted on forms and must be accompanied by a~~

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~~copy of the child's birth certificate, immunization documentation, and documentation of the student's eligibility as evidenced by family income documentation showing an annual family income of one hundred eighty five percent or less of the federal poverty guidelines as promulgated annually by the U.S. Department of Health and Human Services or a statement of Medicaid eligibility.~~

~~In submitting an application for enrollment, the parent agrees to comply with provider attendance policies during the school year. The attendance policy must state that the program consists of 6.5 hours of instructional time daily and operates for a period of not less than one hundred eighty days per year. Pursuant to program guidelines, noncompliance with attendance policies may result in removal from the program.~~

~~No parent is required to pay tuition or fees solely for the purpose of enrolling in or attending the program established under this provision. Nothing in this provision prohibits charging fees for childcare that may be provided outside the times of the instructional day provided in these programs.~~

~~If by October first of the school year at least seventy five percent of the total number of eligible CDEPP children in a district or county are projected to be enrolled in CDEPP, Head Start or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, CDEPP providers may then enroll pay lunch children who score at or below the twenty fifth national percentile on two of the three DIAL 3 subscales and may receive reimbursement for these children if funds are available.~~

~~(C) Public school providers choosing to participate in the South Carolina Four Year Old Child Development Kindergarten Program must submit an application to the Department of Education. Private providers choosing to participate in the South Carolina Four Year Old Child Development Kindergarten Program must submit an application to the Office of First Steps. The application must be submitted on the forms prescribed, contain assurances that the provider meets all program criteria set forth in this provision, and will comply with all reporting and assessment requirements.~~

~~Providers shall:~~

- ~~(1) comply with all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, or need for special education services;~~
- ~~(2) comply with all state and local health and safety laws and codes;~~
- ~~(3) comply with all state laws that apply regarding criminal background checks for employees and exclude from employment any individual not permitted by state law to work with children;~~
- ~~(4) be accountable for meeting the education needs of the child and report at least quarterly to the parent/guardian on his progress;~~
- ~~(5) comply with all program, reporting, and assessment criteria required of providers;~~
- ~~(6) maintain individual student records for each child enrolled in the program to include, but not be limited to, assessment data, health data, records of teacher observations, and records of parent or guardian and teacher conferences;~~
- ~~(7) designate whether extended day services will be offered to the parents/guardians of children participating in the program;~~
- ~~(8) be approved, registered, or licensed by the Department of Social Services; and~~
- ~~(9) comply with all state and federal laws and requirements specific to program providers.~~

~~Providers may limit student enrollment based upon space available. However if enrollment exceeds available space, providers shall enroll children with first priority given to children with the lowest scores on an approved prekindergarten readiness assessment. Private providers shall not be required to expand their programs to accommodate all children desiring enrollment.~~

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However, providers are encouraged to keep a waiting list for students they are unable to serve because of space limitations.

(D) The Department of Education and the Office of First Steps to School Readiness shall:

- (1) develop the provider application form;
- (2) develop the child enrollment application form;
- (3) develop a list of approved research-based preschool curricula for use in the program based upon the South Carolina Content Standards, provide training and technical assistance to support its effective use in approved classrooms serving children;
- (4) develop a list of approved prekindergarten readiness assessments to be used in conjunction with the program, provide assessments and technical assistance to support assessment administration in approved classrooms serving children;
- (5) establish criteria for awarding new classroom equipping grants;
- (6) establish criteria for the parenting education program providers must offer;
- (7) establish a list of early childhood-related fields that may be used in meeting the lead teacher qualifications;
- (8) develop a list of data collection needs to be used in implementation and evaluation of the program;
- (9) identify teacher preparation program options and assist lead teachers in meeting teacher program requirements;
- (10) establish criteria for granting student retention waivers; and
- (11) establish criteria for granting classroom size requirements waivers.

(E) Providers of the South Carolina Child Development Education Pilot Program shall offer a complete educational program in accordance with age-appropriate instructional practice and a research-based preschool curriculum aligned with school success. The program must focus on the developmental and learning support children must have in order to be ready for school. The provider must also incorporate parenting education that promotes the school readiness of preschool children by strengthening parent involvement in the learning process with an emphasis on interactive literacy.

Providers shall offer high-quality, center-based programs that must include, but shall not be limited to, the following:

- (1) employ a lead teacher with a two-year degree in early childhood education or related field or be granted a waiver of this requirement from the Department of Education or the Office of First Steps to School Readiness;
- (2) employ an education assistant with pre-service or in-service training in early childhood education;
- (3) maintain classrooms with at least ten four-year-old children, but no more than twenty four-year-old children with an adult to child ratio of 1:10. With classrooms having a minimum of ten children, the 1:10 ratio must be a lead teacher to child ratio. Waivers of the minimum class size requirement may be granted by the South Carolina Department of Education for public providers or by the Office of First Steps to School Readiness for private providers on a case-by-case basis;
- (4) offer a full day, center-based program with 6.5 hours of instruction daily for one hundred eighty school days;
- (5) provide an approved research-based preschool curriculum that focuses on critical child development skills, especially early literacy, numeracy, and social/emotional development;
- (6) engage parents' participation in their child's educational experience that shall include a minimum of two documented conferences per year; and
- (7) adhere to professional development requirements outlined in this article.

(F) Every classroom providing services to four-year-old children established pursuant to this provision must have a lead teacher with at least a two-year degree in early childhood education

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~~or related field and who is enrolled and is demonstrating progress toward the completion of a teacher education program within four years. Every classroom must also have at least one education assistant per classroom who shall have the minimum of a high school diploma or the equivalent, and at least two years of experience working with children under five years old. The teaching assistant shall have completed the Early Childhood Development Credential (ECD) 101 or enroll and complete this course within twelve months of hire. Providers may request waivers to the ECD 101 requirement for those assistants who have demonstrated sufficient experience in teaching children five years old and younger. The providers must request this waiver in writing to their designated administrative agency (First Steps or the Department of Education) and provide appropriate documentation as to the qualifications of the teaching assistant.~~

~~(G) The General Assembly recognizes there is a strong relationship between the skills and preparation of prekindergarten instructors and the educational outcomes of students. To improve these education outcomes, participating providers shall require all personnel providing instruction and classroom support to students participating in the South Carolina Child Development Education Pilot Program to participate annually in a minimum of fifteen hours of professional development to include teaching children from poverty. Professional development should provide instruction in strategies and techniques to address the age appropriate progress of prekindergarten students in developing emergent literacy skills, including but not limited to, oral communication, knowledge of print and letters, phonemic and phonological awareness, and vocabulary and comprehension development.~~

~~(H) Both public and private providers shall be eligible for transportation funds for the transportation of children to and from school. Nothing within this provision prohibits providers from contracting with another entity to provide transportation services provided the entities adhere to the requirements of Section 56-5-195. Providers shall not be responsible for transporting students attending programs outside the district lines. Parents choosing program providers located outside of their resident district shall be responsible for transportation. When transporting four year old child development students, providers shall make every effort to transport them with students of similar ages attending the same school. Of the amount appropriated for the program, not more than \$185 per student shall be retained by the Department of Education for the purposes of transporting four year old students. This amount must be increased annually by the same projected rate of inflation as determined by the Revenue and Fiscal Affairs Office for the Education Finance Act.~~

~~(I) For all private providers approved to offer services pursuant to this provision, the Office of First Steps to School Readiness shall:~~

- ~~(1) serve as the fiscal agent;~~
- ~~(2) verify student enrollment eligibility;~~
- ~~(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;~~
- ~~(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;~~
- ~~(5) serve as a clearing house for information and best practices related to four year old kindergarten programs;~~
- ~~(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;~~
- ~~(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four year old kindergarten programs;~~
- ~~(8) maintain a database of the children enrolled in the program; and~~
- ~~(9) promulgate guidelines as necessary for the implementation of the pilot program.~~

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~~(J) For all public school providers approved to offer services pursuant to this provision, the Department of Education shall:~~

- ~~(1) serve as the fiscal agent;~~
- ~~(2) verify student enrollment eligibility;~~
- ~~(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;~~
- ~~(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;~~
- ~~(5) serve as a clearing house for information and best practices related to four year old kindergarten programs;~~
- ~~(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;~~
- ~~(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four year old kindergarten programs;~~
- ~~(8) maintain a database of the children enrolled in the program; and~~
- ~~(9) promulgate guidelines as necessary for the implementation of the pilot program.~~

~~(K) The General Assembly shall provide funding for the South Carolina Child Development Education Pilot Program. For the current school year, eligible students residing in a school district with a poverty index of 70 percent or greater may participate in the South Carolina Early Reading Development and Education Program. Public and private providers will be reimbursed for instructional costs at a rate of the funded cost per child shall be \$4,218 increased annually by the rate of inflation as determined by the Revenue and Fiscal Affairs Office for the Education Finance Act per student enrolled. Eligible students enrolling with private providers during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be eligible for a reimbursement of \$550 per eligible child transported. Providers All providers who are reimbursed are required to retain records as required by their fiscal agent. Providers New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment ~~grant~~ funding, with providers enrolling seven or more such children eligible for ~~grants~~ funding not to exceed \$10,000. Providers receiving equipment ~~grants~~ funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps.~~

~~(L) Pursuant to this provision, the Department of Social Services shall:~~

- ~~(1) maintain a list of all approved public and private providers; and~~
- ~~(2) provide the Department of Education and the Office of First Steps information necessary to carry out the requirements of this provision.~~

~~(M) The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers.~~

~~(N) Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January fifteenth of each year. The evaluation shall include, but is not limited to: (1) student data including the number of at risk four year old kindergarten students served in publically funded programs, by county and by program; (2) program effectiveness including developmentally appropriate~~

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~~assessments of children to measure emerging literacy and numeracy; (3) individual classroom assessments to determine program quality; (4) longitudinal analysis of academic and nonacademic measures of success for children who participated in the program; and (5) an evaluation of the professional development, monitoring and assistance offered to public and private providers.~~ To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

1.67 AMEND FURTHER (Summer Reading Camps) Provides for the allocation of funds provided for summer reading camps.

HOU: AMEND proviso to specify that \$700,000 is "allocated to the department to provide grants to" support community partnerships. Sponsor: Rep. Bingham.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to amend item (3) to direct that the remainder of the per pupil allocation be based on the number of students who substantially failed to demonstrate 3rd grade reading proficiency as indicated on the prior year's state assessment.

1.67. (SDE: Summer Reading Camps) For the current fiscal year, funds appropriated for summer reading camps must be allocated as follows: (1) up to twenty percent to the Department of Education to provide bus transportation for students attending the camps; (2) \$700,000 allocated to the department to provide grants to support community partnerships whereby community organizations would collaborate with local school districts to provide after school programs or summer reading camps that utilize volunteers, mentors or tutors to provide instructional support to struggling readers in elementary schools that have a poverty index of fifty percent or greater. The Education Oversight Committee will document and evaluate the partnerships and the impact of the partnerships on student academic success and make recommendations on the characteristics of effective partnerships and on methods of duplicating effective partnerships throughout the state; and (3) the remainder on a per pupil allocation to each school district based on the number of students who ~~scored Not Met 1 on the third grade reading and research assessment of the prior year's Palmetto Assessment of State Standards administration~~ substantially failed to demonstrate third-grade reading proficiency as indicated on the prior year's state assessment as defined by Section 59-155-120 (10) of the 1976 Code. Summer reading camps must be at least six weeks in duration with a minimum of four days of instruction per week and four hours of instruction per day, or the equivalent minimum hours of instruction in the summer. School transportation shall be provided. The camps must be taught by compensated teachers who have at least an add-on literacy endorsement or who have documented and demonstrated substantial success in helping students comprehend grade-level texts. The Department of Education shall assist districts that cannot find qualified teachers to work in the summer camps. Districts may also choose to contract for the services of qualified instructors or collaborate with one or more districts to provide a summer reading camp. Schools and school districts are encouraged to partner with county or school libraries, institutions

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of higher learning, community organizations, faith-based institutions, businesses, pediatric and family practice medical personnel, and other groups to provide volunteers, mentors, tutors, space, or other support to assist with the provision of the summer reading camps. In the current school year, any student in third grade who substantially fails to demonstrate third-grade reading proficiency by the end of the school year must be offered the opportunity to attend a summer reading camp at no cost to the parent or guardian. The purpose of the reading camp is to provide students who are significantly below third-grade reading proficiency with the opportunity to receive quality, intensive instructional services and support. A district may also include in the summer reading camps students who are not exhibiting reading proficiency at any grade and may charge fees for these students to attend the summer reading camps based on a sliding scale pursuant to Section 59-19-90, except where a child is found to be reading below grade level in the first, second or third grade. A parent or guardian of a student who does not substantially demonstrate proficiency in comprehending texts appropriate for his grade level must make the final decision regarding the student's participation in the summer reading camp.

1.68 AMEND FURTHER (Educational Credit for Exceptional Needs Children) Provides for a tax credit for the amount a person contributes for an exceptional needs child to a nonprofit scholarship funding organization, within specific parameters.

WMC: AMEND proviso to update calendar year references to "2015" and "2016." Amend subsection (A)(7) to specify that 'Nonprofit scholarship funding organization' means a charitable organization "certified by the Department of Revenue." Amend subsection (B) to direct that a person is also entitled to a tax credit against income taxes for the "monetary value of any publicly traded securities" the person contributes to a nonprofit scholarship funding organization. Add new subsection (C)(2)(a)(b)(c)(d) to amend the definition of a special needs child to include a child whose parent or legal guardian is on full-time duty status in the active uniformed military, to include members of the National Guard and Reserve on active duty; a child who is or was a resident at a Child Caring Facility, Foster Home, or Residential Group Care Home; a child who is or was homeless or who is the child of a homeless individual; or a child who is a Student At Risk of School Failure or who is classified as At Academic Risk per the EFA. Amend subsection (G)(2)(a) to change "good standing" to "certified by the Department of Revenue." Delete subsection (H)(1) and (2) which required nonprofit scholarship funding organizations the provide grants to have an outside auditing firm conduct a comprehensive financial audit and for independent schools accepting grants to have a compliance audit conducted by an outside entity or auditing firm. Add new subsection (H)(1) and (2) to require each nonprofit scholarship funding organization, by August 1st each year, to apply to be considered a certified nonprofit scholarship funding organization for which its contributors are allowed the tax credit allowed by this section. Direct that if they do not apply, or are not approved, the organization may not be published as an approved organization and tax credits shall not be allowed. Require certain information to be included in the application. Require the EOC, by September 1st each year, to publish a list, along with certain information, of all qualifying nonprofit scholarship funding organizations certified by DOR on its website. Add subsection (I) to direct that nothing in this section restricts DOR's authority to oversee and audit any of the parties. Direct DOR to notify the EOC if they conduct an audit and determine a school or organization is not meeting eligibility guidelines and direct the EOC to immediately remove the school or organization from the approved list.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to reformat the entire proviso to move all definitions to the beginning of the proviso; change "money" and the monetary value of any publically securities reference to "cash" and the monetary value of any publically securities; delete expansion of the definition of "exceptional needs child"; add new language to

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require taxpayers to add back any income deducted from Federal Taxes that is claimed as a credit on South Carolina Income taxes; and delete reference to deductions. Direct that independent schools must make an annual application to the EOC to be considered an eligible institution and require the application contain specific information. Direct DOR to notify the EOC if they conduct an audit and determine a school or organization is not meeting eligibility guidelines; direct the EOC to immediately remove the school or organization from the approved list; provide for the revoked organization to request a contested hearing before the Administrative Law Court.

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

~~(1) 'Independent school' means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin;~~

~~(2) 'Parent' means the natural or adoptive parent or legal guardian of a child;~~

~~(3) 'Qualifying student' means a student who is a South Carolina resident and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the current school year;~~

~~(4) 'Resident public school district' means the public school district in which a student resides;~~

~~(5) 'Tuition' means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school and school-related transportation;~~

~~(6) 'Eligible school' means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that:~~

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

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

~~(c) is located in this State;~~

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

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

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

~~(7) 'Nonprofit scholarship funding organization' means a charitable organization certified by the Department of Revenue that:~~

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

~~(b) allocates, after its first year of operation, at least ninety-five percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition, transportation, or textbook expenses (collectively hereinafter referred to as tuition) or any combination thereof to children enrolled in an eligible school meeting the criteria of this section, and incurs administrative expenses annually, after its first year of operation, of not more than five percent of its annual contributions and revenue for a particular year;~~

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

~~(d) does not provide grants solely for the benefit of one school, and if the Department of Revenue determines that the nonprofit scholarship funding organization is~~

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~~providing grants to one particular school, the tax credit allowed by this section may be disallowed;~~

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

~~(f) does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony, or who has declared bankruptcy within the last seven years;~~

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

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

~~(8) 'Person' means an individual, partnership, corporation, or other similar entity.~~

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

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

~~(1) the contribution is used to provide grants for tuition, transportation, or textbook expenses or any combination thereof to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this section; and~~

~~(2) the person does not designate a specific child or school as the beneficiary of the contribution.~~

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

~~(1) (a) who has been evaluated in accordance with South Carolina's evaluation criteria, as set forth in S.C. Code Ann. Regs. 43-243.1, and determined eligible as a child with a disability who needs special education and related services, in accordance with the requirements of Section 300.8 of the Individuals with Disabilities Education Act; or~~

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

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~~(2) (a) who has a parent or legal guardian who is on full time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to U.S.C. Section 1209 and 1211; or~~

~~(b) who is, or was, a resident at a Child Caring Facility, Foster Home, or Residential Group Care Home, as defined by Section 63-1-40; or~~

~~(c) who is, or was, homeless or the child of a homeless individual, as defined in Public Law 100-77; or~~

~~(d) who is a Student At Risk of School Failure, or is classified as At Academic Risk, pursuant to the Education Finance Act, as provided in Chapter 20, Title 59, the Education Improvement Act, or funds specified in the general appropriations act for students at risk; and~~

~~(2) (3) the child's parents or legal guardian believes that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.~~

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

~~(b) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department will determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, 2015 2016, in order to claim the credit. The credit must be claimed on the return for tax year that the contribution is made.~~

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

~~(3) The Department of Revenue shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if either of the credit limits are met at any time during the current fiscal year.~~

~~(4) A person may claim a credit under subsection (B) for contributions made between July 1, 2014 2015 and June 30, 2015 2016.~~

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

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

~~(G)(1) The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining if an eligible school meets the criteria established by subsection (A)(6), and shall publish an approved list of such schools meeting this criteria below. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.~~

~~(2) (a) By the first day of August for the current fiscal year, the Education Oversight Committee, on its website available to the general public, shall provide a list with addresses and telephone numbers of nonprofit scholarship funding organizations in good standing certified by the Department of Revenue which provide grants under this proviso, and a list of approved~~

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~~independent schools which accept grants for eligible students and which in its determination are in compliance with the requirements of subsection (A)(6).~~

~~(b) Student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by an eligible school receiving or entitled to receive scholarship grants under this proviso must be transmitted to the Education Oversight Committee which in turn shall publish this information on its website with the most recent scores by category included.~~

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

~~(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(6)(d).~~

~~(H)(1) Every nonprofit scholarship funding organization providing grants under subsection (C), shall cause an outside auditing firm to conduct a comprehensive financial audit of its operations in conformity with generally accepted accounting principles and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review. The audit must also document, at a minimum, the total number of grants awarded, the total amount of each grant, and the names of the eligible schools receiving grants on behalf of the eligible students.~~

~~(2) Every independent school accepting grants for eligible students shall cause to be conducted a compliance audit by an outside entity or auditing firm examining its compliance with the provisions of this proviso, and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review.~~

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

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

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

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

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

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

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

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

~~(2) By September first of each year the Education Oversight Committee must publish on its website a list of all qualifying nonprofit scholarship funding organizations, certified by the~~

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~~Department of Revenue, to include their names, addresses, telephone numbers, and if available, website addresses.~~

~~(3) A nonprofit scholarship funding organization may transfer funds to another nonprofit scholarship funding organization, especially in the event that the organization cannot distribute the funds in a timely manner or if the organization ceases to exist. None of the funds that are transferred by one nonprofit scholarship funding organization to another may be considered by the former organization when calculating its administrative expenses.~~

~~(I) Nothing in this section restricts the Department of Revenue's authority to oversee and audit any of the parties. If the department finds cause to conduct an audit and the audit results in findings of fact that an eligible school or nonprofit scholarship funding organization is not meeting eligibility guidelines, the department shall notify the Education Oversight Committee who shall immediately remove the school or organization from the approved list.~~

(A) As used in this paragraph:

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

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

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

(c) is located in this State;

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

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

and

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

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

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

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

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

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

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

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

(b) allocates, after its first year of operation, at least ninety-five percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this paragraph, and incurs

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administrative expenses annually, after its first year of operation, of not more than five percent of its annual contributions and revenue for a particular year;

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

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

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

(f) does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony, or who has declared bankruptcy within the last seven years;

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

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

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

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

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

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

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

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

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

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

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

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

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

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scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student's departure.

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

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

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

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

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

(5) Notwithstanding any other provision of this paragraph, a person may claim a credit pursuant to subsection (B) for contributions made between July 1, 2015 and June 30, 2016.

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

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

(G) (1) By August 1, 2015, each independent school must apply to the Education Oversight Committee to be considered an eligible institution for which it may receive contributions from a nonprofit scholarship funding organization for which the tax credit allowed by this paragraph is allowed. The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining if an eligible school meets the criteria established by subsection (A)(1), and shall publish an approved list of such schools meeting the criteria. If an independent school does not apply to be an eligible school, the independent school may not be published as an approved school, and contributions to that school shall not be allowed for purposes of the credit allowed by this paragraph. The Education Oversight Committee must publish the approved list of schools on its website by September first of each year, and the list must include their names, addresses, telephone numbers, and if available, website addresses. Also, the score reports and audits received by the Education Oversight Committee pursuant to items (2)(b) and (c) must be published with the list. The Education Oversight Committee shall summarize or redact the score reports if necessary to prevent the disclosure of personally identifiable information. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1.70 DELETE** (Technology/Device Pilot) Authorizes the department to use carry forward funds and appropriated recurring and non-recurring Instructional Materials and Digital Instructional Materials funds to allow up to 6 school districts to apply to the Department of Education to participate in a technology device pilot for a specific program/grade level in middle or high schools. Requires the department prepare a report that outlines implementation and use in the selected districts and submit it by December 15, 2014 to the Chairmen of the Senate Finance, Senate Education, House Ways and Means and House Education and Public Works Committees. **WMC:** DELETE proviso. *The department states the pilot was technically for one year. Six districts implemented their plan in the 2014-15 school year.* Requested by Department of Education. Companion to EIA proviso 1A.57.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.70. (SDE: Technology/Device Pilot) ~~For the current fiscal year, the Department of Education is authorized to utilize carry forward funds from the prior fiscal year and appropriated funds from recurring and nonrecurring sources for the purchase of Instructional Materials and Digital Instructional Materials to allow middle and high schools in up to six school districts receiving approval from the State Board of Education to opt out of the state rental system and purchase instructional materials, digital instructional materials and the digital equivalent of materials and devices directly from a state approved vendor in an amount not to exceed the total allocation that the district would have received from these appropriations.~~

~~In order to best serve the middle and high schools and students within the school district, the school district must develop an implementation plan listing the instructional materials, digital instructional materials and the digital equivalent of materials and devices by grade level and subject and the implementation plan must be presented to the local school board in a public meeting for approval and made available to the public on the school district website prior to the public school board meeting.~~

~~The department must provide a certification form for a local school board on behalf of the school district to approve in a public meeting, have signed by the board chairman and district superintendent requesting approval for funding equivalent to the school district's allocation of appropriated funds for instructional materials and digital instructional materials based on the number of students in middle and high schools of the school district. The department must develop the certification form with the intent of assisting school districts with meeting State Board of Education approval.~~

~~Upon school board approval, and no later than July twenty fifth, the certification form and the detailed plan must be submitted to the department for State Board of Education approval. The State Board of Education must notify the school district of their decision to approve or disapprove no later than August fifteenth. If a school district does not receive State Board of Education approval the valid cause along with measurements necessary for the school district to meet approval must be provided to the local school board. The school district may make the required adjustments to their implementation plan and resubmit their certification form and plan~~

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to the State Board of Education for subsequent approval no later than ten days from the date of resubmission.

~~The school district may utilize no more than ten percent of the funds for professional development on the use of the acquisitions and must utilize no less than ninety percent of the funding received for the acquisition of instructional materials, digital instructional materials and the digital equivalent of materials and devices. If approved the school district is required to ensure that all students in the middle and high schools have access to the curriculum without regard to the student's home internet access capabilities.~~

~~The school district shall establish rules and policies that provide for the reasonable care and safety of the materials to include reasonable penalties for abuse, destruction, and loss and excluding ordinary wear and tear, provide for reimbursement by the pupils, their parents or legal guardians.~~

~~No later than December 15, 2014 the department shall provide a report outlining the implementation and use in the selected districts to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee and the Chairman of the House Education and Public Works Committee.~~

- 1.71** **DELETE** (First Steps CDEPP Carry Forward and Other Funds) Directs that First Steps may use no more than \$15,000 of unexpended CDEPP carry forward funds and no more than \$325,000 in other, non-CDEPP funds to meet IT needs and ensure secure, statewide IT network connectivity via DOA and requires data system connectivity and compatibility with PowerSchool through the department to maintain data for 4K students served through CDEPP. Requires a report be submitted by December 1, 2014 to the Executive Budget Office and the Chairmen of the Senate Finance and House Ways and Means Committees on the expenditure of these funds.
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1.71.** (SDE: First Steps CDEPP Carry Forward and Other Funds) For Fiscal Year 2014-15, First Steps may use no more than \$15,000 in unexpended CDEPP funds carried forward from the prior fiscal year and no more than \$325,000 in other, non-CDEPP funds to meet information technology needs and ensure secure, statewide IT network connectivity via the Department of Administration and require data system connectivity and compatibility with PowerSchool through the Department of Education for the purpose of maintaining data for 4K students served through the CDEPP program.~~

~~No later than December 1, 2014, First Steps must report to the Executive Budget Office, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee on the expenditure of the funds to include the following information: expenditures on data system upgrades, expenditures on technology services and infrastructure and expenditures on personnel and training.~~

- 1.73** **AMEND** (Alternative Fuel Transportation) Directs the department to use at least 5%, but not more than 10% of School Bus Lease/Purchase appropriations to lease or purchase alternative fuel or dual fuel school buses so long as at least one school district wants to participate in the pilot project. Requires the department select up to 3 school districts that wish to participate if the district pays for certain costs associated with the alternative or dual fuel buses. Requires participating districts to use alternative fuel buses for department approved routes and to submit quarterly reports to the department as directed. Directs that the department is responsible for the alternative fuel buses it purchases and for their maintenance costs and fuel. Requires the department report by June 1, 2015 to the Chairmen of the Senate Finance and House Ways and

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Means Committees on how many alternative fuel buses were purchased, the cost of each bus, and the type and cost of the alternative fuel used.

WMC: AMEND proviso to delete the requirement that the department use at least 5% of the specified funds for the pilot project. Delete the requirement that the participating districts pay for: (1) a fueling station/facility; (2) the difference in the cost between a conventional and alternative fuel or dual fuel bus; and (3) appropriate training of department bus maintenance staff. Update reporting timeframe to “2016.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.73. (SDE: Alternative Fuel Transportation) For the current fiscal year, of the funds appropriated for School Bus Lease/Purchase, the Department of Education is directed to use at least ~~five percent, but not more than~~ ten percent to lease or purchase school buses that are designed to use alternative fuel or dual fuel as long as at least one school district desires to participate in this pilot project. The department shall select up to three school districts wishing to participate in a pilot project to use alternative fuel or dual fuel buses ~~if an interested district pays for the following costs: (1) fueling station/facility; (2) the difference in the cost between a conventional and alternative fuel or dual fuel bus; and (3) appropriate training of department bus maintenance staff.~~ Districts selected and agreeing to participate in the pilot project are required to use alternative fuel or dual fuel buses for routes approved by the department and shall submit quarterly reports to the department as directed by the agency. The department shall be responsible for the alternative fuel or dual fuel buses it purchases and shall pay for their maintenance costs and fuel. By June 1, ~~2015~~ 2016, the department must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee how many alternative fuel or dual fuel buses were purchased, the cost of each bus, the type of alternative fuel used and the cost of the alternative fuel.

1.74 **AMEND FURTHER** (Reading Coaches) Provides for the allocation of funds appropriated for Reading Coaches to school districts.

WMC: AMEND proviso to direct that the department must publish minimum reading coach qualifications for school year 2016-17 by February 1, 2016.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to direct that minimum reading coach qualifications must be published for “Fiscal Year 2015-16” rather than for “school year 2016-17” by February 1, 2016. Add subitem (J) to direct that if the increased funds are not enough to provide additional coaches at each elementary school, then the funding must be targeted to areas with the greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year’s state assessment. *See proviso 1A.rc for EIA companion proviso.*

1.74. (SDE: Reading Coaches) (A) Funds appropriated for Reading Coaches must be allocated to school districts by the Department of Education as follows:

(1) for each elementary school in which twenty percent or more of the students scored Not Met on the reading and research test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of either up to \$62,730 or the actual cost of salary and benefits for a full-time reading coach; and

(2) for each elementary school in which fewer than twenty percent of the students scored Not Met on the reading and research test during the same period, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading coach. A school district must provide local support for state

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funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

(B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures. A district may, however, assign a reading coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

(C) Funds appropriated for Reading Coaches are intended to be used to provide elementary schools with reading coaches, who shall serve as job-embedded, stable resources for professional development throughout schools in order to generate improvement in reading and literacy instruction and student achievement. Reading coaches shall support and provide initial and ongoing professional development to teachers based on an analysis of student assessment and the provision of differentiated instruction and intensive intervention. The reading coach shall:

- (1) model effective instructional strategies for teachers by working weekly with students in whole, and small groups, or individually;
- (2) facilitate study groups;
- (3) train teachers in data analysis and using data to differentiated instruction;
- (4) coaching and mentoring colleagues;
- (5) work with teachers to ensure that research-based reading programs are implemented with fidelity;
- (6) work with all teachers (including content area and elective areas) at the school they serve, and help prioritize time for those teachers, activities, and roles that will have the greatest impact on student achievement, namely coaching and mentoring in the classrooms;
- (7) help lead and support reading leadership teams; and
- (8) The reading coach must not be assigned a regular classroom teaching assignment, must not perform administrative functions that deter from the flow of improving reading instruction and reading performance of students and must not devote a significant portion of his or her time to administering or coordinating assessments.

(D) No later than ~~August 1, 2014~~ February 1, 2016, the Department of Education must publish guidelines that define the minimum qualifications for a reading coach for **Fiscal Year 2014-15** ~~the 2016-17 school year~~ 2015-16. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:

- (1) holds a bachelor's degree or higher and an add-on endorsement for literacy coach or literacy specialist,
- (2) holds a bachelor's degree or higher and is actively pursuing the literacy coach or literacy specialist endorsement; or
- (3) holds a master's degree or higher in reading or a closely-related field.

Within these guidelines, the Department of Education must also establish a process for Fiscal Year ~~2014-15~~ 2015-16 through which an elementary school may be permitted to use some or all of the allocation granted under subsection (A) in order to obtain in-school reading coaching services from a department-approved consultant or vendor, in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

(E) The Department of Education must develop procedures for monitoring the use of funds appropriated for Reading Coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the funds appropriated for Reading Coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.

(F) Prior to the close of the current fiscal year, any remaining funds for Reading Coaches, but no more than \$5,000,000, shall be distributed by the Department of Education among the

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school districts containing elementary or primary schools that were eligible for and which elected to receive funding under subsection (A)(1) of this proviso; these funds shall be distributed in proportion to these districts' relative shares of students who scored Not Met on the research and reading test in the most recent year for which such data are available. Funds distributed under this subsection must be used exclusively to support reading-related professional development opportunities for teachers that lead to the literacy add-on endorsement.

(G) The Department of Education shall require:

(1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported reading coach; as well as the school in which the coach is assigned along with the rationale for how the school selection was made; and

(2) any school district receiving funding under subsection (F) to account for the specific amounts and uses of such funds.

(H) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of reading coaches by school and on the expenditure of professional development funds for opportunities for teachers to earn the literacy endorsement. The department shall also report the amount of funds that will be carried forward.

(I) Funds appropriated for Reading Coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.

(J) For Fiscal Year 2015-16, if increased funding for reading coaches is not sufficient to provide additional reading coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.

1.75 AMEND FURTHER (Charter School Transition Funds) Requires local districts to provide transition funds to charter schools sponsored by the local school district and located in a district receiving transition funds. Provides for transition funds to be reduced pro rata if demand exceeds the school district's allotment.

WMC: AMEND proviso to update fiscal year reference to "2015-16."

HOU: AMEND FURTHER to delete the "located in a district receiving transition funds" specification. Direct the charter school must receive transition funds from the local district "or statewide transition funds available." Sponsor: Rep. Bingham.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to direct that in order for a charter school to receive statewide transition funds they must report the amount of funds required to the department through the authorizing district. Direct the department to allocate the transitions funds to the district which shall allocate the funds to the school.

1.75. (SDE: Charter School Transition Funds) For Fiscal Year ~~2014-15~~ 2015-16, charter schools sponsored by a local school district ~~and located in a district receiving transition funds~~ must receive transition funds from the local district or statewide transition funds available in an amount equal to any reduction in funds received by the school due to the changes in the Education Finance Act formula. In order to receive funds from the statewide transition funds, the charter school must report the amount of funds required to the department through the authorizing district. The department shall allocate the transition funds to the district which then shall allocate the funds to the school. If the amount of transition funds for the charter schools exceeds ~~the school district's allotment of transition funds~~, transition funds available, then funds will be reduced pro rata for all parties.

1.80 ADD (Board of Education Funds) **WMC:** ADD new proviso to authorize the department to carry forward Board of Education funds and permit the State Board of Education to use these

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funds for innovative educational opportunities and projects. Require the board to develop guidelines and to publish them on their website. Requested by Department of Education.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1.80. (SDE: Board of Education Funds) For the current fiscal year, the Department of Education is authorized to carry forward funds appropriated in Part IA, Section 1, II. Board of Education. The State Board of Education is permitted to utilize these funds for innovative educational opportunities and projects. The Board of Education shall develop guidelines and publish them on the board's website.

- 1.81** **ADD** (Proceeds from Sale of Bus Shop and Boat) **WMC:** ADD new proviso authorize the department to retain the proceeds from the sale of any bus shop or from the sale of the state owned boat and to expend those funds for transportation purposes.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1.81. (SDE: Proceeds from Sale of Bus Shop & Boat) For the current fiscal year the Department of Education is authorized to retain any funds received from the sale of any bus shop and the sale of the state owned boat and expend those funds for transportation purposes.

- 1.82** **AMEND NEW PROVISO** (Transition Funds to Districts) **WMC:** ADD new proviso to direct that funds appropriated for EFA Transition Payments are to be distributed to school districts that are eligible to receive transition funds and direct that the funds be disbursed in an amount equal to the net aggregate decrease in funding realized by the district resulting from changes to the EFA funding formula. Provide the allocation methodology for transition payments for districts which were eligible to receive transition payments in the prior fiscal year. Direct that school districts and individual charter schools are not eligible to receive these funds for the portion of a net funding decrease that resulted from a decrease in district ADM from the prior to the current fiscal year. Provide for a pro rate allocation reduction if transition payments exceed available funds.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso item (A) to direct that districts that were eligible to receive transition payments in the prior fiscal year are eligible to receive ½ of the transition payment they received in FY 2014-15. Amend item (B) and (C) to delete reference to "individual charter schools."

1.82. (SDE: Transition Funds to Districts) Fund appropriated in Part IA, Section 1, XIV. Aid to School Districts, A. Aid to School Districts, EFA Transition Payments, are to be distributed to school districts eligible to receive transition funds. The funds will be disbursed in an amount equal to the net aggregate decrease in funding realized by a district as a result of changes to the EFA funding formula.

(A) Districts eligible for transition payments in the prior fiscal year are eligible to receive ~~the lesser of one-half of the transition payment received in Fiscal Year 2014-15 or the actual difference between total EFA funding received in Fiscal Year 2015-16 and Fiscal Year 2013-14,~~ subject to the limitations of item (B) of this section.

(B) School districts ~~and individual charter schools~~ are not eligible to receive transition funds for the portion of a net funding decrease resulting from a decrease in district ADM from the prior to the current fiscal year.

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(C) If the amount of transition payments for all school districts ~~and individual charter schools~~ exceeds the availability of funds appropriated for this purpose, each entity receiving funds shall have their allocation reduced pro rata.

- 1.84** **ADD** (First Steps 4K Technology) **WMC:** ADD new proviso to authorize First Steps to use up to \$300,000 of funds carried forward from the 4-year-old kindergarten program to provide needs-based IT grants to 4K providers participating in the mandatory school readiness assessment program. Direct that First Steps shall own any computer hardware purchased for this purpose. Direct First Steps to provide a report that documents technology and materials expenditures to the Chairmen of the Senate Finance and House Ways and Means Committees by January 15, 2016.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1.84. (SDE: First Steps 4K Technology) During the current fiscal year, South Carolina First Steps to School Readiness is authorized to utilize up to \$300,000 from the four-year-old kindergarten carry forward funds to provide needs-based information technology grants to 4K providers participating in the state's mandatory school readiness assessment program. Computer hardware purchased for this purpose shall be the property of First Steps and made available to active providers only, with equipment to be reassigned in the event of a provider's discontinuation or loss of eligibility. First Steps shall provide a report documenting its technology and materials expenditures to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 15, 2016.

- 1.85** **ADD** (Teacher Salary Schedule Structure) **WMC:** ADD new proviso to direct the department to convene certain stakeholders to examine and make recommendations on changes to the statewide minimum state teacher salary schedule and include extending steps, the beginning teacher salary and each district's salary schedule structure in the examination. Direct recommendations be provided to the Chairmen of the Senate Finance and House Ways and Means Committees by November 15, 2015.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1.85. (SDE: Teacher Salary Schedule Structure) The Department of Education shall convene stakeholders to include: Palmetto State Teachers Association, South Carolina School Business Officials, South Carolina Association of School Administrators, South Carolina School Boards Association, South Carolina Education Association, and the Education Oversight Committee to examine and make recommendations regarding changes to the statewide minimum state teacher salary schedule to include extending the steps on the state teacher salary schedule; an examination of the beginning teacher salary; and an examination of each district's salary schedule structure. Recommendations shall be provided to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by November 15, 2015.

- 1.88** **AMEND NEW PROVISO** (Teacher Certification Exemption) **HOU:** ADD new proviso to direct that a teacher who is certified at the secondary level does not have to have the add on certification to teach those courses at the middle grades level. Require districts to report the use of this exemption to the department and CERRA. Sponsor: Rep. Bingham.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to change "at the middle grades level" to "in grades seven through twelve."

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1.88. (SDE: Teacher Certification Exemption) For the current fiscal year, a teacher certified at the secondary level may teach such courses ~~at the middle grades level~~ in grades seven through twelve without having the add on certification for middle-level education. Districts must report to the Department of Education and the Center for Educator Recruitment Retention and Advancement on the teachers and courses that utilize this exemption.

- 1.89 AMEND NEW PROVISO (~~Digital~~ Instructional Materials) HOU:** ADD new proviso to require the department create an instructional materials list of print and/or digital items that have received State Board of Education approval. Direct the department to continue to work with publishers to ensure that districts have the option of receiving both digital versions and class sets of textbooks. Allow funds appropriated to purchase textbooks and other instructional materials to be used to reimburse school districts to offset the costs of refurbishing science kits, purchasing new kits, or a combination. Establish approved refurbishment costs. Authorize instructional materials funds to be carried forward and expended for the same purpose. Direct that these funds are not subject to flexibility. Direct that digital instructional materials include the digital equivalent of materials and devices. Sponsor: Rep. Bingham.
- SUBCOMMITTEE RECOMMENDATION:** AMEND new proviso to delete the statement that “Digital Instructional Materials shall include the digital equivalent of materials and devices.” See proviso 1A.im for EIA companion proviso.

1.89. (SDE: ~~Digital~~ Instructional Materials) The Department of Education shall create an instructional materials list composed of those items (print and/or digital) that have received State Board of Education approval through the normal adoption process . The department shall continue to work with the publishers of instructional materials to ensure that districts who wish to receive both the digital version and class sets of textbooks may be awarded that option. Funds appropriated for the purchase of textbooks and other instructional materials may be used for reimbursing school districts to offset the costs of refurbishing science kits on the state-adopted textbook inventory, purchasing new kits from the central textbook depository, or a combination of refurbishment and purchase. The refurbishing cost of kits may not exceed the cost of the state-adopted refurbishing kits plus a reasonable amount for shipping and handling. Costs for staff development, personnel costs, equipment, or other costs associated with refurbishing kits on state inventory are not allowable costs. Funds provided for Instructional Materials may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools. These funds are not subject to flexibility. ~~Digital Instructional Materials shall include the digital equivalent of materials and devices.~~

- 1.90 DELETE NEW PROVISO (Teacher and Principal Evaluation Exemption) HOU:** ADD new proviso to exempt records relating to educator evaluations that include personally identifiable information from disclosure under FOIA. Sponsor: Rep. Bingham.
- SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

1.90. (SDE: Teacher and Principal Evaluation Exemption) ~~To promote candid feedback for continuous improvement of teaching and learning, for the current fiscal year, records relating to educator evaluation that include personally identifiable information are exempt from disclosure under Chapter 4 of Title 30 of the 1976 Code.~~

- 1.91 ADD (Transition Funds to Districts) HOU:** ADD new proviso to require the department transfer unexpended EFA Transition funds to the EFA for disbursement to districts per the formula. Sponsor: Rep. Bingham.

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SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1.91. (SDE: Transition Funds to Districts) For the current fiscal year, the department must transfer any unexpended funds appropriated for EFA Transition to the EFA for disbursement to districts per the formula.

- 1.92 CONFORM TO FUNDING / AMEND NEW PROVISO** (CDEPP Unexpended Funds)
HOU: ADD new proviso to direct First Steps, by August 1st, to allocate unexpended prior fiscal year CDEPP funds and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account, for specific purposes. Direct that the allocations are to be reduced on a pro rata basis if carry forward funds are less than the amounts appropriated; and if funds are more than appropriated, direct First Steps to retain, carry forward, and expend the funds for the full-day 4K program in private centers. Sponsor: Rep. Bingham.
SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to only allocate \$4,250,000 to the Department of Education for full-day 4K. Authorize First Steps to retain and carry forward the first \$1,000,000 of carry forward funds in excess of the amount appropriated herein and to use the funds to enhance the quality of the full-day 4K program in private centers and to provide professional development opportunities. Require First Steps, by April 1, 2016, to report to the Chairmen of the Senate Finance and House Ways and Means Committees on how these funds were expended. Direct that any remaining carry forward funds are to be transferred to the Department of Education for expenditures on full-day 4K.

1.92. (SDE: CDEPP Unexpended Funds) For Fiscal Year 2015-16, the Office of First Steps to School Readiness is directed by August 1 to allocate any unexpended CDEPP funds from the prior fiscal year and any carry forward CDEPP from prior fiscal years that were transferred to the restricted account for the following purposes purpose:

- 1. Office of First Steps - \$376,872 - Baby Net Early Intervention Autism Therapy;*
- 2. EOC - South Carolina Autism Society - \$150,000;*
- 3. EOC - Reach Out and Read - \$1,500,000 to serve Medicaid-enrolled children statewide; and*
- 4. Department of Education - \$4,250,000 for full-day 4K.*

If carry forward funds are less than the amounts amount appropriated, funding for the items item listed herein shall be reduced on a pro rata basis to the amount carried forward.

If carry forward funds are more than the amounts amount appropriated, the Office of First Steps will shall retain and carry forward the balance first \$1,000,000 and is authorized to expend the these funds for to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities. No later than April 1, 2016, the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

If any funds are remaining, they shall be transferred to the Department of Education to be expended only on full day 4K.

- 1.ii ADD** (Literacy Initiatives) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to evaluate the several state literacy initiatives to ensure they are working

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together to ensure students are best served. Direct that the evaluation include early childhood through high school and professional development initiatives.

1.li. (SDE: Literacy Initiatives) In the current fiscal year, the Department of Education shall evaluate the several state literacy initiatives to ensure that each are working together to ensure that students are best served. The evaluation shall include initiatives in early childhood through high school as well as professional development.

- 1.tta ADD** (Technology Technical Assistance) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the department to withhold up to \$350,000 of K-12 Technology Initiative funds to provide technology assistance to school districts.

1.tta.(SDE: Technology Technical Assistance) Of the funds appropriated for the K-12 Technology Initiative, the department is authorized to withhold up to \$350,000 in order to provide technology technical assistance to school districts.

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- 1A.2 DELETE** (Half Day Program for Four-Year-Olds) Requires up to \$2,500,000 of the funds appropriated for half-day programs for 4-year olds be allocated for administration of a formative readiness assessment.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *See new proviso 1A.4ka*

~~1A.2. (SDE-EIA: XII.B - Half Day Program for Four-Year-Olds) Of the funds appropriated in Part 1A, Section 1, XII.B. for half day programs for four year olds, up to \$2,500,000 must be allocated for the administration in the current fiscal year of a formative readiness assessment or assessments that will analyze the early literacy competencies of children in publicly funded prekindergarten and public kindergarten so that students may receive the appropriate support and intervention to succeed in school. The assessments must be approved by the State Board of Education. Professional development and teacher training must be provided by the department. The remainder of the funds shall be distributed based on the prior year number of students in kindergarten eligible for free and reduce price lunch to school districts that are not participating or not eligible to participate in the Child Development Education Pilot Program.~~

- 1A.10 AMEND FURTHER** (Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$275 each school year to offset the expenses they have incurred for teaching supplies and materials. Allows any classroom teacher, including those at a S.C. private schools that are not eligible for this reimbursement to claim a refundable income tax credit on their 2014 tax return.

WMC: AMEND proviso to update tax return reference to "2015."

HOU: AMEND FURTHER to include "certified career specialists." Sponsor: Rep. Hayes.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete "certified career specialists."

1A.10. (SDE-EIA: XII.C.2-Teacher Supplies) All certified public school teachers, certified special school classroom teachers, certified media specialists, ~~certified career specialists,~~ and certified guidance counselors who are employed by a school district or a charter school as of November thirtieth of the current fiscal year, based on the public decision of the school board may receive reimbursement of up to two hundred seventy-five dollars each school year to offset

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expenses incurred by them for teaching supplies and materials. Funds shall be disbursed by the department to School districts by July fifteenth based on the last reconciled Professional Certified Staff (PCS) listing from the previous year. With remaining funds for this program, any deviation in the PCS and actual teacher count will be reconciled by December thirty-first or as soon as practicable thereafter. Based on the public decision of the school district these funds shall be disbursed in a manner separate and distinct from their payroll check on the first day teachers, by contract, are required to be in attendance at school for the current contract year. This reimbursement shall not be considered by the state as taxable income. Special schools include the Governor's School for Science and Math, the 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. Funds distributed to school districts or allocated to schools must not supplant existing supply money paid to teachers from other sources. If a school district requires receipts for tax purposes the receipts may not be required before December thirty-first. Districts that do not wish to require receipts may have teachers retain the receipts and certify for the district they have received the allocation for purchase of teaching supplies and/or materials and that they have purchased or will purchase supplies and/or materials during the fiscal year for the amount of the allocation. Districts shall not have an audit exception related to non-retention of receipts in any instances where a similar instrument is utilized. Any district requiring receipts must notify any teacher from whom receipts have not been submitted between November twenty-fifth and December sixth that receipts must be submitted to the district. Districts may not add any additional requirement not listed herein related to this reimbursement.

Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the reimbursement allowed by this provision, may claim a refundable income tax credit on the teacher's ~~2014~~ 2015 tax return, provided that the return or any amended return claiming the credit is filed prior to the end of the fiscal year. The credit is equal to two hundred seventy-five dollars, or the amount the teacher expends on teacher supplies and materials, whichever is less. If any expenditures eligible for a credit are made after December thirty-first, the teacher may include the expenditures on his initial return or may file an amended ~~2014~~ 2015 return claiming the credit, so long as the return or amended return is filed in this fiscal year. The Department of Revenue may require whatever proof it deems necessary to implement the credit provided by this part of this provision.

1A.15 AMEND (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments.

WMC: AMEND proviso to prohibit a school district from transferring funds provided for the EEDA or for Career and Technology Education. Change the reference to students with "exceptional needs" to "disabilities who have Individualized Education Programs." *Within the realm of education, the phrase "students with exceptional needs" includes students with disabilities as well as students who are in gifted and talented programs. Since the intent of this particular language is to have staffing ratios remain intact for students with disabilities, the language should be updated.* Requested by Department of Education. *Companion to 1.28.*

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.15. (SDE-EIA: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds

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received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, funds provided for the Education and Economic Development Act, funds provided for Career and Technology Education, nor required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for four-year old programs and programs serving students with ~~exceptional needs~~ disabilities who have Individualized Education Programs.

In order for a school district to take advantage of the flexibility provisions, at least seventy-five percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, instructional support, and noninstruction pupil services. No portion of the seventy-five percent may be used for business services, debt service, capital outlay, program management, and leadership services, as defined by In\$ite. The school district shall report to the Department of Education the actual percentage of its per pupil expenditures used for classroom instruction, instructional support, and noninstruction pupil services for the current school year ending June thirtieth. Salaries of on-site principals must be included in the calculation of the district's per pupil expenditures.

"In\$ite" means the financial analysis model for education programs utilized by the Department of Education.

School districts are encouraged to reduce expenditures by means, including, but not limited to, limiting the number of low enrollment courses, reducing travel for the staff and the school district's board, reducing and limiting activities requiring dues and memberships, reducing transportation costs for extracurricular and academic competitions, restructuring administrative staffing, and expanding virtual instruction.

School districts and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal year.

Prior to implementing the flexibility authorized herein, school districts must provide to Public Charter Schools the per pupil allocation due to them for each categorical program.

Quarterly throughout the current fiscal year, the chairman of each school district's board and the superintendent of each school district must certify where noninstructional or nonessential programs have been suspended and the specific flexibility actions taken. The certification must be in writing, signed by the chairman and the superintendent, delivered electronically to the State Superintendent of Education, and an electronic copy forwarded to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Education and Public Works Committee. Additionally, the certification must be presented publicly at a regularly called school board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

For the current fiscal year, Section 59-21-1030 is suspended. Formative assessments for grades one, two, and nine, the foreign language program assessment, and the physical education assessment must be suspended. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

For the current fiscal year, savings generated from the suspension of the assessments enumerated above must be allocated to school districts based on weighted pupil units.

School districts must maintain a transaction register that includes a complete record of all funds expended over one hundred dollars, from whatever source, for whatever purpose. The register must be prominently posted on the district's internet website and made available for public viewing and downloading. The register must include for each expenditure:

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- (i) the transaction amount;
- (ii) the name of the payee; and
- (iii) a statement providing a detailed description of the expenditure.

The register must not include an entry for salary, wages, or other compensation paid to individual employees. The register must not include any information that can be used to identify an individual employee. The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure. The register must be searchable and updated at least once a month.

Each school district must also maintain on its internet website a copy of each monthly statement for all of the credit cards maintained by the entity, including credit cards issued to its officers or employees for official use. The credit card number on each statement must be redacted prior to posting on the internet website. Each credit card statement must be posted not later than the thirtieth day after the first date that any portion of the balance due as shown on the statement is paid.

The Comptroller General must establish and maintain a website to contain the information required by this section from a school district that does not maintain its own internet website. The internet website must be organized so that the public can differentiate between the school districts and search for the information they are seeking.

School districts that do not maintain an internet website must transmit all information required by this provision to the Comptroller General in a manner and at a time determined by the Comptroller General to be included on the internet website.

The provisions contained herein do not amend, suspend, supersede, replace, revoke, restrict, or otherwise affect Chapter 4, Title 30, the South Carolina Freedom of Information Act.

- 1A.16 AMEND** (Teacher Salary Supplement) Directs the department to carry forward unobligated teacher salary supplement and employer contribution funds to be used for the same purpose.
WMC: AMEND proviso to allow unexpended teacher salary supplement funds to be used for shortfalls in associated employer contributions funds. Requested by Department of Education.
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.16. (SDE-EIA: Teacher Salary Supplement) The department is directed to carry forward prior year unobligated teacher salary supplement and related employer contribution funds into the current fiscal year to be used for the same purpose. Any unexpended funds in teacher salary supplement may be used to fund shortfalls in the associated employer contribution funding in the current fiscal year.

- 1A.18 AMEND FURTHER** (Assessment) Authorizes assessment funds to be carried forward to pay for state assessment activities and for scoring of the spring statewide accountability assessment. Directs that PSAT reimbursements shall resume in the current fiscal year.
WMC: AMEND proviso to specify that the funds shall also be used to pay for AP exams administered in the prior fiscal year and to pay for the administration of assessments specifically due to increased enrollment. *AP exams are administered late in the year.* Requested by Department of Education.
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to direct that the funds be used for the same purpose.

1A.18. (SDE-EIA: Assessment) The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the same purpose ~~of paying for AP~~

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~~examinations administered in the prior fiscal year, paying for administration of assessments specifically due to increased enrollment, and paying for state assessment activities not completed by the end of the fiscal year including the scoring of the spring statewide accountability assessment.~~ Reimbursements shall resume in the current fiscal year for PSAT.

- 1A.28** **AMEND** (Adult Education) Requires that at least 30% of funds appropriated for adult education must be allocated to school districts to serve age 17 to 21 year old adult education students pursuing a high school diploma, GED, or career readiness certificate with the remaining funds allocated to school districts on a formula based on certain criteria. Requires aggregate levels of state funding meet federal MOE requirements. Requires the district to collect and report certain information to the department and that the department provide summary information to certain legislative committees.
- HOU:** AMEND proviso to change the factors the formula must include when allocating the remaining funds to the districts to delete “total hours of attendance” and adding “number of students making an education gain.” Sponsor: Rep. Bingham.
- SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

1A.28. (SDE-EIA: Adult Education) A minimum of thirty percent of the funds appropriated for adult education must be allocated to school districts to serve adult education students between the ages of seventeen and twenty-one who are enrolled in programs leading to a state high school diploma, state high school equivalency diploma (GED), or career readiness certificate (WorkKeys). The remaining funds will be allocated to districts based on a formula which includes factors such as target populations without a high school credential, program enrollment the previous school year, ~~total hours of attendance~~ number of students making an educational gain the previous school year, and performance factors such as number of high school credentials and career readiness certificates awarded the previous school year. Overall levels of state funding must meet the federal requirement of state maintenance of effort. Each school district must collect information from both the student and the school including why the student has enrolled in Adult Education and whether or not the student is pursuing a GED or Diploma. The school district must then provide a quarterly report to the Department of Education and must include the unique student identifier. The department, in turn, will provide summary information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee on the information.

- 1A.31** **AMEND** (~~Child Development Education Pilot Program~~ Full-Day 4K) Creates CDEPP, a voluntary program which focuses on developmental and learning support to be ready for school for four year olds in the trial and plaintiff school districts with expansion to eligible children in school districts with a poverty index of 70% or greater.
- WMC:** AMEND proviso to delete all of the proviso except for (K) and (N). Amend (K) to allow eligible students who live in a school district with a poverty index of 70% or greater to participate in the S.C. Early Reading Development and Education Program; direct that public and private providers will be reimbursed for instructional costs at a rate of \$4,218 per student enrolled; direct that eligible students enrolling or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment; direct that new providers participating for the first time who enroll between 1-6 eligible children are eligible to receive up to \$1,000 per child in materials and equipment grant funding, and direct that providers who enroll 7 or more eligible children are eligible for funding not to exceed \$10,000; require providers receiving equipment funding participate for a minimum of 3 years; and direct that funding is contingent on receipt of data as requested by SDE and First Steps. Amend (N) to delete the

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requirement that certain data be included in the EOC annual evaluation of CDEPP. *See companion general education proviso 1.66.*

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

~~1A.31. (SDE-EIA: Child Development Education Pilot Program *Full-Day 4K*) There is created the South Carolina Child Development Education Pilot Program (CDEPP). This program shall be available for the current school year on a voluntary basis and shall focus on the developmental and learning support that children must have in order to be ready for school and must incorporate parenting education.~~

~~(A) For the current school year, with funds appropriated by the General Assembly, the South Carolina Child Development Education Pilot Program shall first be made available to eligible children from the trial and plaintiff school districts in the Abbeville County School District et. al. vs. South Carolina and then expanded to eligible children residing in school districts with a poverty index of seventy percent or greater.~~

~~Unexpended funds from the prior fiscal year for this program shall be carried forward and shall remain in the program. In rare instances, students with documented kindergarten readiness barriers may be permitted to enroll for a second year, or at age five, at the discretion of the Department of Education for students being served by a public provider or at the discretion of the Office of South Carolina First Steps to School Readiness for students being served by a private provider.~~

~~(B) Each child residing in the pilot districts, who will have attained the age of four years on or before September first, of the school year, and meets the at risk criteria is eligible for enrollment in the South Carolina Child Development Education Pilot Program for one year.~~

~~The parent of each eligible child may enroll the child in one of the following programs:~~

~~(1) a school year four year old kindergarten program delivered by an approved public provider; or~~

~~(2) a school year four year old kindergarten program delivered by an approved private provider.~~

~~The parent enrolling a child must complete and submit an application to the approved provider of choice. The application must be submitted on forms and must be accompanied by a copy of the child's birth certificate, immunization documentation, and documentation of the student's eligibility as evidenced by family income documentation showing an annual family income of one hundred eighty five percent or less of the federal poverty guidelines as promulgated annually by the U.S. Department of Health and Human Services or a statement of Medicaid eligibility.~~

~~In submitting an application for enrollment, the parent agrees to comply with provider attendance policies during the school year. The attendance policy must state that the program consists of 6.5 hours of instructional time daily and operates for a period of not less than one hundred eighty days per year. Pursuant to program guidelines, noncompliance with attendance policies may result in removal from the program.~~

~~No parent is required to pay tuition or fees solely for the purpose of enrolling in or attending the program established under this provision. Nothing in this provision prohibits charging fees for childcare that may be provided outside the times of the instructional day provided in these programs.~~

~~If by October first of the school year at least seventy five percent of the total number of eligible CDEPP children in a district or county are projected to be enrolled in CDEPP, Head Start or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, CDEPP providers may then enroll pay lunch children who score at or below the~~

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~~twenty fifth national percentile on two of the three DIAL 3 subscales and may receive reimbursement for these children if funds are available.~~

~~(C) Public school providers choosing to participate in the South Carolina Four Year Old Child Development Kindergarten Program must submit an application to the Department of Education. Private providers choosing to participate in the South Carolina Four Year Old Child Development Kindergarten Program must submit an application to the Office of First Steps. The application must be submitted on the forms prescribed, contain assurances that the provider meets all program criteria set forth in this provision, and will comply with all reporting and assessment requirements.~~

~~Providers shall:~~

- ~~(1) comply with all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, or need for special education services;~~
- ~~(2) comply with all state and local health and safety laws and codes;~~
- ~~(3) comply with all state laws that apply regarding criminal background checks for employees and exclude from employment any individual not permitted by state law to work with children;~~
- ~~(4) be accountable for meeting the education needs of the child and report at least quarterly to the parent/guardian on his progress;~~
- ~~(5) comply with all program, reporting, and assessment criteria required of providers;~~
- ~~(6) maintain individual student records for each child enrolled in the program to include, but not be limited to, assessment data, health data, records of teacher observations, and records of parent or guardian and teacher conferences;~~
- ~~(7) designate whether extended day services will be offered to the parents/guardians of children participating in the program;~~
- ~~(8) be approved, registered, or licensed by the Department of Social Services; and~~
- ~~(9) comply with all state and federal laws and requirements specific to program providers.~~

~~Providers may limit student enrollment based upon space available. However if enrollment exceeds available space, providers shall enroll children with first priority given to children with the lowest scores on an approved prekindergarten readiness assessment. Private providers shall not be required to expand their programs to accommodate all children desiring enrollment. However, providers are encouraged to keep a waiting list for students they are unable to serve because of space limitations.~~

~~(D) The Department of Education and the Office of First Steps to School Readiness shall:~~

- ~~(1) develop the provider application form;~~
- ~~(2) develop the child enrollment application form;~~
- ~~(3) develop a list of approved research based preschool curricula for use in the program based upon the South Carolina Content Standards, provide training and technical assistance to support its effective use in approved classrooms serving children;~~
- ~~(4) develop a list of approved prekindergarten readiness assessments to be used in conjunction with the program, provide assessments and technical assistance to support assessment administration in approved classrooms serving children;~~
- ~~(5) establish criteria for awarding new classroom equipping grants;~~
- ~~(6) establish criteria for the parenting education program providers must offer;~~
- ~~(7) establish a list of early childhood related fields that may be used in meeting the lead teacher qualifications;~~
- ~~(8) develop a list of data collection needs to be used in implementation and evaluation of the program;~~

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~~(9) identify teacher preparation program options and assist lead teachers in meeting teacher program requirements;~~

~~(10) establish criteria for granting student retention waivers; and~~

~~(11) establish criteria for granting classroom size requirements waivers.~~

~~(E) Providers of the South Carolina Child Development Education Pilot Program shall offer a complete educational program in accordance with age appropriate instructional practice and a research based preschool curriculum aligned with school success. The program must focus on the developmental and learning support children must have in order to be ready for school. The provider must also incorporate parenting education that promotes the school readiness of preschool children by strengthening parent involvement in the learning process with an emphasis on interactive literacy.~~

~~Providers shall offer high quality, center based programs that must include, but shall not be limited to, the following:~~

~~(1) employ a lead teacher with a two year degree in early childhood education or related field or be granted a waiver of this requirement from the Department of Education or the Office of First Steps to School Readiness;~~

~~(2) employ an education assistant with pre service or in service training in early childhood education;~~

~~(3) maintain classrooms with at least ten four year old children, but no more than twenty four year old children with an adult to child ratio of 1:10. With classrooms having a minimum of ten children, the 1:10 ratio must be a lead teacher to child ratio. Waivers of the minimum class size requirement may be granted by the South Carolina Department of Education for public providers or by the Office of First Steps to School Readiness for private providers on a case by case basis;~~

~~(4) offer a full day, center based program with 6.5 hours of instruction daily for one hundred eighty school days;~~

~~(5) provide an approved research based preschool curriculum that focuses on critical child development skills, especially early literacy, numeracy, and social/emotional development;~~

~~(6) engage parents' participation in their child's educational experience that shall include a minimum of two documented conferences per year; and~~

~~(7) adhere to professional development requirements outlined in this article.~~

~~(F) Every classroom providing services to four year old children established pursuant to this provision must have a lead teacher with at least a two year degree in early childhood education or related field and who is enrolled and is demonstrating progress toward the completion of a teacher education program within four years. Every classroom must also have at least one education assistant per classroom who shall have the minimum of a high school diploma or the equivalent, and at least two years of experience working with children under five years old. The teaching assistant shall have completed the Early Childhood Development Credential (ECD) 101 or enroll and complete this course within twelve months of hire. Providers may request waivers to the ECD 101 requirement for those assistants who have demonstrated sufficient experience in teaching children five years old and younger. The providers must request this waiver in writing to their designated administrative agency (First Steps or the Department of Education) and provide appropriate documentation as to the qualifications of the teaching assistant.~~

~~(G) The General Assembly recognizes there is a strong relationship between the skills and preparation of prekindergarten instructors and the educational outcomes of students. To improve these education outcomes, participating providers shall require all personnel providing instruction and classroom support to students participating in the South Carolina Child Development Education Pilot Program to participate annually in a minimum of fifteen hours of professional development to include teaching children from poverty. Professional development should provide instruction in strategies and techniques to address the age appropriate progress of~~

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prekindergarten students in developing emergent literacy skills, including but not limited to, oral communication, knowledge of print and letters, phonemic and phonological awareness, and vocabulary and comprehension development.

~~(H) Both public and private providers shall be eligible for transportation funds for the transportation of children to and from school. Nothing within this provision prohibits providers from contracting with another entity to provide transportation services provided the entities adhere to the requirements of Section 56-5-195. Providers shall not be responsible for transporting students attending programs outside the district lines. Parents choosing program providers located outside of their resident district shall be responsible for transportation. When transporting four year old child development students, providers shall make every effort to transport them with students of similar ages attending the same school. Of the amount appropriated for the program, not more than \$185 per student shall be retained by the Department of Education for the purposes of transporting four year old students. This amount must be increased annually by the same projected rate of inflation as determined by the Revenue and Fiscal Affairs Office for the Education Finance Act.~~

~~(I) For all private providers approved to offer services pursuant to this provision, the Office of First Steps to School Readiness shall:~~

- ~~(1) serve as the fiscal agent;~~
- ~~(2) verify student enrollment eligibility;~~
- ~~(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;~~
- ~~(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;~~
- ~~(5) serve as a clearing house for information and best practices related to four year old kindergarten programs;~~
- ~~(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;~~
- ~~(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four year old kindergarten programs;~~
- ~~(8) maintain a database of the children enrolled in the program; and~~
- ~~(9) promulgate guidelines as necessary for the implementation of the pilot program.~~

~~(J) For all public school providers approved to offer services pursuant to this provision, the Department of Education shall:~~

- ~~(1) serve as the fiscal agent;~~
- ~~(2) verify student enrollment eligibility;~~
- ~~(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;~~
- ~~(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;~~
- ~~(5) serve as a clearing house for information and best practices related to four year old kindergarten programs;~~
- ~~(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;~~
- ~~(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four year old kindergarten programs;~~
- ~~(8) maintain a database of the children enrolled in the program; and~~
- ~~(9) promulgate guidelines as necessary for the implementation of the pilot program.~~

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~~(K) The General Assembly shall provide funding for the South Carolina Child Development Education Pilot Program. For the current school year, eligible students residing in a school district with a poverty index of 70 percent or greater may participate in the South Carolina Early Reading Development and Education Program. Public and private providers will be reimbursed for instructional costs at a rate of the funded cost per child shall be \$4,218 increased annually by the rate of inflation as determined by the Revenue and Fiscal Affairs Office for the Education Finance Act per student enrolled. Eligible students enrolling with private providers during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be eligible for a reimbursement of \$550 per eligible child transported. Providers All providers who are reimbursed are required to retain records as required by their fiscal agent. Providers New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment ~~grant~~ funding, with providers enrolling seven or more such children eligible for ~~grants~~ funding not to exceed \$10,000. Providers receiving equipment ~~grants~~ funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps.~~

~~(L) Pursuant to this provision, the Department of Social Services shall:~~

~~(1) maintain a list of all approved public and private providers; and~~

~~(2) provide the Department of Education and the Office of First Steps information necessary to carry out the requirements of this provision.~~

~~(M) The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers.~~

~~(N) Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January fifteenth of each year. The evaluation shall include, but is not limited to: (1) student data including the number of at risk four year old kindergarten students served in publically funded programs, by county and by program; (2) program effectiveness including developmentally appropriate assessments of children to measure emerging literacy and numeracy; (3) individual classroom assessments to determine program quality; (4) longitudinal analysis of academic and nonacademic measures of success for children who participated in the program; and (5) an evaluation of the professional development, monitoring and assistance offered to public and private providers. To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.~~

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- 1A.33** **AMEND** (Centers of Excellence) Directs that \$350,000 of Centers of Excellence funds must be allocated to the Francis Marion University Center of Excellence to Prepare Teachers of Children of Poverty to expand the training statewide through weekend college, non-traditional or alternative learning opportunities. Directs CHE, with the increased funds provided, to fund a new center in FY 2014-15 to provide professional development to enable teachers to create a college-going and career readiness culture that prepares students for postsecondary education and the world of work.
WMC: AMEND proviso to delete the requirement that CHE fund the new center.
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.33. (SDE-EIA: Centers of Excellence) Of the funds appropriated for Centers of Excellence, \$350,000 must be allocated to the Francis Marion University Center of Excellence to Prepare Teachers of Children of Poverty to expand statewide training for individuals who teach children of poverty through weekend college, nontraditional or alternative learning opportunities. ~~Furthermore, with increased funds provided, the Commission on Higher Education will fund a new center in Fiscal Year 2014-15 that will provide professional development to teachers to enable them to transform the P-12 experience to create a college-going and career readiness culture that prepares students for postsecondary education and the world of work.~~

- 1A.34** **AMEND** (IDEA Maintenance of Effort) Directs that Aid to Districts funds be used to meet the estimated maintenance of effort for IDEA. Directs that funds provided for IDEA maintenance of effort may not be transferred for any other purpose and are not subject to flexibility. Requires the department submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor by December, 2013.
WMC: AMEND proviso to update year reference to “2015.”
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.34. (SDE-EIA: IDEA Maintenance of Effort) Prior to the dispersal of funds appropriated in Section XII.A.1 Aid to Districts according to Proviso 1A.32 for the current fiscal year, the department shall direct funds appropriated in Section XII.A.1 Aid To Districts to school districts and special schools for supplemental support of programs and services for students with disabilities, to meet the estimated maintenance of effort for IDEA. Funds provided for the maintenance of effort for IDEA may not be transferred to any other purpose and therefore are not subject to flexibility. The department shall distribute these funds using the current fiscal year one hundred thirty-five day Average Daily Membership. For continued compliance with the federal maintenance of efforts requirements of the IDEA, funding for children with disabilities must, to the extent practicable, be held harmless to budget cuts or reductions to the extent those funds are required to meet federal maintenance of effort requirements under the IDEA. In the event cuts to funds that are needed to maintain fiscal effort are necessary, when administering such cuts, the department must not reduce funding to support children with disabilities who qualify for services under the IDEA in a manner that is disproportionate to the level of overall reduction to state programs in general. By December 1, ~~2013~~ 2015, the department must submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor.

- 1A.38** **AMEND** (Career and Technology Education Consumables) Allows the department to use Career and Technology Education funds to purchase textbooks, instructional materials, and other consumables used in classroom instruction.

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WMC: AMEND proviso to direct that a maximum of 25% of funds appropriated for Modernize Vocational Equipment, Career and Technology Education may be used for this purpose. Authorize Modernize Vocational Equipment and Tech Prep funds to be carried forward and used for the same purpose. *Setting a maximum percentage that could be used for instructional materials and consumables both recognizes the need for districts to have flexibility in spending these funds based on local needs while still maintaining funding designated to update and upgrade equipment necessary for quality CTE programs.* Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.38. (SDE-EIA: Career and Technology Education Consumables) ~~Funds~~ A maximum of twenty-five percent of the funds appropriated for Modernize Vocational Equipment, Career and Technology Education may be utilized to purchase textbooks, instructional materials and other consumables used in classroom instruction. The department may carry forward unexpended Modernize Vocational Equipment and Tech Prep funds to be used for the same purpose.

1A.39 **AMEND** (Teacher Salaries/SE Average) States the projected Southeastern average teacher salary for FY 2014-15 is \$48,892. Requires a local district board of trustees to provide a step increase for all eligible certified teachers. Directs the department to continue to use the FY 2012-13 statewide minimum teacher salary schedule in FY 2014-15.

WMC: AMEND proviso to change the projected SE average teacher salary from “\$48,892” to “\$49,796” and update fiscal year to “2015-16.” Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.39. (SDE-EIA: XII.C.2. Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers’ salaries of the southeastern states as projected by the Revenue and Fiscal Affairs Office. For the current school year the Southeastern average teacher salary is projected to be ~~\$48,892~~ \$49,796. The General Assembly remains desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary.

The statewide minimum teacher salary schedule used in Fiscal Year 2012-13 will continue to be used in Fiscal Year ~~2014-15~~ 2015-16.

Additionally, for the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by no less than one year of experience credit using the district salary schedule utilized the prior fiscal year as the basis for providing the step. Application of this provision must be applied uniformly for all eligible certified teachers.

Funds appropriated in Part IA, Section 1, XII.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50(b), to include classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists in the school districts of the state.

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

1A.42 **DELETE** (Summer Exit Exam Cost) Authorizes certain funds to be used to offset the costs of conducting the summer administration of the Exit Exam.

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WMC: DELETE proviso. *The proviso is no longer needed. The requirement for an exit examination was eliminated through Act 155.* Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.42. (SDE-EIA: Summer Exit Exam Cost) Funds appropriated in Part IA, Section 1, XII.A.2 may be used to offset the costs of the summer administration of the Exit Examination. These funds may be expended to cover the costs related to developing, printing, shipping, scoring, and reporting the results of the assessments. Local school districts may absorb local costs related to administration.~~

1A.43 DELETE (Refurbishing Science Kits) Authorizes funds appropriated to purchase textbooks and other instructional materials to be used to refurbish science kits.

WMC: DELETE proviso. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.43. (SDE-EIA: Refurbishing Science Kits) Funds appropriated for the purchase of textbooks and other instructional materials may be used for reimbursing school districts to offset the costs of refurbishing science kits on the state adopted textbook inventory, purchasing new kits from the central textbook depository, or a combination of refurbishment and purchase. The refurbishing cost of kits may not exceed the cost of the state adopted refurbishing kits plus a reasonable amount for shipping and handling. Costs for staff development, personnel costs, equipment, or other costs associated with refurbishing kits on state inventory are not allowable costs.~~

1A.48 DELETE (Technology Academy Pilot) Directs the department to use available Modernize Vocational Equipment funds to continue to offer high schools the opportunity to participate in an IT certification pilot project. Requires the department report to specific committees of the General Assembly by February 1, 2015, on the number of high schools and the number of students that participated in the pilot along with the number of students who earned certifications.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.48. (SDE-EIA: Technology Academy Pilot) For Fiscal Year 2014-15 the Department of Education is directed to use available Modernize Vocational Equipment funds to continue to offer high schools across the state the opportunity to participate in an IT certification pilot project. The department must report by February 1, 2015 to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee, and the Senate Education Committee on the number of high schools that participated in the pilot and the number of students participating in the program and earning certifications.~~

1A.50 AMEND (Aid to Districts Draw Down) Requires school districts, Palmetto Unified District and DJJ, in order to draw down Aid to Districts funds, to work with local, and if necessary state, law enforcement agencies to ensure that they have an updated school safety plan. Requires updated plans be submitted to the department by September 1, 2014 and requires the department report to the Chairmen of specific committees by September 30, 2014, on any districts that did not submit an updated plan.

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WMC: AMEND proviso to change fiscal year references to “the current fiscal year.” Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.50. (SDE-EIA: XII.A.1 - Aid to Districts Draw Down) For ~~Fiscal Year 2014-15~~ the current fiscal year, in order to draw down funds appropriated in Part IA, Section 1, XII.A.1, Aid to Districts, school districts, Palmetto Unified District and the Department of Juvenile Justice must work with local law enforcement agencies, and when necessary, state law enforcement agencies in order to ensure that the district has an updated school safety plan in place. The safety plan must include safety directives in the classroom, a safe student and staff exit strategy and necessary safety staff. Notice of completion of the updated plan must be submitted to the Department of Education no later than September 1, ~~2014~~ of the current fiscal year. The department must report to the Chairman of the House Ways and Means Committee, the Chairman of the House Education and Public Works Committee, the Chairman of the Senate Finance Committee and the Chairman of the Senate Education Committee by September 30, ~~2014~~ of the current fiscal year, on any districts that failed to submit an updated plan.

1A.51 DELETE (South Carolina Success Program) Directs the department to use Assessment/Testing funds for the South Carolina Success Program. Requires the program provide academic support to students and teachers to help ensure on grade level reading is achieved for grades PreK-8 by making online-delivered interactive reading assessments and research-based intervention programs available for use at school and home.

WMC: DELETE proviso. *The department added the SC Success Program assessments to the formative adoption list for 2013-14.* Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.51. (SDE-EIA: South Carolina Success Program) ~~For Fiscal Year 2014-15, school districts of this state may use assessment funds for the South Carolina Success Program, as piloted in the previous fiscal year, to students in the district. This program shall provide academic support to students and teachers to help ensure on grade level achievement in reading by making available for grades PreK-8 an online delivered, interactive reading assessment and research-based intervention program for use both at school and at home. This online program must automatically place students into an individualized on line curriculum and instruction, provide teachers and administrators with immediate reporting, provide recommendations for interventions and teacher lessons, and provide small group instruction lessons. The program must provide computer adaptive assessments at least eight times per year, and teachers, principals, and districts must have immediate on line reporting to identify those students who are not reading on grade level and those that are at risk of failing the state reading assessment pursuant to Section 59-18-310 of the 1976 Code, as amended. The program must make available to parents reporting and resources regarding student participation via a home portal.~~

1A.52 DELETE (Pilot Assessment) Creates a pilot assessment and allows the EOC to select up to 5 school districts that have received an “Excellent” rating on their most recent state report card and an “A” on their most recent federal report card to participate in the pilot. Requires a district to request and receive approval from the EOC and the State Board of Education to use an alternative assessment in grades 3-8 to measure student performance on English language arts, math, and science and to use an alternative assessment in high school to measure college and career readiness. Requires the EOC, working with pilot school districts to devise an alternative state

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district and school report card. Requires the department to request changes to its ESEA waiver to permit alternative assessments.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.52. (SDE-EIA: Pilot Assessment) ~~In the current fiscal year and from funds appropriated, there is created a pilot assessment. The Education Oversight Committee may select no more than five school districts to participate in the pilot. To be eligible to participate in the pilot, a school district must have received an absolute rating of Excellent on its most recent state report card and a letter grade of "A" on the most recent federal report card. The district must request and receive approval from the Education Oversight Committee and the State Board of Education to use an alternative assessment to current state assessments in grades three through eight to measure student performance on English language arts, mathematics and science, and in high school the district may use alternative assessments to the High School Assessment program to measure college and career readiness, or any combination thereof. The alternative assessments must be aligned to college and career readiness standards as approved by the State Board of Education and the Education Oversight Committee. The district may use financial flexibility to absorb any additional costs of the alternative assessments with state, local or other funds. The district must still administer the Palmetto Assessment of State Standards in grades three through eight in social studies and the state end of course assessment program as funded with EIA revenues. Unless otherwise provided for in law, students graduating in the current fiscal year must still pass all exit exam requirements. The Education Oversight Committee, working with school districts in the pilot, must devise an alternative state district and school report card. In addition the Department of Education must request changes to its ESEA waiver to permit alternative and innovative approaches to assessment.~~

- 1A.56 CONFORM TO FUNDING** (EOC-South Carolina Autism Society) Directs that \$350,000 of the EIA funds appropriated for Partnerships, Education Oversight Committee (A85) be transferred quarterly from the EOC to the South Carolina Autism Society for the Autism Parent-School Partnership Program. Requires the Society, beginning October 10, 2015, provide a quarterly accounting report to the Chairmen of the Senate Finance and House Ways and Means Committees and to the EOC.

WMC: AMEND proviso to change "\$350,000" to "500,000."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

1A.56. (SDE-EIA: EOC-South Carolina Autism Society) Of the funds appropriated in Section 1A, XII.F, Partnerships, Education Oversight Committee (A85), ~~\$350,000~~ \$500,000 must be transferred in quarterly installments from the Education Oversight Committee to the South Carolina Autism Society for the Autism Parent-School Partnership Program. Beginning October 10, ~~2014~~ 2015, the South Carolina Autism Society shall provide a quarterly accounting report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee and the Education Oversight Committee.

- 1A.57 DELETE** (Technology/Device Pilot) Authorizes the department to use carry forward funds and appropriated recurring and non-recurring Instructional Materials and Digital Instructional Materials funds to allow up to 6 school districts to apply to the Department of Education to participate in a technology device pilot for a specific program/grade level in middle or high

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schools. Requires the department prepare a report that outlines implementation and use in the selected districts and submit it by December 15, 2014 to the Chairmen of the Senate Finance, Senate Education, House Ways and Means and House Education and Public Works Committees.

WMC: DELETE proviso. *The department states the pilot was technically for one year. Six districts implemented their plan in the 2014-15 school year.* Requested by Department of Education. Companion to general education proviso 1.70.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.57. (SDE-EIA: Technology/Device Pilot) ~~For the current fiscal year, the Department of Education is authorized to utilize carry forward funds from the prior fiscal year and appropriated funds from recurring and nonrecurring sources for the purchase of Instructional Materials and Digital Instructional Materials to allow middle and high schools in up to six school districts receiving approval from the State Board of Education to opt out of the state rental system and purchase instructional materials, digital instructional materials and the digital equivalent of materials and devices directly from a state approved vendor in an amount not to exceed the total allocation that the district would have received from these appropriations.~~

~~In order to best serve the middle and high schools and students within the school district, the school district must develop an implementation plan listing the instructional materials, digital instructional materials and the digital equivalent of materials and devices by grade level and subject and the implementation plan must be presented to the local school board in a public meeting for approval and made available to the public on the school district website prior to the public school board meeting.~~

~~The department must provide a certification form for a local school board on behalf of the school district to approve in a public meeting, have signed by the board chairman and district superintendent requesting approval for funding equivalent to the school district's allocation of appropriated funds for instructional materials and digital instructional materials based on the number of students in middle and high schools of the school district. The department must develop the certification form with the intent of assisting school districts with meeting State Board of Education approval.~~

~~Upon school board approval, and no later than July twenty fifth, the certification form and the detailed plan must be submitted to the department for State Board of Education approval. The State Board of Education must notify the school district of their decision to approve or disapprove no later than August fifteenth. If a school district does not receive State Board of Education approval the valid cause along with measurements necessary for the school district to meet approval must be provided to the local school board. The school district may make the required adjustments to their implementation plan and resubmit their certification form and plan to the State Board of Education for subsequent approval no later than ten days from the date of resubmission.~~

~~The school district may utilize no more than ten percent of the funds for professional development on the use of the acquisitions and must utilize no less than ninety percent of the funding received for the acquisition of instructional materials, digital instructional materials and the digital equivalent of materials and devices. If approved the school district is required to ensure that all students in the middle and high schools have access to the curriculum without regard to the student's home internet access capabilities.~~

~~The school district shall establish rules and policies that provide for the reasonable care and safety of the materials to include reasonable penalties for abuse, destruction, and loss and excluding ordinary wear and tear, provide for reimbursement by the pupils, their parents or legal guardians.~~

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~~No later than December 15, 2014, the department shall provide a report outlining the implementation and use in the selected districts to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee and the Chairman of the House Education and Public Works Committee.~~

1A.59 CONFORM TO FUNDING / AMEND FURTHER (Carry Forward) Requires EIA funds carried forward from the prior fiscal year that are not appropriated or authorized to be carried forward and spent as follows: \$900,000 for EOC - Partnerships for Innovation; \$150,000 for Allendale County School District; \$5,929,553 for department school bus transportation costs; and any additional funds carried forward and not otherwise appropriated or authorized to be used for Instructional Materials.. Directs that if funds are available, districts may apply to the department to use the funds for the Technology/Device Pilot. Allows the funding items to be reduced pro rata if there are not sufficient monies to fund the items.

WMC: AMEND proviso to update fiscal year reference to "2015-16." Delete the allocation for school bus transportation costs, and the authority to use the funds for the Technology/Device Pilot. Allocate \$1,296,407 for Modernize Vocational Equipment; \$7,300,000 for Assessment/Testing; and \$204,900 for District Technology, Devices and Content.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND FURTHER to specify that the funds carried forward are EIA "surplus." Change the amount for Modernize Vocational Equipment from "\$1,296,407" to "\$1,501,307" and delete the allocation of \$204,900 for District Technology, Devices and Content.

1A.59. (SDE-EIA: ~~Carry Forward~~ Surplus) For Fiscal Year ~~2014-15~~ 2015-16, EIA surplus funds ~~carry forward~~ from the prior fiscal year and not otherwise appropriated or authorized must be carried forward and expended on the following items:

1. EOC - Partnerships for Innovation - \$900,000;
2. Allendale County School District - \$150,000;
3. ~~\$5,929,553 must be used by the department for school bus transportation costs; and~~
3. Modernize Vocational Equipment - \$1,296,407 \$1,501,307; and
4. Assessment/Testing - \$7,300,000; and
5. ~~District Technology, Devices and Content - \$204,900.~~
- 4.

Any additional funds carried forward and not otherwise appropriated or authorized may be used for Instructional Materials. ~~If funds are available, districts may make application to the Department of Education to utilize funds for the Technology/Device Pilot as described herein.~~

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

1A.61 AMEND (South Carolina Public Charter School District Funding) Provides for the allocation of S.C. Public Charter School District funds to charter schools within the Public Charter School District or at any approved higher education institution that sponsors a charter school per weighted pupil: \$1,900 for virtual charter schools and \$3,600 for brick and mortar charter schools. Limits the amount which must be carried forward to not more than 10% of the prior year appropriation. Directs that any funds exceeding 10% must be transferred to the Charter School Facility Revolving Loan Program.

WMC: AMEND proviso to delete references to "approved institution of higher education sponsoring a public charter school. *Directives specifically related to institutions of higher education are in new proviso 1A.69.* Requested by Department of Education.

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HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.61. (SDE-EIA: South Carolina Public Charter School District Funding) The funds appropriated in Part IA, Section XI - South Carolina Public Charter School District must be allocated in the following manner to students at charter schools within the South Carolina Public Charter School District ~~or at any approved institution of higher education sponsoring a public charter school~~: Pupils enrolled in virtual charter schools sponsored by the South Carolina Public Charter School District ~~or institutions of higher education~~ shall receive \$1,900 per weighted pupil and pupils enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District ~~or institutions of higher education~~ shall receive \$3,600 per weighted pupil. Any unexpended funds, not to exceed ten percent of the prior year appropriation, must be carried forward from the prior fiscal year and expended for the same purpose. Any unexpended funds exceeding ten percent of the prior year appropriation must be transferred to the Charter School Facility Revolving Loan Program established in Section 59-40-175.

1A.63 **AMEND** (Public Charter School District Hold Harmless) Requires the Public Charter School District use up to \$3 million of their carry forward funds to hold its schools harmless from any reduction in funds that result from EFA weightings changes in the current fiscal year.

WMC: AMEND proviso to update fiscal year reference to "2015-16." Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.63. (SDE-EIA: Public Charter School District Hold Harmless) For Fiscal Year ~~2014-15~~ 2015-16, the South Carolina Public Charter School District must use up to \$3,000,000 in prior year carry forward funds to hold its schools harmless from any reduction in funds as a result of changes to the EFA weightings in the current fiscal year.

1A.64 **AMEND** (TransformSC) Requires at least \$200,000 of Partnerships for Innovation funds appropriated to the EOC be allocated to the TransformSC public-private project.

WMC: AMEND proviso to change "\$200,000" to "\$400,000." Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.64. (SDE-EIA: TransformSC) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, at least ~~\$200,000~~ \$400,000 shall be allocated to the TransformSC public-private project.

1A.67 **DELETE** (Prekindergarten and Kindergarten Assessments) Requires all students entering a publicly funded prekindergarten or public kindergarten to be administered a readiness assessment, approved by the State Board of Education, within 45 days of the start of the school year and directs that the assessment focus on early language and literacy development and be aligned with kindergarten and 1st grade standards for English/language arts and math. Directs that assessment results be provided in writing to the parent or guardian. Requires the EOC to recommend the characteristics of the readiness assessment to the State Board of Education by July 30th and to seek input from First Steps Board of Trustees and other early childhood advocates and provide directives for procuring the assessment.

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WMC: AMEND proviso to direct the all “publicly funded” students entering a publicly funded Pre-K or K be administered a readiness assessment approved by the State Board of Education. Delete the requirements that the readiness assessment be approved by the state board; be aligned with K-1 standards for English/language arts and mathematics; and for the EOC to recommend the characteristics of the assessment to the state board. *Assessments were procured in September of 2014 for the 2014-15 school year. The department wants to continue the assessments for school year 2015-16.* Requested by Department of Education.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *See new proviso 1A.4ka*

1A.67. (SDE-EIA: Prekindergarten and Kindergarten Assessments) ~~For the current fiscal year, all publicly funded students entering a publicly funded prekindergarten or public kindergarten must be administered a readiness assessment approved by the State Board of Education that shall focus on early language and literacy development no later than the forty fifth day of the school year. The readiness assessment must be approved by the State Board of Education. The approved readiness assessment must be aligned with kindergarten and first grade standards for English/language arts and mathematics. The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must be provided, in writing, to the parent or guardian. The readiness assessment may not be used to deny a student admission or to progress to kindergarten or first grade.~~

~~The Education Oversight Committee shall recommend the characteristics of the readiness assessment for children in prekindergarten and kindergarten, focused on early language and literacy development, to the State Board of Education no later than July thirtieth. Prior to submitting the recommendation to the State Board, the Education Oversight Committee shall seek input from the South Carolina First Steps to School Readiness Board of Trustees and other early childhood advocates. The State Board must move expeditiously to approve or modify the criteria submitted by the committee. Once approved, with the assistance of the Education Oversight Committee, the board shall develop a solicitation to be used in procuring the assessment. The solicitation must be forwarded to the Executive Director of the State Fiscal Accountability Authority who must immediately move to procure the readiness assessment in order to meet the forty five day requirement. The Executive Director is authorized to make changes to the solicitation with the consent of the Chairman of the State Board of Education and the Chairman of the Education Oversight Committee. The Department of Education must bear the costs of the procurement.~~

1A.68 CONFORM TO FUNDING (BabyNet Early Intervention Autism Therapy) Requires the \$437,476 appropriated to First Steps for BabyNet Autism Therapy be used only to increase the BabyNet autism therapy provider hourly rate to \$13.58 and the individual hourly pay of line therapists to a minimum of \$10.00. Requires First Steps to consult with DDSN on implementation of these increases and ensure that the line therapists meet all current state requirements. Requires First Steps send a quarterly compliance report to the Chairmen of the Senate Finance and House Ways and Means Committees and directs that the report include information on the expenditure of state funds as well as receipt and expenditure of Federal Medicaid funds associated with the program.

WMC: AMEND proviso to change “\$437,476” to “\$814,348.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

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1A.68. (SDE-EIA: BabyNet Early Intervention Autism Therapy) The ~~\$437,476~~ \$814,348 in funds appropriated in this act to the Office of First Steps to School Readiness for BabyNet Autism Therapy must be used only to increase the BabyNet autism therapy provider hourly rate and the individual hourly pay of line therapists during the current fiscal year. The Office of First Steps must consult with the Department of Disabilities and Special Needs regarding the implementation of these increases. The Office of First Steps must ensure that, prior to payment, these line therapists meet all current state requirements. It is the intent of the General Assembly that these monies be used solely for the purpose of increasing the BabyNet autism therapy provider rate to \$13.58 per hour and the hourly pay to individual line therapists being increased to a minimum of \$10.00 per hour. Quarterly, the Office of First Steps must send a letter to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee reporting on their compliance with the requirements of this proviso. The report must include information regarding the expenditure of state funds as well as the receipt and expenditure of Federal Medicaid funds associated with the program.

1A.69 **ADD** (Public Charter School Funding-Institutions of Higher Education) **WMC:** ADD new proviso to provide for the allocation of Public Charter School District funds to charter schools authorized by an approved higher education institution per weighted pupil: \$3,600 for students enrolled in brick and mortar charter schools and \$1,900 for virtual charter schools. Limit the amount which must be carried forward to not more than 10% of the prior year appropriation. Direct that any funds exceeding 10% must be transferred to the Charter School Facility Revolving Loan Program. *Separated out charter schools authorized by an approved institution of higher education from proviso 1A.61.* Requested by Department of Education.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1A.69. (SDE-EIA: Public Charter School District Funding-Institution of Higher Education) Pupils enrolled in a brick and mortar charter school authorized by an approved institution of higher education located in this state shall receive \$3,600 per weighted pupil and pupils enrolled in a virtual charter school authorized by an approved institution of higher education located in this state shall receive \$1,900 per weighted pupil from the funds appropriated in Part IA, Section XI - South Carolina Public Charter School - Institution of Higher Education. Any unexpended funds, not to exceed ten percent of the prior year appropriation, must be carried forward from the prior fiscal year and expended for the same purpose. Any unexpended funds exceeding ten percent of the prior year appropriation must be transferred to the Charter School Facility Revolving Loan Program established in Section 59-40-175, of the 1976 Code.

1A.70 **NO RECOMMENDATION** (Interactive Online Music Program RFP) **WMC:** ADD new proviso to direct the department to use instructional materials funds to work with the Information and Technology Management Office to issue a RFP to seek proposals from qualified private providers for an interactive online music program and access site license to all elementary schools; direct that the annual cost not exceed \$800,000; direct for the program to connect learning of music with other content areas, including reading, math, science and history. Require the program to meet state and national standards and include appropriate teacher training. *Separated out from proviso 117.27.* Requested by Education Oversight Committee.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: NO RECOMMENDATION.

1A.70. (SDE-EIA: Interactive Online Music Program RFP) With the funds appropriated for instructional materials, the Department of Education shall work with the Information and

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Technology Management Office to issue a Request for Proposals (RFP). The purpose of the RFP shall be to seek proposals from qualified private providers to provide an interactive online music program that provides lesson plans, songs, videos, music lessons, on-line virtual world, auto-assessments, and access site license to all elementary schools at an annual cost not to exceed \$800,000 and that connects the learning of music with other content areas including reading, mathematics, science and history. The chosen program shall meet state and national standards and include appropriate teacher training.

- 1A.71 CONFORM TO FUNDING** (Technology Professional Development) **WMC:** ADD new proviso to direct that \$4,000,000 of Professional Development funds be designated for professional development for use of classroom technology. Direct that funds designated for technology-related professional development be distributed to each school district or special school in proportion to the previous year's 135 day ADM. Require districts report by June 15, on a form prescribed by the department, on the amount of funds expended, type of activities funded, and the number of teachers participating in the activity.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

1A.71. (SDE-EIA: Technology Professional Development) Of the funds appropriated in Section XII.3 for Professional Development, \$4,000,000 shall be designated for use as professional development for the use of classroom technology. Funds designated for technology-related professional development shall be distributed to each school district or special school in proportion to the previous year's 135-day average daily membership. Districts must report by June 15 of the current fiscal year on the amount of funds expended, the types of activities funded by the district, and the number of teachers participating in the activity on a form prescribed by the department.

- 1A.72 AMEND NEW PROVISO** (Technology/Device Pilot Project) **WMC:** ADD new proviso to authorize the department to use up to \$4,500,000 of carry forward funds to purchase electronic devices and digital content. Authorize districts that receive State Board of Education approval to purchase devices and digital content directly from a state approved vendor. Require school districts to develop an implementation plan that lists devices and digital content by grade level and subject, to present the plan to the local school board in a public meeting for approval, and to place the plan on the school district's website prior to the public school board meeting. Require the department develop a certification form for local school board approval. Require the approved certification form and plan be submitted to the department for State Board of Education approval. Provide a process for notification of plan approval to the school district. Allow school districts to use 10% of the funds received for professional development and require that 90% be used to acquire devices and digital content. Require the department provide a report to the Chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees by December 15, 2015, that outlines implementation and use in the selected districts.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to allow the department to select up to 6 school districts to participate in the pilot project.

1A.72. (SDE: Technology/Device Pilot Project) For the current fiscal year, the Department of Education is authorized to utilize up to \$4,500,000 of available carry forward funds for the purchase of electronic devices and digital content. **The Department of Education**

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may select up to six school districts to participate in this pilot project. For purposes of this pilot, digital content is not defined as the digital equivalent of printed instructional material. Districts receiving approval from the State Board of Education may purchase devices and digital content directly from a state approved vendor.

In order to best serve schools and students within the school district, the school district must develop an implementation plan listing the devices and digital content by grade level and subject and the implementation plan must be presented to the local school board in a public meeting for approval and be made available to the public on the school district website prior to the public school board meeting.

The department must provide a certification form for a local school board on behalf of the school district to approve in a public meeting, have signed by the board chairman and district superintendent requesting approval for funding based on the number of students in the schools participating in the pilot. The department must develop the certification form with the intent of assisting school districts with meeting State Board of Education approval.

Upon school board approval, and no later than July 25th, the certification form and the detailed plan must be submitted to the department for State Board of Education approval. The State Board of Education must notify the school district of their decision to approve or disapprove no later than August 15th. If a school district does not receive State Board of Education approval the valid cause along with measurements necessary for the school district to meet approval must be provided to the local school board. The school district may make the required adjustments to their implementation plan and resubmit their certification form and plan to the State Board of Education for subsequent approval no later than ten days from the date of resubmission.

The school district may utilize no more than ten percent of the funds for professional development on the use of the acquisitions and must utilize no less than ninety percent of the funding received for the acquisition of devices and digital content. If approved the school district is required to ensure that all participating students in the pilot have access to the curriculum needed without regard to the student's home internet access capabilities.

The school district shall establish rules and policies that provide for the reasonable care and safety of the materials to include reasonable penalties for abuse, destruction, and loss and excluding ordinary wear and tear, provide for reimbursement by the pupils, their parents or legal guardians.

No later than December 15, 2015, the department shall provide a report outlining the implementation and use in the selected districts to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee and the Chairman of the House Education and Public Works Committee.

- 1A.73 AMEND NEW PROVISO (Rural Teacher Recruiting Incentive) HOU:** ADD new proviso to create a program within CERRA to recruit and retain classroom educators in rural and underserved districts that annually experience excessive teacher turnover. Direct CERRA to develop eligibility requirements, applications, and incentives. Require incentives and implementation be developed in consultation with the department and the EOC. Require CERRA report by 1/15/16 to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House on the incentives that have been developed. Authorize Rural Teacher Recruiting Incentive funds to be carried forward and used for the same purpose. Sponsors: Reps. Bingham and White.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete the prohibition on institutions from concurrently receiving funding on behalf of an eligible individual from both the Teaching Fellow Program and incentives contained in item (C) of this provision.

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1A.73. (SDE: Rural Teacher Recruiting Incentive) (A) There is created a program within the South Carolina Center for Educator Recruitment, Retention, and Advancement (CERRA) to recruit and retain classroom educators in rural and underserved districts experiencing excessive turnover of classroom teachers on an annual basis

(B) During Fiscal Year 2015-16, CERRA shall develop eligibility requirements and applications for individual educators, school districts, and institutions of higher education not inconsistent with existing licensure requirements for each, but also including:

(1) Eligible districts identified by CERRA as experiencing greater than twelve percent average annual teacher turnover, as reported on the districts' five most recent district report cards issued by the South Carolina Department of Education, may make application to participate in the program.

(2) Individuals eligible for incentives shall be willing to provide instructional services in an eligible district in exchange for participation in an incentive detailed in item (C) of this section, pursuant to the obligations and restrictions stated for each.

(3) Institutions of higher education eligible to receive education funding as a component of recruiting incentives created pursuant to item (C) of this section shall not be excluded from participation in Teaching Fellows Program in accordance with proviso ~~1A.66~~ 1A.58 of this Act. ~~However, an institution of higher education cannot concurrently receive funding on behalf of an eligible individual from both the Teaching Fellows Program and incentives developed pursuant to item (C) of this section.~~

(4) Any incentives requiring individuals to relocate into an eligible district to provide instructional services shall not be made available to individuals providing instructional services in other eligible districts.

(C) Pursuant to item (A), CERRA shall develop a set of incentives including, but not limited to, salary supplements, education subsidies, professional development, and mentorship to be provided to classroom educators that offer instructional services in eligible districts. The incentives and implementation shall be developed in consultation with the State Department of Education and the Education Oversight Committee, and shall provide incentive options for eligible individuals at all stages of their careers, including high-school and college or university students interested in entering the teaching profession.

(D) CERRA shall report by January 15, 2016 to the Governor, President pro Tempore of the Senate, and Speaker of the House on the incentives developed pursuant to item (C) of this section and make recommendations for attracting and retaining high quality teachers in rural and underserved districts. The report shall contain at a minimum eligibility requirements and application processes for districts and individuals, descriptions of and proposed budgets for each incentive program and an analysis of the number and demographics of individuals potentially eligible for each.

(E) Funds appropriated or transferred for use in the Rural Teacher Recruiting Incentive may be carried forward from prior fiscal years and used for the same purpose.

1A.74 ADD (Project Read) HOU: ADD new proviso to that \$500,000 of funds appropriated for Reading be used for teacher in-service training and professional development related to Project Read. Sponsor: Rep. Bingham.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1A.74. (SDE-EIA: Project Read) Of the funds appropriated in Section 1A. XII.A.3 for Reading, \$500,000 must be used for teacher in-service training and professional development related to Project Read.

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1A.rc **ADD (Reading Coaches) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to provide for the allocation of funds appropriated for Reading Coaches to school districts. See proviso 1.74 for general education companion proviso.

1A.rc. (SDE-EIA: Reading Coaches) (A) Funds appropriated for Reading Coaches must be allocated to school districts by the Department of Education as follows:

(1) for each elementary school in which twenty percent or more of the students scored Not Met on the reading and research test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of either up to \$62,730 or the actual cost of salary and benefits for a full-time reading coach; and

(2) for each elementary school in which fewer than twenty percent of the students scored Not Met on the reading and research test during the same period, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

(B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures. A district may, however, assign a reading coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

(C) Funds appropriated for Reading Coaches are intended to be used to provide elementary schools with reading coaches, who shall serve as job-embedded, stable resources for professional development throughout schools in order to generate improvement in reading and literacy instruction and student achievement. Reading coaches shall support and provide initial and ongoing professional development to teachers based on an analysis of student assessment and the provision of differentiated instruction and intensive intervention. The reading coach shall:

(1) model effective instructional strategies for teachers by working weekly with students in whole, and small groups, or individually;

(2) facilitate study groups;

(3) train teachers in data analysis and using data to differentiated instruction;

(4) coaching and mentoring colleagues;

(5) work with teachers to ensure that research-based reading programs are implemented with fidelity;

(6) work with all teachers (including content area and elective areas) at the school they serve, and help prioritize time for those teachers, activities, and roles that will have the greatest impact on student achievement, namely coaching and mentoring in the classrooms;

(7) help lead and support reading leadership teams; and

(8) The reading coach must not be assigned a regular classroom teaching assignment, must not perform administrative functions that deter from the flow of improving reading instruction and reading performance of students and must not devote a significant portion of his or her time to administering or coordinating assessments.

(D) No later than February 1, 2016, the Department of Education must publish guidelines that define the minimum qualifications for a reading coach for Fiscal Year-2015-16. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:

(1) holds a bachelor's degree or higher and an add-on endorsement for literacy coach or literacy specialist,

(2) holds a bachelor's degree or higher and is actively pursuing the literacy coach or literacy specialist endorsement; or

(3) holds a master's degree or higher in reading or a closely-related field.

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Within these guidelines, the Department of Education must also establish a process for Fiscal Year 2015-16 through which an elementary school may be permitted to use some or all of the allocation granted under subsection (A) in order to obtain in-school reading coaching services from a department-approved consultant or vendor, in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

(E) The Department of Education must develop procedures for monitoring the use of funds appropriated for Reading Coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the funds appropriated for Reading Coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.

(F) Prior to the close of the current fiscal year, any remaining funds for Reading Coaches, but no more than \$5,000,000, shall be distributed by the Department of Education among the school districts containing elementary or primary schools that were eligible for and which elected to receive funding under subsection (A)(1) of this proviso; these funds shall be distributed in proportion to these districts' relative shares of students who scored Not Met on the research and reading test in the most recent year for which such data are available. Funds distributed under this subsection must be used exclusively to support reading-related professional development opportunities for teachers that lead to the literacy add-on endorsement.

(G) The Department of Education shall require:

(1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported reading coach; as well as the school in which the coach is assigned along with the rationale for how the school selection was made; and

(2) any school district receiving funding under subsection (F) to account for the specific amounts and uses of such funds.

(H) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of reading coaches by school and on the expenditure of professional development funds for opportunities for teachers to earn the literacy endorsement. The department shall also report the amount of funds that will be carried forward.

(I) Funds appropriated for Reading Coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.

(J) For Fiscal Year 2015-16, if increased funding for reading coaches is not sufficient to provide additional reading coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.

1A.im ADD (Instructional Materials) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to require the department create an instructional materials list of print and/or digital items that have received State Board of Education approval. Direct the department to continue to work with publishers to ensure that districts have the option of receiving both digital versions and class sets of textbooks. Allow funds appropriated to purchase textbooks and other instructional materials to be used to reimburse school districts to offset the costs of refurbishing science kits, purchasing new kits, or a combination. Establish approved refurbishment costs. Authorize instructional materials funds to be carried forward and expended for the same purpose. Direct that these funds are not subject to flexibility. *See proviso 1.89 for General Education companion proviso.*

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1A.im. (SDE-EIA: Instructional Materials) The Department of Education shall create an instructional materials list composed of those items (print and/or digital) that have received State Board of Education approval through the normal adoption process . The department shall continue to work with the publishers of instructional materials to ensure that districts who wish to receive both the digital version and class sets of textbooks may be awarded that option. Funds appropriated for the purchase of textbooks and other instructional materials may be used for reimbursing school districts to offset the costs of refurbishing science kits on the state-adopted textbook inventory, purchasing new kits from the central textbook depository, or a combination of refurbishment and purchase. The refurbishing cost of kits may not exceed the cost of the state-adopted refurbishing kits plus a reasonable amount for shipping and handling. Costs for staff development, personnel costs, equipment, or other costs associated with refurbishing kits on state inventory are not allowable costs. Funds provided for Instructional Materials may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools. These funds are not subject to flexibility.

1A.4ka ADD (4K Early Literacy Competencies Assessments) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to authorize the department to spend up to \$800,000 of full-day 4K program carry forward funds on assessments and professional development to analyze early literacy competencies of children in publicly funded preK. Direct the department, in consultation with First Steps, to choose up to three formative assessments to measure early literacy. Direct that districts and private providers be allocated \$15 per child to cover the cost of the assessment. Require districts and private providers report the results of each individual assessment to the department electronically and direct the department provide the assessment data to the EOC. Also require the results be provided in writing to the parent or guardian. Direct that \$2,000,000 of fund appropriated for 4K half-day programs and funds carried forward from assessments be used to administer the Developmental Reading Assessment 2nd Edition PLUS to implement the progress monitoring system required by Read to Succeed and to evaluate early literacy and language competencies of children entering kindergarten in public schools. Require assessment results and recommended developmental intervention strategies be provided in writing to parents and guardians. Require the department provide the assessment results to the EOC. Direct the department provide or secure training for administering the assessment. Allow the department to pilot other comprehensive readiness assessments in kindergarten classes

1A.4ka. (SDE-EIA: 4K Early Literacy Competencies Assessments) Of the funds carried forward from the full-day 4K program from the previous fiscal year, the Department of Education is authorized to expend up to \$800,000 on assessments and professional development to analyze the early literacy competencies of children in publicly funded prekindergarten. The department, in consultation with the Office of First Steps, will select up to three formative assessments that analyze the early literacy and language development of children in publicly funded prekindergarten. Each school district and private provider participating in a publicly funded prekindergarten program will administer one of the formative assessments selected by the department to each child eligible for and enrolled in a publicly funded prekindergarten program during the first forty-five days of the school year and during the last forty-five days of the school year. School districts and private providers will be allocated \$15 per child assessed to cover the cost of the formative assessment. School districts and private providers are required to report electronically the results of each individual assessment to the department using a form that must include the unique student identifier and any other information prescribed by the department. In turn, the department will provide the assessment data to the Education Oversight Committee.

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The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student to admission to prekindergarten.

Furthermore, \$2,000,000 of the funds appropriated for half-day programs for four-year-olds and funds carried forward from assessment must be expended by the Department of Education to administer the Developmental Reading Assessment® 2nd Edition PLUS to implement the progress monitoring system required by the Read to Succeed Act of 2014 and to evaluate the early literacy and language competencies of each child entering kindergarten in the public schools. The assessment of kindergarten students must be administered at a minimum of once during the first forty-five days of the school year and once during the last forty-five days of the school year with the results collected by the department. The results of the assessments and the developmental intervention strategies recommended or services needed to address each child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student admission to kindergarten. Districts are given the option of designating up to two days of the 180-day school calendar to administer the assessment to kindergarten students. The department will also provide the results of the assessment of kindergarten students to the Education Oversight Committee. With available funds, the department will also provide or secure training for appropriate educators in how to administer the assessment. In addition the department may pilot in kindergarten classes one or more comprehensive readiness assessments that address the other domains in numeracy, approaches to learning, social and emotional development, and physical well-being in the current school year.

- 1A.tss ADD (Teacher Supply Study) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct CERRA, CHE, the department, and the EOC to collaborate on a study to project the number of K5-12 teachers needed for school years 2017 through 2027 and to obtain information to develop a plan to meet those needs.

1A.tss. (SDE-EIA: Teacher Supply Study) With funds appropriated to the Center for Educator Recruitment, Retention, and Advancement (CERRA), in concert with the Commission on Higher Education, the Department of Education, and the Education Oversight Committee, CERRA shall initiate and conduct a study to identify and project the number of additional teachers needed annually in public school classrooms for grades K5 through 12, for school years beginning 2017 through 2027. The purpose of the study shall be to: (1) provide specific data and projections on the number of teachers expected to be needed as compared to the number available, by Subject Areas Taught as indicated in CERRA's annual Supply and Demand Report, and with a focus on critical need subject areas; (2) determine whether, individually and collectively, teaching programs at applicable institutions of higher learning in South Carolina have the capacity and infrastructure to fulfill projected needs in item (1); and (3) provide data for general use in estimating the fiscal impact of any new or revised programs being considered to incent more talented individuals to enter teacher training programs and more highly qualified teachers to remain in the profession for longer periods of time.

SECTION 5 - H71-WIL LOU GRAY OPPORTUNITY SCHOOL

- 5.9 AMEND (Capacity)** Directs that FY 2014-15 funds be used to bring the school up to full capacity, to the extent possible and to report by December 1st on how the funds have been used and how many additional students have been served.

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WMC: AMEND proviso to update fiscal year reference to “2015-16.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

5.9. (WLG: Capacity) For Fiscal Year ~~2014-15~~ 2015-16, funds appropriated to Wil Lou Gray Opportunity School must be used to bring the school up to full capacity, to the extent possible, and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.

SECTION 6 - H75-SCHOOL FOR THE DEAF AND THE BLIND

6.13 **AMEND** (Capacity) Directs that FY 2014-15 funds be used to bring the school up to full capacity, to the extent possible and to report by December 1st on how the funds have been used and how many additional students have been served.

WMC: AMEND proviso to update fiscal year reference to “2015-16.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

6.13. (SDB: Capacity) For Fiscal Year ~~2014-15~~ 2015-16, funds appropriated to the School for the Deaf and the Blind must be used to bring the school up to full capacity, to the extent possible, and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.

SECTION 7 - L12-JOHN DE LA HOWE SCHOOL

7.4 **AMEND** (Capacity) Directs that FY 14-15 funds be used to bring the school up to full capacity, to the extent possible. Prohibits new employees from being hired deferred maintenance has been completed on a cottage and until required by a projected increase in students. Requires staff increases be reported to the Chairmen of the House Ways and Means and Senate Finance Committees 30 days before they are hired. Requires a report be submitted by December 1st on how the funds have been used and how many additional students have been served.

WMC: AMEND proviso.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

7.4. (JDLHS: Capacity) For Fiscal Year ~~2014-15~~ 2015-16, funds appropriated to John de la Howe School must be used to complete deferred maintenance on the residential cottages and to bring the school up to full capacity, to the extent possible. The school must not utilize the funds to hire new employees until the school has completed deferred maintenance on a cottage and requires the new employee due to a projected increase in students. Any increases in staff must be reported to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee thirty days prior to the hire. Further, the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.

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- 7.5 DELETE** (Administration) Directs the Superintendent of Education to appoint a Chief Operating Officer, confirmed by the State Board of Education, to provide on-site programmatic and administrative technical assistance along with regular updates to the School's board of trustees. Provides for the Chief Operating Officer to serve as interim Superintendent if the board of trustees has not filled the vacant position by August 15, until a Superintendent has been chosen. Requires the board of trustees submit a plan by October 1, 2014 that addresses specific issues, best therapeutic practices, administrative practices, and operational assessments in order to ensure the school successfully fulfills its mission and to require quarterly progress reports be submits thereafter.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~7.5. (JDLHS: Administration) (A) In the current fiscal year, the Superintendent of Education shall appoint a Chief Operating Officer to provide on-site programmatic and administrative technical assistance to the School. The appointment shall be confirmed by the State Board of Education. This officer shall also advise and provide regular updates to the School's board of trustees. In the event that the board of trustees has not, by August fifteenth of the current fiscal year, filled the existing vacancy by electing a Superintendent pursuant to Section 59 49 80 of the 1976 Code, the Chief Operating Officer shall also serve as interim Superintendent until a Superintendent is chosen by the Board. The Chief Operating Officer's service may alternately be concluded upon the Superintendent of Education's certification that the report or reports submitted pursuant to subsection (B) demonstrate that the School is making adequate progress in serving its students' educational and therapeutic needs. The Department of Administration or State Fiscal Accountability Authority, and where appropriate, the Executive Budget Office, shall provide technical assistance that is requested by the Chief Operating Officer to satisfy the requirements of this proviso.~~

~~(B) To ensure that the John de la Howe School successfully fulfills its mission of providing educational and therapeutic services to children who require that support away from their homes, its board of trustees shall submit a plan to the Governor, the Superintendent of Education, the Chairman of the House Ways and Means Committee, and the Chairman of the Senate Finance Committee no later than October 1, 2014 that:~~

~~(1) Specifically addresses each of the findings and issues identified by the Inspector General in his January 2014 report on the School and explains how the School intends to resolve these matters;~~

~~(2) Is developed after consulting with the Department of Juvenile Justice, Department of Education, Department of Social Services, the Department of Mental Health and any other state social or behavioral services agency on the current state of best therapeutic practices, which must be reflected in the submitted plan;~~

~~(3) Assesses the School's current administrative practices relating to budgeting and finance, technology, real estate and facilities management, procurement, and other related subjects and describes the School's plans to improve these practices, which shall be developed with the support of the Department of Administration, and if appropriate, the Executive Budget Office. Included in the assessment must be a comparison of the costs of administrative transactions at the School compared to similar costs per transaction if administered by the Department of Administration. Further, the assessment must compare costs for technology and facilities management compared to securing a private company to provide these services; and~~

~~(4) Explains how the School's budget request for the 2015-16 fiscal year effectuates the School's strategy to implement the plan.~~

~~The School shall submit quarterly progress reports thereafter. Nothing in this proviso shall be construed as to change the School's mission or its responsibility for providing high-quality educational and therapeutic services to the students it supports.~~

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7.6 AMEND NEW PROVISO (Educational, Therapeutic Progress, and Other Financial Information) **WMC:** ADD new proviso to direct the John de la Howe School to provide certain information and data to the EOC, as required, for all programs and services the school offers to document student enrollment; educational therapeutic needs and interventions, student's district of residence; staff employed that provide direct and indirect services to students; other financial expenses of the school; and other data as identified by the EOC. Require unique student identifiers be used to protect the identify of each student. Require the EOC set the reporting measures and report to the Governor, and the Senate Finance and House Ways and Means Committees by January 15, 2016 on recommendations to improve services to students.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to direct that information be provided to the Office of Inspector General rather than the EOC on a quarterly basis. Specify that student count information be broken out by day students and by overnight students that require and receive supervision 24/7 and to report the cost per student using this data. Direct that reported enrollment data include a calculation showing the average length of stay of students that require and receive supervision 24/7 and the average enrollment per month. Direct the Inspector General to prescribe the reporting measures for the school to follow rather than the EOC and direct the OIG to report quarterly to the Governor, and the Senate Finance and House Ways and Means Committees.

7.6. (JDLH: Educational, Therapeutic Progress, and Other Financial Information) For the current fiscal year, the John de la Howe School shall provide information and data to the ~~Education Oversight Committee~~ Office of the Inspector General on a quarterly basis, as required, to document the following for all programs and services offered by the school:

(1) student enrollment counts and data that document what educational and therapeutic needs and interventions each student at the school received in the prior and current school years;

(a) student counts shall be broken out to detail students on campus during the day and the number of overnight students requiring and receiving 24/7 supervision;

(b) using this data a cost per student calculation shall be reported with the calculation excluding capital costs and the assumption day students are revenue neutral unless documentation is provided to the contrary;

(2) dates of enrollment and withdrawal of each student;

included with this data shall be a calculation showing the average length of stay of students receiving 24/7 supervision and average enrollment for each month;

(3) the district of residence for each student enrolled at the school in the prior and current school years;

(4) evidence of the educational and therapeutic progress being made by each student based on the school's evidence based treatment model;

(5) the number of staff employed that provide direct and indirect services to students;

(6) other financial expenses of the school; and

(7) any other data as identified by the committee.

To protect the identity of each student, unique student identifiers and not personally identifiable information must be provided. The ~~Education Oversight Committee~~ Office of the Inspector General shall prescribe the reporting measures to be followed by the school and shall report to the Governor, to the Senate Finance Committee, and to the House Ways and Means Committee by January 15, 2016, on recommendations for improving services to students quarterly.

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7.7 DELETE NEW PROVISO (Programmatic Benchmarks) WMC: ADD new proviso to direct the John de la Howe School to proceed with a phased in master plan to include specific testing, assessment, and other benchmarks. Require the school report this information to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by August 1, 2016.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~7.7. (JDLH: Programmatic Benchmarks) For the current fiscal year, the John de la Howe School shall proceed with a phased in master plan to include the following benchmarks:~~

~~(1) The percentage of students passing the Math PASS test will increase from 40% to 43% by the end of May 2016;~~

~~(2) The percentage of students passing the Language Arts PASS test will increase from 37% to 40% by the end of May 2016;~~

~~(3) The percentage of students passing the Math and English portions of the High School Assessment Program will increase from 36% to 39% by the end of May 2016;~~

~~(4) The percentage of students passing the EOC exam for Algebra I will increase from 50% to 53% by the end of May 2016;~~

~~(5) The percentage of students passing the EOC exam for English I will increase from 48% to 51% by the end of May 2016;~~

~~(6) The percentage of students acquiring marketable skills will increase from 0% to 50% by the end of May 2016;~~

~~(7) The percentage of student growth via the Star Math Assessment results will increase from 0% to 50% by the end of May 2016;~~

~~(8) The percentage of student growth via the Star Reading Assessment results will increase from 0% to 50% by the end of May 2016;~~

~~(9) The percentage of exiting students reaching 3 or higher on the (5 point) success criterion scale for their Individual Personal Care Plan will increase from 65% to 68% by the end of May 2016;~~

~~(10) The percentage of teachers determined to be highly effective per classroom observations will improve from 0% to 50% by May 2016;~~

~~(11) The percentage of students that are satisfied with the learning environment as reported on the school report card survey will increase from an average baseline data established in 2014-15 to increase to 60% by May 2016;~~

~~(12) To increase the total number of residential beds that meet health and safety standards and licensing regulations to accommodate 72 student occupancy by May 2016, and~~

~~(13) To increase the overall agency efficiency and effectiveness through the completion of 65% initiatives by May 2016;~~

~~The John de la Howe School shall report this information to the Governor, to the Chairman of the Senate Finance Committee, and to the Chairman of the House Ways and Means Committee by August 1, 2016;~~

SECTION 8 - H67-EDUCATIONAL TELEVISION COMMISSION

8.4 ADD (Spectrum Auction) WMC: ADD new proviso to authorize ETV, if they choose to enter the FCC TV Spectrum Auction and receive any proceeds, to retain the proceeds for the development of a capital reserve declining balance fund. Direct that the proceeds be used to fund critical capital needs, including an expected broadcast industry standards change, and to also be used for equipment repair, maintenance and replacement needs and for operational costs.

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Authorize unexpended funds to be carried forward and used for the same purpose. Direct ETV to report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees on their intent to enter the auction; auction dates; estimated potential revenue; and actual revenue received from the auction. Requested by Educational Television Commission.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

8.4. (ETV: Spectrum Auction) During the current fiscal year, if the Educational Television Commission opts to enter the Federal Communications Commission TV Spectrum Auction and subsequently receives any proceeds from the auction, the commission is authorized to receive and retain the proceeds for the development of a capital reserve declining balance fund. The proceeds shall be used to fund several critical capital needs at ETV, including an expected broadcast industry standards change. Proceeds shall also be deployed for existing equipment repair, maintenance and replacement needs and operational costs. Unexpended funds shall be carried forward from the prior fiscal year into the current fiscal year and used for the same purpose. The commission shall report to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the intent to enter the auction; dates of the auction; potential revenue estimates; and actual received revenue.

SECTION 28 - H91-ARTS COMMISSION

28.5 **AMEND** (Distribution to Subdivisions) Directs the Arts Commission to use appropriated and or authorized funds to distribute Distribution to Subdivision funds for specific purposes in the same manner they were distributed in the prior fiscal year and designates funding.

WMC: AMEND proviso to specify that the distribution of the funds shall be subject to requests received and availability of funds; update all allocation amounts; and add \$5,855 for Aid to County Libraries.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

28.5. (ARTS: Distribution to Subdivisions) Of the funds appropriated and/or authorized to the Arts Commission for Distribution to Subdivisions, the following amounts shall be distributed in the same manner as the funds were distributed in the prior fiscal year, subject to requests received and availability of funds: ~~\$4,358~~ \$65,000 for Alloc Mun-Restricted; ~~\$7,672~~ \$10,000 for Alloc Cnty-Restricted; ~~\$110,470~~ \$226,280 for Alloc School Dist; ~~\$12,300~~ \$10,000 for Alloc Other State Agencies; ~~\$551,930~~ \$368,148 for Alloc-Private Sector; ~~\$2,899~~ \$25,750 for Alloc Private Sector; ~~\$70,500~~ \$69,992 for Aid Mun-Restricted; ~~\$46,439~~ \$25,889 for Aid Cnty-Restricted; ~~\$317,619~~ \$305,306 for Aid School Districts; ~~\$395,928~~ \$328,839 for Aid Other State Agencies; ~~\$1,478,322~~ \$1,527,874 for Aid To Private Sector; and ~~\$24,500~~ \$54,014 for Aid To Private Sector-Reportable; and \$5,855 for Aid to County Libraries.

SECTION 117 - X90-GENERAL PROVISIONS

117.27 **NO RECOMMENDATION** (School Technology Initiative) Provides for the administration of K-12 technology initiative funds.

WMC: AMEND proviso to delete the authorization for the funds to also be used for interactive online music curriculum and access site license to all elementary schools at a cost of up to \$545,000 and that connects the learning of music with other content areas including reading,

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mathematics, science and history. *See new EIA proviso 1A.70.* Requested by Education Oversight Committee.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: NO RECOMMENDATION

117.27. (GP: School Technology Initiative) From the funds appropriated/authorized for the K-12 technology initiative, the Department of Education, in consultation with the Department of Administration, the State Library, the Educational Television Commission, and a representative from the Education Oversight Committee, shall administer the K-12 technology initiative funds. These funds are intended to provide technology, encourage effective use of technology in K-12 public schools throughout the state, conduct cost/benefit analyses of the various technologies, and should, to the maximum extent possible, involve public-private sector collaborative efforts. Funds may also be used to establish pilot projects for new technologies ~~including interactive online music curriculum that provides lesson plans, songs, videos music lessons, on-line virtual world, auto-assessments, and access site license to all elementary schools at a cost not to exceed \$545,000 and that connects the learning of music with other content areas including reading, mathematics, science and history~~ with selected school districts as part of the evaluation process. K-12 technology initiative funds shall be retained and carried forward to be used for the same purpose.

- 117.90 AMEND** (Funds Transfer to ETV) Requires funds appropriated to the DOA for Legislative & Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council for City and Council municipal training to be transferred to ETV during July of 2014 for them to continue to provide services as they were provided in the prior fiscal year.

WMC: AMEND proviso to update calendar year reference to “2015.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.90. (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Department of Administration Section 93 for Legislative & Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council in Section 64 for State & Local Training of Law Enforcement, City and County municipal training services must be transferred to the Educational Television Commission (ETV) during July ~~2014~~ 2015 for the continuation of services as provided in the prior fiscal year.

- 117.103 DELETE** (First Steps Reauthorization) Reauthorizes First Steps for Fiscal Year 2014-15.

WMC: DELETE proviso. *First Steps has been reauthorized by separate legislation. Proviso no longer needed.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

117.103. (GP: First Steps Reauthorization) ~~Act 99 of 1999, the South Carolina First Steps to School Readiness Act, is reauthorized for the duration of Fiscal Year 2014-15.~~

- 117.120 ADD** (SCOIS Transfer) **WMC:** ADD new proviso to transfer the S.C. Occupational Information System, its authority, responsibilities, FTE's and funding from DEW to SDE and direct DOA and the Comptroller General to facilitate and coordinate the transfer.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

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***117.120.** (GP: SCOIS Transfer) For Fiscal Year 2015-16, the South Carolina Occupational Information System, its authority, responsibilities, FTE's and funding shall be transferred from the Department of Employment and Workforce to the Department of Education. The Department of Administration and the Office of the Comptroller General shall facilitate and coordinate this transfer.*

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