SECTION 1 - H630 - 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 15-16, the base student cost has been determined to be \$2,220; that the per pupil count is projected to be 714,394, 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 16-17 as follows: base student cost \$2,350; total pupil count, 723,953; average per pupil funding: \$5,827 state, \$1,245 federal, and \$5,542 local, for an average total funding level of \$14,210, excluding local bond issues. Add Dual Credit Enrollment of 0.15 to the pupil classification weightings. Require students enrolled for dual credit to be identified in PowerSchool as taking a course that leads to both high school and post-secondary credits. Require districts assist students in accessing applicable Lottery Tuition Assistance. Delete the requirement that students in poverty continue to be defined as students eligible for free/reduced lunch and/or Medicaid and instead direct that they be identified using the USDA community eligibility criteria and also include students eligible for Medicaid, children classified as transient and/or homeless. Direct the Revenue and Fiscal Affairs Office to also use this definition. Delete the requirement that the department continue to use 2013-14 school year counts to determine poverty funding for the add on weighting. Delete the reporting requirement on the effects of USDA community certification. Fiscal Impact: EFA increase; EFA fringe increase; projected base student cost out to districts. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND FURTHER to delete the require that the amended definition for students in poverty be used by Revenue and Fiscal Affairs Office and instead direct that it should also be used for Homestead Exemption Fund tier three reimbursements.

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 $\frac{\$2,220}{\$2,350}$. For the current fiscal year, the total pupil count is projected to be $\frac{714,394}{723,953}$. The average per pupil funding is projected to be $\frac{\$5,536}{\$5,827}$ state, $\frac{\$1,185}{\$1,245}$ federal, and $\frac{\$5,371}{\$5,542}$ local. This is an average total funding level of $\frac{\$12,092}{\$14,210}$ 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, 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
	(E) Dual Credit Enrollment	0.15

No local match is required for the additional weightings for personalized instruction in school year 2015 16 2016-17. 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 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. 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.

<u>Students identified for dual credit enrollment must be identified in PowerSchool as taking a</u> <u>course that will lead to both high school credit and post-secondary credit.</u> <u>Districts must assist</u> <u>students in accessing Lottery Tuition Assistance when applicable.</u>

For the 2015-16 <u>current</u> school year, students in poverty will continue to be defined as students eligible for free/reduced lunch and/or Medicaid <u>be identified using the USDA community</u> <u>eligibility criteria and will also include students eligible for Medicaid, children classified as</u> <u>Transient, and children classified as Homeless</u>. This definition shall <u>should</u> also be used by the <u>Revenue and Fiseal Affairs Office for Homestead Exemption Fund tier three reimbursements</u>. 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 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, 2016 2017. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

1.18 DELETE (School Building Aid) Directs that \$500,000 of School Building Aid funds be allocated on a K-12 per pupil basis to Multi-District Area Vocational Schools.

WMC: DELETE proviso. *The line no longer exists*. Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.18. (SDE: School Building Aid) Of the funds appropriated in Part IA for School Building Aid, \$500,000 shall be allocated on a K-12 per pupil basis to Multi-District Area Vocational Schools.

1.25 DELETE (School Facilities Management System) Authorizes school districts to use capital improvement bonds, lapsed funds, or other unexpended appropriated funds or revenues to access the department's School Facilities Management System database.

WMC: DELETE proviso. *After additional evaluation of cost considerations, the database was not implemented.* Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.25. (SDE: School Facilities Management System) School Districts may use capital improvement bond funds, lapsed funds or any other unexpended appropriated funds or revenues to access the Department of Education's School Facilities Management System database.

1.28 AMEND FURTHER (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 delete reference to "noninstruction pupil services" in the requirement that at least 75% be used for specific purposes and specify that no portion of the 75% may be used for "operations." *Note: Companion EIA proviso is 1A.14.*

HOU: AMEND FURTHER on the restrictions on what the 75% may not be used for change "operations" to "facilities;" direct that the school district also report the actual percentage of its pupil expenditures used for only transportation, food service and safety within non-instruction pupil services. Sponsor: Rep. Bingham.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to change the restrictions on what the 75% may be used for to include "only transportation, food service, and safety" within non-instruction pupil services.

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 subfunction and service area level, except for four-year old programs and programs serving students with disabilities who have Individualized Education Programs.

In order for a school district to take advantage of the flexibility provisions, at least seventyfive percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, and instructional support, and <u>only transportation, food service, and</u> <u>safety within</u> non-instruction pupil services. No portion of the seventy-five percent may be used for <u>facilities</u>, 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 <u>only transportation, food service, and safety within</u> 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.

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. Nothing in this proviso shall be interpreted as prohibiting the State Board of Education to exercise its authority to grant waivers under Regulation 43-261.

1.39 AMEND (Lost & Damaged Textbook <u>Instructional Materials</u> Fees) Provides a timeframe for lost and damaged textbooks fees to be remitted to the department and allows the department to withhold textbook funding from schools if the fees have not been paid by the deadline.

WMC: AMEND proviso to change "textbook" reference to "instructional materials." Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.39. (SDE: Lost & Damaged Textbook <u>Instructional Materials</u> Fees) Fees for lost and damaged textbooks <u>instructional materials</u> for the prior school year are due no later than December first of the current school year when invoiced by the Department of Education. The department may withhold textbooks <u>instructional materials</u> funding from schools that have not paid their fees by the payment deadline.

1.42 AMEND FURTHER (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 RTFs "as defined under" to "identified on the State Qualified Providers list and meets the requirements of" Section 44-7-130.

HOU: AMEND FURTHER to direct that RTF facilities on the State Qualified Provider List not located within state boundaries may not receive a reimbursement that exceeds \$45 per student per day and school districts are eligible to receive a base student cost weighted funding of 2.10 if the student remains enrolled in the school district. Provide for notification to the resident district and for reimbursement and dispute guidelines. Require qualified RTF providers' general education curriculum align to the S.C. academic standards in core content areas. Provide for students with disabilities eligible for special education and related services under IDEA to receive special education and related services. Sponsor: Rep. Bingham.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

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

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

The facility school districts are entitled to receive the base student cost multiplied by the Education Finance Act pupil weighting for Homebound pupils of 2.10, as set forth in Section 59-20-40 of the 1976 Code and any eligible categorical and federal funds. These funds may be retained by the facility school districts for the purpose of providing the educational programs and services directly to students referred or placed by the State or the facility school districts may use

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

RTF facilities on the State Qualified Provider List not located within the boundaries of the state shall be reimbursed at a rate that may not exceed \$45 per student per day for education services and school districts shall be eligible to receive a base student cost weighted funding of 2.10 provided that the student remains enrolled in the school district. Facilities 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 qualified facility 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 be unable to reach agreement with the resident school district regarding reasonable costs differences, the provider 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 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 shall have the right to file a complaint in a Circuit Court. Additionally, qualified RTF providers' general education curriculum must be aligned 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 Disabilities Education Act (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 a qualified RTF will at all times be eligible to receive the educational credits (e.g., Carnegie Units) earned through their educational efforts. The resident school district and the RTF should develop a memorandum of understanding to outline the responsibilities of the RTF in providing the educational services and responsibilities, if any, of the resident school district while the student is housed in the RTF.

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 serviced 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.

1.49 DELETE (Governor's Schools Capacity) Directs the Governor's Schools for Arts and Humanities and Science and Math to use their funds to bring their respective schools up to full capacity, to the extent possible, and to report electronically by December 1st on how the funds have been used and how many additional students have been served.

WMC: DELETE proviso. *The school has been at or near full capacity since 2013 and plans to remain so in the future.* Requested by Governor's School for the Arts and the Humanities and Governor's School for Science and Mathematics.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.49. (SDE: Governor's Schools Capacity) For the current fiscal year, funds appropriated to the Governor's School for the Arts and Humanities and the Governor's School for Science and Mathematics must be used to bring the schools up to full capacity, to the extent possible. Each 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 how the funds have been utilized and how many additional students have been served.

1.50 AMEND (Student Health and Fitness) Provides for the allocation of Student Health and Fitness funds to school districts by ADM for Physical Education teachers and through a grant program for school nurses.

WMC: AMEND proviso to allow funds for school nurses to be distributed to school districts directly rather than through a grant process. *To simplify the process funds will be sent directly on a per pupil basis, not through a grant process.* Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.50. (SDE: Student Health and Fitness) Funds appropriated for Student Health and Fitness shall be allocated to school districts to increase the number of physical education teachers to the extent possible and to provide licensed nurses for elementary public schools. Twenty-seven percent of the funds shall be allocated to the districts based on average daily membership of grades K-5 from the preceding year for physical education teachers. The remaining funds will be made available through a grant program for school nurses and shall be distributed to the school districts on a per school basis. Schools that provide instruction in grades K-5 are eligible to apply for the school nurse grant program <u>funds</u>.

1.55 DELETE (Felton Lab Allocation) Requires that the Felton Laboratory at SC State receive 70% of the EFA funds it would have received under the EFA and under aid to school districts fringe benefits as if it were a special school district. Directs the department to calculate the funds Felton Lab is entitled to receive each year.

WMC: DELETE proviso. *Felton Lab is going to be run through the Public Charter School District.*

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.55. (SDE: Felton Lab Allocation) Of the funds distributed pursuant to the Education Finance Act, the Felton Laboratory School at South Carolina State University shall receive each year, seventy percent of the funds it would have received for that year under the Education Finance Act and under aid to school districts fringe benefits, as if it were a special school district. The calculation of the amount of funds which the Felton Laboratory School is entitled to receive each year shall be made by the Department of Education.

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

WMC: AMEND proviso to direct that the \$700,000 allocated to the department for grants instead be used to provide funding to the S.C. Afterschool Alliance to support community partnerships. Require all volunteers, mentors and tutors that participate in these after school programs or summer reading camps to have passed a SLED criminal background check. Limit the amount of funds the Alliance may to retain for administration, including technical assistance and training, to not more than 10% of their allocation. Require the Alliance submit planning documents as prescribed by the department by September 15th, and direct the department to allocate the funds within 15 days of the approval of the plans.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to specify that the \$700,000 for the S.C. Afterschool Alliance also be used to support struggling readers in elementary schools that have a poverty index of 40% or greater "based on the poverty index used the prior fiscal year that was student eligibility for the free or reduced price lunch program and

Medicaid." Delete the requirement that volunteers in the after school programs or summer reading camps pass a SLED background check.

1.63. (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 funding to the South Carolina Afterschool Alliance to support community partnerships whereby community organizations would collaborate shall partner with local school districts to provide enrichment activities as part of 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 forty percent or greater based on the poverty index utilized the prior fiscal year that was student eligibility for the free or reduced price lunch program and Medicaid. All volunteers, mentors and tutors that are a part of these after school programs or summer reading camps must have passed a SLED criminal background check. Participant to volunteer or teacher ratio must conform to that of the school district in which the program is located. Of the funds allocated. not more than ten percent may be retained by the South Carolina After School Alliance for administration to include technical assistance and training. The South Carolina Afterschool Alliance must submit planning documents as prescribed by the department by September 15 of the current fiscal year. Upon approval of the plans, the department shall allocate the funding within 15 days. 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 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 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.

1.65 AMEND FURTHER (Governor's Schools Informational Access to Students) Requires school districts to permit both Governor's Schools to work with individual schools and their staff in order to share information with students and families about educational opportunities offered at the Governor's Schools. Requires the Governor's Schools to report to the Chairmen of the Senate Finance and House Ways and Means Committees by June 30, 2015, on results of these efforts. Directs the Governor's Schools to work with districts, the department, and School Report Card administrators to ensure the SAT scores of the school's students are included in the students' resident district School Report Card.

WMC: AMEND proviso to update report due date to June 30, 2016.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to change "2016" to "of the current fiscal year."

1.65. (SDE: Governor's Schools Informational Access to Students) For the current fiscal year, school districts must permit both the Governor's School for the Arts and Humanities and the Governor's School for Science and Mathematics to collaborate with individual schools and their staff to share information with students and families about the educational opportunities offered at the respective Governor's Schools, through avenues including school visits, informational presentations, and posters. By June 30, 2015 <u>2016 of the current fiscal year</u>, the Governor's School for the Arts and Humanities and the Governor's School for Science and Mathematics must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee the results of these Informational Access efforts. Further, the two Governor's Schools will work with districts, the Department of Education and School Report Card administrators, to ensure that SAT scores of current Governor's Schools' students are included in the School Report Card of those students' resident schools and districts.

1.67 DELETE (Charter School Transition Funds) Provides for the distribution of transitions funds to charter schools sponsored by a local school district WMC: AMEND proviso to update fiscal year reference to "2016-17." HOU: ADOPT proviso as amended.
SFC SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

1.67. (SDE: Charter School Transition Funds) For Fiscal Year 2015-16, charter schools sponsored by a local school district 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 transition funds available, then funds will be reduced pro rata for all parties.

1.73 DELETE (Transition Funds to Districts) Provides for the distribution of EFA Transition Payments funds to eligible school districts.
WMC: DELETE proviso. No funds are being requested for FY 2016-17 as the changes were implemented in FY 2014-15. Fiscal Impact: None. Requested by Department of Education. HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.73. (SDE: Transition Funds to Districts) Funds appropriated in Part IA, Section 1, X. 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 one-half of the transition payment received in Fiscal Year 2014-15, subject to the limitations of item (B) of this section.

(B) School districts 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.

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

1.74 AMEND (First Steps 4K Technology) Authorizes First Steps to spend up to \$75,000 of 4K carry forward funds to purchase electronic devices, with certain restrictions, for administering early literacy and language development assessments to children enrolled in the full-day 4K program in private centers. Requires First Steps to provide a report on these expenditures to the Chairmen of the Senate Finance and Ways and Means Committees by January 15, 2016.

WMC: AMEND proviso to delete reference to "early literacy and language development" and instead reference "required school readiness" assessments. Update calendar year report due date to 2017. *Broadens the definition of assessments to be consistent with upcoming planned changes.* Fiscal Impact: First Steps states no fiscal impact since the monies are from carry forward funds. Requested by First Steps to School Readiness.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.74. (SDE: First Steps 4K Technology) During the current fiscal year, South Carolina Office of First Steps to School Readiness is authorized to expend up to \$75,000 from the fouryear-old kindergarten carry forward funds to purchase electronic devices for the administration of early literacy and language development <u>required school readiness</u> assessments to children enrolled in the full-day 4K program in private centers in the current fiscal year. The State Office of First Steps may purchase one device, which would be the property of the Office of First Steps, for every ten centers serving children in the program. The regional coordinators who provide support to the centers shall coordinate the usage of the devices among the centers. 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, <u>2016</u> <u>2017</u>.

1.75 AMEND (Teacher Salary Schedule Structure) Directs 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. Directs recommendations be provided to the Chairmen of the Senate Finance and House Ways and Means Committees by November 15, 2015.

WMC: AMEND proviso to direct the department include salary needs information from each of the districts that are or were in the original trial and plaintiff school districts in the Abbeville law suit. Delete the due by date for recommendations. *Allows work to continue*. Fiscal Impact: None. Requested by Department of Education.

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

1.75. (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. *The department shall also include information from each of the districts who are, or were, the original trial and plaintiff school districts in the Abbeville law suit regarding salary needs in those districts* 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.

1.78 DELETE (Transition Funds to Districts) Requires the department transfer unexpended EFA Transition funds to the EFA for disbursement to districts per the formula.

WMC: DELETE proviso. *No funds are being requested for FY 16-17 as the changes were implemented in FY 2014-15.* Fiscal Impact: None. Requested by Department of Education. **HOU:** ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.78. (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.

1.79 CONFORM TO FUNDING / AMEND FURTHER (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent.

WMC: AMEND proviso to update fiscal and calendar year references to "2016-17" and "2017;" permit rather than direct First Steps to retain the first \$2,000,000 of unexpended prior year CDEPP funds; direct that if by August 15th eligible school districts opt to not to participate in the program, the department is authorized to use those unexpended funds to increase participation on a per pupil basis for eligible districts with a documented waiting list; and require the per pupil allocation conform with the amounts appropriated. Delete the requirement that First Steps allocate \$4,250,000 for full-day 4K to SDE and \$2,000,000 for Community Block Grants for Education Pilot Program to the EOC from any unexpended prior year CDEPP funds transferred to the restricted account for those purposes; and that remaining funds be transferred to SDE for full day 4K. *Allows First Steps to use up to \$2,000,000 of any carry forward during the fiscal year for the same purpose and allow carry forward funds to remain in the program for that purpose. The specified allocations have been distributed and that portion of the proviso is no longer needed. Fiscal Impact: No impact on the general fund since these are carry forward funds only. Requested by First Steps to School Readiness. <i>Note: Companion EIA proviso is 1A.71.* **HOU:** ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND FURTHER to change the first "\$2,000,000" to the first "\$1,000,000." Specify that any "additional" unexpended CDEPP funds carried forward are allocated as follows: \$1,000,000 to the EOC for the SC Community Block Grants for Education Pilot Program. Clarify that a

classroom grant must also conform with the amount appropriated. Authorize unexpended funds available from districts opting to not participate in the full-day 4K to also be used to provide professional development and quality evaluations of programs.

1.79. (SDE: CDEPP Unexpended Funds) For Fiscal Year 2015-16 2016-17, the Office of First Steps to School Readiness is directed <u>permitted</u> to retain the first \$2,000,000 \$1,000,000 of any unexpended CDEPP funds from <u>of</u> the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities. By August 1, the Office of First Steps is directed to allocate any <u>additional</u> unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the purposes following purpose:

1. Department of Education - \$4,250,000 for full-day 4K; and

2. Education Oversight Committee - \$2,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

<u>1. Education Oversight Committee - \$1,000,000 for the South Carolina Community</u> <u>Block Grants for Education Pilot Program.</u>

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

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

If by August 1, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act. Funds may also be used to provide professional development and quality evaluations of programs. No later than April 1, 2016 2017, 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.

1.80 DELETE (Literacy Initiatives) Directs the department to evaluate the state literacy initiatives to ensure they are working together to ensure students are best served. Directs that the evaluation include early childhood through high school and professional development initiatives.
WMC: DELETE proviso. *Completed*.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.80. (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.

1.82 AMEND (First Steps Accountability) Requires First Steps to meet federal compliance for Part C of the IDEA and to report to the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor on the specific steps, timeline, and progress made in improving meeting compliance standards for indicators the office was scored as being low performing and

on whether the additional employees authorized by this act are sufficient for compliance. Requires the report be submitted by 12/31/15. Authorizes funds appropriated for BabyNet to be used by First Steps to meet these requirements.

WMC: AMEND proviso to update report due date to December 31, "2016."

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.82. (SDE: First Steps Accountability) Based on the need for stated intervention by the US Department of Education Office of Special Education and Rehabilitative Services (OSEP) in implementing Part C of the Individuals with Disabilities Education Act (IDEA), the Office of First Steps to School Readiness must meet federal compliance for the Part C program. Additionally, the Office of First Steps to School Readiness shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor the specific steps, timeline and progress made in improving meeting compliance standards its performance for those indicators with which the office was scored as being low performing. The report must include a statement regarding whether the additional employees authorized by this act are sufficient for compliance. The report shall also include any correspondence from the US Department of Education concerning the progress made on federal compliance with OSEP state standards. The report must be submitted no later than December 31, <u>2015</u> <u>2016</u>. From the funds appropriated for BabyNet, the Office of First Steps to School Readiness may expend the funds necessary to meet the requirements of this proviso.

1.83 DELETE (Health Education Materials) Requires each school districts to publish on its website the title and publisher of all health education materials it used in the classroom. Requires the department withhold 1% of the district's Student Health and Fitness Act funds if the district is found to be noncompliant with mandated health education until the district is in compliance. WMC: DELETE proviso. Combine this proviso into proviso 1.53 since both direct district compliance with Chapter 32 of Title 59. Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1.83. (SDE: Health Education Materials) From the funds allocated to each school district, each district shall publish on its website the title and publisher of all health education materials it has approved, adopted, and used in the classroom. If the Department of Education determines that a school district is noncompliant with mandated health education, the department shall withhold one percent of the district's funds allocated in Part 1A, Section 1, X. Student Health and Fitness Act until the department determines the district is in compliance.

1.86 AMEND FURTHER (Educational Credit for Exceptional Needs Children) Provides for scholarship funding organizations and individual tax credits for the amount a person contributes for an exceptional needs child within specific parameters.

WMC: AMEND proviso to update fiscal year references to 2016-17. Amend "eligible school" definition in (A)(1)(d) to direct that a school's curriculum must include courses for "graduation certificate requirements (for special needs children)." Add (A)(1)(g) to amend the "eligible school" definition to include a school that provides a specially designed program or learning resource center to provided needed accommodations or provides onsite educational services or supports based on the needs of the student, or is a school that specifically exists to meet only exceptional needs students with documented disabilities. Amend "exceptional needs child" definition in (A)(2)(b) to delete "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." Amend (G)(1) to allow schools that participated in the program in the prior fiscal year to have until December 30 to reapply and allow a school that did not participate in the prior fiscal year to apply at any time during the fiscal year. Direct the EOC to maintain on its website a list of schools that are approved to participate in the program and to update the list when additional schools are approved for eligibility.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER subsection (A)(4)(b) to delete "after its first year of operation." Amend subsection (B)(2) to delete "The cumulative maximum total for credits authorized by this subitem may not exceed four million dollars." Amend (D)(1)(a) to specify that the maximum total credits authorized by subsection (B)(1) may not exceed \$8,000,000 and the maximum total for credits authorized by subsection (B)(2) may not exceed \$4,000,000. Amend subsection (D)(1)(b) to update "2016" to "2017." Amend subsection (F) to add the EOC to the entities that may not regulate the educational program of an independent school that accepts students receiving these scholarship grants. Amend subsection (G)(1) to specify that schools must "continue to comply" with eligibility requirements in order to reapply for participation in the program.

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

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

- (a) offers a general education to primary or secondary school students;
- (b) does not discriminate on the basis of race, color, or national origin;
- (c) is located in this State;

and

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

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

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

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

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

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

(b) (ii) who has been diagnosed within the last three years by a licensed speech-language pathologist, psychiatrist, or medical, mental health, psychoeducational, or other comparable licensed health care provider as having a neurodevelopmental disorder, a substantial sensory or physical impairment such as deaf, blind, or orthopedic disability, or some other disability or acute or chronic condition that significantly impedes the student's ability to learn

and succeed in school without specialized instructional and associated supports and services tailored to the child's unique needs; and .

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(D)(1) (a) The tax credits authorized by subsection (B) may not exceed cumulatively a total of twelve million dollars for contributions made on behalf of exceptional needs students. The maximum total for credits authorized by subsection (B)(1) may not exceed eight million dollars and the maximum total for credits authorized by subsection (B)(2) may not exceed four million dollars. If the department determines that the total of such credits claimed by all taxpayers exceeds either limit amount, it shall allow credits only up to those amounts on a first come, first served basis.

(b) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department shall determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, $\frac{2016}{2017}$, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

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

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

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

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

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

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

(G) (1) By August 1, 2015, each independent school must apply to the Education Oversight Committee to be considered an eligible institution for which it may receive contributions from a nonprofit scholarship funding organization for which the tax credit allowed by this proviso is allowed. The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining *annually* if an eligible school meets the criteria established by subsection (A)(1), and shall publish an approved list of such schools meeting the criteria maintain on its website a list of schools approved for participation in the program. Any school that participated in the program in the prior fiscal year and complied with the requirements of the program and continue to comply would have until December 30 of the current fiscal year to reapply for participation in the program and in the meantime would continue to be an eligible institution unless the school notifies the committee in writing of its decision not to participate in the program. Furthermore, any school that did not participate in the program in the prior fiscal year may apply for participation in the program at any time in the current fiscal year. If an independent school does not apply to be an eligible school, the independent school may not be published as an approved school, and contributions to that school shall not be allowed for purposes of the credit allowed by this proviso. The Education Oversight Committee must publish the approved list of schools on its website by September first of each year, shall update the list upon the approval of additional eligible schools, and the list must include their names, addresses, telephone numbers, and, if available, website addresses. Also, the score reports and audits received by the Education Oversight Committee pursuant to items (2)(b) and (c) must be published with the list. The Education Oversight Committee shall summarize or redact the score reports if necessary to prevent the disclosure of personally identifiable information. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members, including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.87 ADD (Moving Cost Study) **WMC:** ADD new proviso to direct the department to submit a report on the costs associated with moving the department out of the Rutledge building to the Chairmen of the Senate Finance and House Ways and Means Committees and to the Department of Administration by September 1, 2016.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1.87. (SDE: Moving Cost Study) The department shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Department of Administration no later than September 1, 2016, on the costs associated with relocating the Department of Education from the Rutledge building to a different location.

1.88 CONFORM TO FUNDING / AMEND NEW PROVISO (Technology Technical Assistance) WMC: ADD new proviso to require the department to use Technology Technical Assistance funds to increase the capacity of the original trial and plaintiff school districts in the Abbeville law suit. Direct that the funds be used to assist school districts to procure appropriate technology devices and infrastructure in accordance with technology review team recommendations in order to begin to build the capacity to offer online testing and increased access.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND new proviso to allow school districts to apply to the State Board of Education for a waiver from the requirement that all assessments be administered online.

1.88. (SDE: Technology Technical Assistance) Funds appropriated to the Department of Education for Technology Technical Assistance must be used to increase the capacity of districts who are or were the original trial and plaintiff school districts in the Abbeville law suit. Funds shall be used by the department to assist school districts in procuring appropriate technology to include devices and infrastructure in accordance with the recommendations made by the technology review team to begin to build capacity to offer online testing and increased access. For the current fiscal year districts may request a waiver from the State Board of Education from the requirement that all assessments be administered online.

1.89 DELETE NEW PROVISO (College Readiness Assessment) **WMC:** ADD new proviso to direct the department to procure a college readiness assessment and that the assessment or alternate college readiness measure, approved by the department according to the student's Individualized Education Program, be administered in the 11th grade. Require the department collect the percentage of students taking the college readiness assessment from the districts. **HOU:** ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: DELETE new proviso. *See new proviso 1A.cra.*

1.89. (SDE: College Readiness Assessment) For the current fiscal year, the Department of Education is directed to procure a college readiness assessment. The assessment, or an alternate college readiness measure approved by the department as set forth by the student's Individualized Education Program, must be administered to all students in grade 11. A testing accommodation made for a student must be selected from a vendor-approved accommodations list and included in the student's Individualized Education 504 of the Rehabilitation Act of 1973, 34 C.F.R. Part 104. The department will collect from districts the percentage of students taking the college readiness assessment.

1.91 CONFORM TO FUNDING / AMEND NEW PROVISO FURTHER (Teacher Salaries Increase) **WMC:** ADD new proviso to direct the department to increase the statewide salary schedule by 2% and require a local school district board of trustees provide all certified teachers paid on the teacher salary schedule the 2% increase. Direct that if a school district's salary schedule does not go beyond 22 years, the trustees must increase the salary of all eligible certified teachers entering the 23rd year by an amount equal to a step on the salary schedule. Allow for a

waiver from the requirements of this provision under certain conditions. *Note: Companion EIA proviso is 1A.79.*

HOU: AMEND new proviso to direct school districts to use the additional funds from the "Education Finance Act" rather than the "Teacher Salary Supplement" to provide 1% of the required 2% increase. Sponsor: Rep. Bingham.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND FURTHER to specify that in providing this increase districts are to use the prior year's district salary schedule as its base.

1.91. (SDE: Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule <u>utilized the prior fiscal year</u> as its base. School districts shall utilize the additional funds made available from the Education Finance Act appropriation to provide one percent of the required two percent increase.

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

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

1.92 CONFORM TO FUNDING / ADD (Facilities Tracking System and Assessment Assistance) **HOU:** ADD new proviso to direct that funds appropriated for facilities assessment be used to compile information on each school district and charter school facilities and maintenance needs. Sponsor: Rep. Bingham.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADOPT new proviso.

1.92. (SDE: Facilities Tracking System and Assessment Assistance) Funds appropriated to the Department of Education for facilities assessment shall be used to compile information regarding facilities and maintenance needs of each school district. Charter schools must be included.

SECTION 1A - H630 - DEPARTMENT OF EDUCATION-EIA

1A.2 AMEND (African-American History) Authorizes African-American History curricula funds to be carried forward and directs the expenditure of these funds.
WMC: AMEND proviso to direct that funds that are currently a salary line item be reallocated for development of instructional materials and programs and implementation of professional learning opportunities that promote African-American history and culture. Amend the directive that the department expend 70% of the funds through a "competitive bids" process and instead direct that the funds be expended through a "grant" process. Delete the priority requirement. Fiscal Impact: None. Requested by Department of Education.
HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.2. (SDE-EIA: African-American History) Funds provided for the development of the African-American History curricula may be carried forward into the current fiscal year. <u>Funds</u> that are currently a salary line item will be reallocated for the development of instructional materials and programs and the implementation of professional learning opportunities that promote African American history and culture. For Fiscal Year 2014-15 2016-17 not less than seventy percent of the funds carried forwarded must be expended for the development of additional instructional materials by nonprofit organizations selected through a competitive bids grant process by the Department of Education. Priority must be given to organizations that have already produced materials that are currently being used by schools and outreach programs that reflect African American culture and history and that support literacy efforts.

1A.4 AMEND FURTHER (Teacher Salaries/State Agencies) Provides for the distribution of Alloc. EIA - Teacher/Other Pay to adjust teacher pay based on the local school district where the agency is located for instructional personnel employed by a state agency not containing a school district. Directs that the salary adjustment will be distributed by the Executive Budget Office.

WMC: AMEND proviso to direct that affected agencies receive an appropriation as recommended by the EOC rather than an allocation from the specific line item. Delete the requirement that the EBO distribute the line item funds and instead direct that teacher salary increases recommended by the EOC and funded in this Act be incorporated into each agency's EIA appropriations contained in Section 1, VIII.E.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to specify that agencies receive an appropriation as recommended by the EOC "and funded by the General Assembly."

1A.4. (SDE-EIA: Teacher Salaries/State Agencies) Each state agency which does not contain a school district but has instructional personnel shall receive an allocation from the line item "Alloc. EIA - Teacher/Other Pay" in Part IA, Section 1, VIII.E. appropriation as recommended by the Education Oversight Committee and funded by the General Assembly for teacher salaries based on the following formula: Each state agency shall receive such funds as are necessary to adjust the pay of all instructional personnel to the appropriate salary provided by the salary schedules of the school district in which the agency is located. Instructional personnel may include all positions which would be eligible for EIA supplements in a public school district, and may at the discretion of the state agency, be defined to cover curriculum development specialists, educational testing psychologists, psychological and guidance counselors, and principals. The twelve-month agricultural teachers located at Clemson University are to be included in this allocation of funds for base salary increases. The South Carolina Governor's School for the Arts and Humanities and the South Carolina Governor's School for Science and Mathematics are authorized to increase the salaries of instructional personnel by an amount equal to the percentage increase given by the School District in which they are both located.

The funds appropriated herein in the line item "Alloc. EIA Teacher/Other Pay" must be distributed to the agencies by the Executive Budget Office. <u>Teacher salary increases</u> recommended by the Education Oversight Committee and funded in this Act shall be incorporated into each agency's EIA appropriation contained in Section 1, VIII.E.

1A.12 AMEND FURTHER (Technical Assistance) Provides guidelines for the distribution of funds appropriated for technical assistance to schools with an absolute rating of below average or atrisk on the most recent annual school report card.

WMC: AMEND proviso to direct that the funds be used to provide "intensive support" to those schools and districts as well as those with the lowest percentages of students meeting state standards on state assessments on the most recent state assessments or with the lowest high school graduation rates. Direct the department to create a system of tiers of technical assistance for low-performing schools and districts and require schools and districts to be placed within the tiered framework by December 15. Provide for low-performing schools to receive diagnostic reviews. Require the department to monitor progress on implementation of amended plans and report their findings to the local legislative delegation and the Governor. Direct that technical assistance funds must be used for implementation and delivery of technical assistance to schools identified as low-performing and to support priority schools under the tiered system. Authorize the State Superintendent of Education to declare a state of emergency in a school district or school under specific criteria and provide for the management of the school or district. Delete prior funding methodology for schools with approved school renewal plans.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to require findings also be reported to the Chairmen of the Senate Finance, House Ways and Means, Senate Education, and House Education and Public Works Committees. Delete specific reference to failure to show improvement "on the state accountability system" for conditions under which the State Superintendent of Education may declare a state of emergency in a district.

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

Schools receiving an absolute rating of below average or at risk Low-performing schools shall receive a diagnostic review through the department. In addition, newly identified lowperforming schools and districts must be reviewed by an External Review Team in the year of designation, and every third year thereafter. Based upon the recommendations in the review(s), low-performing schools and districts must develop and submit to the Department of Education a an updated school renewal <u>or district strategic</u> plan outlining goals for improvements. <u>The</u> amended plans must address specific strategies designed to increase student achievement and must include measures to evaluate the success of implementation of the plan. Of the technical assistance funds allocated to below average or at risk schools each allocation must address specific strategies designed to increase student and must include measures to evaluate success. The school renewal plan may include expenditures for recruitment incentives for faculty and staff, performance incentives for faculty and staff, assistance with curriculum and

test score analysis, professional development activities based on curriculum and test score analysis that may include daily stipends if delivered on days outside of required contract days. School expenditures of technical assistance shall be monitored by the Department of Education.

With the funds appropriated to the Department of Education, and any experts placed in the school or district for technical assistance services, the department will assist low-performing schools and districts with an absolute rating of below average or at risk in designing and implementing technical assistance school renewal the strategies and measurement identified in the amended plans and in brokering for technical assistance personnel as needed and as stipulated in the plan. In addition, the department must monitor student academic achievement and progress on implementation the expenditure of technical assistance funds in schools receiving these funds and report their findings to the General Assembly and the Education Oversight Committee by January first of each fiscal year as the General Assembly may direct Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee, the Chairman of the House Education and Public Works **Committee. the** local legislative delegation, and the Governor in the fall following the school or district designation as low-performing. If the Education Oversight Committee or the department requests information from schools or school districts regarding the expenditure of technical assistance funds pursuant to evaluations, the school or school district must provide the evaluation information necessary to determine effective use. If the school or school district does not provide the evaluation information necessary to determine effective use, the principal of the school or the district superintendent may be subject to receiving a public reprimand by the State Board of Education if it is determined that those individuals are responsible for the failure to provide the required information.

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

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

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

laws do not apply to educators who are currently <u>on July 1, 2009 were</u> on an induction or annual contract, that subsequently are <u>were</u> offered continuing contract status after the effective date of this proviso, and are employed at a school that is subject to reconstitution under this proviso.

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

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

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

1A.14 AMEND FURTHER (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 delete reference to "noninstruction pupil services" in the requirement that at least 75% be used for specific purposes and specify that no portion of the 75% may be used for "operations." *Note: Companion General Education proviso is 1.28.*

HOU: AMEND FURTHER on the restrictions on what the 75% may not be used for change "operations" to "facilities;" direct that the school district also report the actual percentage of its pupil expenditures used for only transportation, food service and safety within non-instruction pupil services. Sponsor: Rep. Bingham.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to change the restrictions on what the 75% may be used for to include "only transportation, food service, and safety" within non-instruction pupil services.

1A.14. (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

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 subfunction and service area level, except for four-year old programs and programs serving students with disabilities who have Individualized Education Programs.

In order for a school district to take advantage of the flexibility provisions, at least seventyfive percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, <u>and</u> instructional support, and <u>only transportation, food service, and</u> <u>safety within</u> non-instruction pupil services. No portion of the seventy-five percent may be used for <u>facilities</u>, 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 only transportation, food service, and safety within 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.

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. Nothing in this proviso shall be interpreted as prohibiting the State Board of Education to exercise its authority to grant waivers under Regulation 43-261.

1A.17 AMEND FURTHER (Assessment) Authorizes assessment funds to be carried forward to pay for state assessment activities and directs that PSAT reimbursements shall resume in the current fiscal year.

WMC: AMEND proviso to specify reimbursements shall also resume for 10th grade Aspire **HOU:** ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to also resume reimbursements for Pre-ACT.

1A.17. (SDE-EIA: Assessment) The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the same purpose. Reimbursements shall resume in the current fiscal year for PSAT <u>*Pre-ACT*</u> or 10th grade Aspire</u>.

1A.20 AMEND (Certified Staff Technology Proficiency) Requires the department to approve district technology plans to ensure the incorporation of certified staff technology competency standards requiring the demonstration of proficiency in these standards each certified staff's professional development plan. Direct that evidence of compliance is a prerequisite for expenditure of district technology funds.

WMC: AMEND proviso to delete the specified preferred method for demonstrating technology proficiency and instead direct that "District adopted technology proficiency standards and plan should be, at a minimum," aligned to ISTE teacher standards. *The company that developed and supported the system referenced has been dissolved*.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.20. (SDE-EIA: Certified Staff Technology Proficiency) To ensure the effective and efficient use of the funding provided by the General Assembly in Part IA, Section 1 VIII.D. for school technology in the classroom and internet access, the State Department of Education shall approve district technology plans that specifically address and incorporate certified staff technology competency standards and local school districts must require certified staff to demonstrate proficiency in these standards as part of each certified staff's Professional Development plan. The Department of Education's professional development tracking, prescriptive and electronic portfolio system for certified staff is the preferred method for demonstrating technology proficiency as this system is <u>District adopted technology proficiency standards</u>. Evidence that districts are meeting the requirement is a prerequisite to expenditure of a district's technology funds.

1A.21 AMEND (Accountability Program Implementation) Authorizes the EOC to carry forward unexpended EAA funds specifically authorized for administration of the committee.

WMC: AMEND proviso to allow the EOC to carry forward unawarded EIA S.C. Community Block Grants for Education Pilot Program funds and to use these funds for an independent common evaluation of each awarded grant.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.21. (SDE-EIA: Accountability Program Implementation) To support implementation of the accountability program, the Education Oversight Committee may carry forward unexpended Education Accountability Act funds authorized specifically for the administration of the Education Oversight Committee. *For the current fiscal year the Education Oversight Committee may carry forward prior year EIA South Carolina Community Block Grants for Education Pilot Program funds not awarded by the grant committee. These funds must be used for an independent common evaluation of each awarded grant to ensure high quality programs that maximize a return on the state's investment.*

1A.24 AMEND FURTHER (Students at Risk of School Failure) Directs the expenditure of funding allocated for students at risk of school failure.

WMC: AMEND proviso to change the poverty index measure from "student eligibility for free or reduced lunch program and Medicaid" to "students identified using the USDA Community Eligibility guidelines, students on Medicaid, students identified as Migrant and students identified as Homeless." *To reflect the updated calculation to identify students in poverty. USDA Community Eligibility guidelines includes TANF, SNAP and Foster Children.* Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to change the poverty index measure to students identified using the USDA community eligibility criteria and to also include students eligible for Medicaid, children classified as Transient, and children classified as Homeless.

1A.24. (SDE-EIA: Students at Risk of School Failure) For the current fiscal year, EIA funds appropriated for students at academic risk of school failure, which include funds for Act 135 Academic Assistance, summer school, reduce class size, alternative schools, parent support and family literacy, must be allocated to school districts based two factors: (1) the poverty index

of the district as documented on the most recent district report card, which measures student eligibility for the free or reduced price lunch program and Medicaid students identified using the USDA Community Eligibility guidelines and students on Medicaid, students identified as Migrant and students identified as Homeless community eligibility criteria and will also include students eligible for Medicaid, children classified as Transient, and children classified as Homeless; and (2) the number of students not in poverty or eligible for Medicaid but who fail to meet state standards on state standards-based assessments in either reading or mathematics. At least eighty-five percent of the funds allocated for students classified as at academic risk must be spent on instruction and instructional support for these students who generated the funds. Instructional support may include family literacy and parenting programs to students at-risk for school failure and their families. Students at academic risk are defined as students who are at risk of not graduating from high school because they failed either the English language arts or mathematics portion of the High School Assessment Program on first attempt and who score not met on grades three through eight in reading and mathematics state assessments. Public charter schools, the Palmetto Unified School District, and the Department of Juvenile Justice must also receive a proportionate per pupil allocation based on the number of students at academic risk of school failure served.

1A.25 AMEND (Professional Development) Allows up to \$500,000 of professional development funds to be used for gifted and talented teacher endorsement and certification activities. Directs that school district allocations must be based on WPUs and be expended on professional development for certified instructional personnel teaching in grades K through 12 across all content areas. Authorizes the department to retain up to 25% for administration and for providing professional development services. Requires the department to post professional development standards on their website and provide training through telecommunication methods.

WMC: AMEND proviso to require the department to target the use of the 25% to districts who are or were the original trial and plaintiff school districts in the Abbeville law suit to increase the capacity of educators and leaders in those districts. Authorize unexpended professional development funds to be carried forward and used for the same purpose. Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.25. (SDE-EIA: Professional Development) Of the funds appropriated for professional development, up to \$500,000 may be expended for gifted and talented teacher endorsement and certification activities. The balance of EIA funds appropriated for professional development must be allocated to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the one hundred thirty-five day count of the prior school year. The funds must be expended on professional development for certificated instructional and instructional leadership personnel in grades kindergarten through twelve across all content areas, including teaching in and through the arts. No more than twentyfive percent of the funds appropriated for professional development may be retained by the Department of Education for the administration and provision of other professional development services which must be targeted to districts who are or were the original trial and plaintiff school districts in the Abbeville law suit to increase the capacity of educators and leaders in those districts. The Department of Education must provide professional development on assessing student mastery of the content standards through classroom, formative and end-of-year assessments. The Department of Education also must post on the agency's website the South Carolina Professional Development Standards and provide training through telecommunication

methods to school leadership on the professional development standards. <u>The department is</u> <u>authorized to carry forward and expend professional development funds for the same purpose.</u>

1A.26 CONFORM TO FUNDING / AMEND (Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Directs that up to \$4,600,000 of assessment funds be used for assessments to determine gifted and talented programs eligibility and for the cost of AP and IB exams.

WMC: AMEND proviso to change "\$4,600,000" to "\$5,400,000. Use of additional funds will be required due to increased participation in AP testing and in order to have funds for the IB exams. Reflects actual cost. Fiscal Impact: The department anticipates an additional \$700,000 will be needed for FY 16-17. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADOPT proviso as amended.

1A.26. (SDE-EIA: Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Of the funds appropriated and/or authorized for assessment, up to $\frac{4,600,000 \pm 5,400,000}{5,400,000}$ shall be used for assessments to determine eligibility of students for gifted and talented programs and for the cost of Advanced Placement and International Baccalaureate exams.

1A.27 CONFORM TO FUNDING / AMEND (Adult Education) Provides for the allocation of adult education funds to school districts. Requires districts to collect and report certain information to the department and for the department to provide summary information to certain legislative committees.

WMC: AMEND proviso to allow up to \$300,000 to be used to establish an initiative for qualifying adult education students to qualify for a free high school equivalency test and direct the department to establish guidelines for this initiative. Fiscal Impact: The department is requesting \$1.5 million for Adult Education. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADOPT proviso as amended.

1A.27. (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, 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. Up to a maximum of \$300,000, of funds may be used to establish an initiative by which qualifying adult education

students may qualify for a free high school equivalency test. The Department of Education shall establish guidelines for the free high school equivalency testing initiative.

1A.28 AMEND (Clemson Agriculture Education Teachers) Provides for funds to be transferred to Clemson University PSA to fund summer employment of agricultural teachers and to cover statemandated salary increases on that portion of agricultural teachers' salaries.
WMC: AMEND provides to archive the funds to be provided for a Provided formation of agricultural teachers' salaries.

WMC: AMEND proviso to authorize the funds to be used for a Regional Coordinator if there are sufficient funds. Requested by Clemson University PSA.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.28. (SDE-EIA: Clemson Agriculture Education Teachers) The funds appropriated in Part IA, Section VIII.E. for Clemson Agriculture Education Teachers must be transferred to Clemson University PSA to fund summer employment of agriculture teachers and to cover state-mandated salary increases on that portion of the agriculture teachers' salaries attributable to summer employment. <u>If sufficient funds remain, Clemson University PSA may utilize such funds for a Regional Coordinator.</u>

1A.33 AMEND FURTHER (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, 2015.

WMC: AMEND proviso to update the report due date to 2016.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to also allow these funds to be used to resolve pending IDEA maintenance of effort litigation. Direct the department to also distribute these funds as directed in any litigation settlement agreement.

1A.33. (SDE-EIA: IDEA Maintenance of Effort) Prior to the dispersal of funds appropriated in Section VIII.A.1. Aid to Districts according to Proviso 1A.31 for the current fiscal year, the department shall direct funds appropriated in Section VIII.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 or to resolve pending litigation concerning the IDEA maintenance of effort. Funds provided for the maintenance of effort for IDEA these purposes 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 or as directed in any litigation settlement agreement. 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, 2015 2016, the department must submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor.

1A.37 DELETE (Career and Technology Education Consumables) Allows the department to use a maximum of 25% of Modernize Vocational Equipment, Career and Technology Education funds

to purchase textbooks, instructional materials, and other consumables used in classroom instruction. Authorizes Modernize Vocational Equipment and Tech Prep funds to be carried forward and used for the same purpose.

WMC: DELETE proviso. *The department states this proviso will be consolidated in proviso lA.ctef directing the use of funds for vocational equipment. Districts will continue to be able to use such funds for consumable replacement under the new proviso.* Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.37. (SDE-EIA: Career and Technology Education Consumables) <u>A maximum of</u> 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.41 DELETE (Assessment Preparation) Directs the department institute a plan to review the strengths and weaknesses of students on national assessments and to use the results to provide guidance to local school districts.

WMC: DELETE proviso. *The department states the program has not been implemented. The department will develop guidelines for technical assistance and professional development for educator teams to evaluate student performance on assessments and to provide guidance on how results should inform instruction.* Fiscal Impact: None. Requested by Department of Education. **HOU:** ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.41. (SDE-EIA: Assessment Preparation) From the funds appropriated in Part IA for Assessment Preparation, the Department of Education shall institute a plan reviewing the strengths and weaknesses of students on national assessments such as, but not limited to, the SAT, ACT, WorkKeys, GED, Advanced Placement exams, and International Baccalaureate exams. The department shall use reports that analyze student strengths and weaknesses to provide guidance to local school districts.

1A.54 AMEND FURTHER (South Carolina Public Charter School District Funding) Provides for the allocation of S.C. Public Charter School District funds 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 and directs that any excess funds be transferred to the Charter School Facility Revolving Loan Program.

WMC: AMEND proviso to extend the timelines for ruling on charter school applications in FY 2016-17 by 60 days if the Public Charter School District determines an applicant should be allowed to amend its application to meet the requirements of Sections 59-40-60 [CHARTER APPLICATION; REVISION; FORMATION OF CHARTER SCHOOL; CHARTER COMMITTEE; APPLICATION REQUIREMENTS] and 59-40-70 [APPLICATION REQUIREMENTS; HEARING; APPEAL] based on their proposal to address an existing achievement gap in an underserved area of the state including, but not limited to, school district plaintiffs in the Abbeville law suit. Direct the EOC to report to the Ways and Means Committee at the end of the application cycle on the outcome of extending the hearing time.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to require the S.C. Public Charter School District provide the outcomes report rather than the EOC and also have the Senate Finance Committee receive the report.

1A.54. (SDE-EIA: South Carolina Public Charter School District Funding) The funds appropriated in Part IA, Section VIII.G. - 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: Pupils enrolled in virtual charter schools sponsored by the South Carolina Public Charter School District 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 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. For Fiscal Year 2016-17, the timelines set forth for ruling on charter school applications are extended for sixty calendar days for all applications submitted to the South Carolina Public Charter School District if the district determines that an applicant should be permitted to amend its application to meet the requirements of Section 59-40-60 and Section 59-40-70, of the 1976 Code, based on an applicant's proposal to address an existing achievement gap utilizing an evidence-based educational program in an underserved geographical area of the state including, but not limited to, charter schools proposed to be located in any school district that is a plaintiff in the Abbeville law suit. The **Education Oversight** Committee South Carolina Public Charter School District shall report to the Senate Finance **Committee and the** House Ways and Means Committee on the outcomes of this extended time for a hearing at the end of the application cycle.

1A.55 CONFORM TO FUNDING / REINSERT (Low Achieving Schools) Directs the EOC to use \$500,000 of the Partnerships for Innovation funds to support up to 3 low-achieving schools to design and plan for implementing innovative, research-based strategies that are focused on recruiting and retaining highly effective teachers and on increasing time-on task. Directs the EOC to assist schools to determine the evidence to be collected to measure initiative effectiveness and to identify resources to support the initiative and to collaborate with TransformSC. WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / REINSERT original proviso.

1A.55. (SDE-EIA: Low Achieving Schools) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$500,000 must be allocated to support up to three low-achieving schools in designing and planning for implementation innovative, research-based strategies focused on recruiting and retaining highly effective teachers and on increasing time-on-task through the amount of time, the quality of instruction and the engagement of students. The committee will assist the schools in determining the evidence that will be collected to measure the effectiveness of the initiative and in identifying resources to support the initiative and in collaborating with TransformSC.

1A.56 DELETE (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: DELETE proviso.

HOU: ADOPT deletion of proviso. **SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

1A.56. (SDE-EIA: Public Charter School District Hold Harmless) For Fiscal Year 2015-16, the South Carolina Public Charter School District must use up to \$3,000,000 in prior year earry 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.58 DELETE (Palmetto Priority School) Requires up to \$2,200,000 of EAA-Technical Assistance funds be spent to provide \$200,000 to each school designated as a Palmetto Priority School in the prior year that meet certain criteria and allows the funds to be reduced on a pro-rata basis if there is not sufficient funds to provide the \$200,000.

WMC: DELETE proviso. *Proviso is no longer needed*. Requested by Department of Education. **HOU:** ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.58. (SDE-EIA: Palmetto Priority School) Of the funds appropriated for EAA-Technical Assistance, up to \$2,200,000 must be expended to provide \$200,000 to each school that was designated by the department as a Palmetto Priority School in the prior year, but did not receive an allocation of EIA technical assistance funds in the prior fiscal year to improve teacher recruitment and retention, to reduce the district's dropout rate, to improve student achievement in reading/literacy, or to train teachers in how to teach children of poverty as stipulated in the school's renewal plan. If funds are not sufficient to provide \$200,000 to each qualifying school, the \$200,000 shall be reduced on a pro-rata basis.

1A.60 AMEND (BabyNet Early Intervention Autism Therapy) Requires the \$814,348 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 direct that the provider rate is \$13.58 per hour "or the current Medicaid rate, whichever is higher." *The amount currently in the proviso was the Medicaid rate when the proviso was originally drafted. The change would require the payment to be adjusted up if the current Medicaid rate is higher.* Fiscal Impact: No impact at this time. Requested by First Steps to School Readiness.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.60. (SDE-EIA: BabyNet Early Intervention Autism Therapy) The \$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 or the current Medicaid rate, whichever is higher, 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.63 DELETE (Technology/Device Pilot Project) Authorizes the department to use up to \$4,500,000 of available carry forward funds to purchase electronic devices and digital content and to select up to six schools to participate in the pilot project. Provides guidelines for implementation of the pilot project and requires 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.
WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.63. (SDE-EIA: 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, not including CDEPP or 4K funds, for the purchase of electronic devices and digital content. The Department of Education 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 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 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.68 AMEND (4K Early Literacy Competencies Assessments) Provides for the use of full-day 4K program carry forward funds to procure and administer pre-kindergarten and kindergarten readiness assessments.

WMC: AMEND proviso to delete the directive that the department, in consultation with First Steps, select up to 3 formative assessments and instead direct the department to manage the administration of the assessments as done in the prior fiscal year. Direct that accommodations that do not invalidate assessment results must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. Delete the requirement that school districts and private providers be allocated \$15 per child to cover the cost of the formative assessment and for them to report electronically to the department on the results of each individual assessment. *The department wants to use the same assessments as were used in the prior year until the KEA work on the numeracy readiness assessment which is being piloted in North Carolina is completed.* Fiscal Impact: None. Requested by Department of Education. **HOU:** ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.68. (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 shall manage the administration of assessments that analyze the early literacy and language development of children in publicly funded prekindergarten as done in the prior fiscal year. 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. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. 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 The department will provide the assessment data to the Education Oversight Committee. 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. <u>Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan.</u> Districts are given the option of designating up to two days of the one hundred eighty day school calendar to administer the assessment to kindergarten students. The department will also provide the results of 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.70 DELETE (Statewide Assessment Procurement) Directs the department, in consultation with the State Board of Education and the EOC to use assessment funds to issue a procurement for a statewide assessment to students in grades 3-8 in English/language arts and math the meet EAA requirements. Requires the assessment be a rigorous achievement assessment that measures student mastery of the SC College and Career-Ready Standards.

WMC: DELETE proviso. *The procurement has been completed.* Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.70. (SDE-EIA: Statewide Assessment Procurement) With the funds appropriated and carried forward for assessment, the Department of Education, in consultation with the State Board of Education and the Education Oversight Committee pursuant to Section 59–18–320 of the 1976 Code, is directed to issue a procurement for a statewide assessment to students in grades 3 through 8 in English/language arts and mathematics that meet the requirements of the Education Accountability Act as amended by Act 200 of 2014. The assessment must be a rigorous, achievement assessment that measures student mastery of the SC College and Career Ready Standards, that provides timely reporting of results to educators, parents, and students, and that measures each student's progress toward college and career readiness.

In addition, the Department of Education, in consultation with the State Board of Education and the Education Oversight Committee pursuant to Section 59-18-320, is directed to issue a procurement for a statewide assessment of students in grade 11 that meets the requirements of the Education Accountability Act as amended by Act 155 of 2014. The procured assessments are to be administered in school year 2015-16.

1A.71 CONFORM TO FUNDING / AMEND FURTHER (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent.

WMC: AMEND proviso to update fiscal and calendar year references to "2016-17" and "2017;" permit rather than direct First Steps to retain the first \$2,000,000 of unexpended prior year CDEPP funds; direct that if by August 15th eligible school districts opt to not to participate in the program, the department is authorized to use those unexpended funds to increase participation on a per pupil basis for eligible districts with a documented waiting list; and require the per pupil

allocation conform with the amounts appropriated. Delete the requirement that First Steps allocate \$4,250,000 for full-day 4K to SDE and \$2,000,000 for Community Block Grants for Education Pilot Program to the EOC from any unexpended prior year CDEPP funds transferred to the restricted account for those purposes; and that remaining funds be transferred to SDE for full day 4K. Allows First Steps to use up to \$2,000,000 of any carry forward during the fiscal year for the same purpose and allow carry forward funds to remain in the program for that purpose. The specified allocations have been distributed and that portion of the proviso is no longer needed. Fiscal Impact: No impact on the general fund since these are carry forward funds only. Requested by First Steps to School Readiness. Note: Companion General Education proviso is 1.79.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND FURTHER to change the first "\$2,000,000" to the first "\$1,000,000." Specify that any "additional" unexpended CDEPP funds carried forward are allocated as follows: \$1,000,000 to the EOC for the SC Community Block Grants for Education Pilot Program. Clarify that a classroom grant must also conform with the amount appropriated. Authorize unexpended funds available from districts opting to not participate in the full-day 4K to also be used to provide professional development and quality evaluations of programs.

1A.71. (SDE-EIA: CDEPP Unexpended Funds) For Fiscal Year 2015-16 2016-17, the Office of First Steps to School Readiness is directed <u>permitted</u> to retain the first \$2,000,000 \$1,000,000 of any unexpended CDEPP funds from <u>of</u> the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities. By August 1, the Office of First Steps is directed to allocate any <u>additional</u> unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the purposes following purpose:

1. Department of Education - \$4,250,000 for full-day 4K; and

2. Education Oversight Committee - \$2,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

<u>1. Education Oversight Committee - \$1,000,000 for the South Carolina Community</u> <u>Block Grants for Education Pilot Program.</u>

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

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

If by August <u>1</u>, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act. Funds may also be used to provide professional development and quality evaluations of programs. No later than April 1, 2016 2017, 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.

1A.72 CONFORM TO FUNDING / AMEND NEW PROVISO (College and Career Readiness) WMC: ADD new proviso to require the department to use District College and Career Readiness Assistance funds to increase the capacity of the original trial and plaintiff school districts in the Abbeville law suit. Direct that the funds be used to provide assistance using educators with demonstrated effectiveness in instructional leadership and direct that support include specific resources to ensure that educators are equipped with tools to provide students with high quality, personalized learning that supports the Profile of the South Carolina Graduate. HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND new proviso to direct the department to report to the Chairmen of the Senate Finance and House Ways and Means Committees how these funds were spent.

1A.72. (SDE-EIA: College and Career Readiness) Funds appropriated to the Department of Education for District College and Career Readiness Assistance must first be used to increase the capacity of districts that are or were the original trial and plaintiff school districts in the Abbeville law suit. Funds shall be used by the department to provide assistance to districts using appropriately experienced educators with demonstrated effectiveness in instructional leadership. Support shall include professional development, standards and learning support, instructional support, data analysis and leadership development resources to ensure that educators are equipped with the tools to provide students with high quality, personalized learning that supports the Profile of the South Carolina Graduate. The department shall report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on how these funds were expended.

1A.73 CONFORM TO FUNDING / ADD (Industry Certifications/Credentials) WMC: ADD new proviso to direct that Industry Certification/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year. Direct the department to work with the Departments of Commerce and Employment and Workforce, state and local chambers of commerce and economic development offices, and the Tech board to ensure students are aware of industry required credentials for current job availability. *Currently the state does not provide funding to assist with the cost for current industry certificates and credentials for students.* Fiscal Impact: \$5,000,000 EIA funds requested for this purpose. Requested by Department of Education.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADOPT new proviso.

1A.73. (SDE-EIA: Industry Certifications/Credentials) The funds appropriated for Industry Certifications/Credentials must be allocated to school districts based upon the number of national industry exams administered in the prior schoolyear. The department will identify the national industry exams that will be funded based upon the job availability in the state. School districts may carry forward funds from the prior fiscal year into the current fiscal year and expend the funds for the cost of national industry exams. The department shall work with the Department of Commerce, the Department of Employment and Workforce, state and local chambers of commerce and economic development offices and the Tech Board to ensure that students are aware of the industry required credentials for current job availability in the state organized by region.

1A.74 ADD (Career and Technical Equipment Funding) WMC: ADD new proviso to allow Modernize Career and Technical Equipment funds to be distributed to school districts and multi-

district career centers, at not less than \$50,000 each, to purchase career and technical equipment, to up-fit facilities, and to purchase consumables . Require the district plan submitted to the Office of Career and Technology Education contain information on other available career and technical equipment, including equipment located at the career center and the technical college; and include information on the alignment of equipment to current industry jobs and needs. Require district plans include charter schools offering at least one career and technical education completer program. Authorize school districts and career centers to carry forward these funds for the same purpose. *To align current vocational equipment needs with industry needs and employment trends and to further delineate what expenditures are permitted. Replaces proviso 1A.37*. Fiscal Impact: None. Requested by Department of Education.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1A.74. (SDE-EIA: Career and Technical Equipment Funding) Funds appropriated for Modernize Career and Technical Equipment will be distributed to school districts and multidistrict career centers based on the prior year actual student enrollment for career and technology education courses, with no district or multi-district career center receiving less than \$50,000. Funds may be expended for the purchase of career and technical equipment, the up fitting of facilities and the purchase of consumables. Each district must include in the district plan submitted to the Office of Career and Technology Education information on other career and technical equipment available. The district must include, at a minimum, equipment located at the career center and at the technical college, information on the alignment of equipment to current industry jobs and needs in the state as recommended by career and technical program advisory committees. District plans must include charter schools within the school district offering at least one career and technical education completer program. School districts and career centers may carry forward unexpended funds to be used for the same intended purposes to up fit career and technical facilities and replace career and technical program consumables.

1A.75 CONFORM TO FUNDING / AMEND NEW PROVISO (Digital Learning) WMC: ADD new proviso to authorize the EOC to use \$1,900,000 of Partnerships for Innovation funds to enter into one-year MOAs with public and private entities to pilot computer science initiatives in schools and school districts. Direct that at least \$1,500,000 be authorized for schools or school districts that have a poverty indices of 80% or greater or are an Abbeville equity lawsuit trial or plaintiff district.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND new proviso to specify that the poverty indices of 80% or greater are based on the poverty indices used the prior fiscal year that was student eligibility for the free or reduced price lunch program and Medicaid.

1A.75. (SDE-EIA: Digital Learning) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$1,900,000 will be authorized to be utilized to enter into one-year memoranda of agreements with public and private entities to pilot computer science initiatives in schools and school districts. The initiatives must focus on improving the digital literacy skills of students and teachers, expanding opportunities for students to learn coding, or providing computer science curriculum. To this end, at least \$1,500,000 must be authorized for schools or school districts that have poverty indices of eighty percent or greater based on the poverty index utilized the prior fiscal year that was student eligibility for the free or reduced price lunch program and Medicaid, or are a trial or plaintiff district in the Abbeville equity lawsuit. In these districts, the EOC will pilot a program that provides school districts with

digital learning tools, digital resources, the curriculum foundry, technical support, and professional development.

1A.76 CONFORM TO FUNDING / ADD (South Carolina IT Academy) WMC: ADD new proviso to direct the department to procure an IT Academy for public schools statewide and direct that the academy offer certification opportunities for educators to receive Teacher Certification Exams and for middle school students to receive certification in an office suite of products and for high school students to receive programming credentials.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

1A.76. (SDE-EIA: South Carolina IT Academy) Of the funds appropriated for the South Carolina IT Academy, the Department of Education shall procure an IT Academy for public schools statewide in the coming school year. The IT Academy must offer certification opportunities for educators to receive Teacher Certification Exams and for students to receive certifications in an office suite of products in the middle grades and programming credentials in high school. The procurement shall include official curriculum, e-learning, E-books, exams, software and lesson plans.

1A.77 CONFORM TO FUNDING / ADD (Family Connection South Carolina) WMC: ADD new proviso to direct that funds appropriated for Family Connection South Carolina be transferred to the entity in quarterly installments and be used to provide support to families of children with disabilities. Direct the department to establish guidelines for the entity to provide planning documents to the department by July 15th, and for reporting expenditures quarterly, along with an annual performance report.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

1A.77. (SDE-EIA: Family Connection South Carolina) Funds appropriated in Part IA, Section 1, VIII.E, Partnerships, for Family Connection South Carolina (H63), shall be transferred in quarterly installments from the Department of Education to Family Connection South Carolina. Funds shall be used to provide support to families of children with disabilities. Support shall include, home visits, transition assistance, education assistance, parent support and parent training. The department shall establish guidelines through which Family Connection South Carolina shall provide planning documents to the department not later than July 15 of the current fiscal year, and quarterly reporting of expenditures thereafter; and a performance report submitted annually.

1A.78 CONFORM TO FUNDING / ADD (Low Achieving Schools) **WMC:** ADD new proviso to direct that \$500,000 of the Partnerships for Innovation funds appropriated to the EOC be allocated to parent support initiatives and afterschool programs in historically underachieving communities.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

1A.78. (SDE-EIA: Low Achieving Schools) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$500,000 shall be allocated to parent support initiatives and afterschool programs in historically underachieving communities.

1A.79 CONFORM TO FUNDING / AMEND NEW PROVISO FURTHER (Teacher Salaries Increase) **WMC:** ADD new proviso to direct the department to increase the statewide salary

schedule by 2% and require a local school district board of trustees provide all certified teachers paid on the teacher salary schedule the 2% increase. Direct that if a school district's salary schedule does not go beyond 22 years, the trustees must increase the salary of all eligible certified teachers entering the 23rd year by an amount equal to a step on the salary schedule. Allow for a waiver from the requirements of this provision under certain conditions. *Note: Companion General Education proviso is 1.91*.

HOU: AMEND new proviso to direct school districts to use the additional funds from the Teacher Salary Supplement" to provide 1% of the required 2% increase. Sponsor: Rep. Bingham.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND FURTHER to specify that in providing this increase districts are to use the prior year's district salary schedule as its base.

1A.79. (SDE-EIA: Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule <u>utilized the prior fiscal year</u> as its base. School districts shall utilize the additional funds made available from the Teacher Salary Supplement appropriation to provide one percent of the required two percent increase.

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

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

1A.cra CONFORM TO FUNDING / ADD (College Readiness Assessment) SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADD new proviso to direct the department to manage administration of the same college readiness assessment that was used in the prior fiscal year for students in the 11th grade and that the assessment or alternate college readiness measure, approved by the department according to the student's Individualized Education Program (IEP), be administered to all 11th grade students. Provide a definition for 11th grade students. Require valid accommodations be provided according to the student's IEP/504 plan. Provide guidelines if a student chooses to use the results of this assessment for post-secondary admission or placement.

1A.cra. (SDE-EIA: College Readiness Assessments) For the current fiscal year, with the funds appropriated for assessment, the Department of Education is directed to manage the administration of the same college readiness assessment that was administered in the prior fiscal year to students in grade 11. The assessment, or an alternate college readiness measure approved by the department as set forth by the student's Individualized Education Program, must be administered to all students in grade 11. For the purposes of administering the assessment, "eleventh grade students" is defined as students in the third year of high school after their initial enrollment in the ninth grade. Valid accommodations must be provided according to the student's IEP/504 plan. If a student also chooses to use the results of the college readiness assessment for post-secondary admission or placement, the student, his parent, or his guardian

must indicate that choice in compliance with the testing vendor's deadline to ensure that the student may receive allowable accommodations consistent with the IEP or 504 plan that may yield a college-reportable score.

SECTION 5 - H710 - WIL LOU GRAY OPPORTUNITY SCHOOL

5.9 DELETE (Capacity) Directs that FY 2015-16 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: DELETE proviso.
HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

5.9. (WLG: Capacity) For Fiscal Year 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 - H750 - SCHOOL FOR THE DEAF AND THE BLIND

6.13 DELETE (Capacity) Directs that FY 2015-16 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: DELETE proviso.
HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

6.13. (SDB: Capacity) For Fiscal Year 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.

6.17 ADD (Early Childhood Center) WMC: ADD new proviso to authorize the school to transfer \$500,000 appropriated for the Thackston Hall Roof Replacement project in the prior appropriation act to the Early Childhood Center Construction project. *The school states that because the Thackston facility is in constant need of repair and will eventually need to be demolished, a new roof is not the best use of state dollars. The school would rather put the funds to use for Capital Project No. 9547, Early Childhood Center Construction to house the Deaf Elementary School. Fiscal Impact: No impact on the General Fund. Requested by School for the Deaf and the Blind.*

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

6.17. (SDB: Early Childhood Center) The School for the Deaf and the Blind shall be authorized to redirect and transfer the \$500,000 appropriated for the Thackston Hall Roof Replacement in Act 91 of 2015 by proviso 118.14(B)(5)(a) to the Early Childhood Center Construction project.

SECTION 7 - L120 - JOHN DE LA HOWE SCHOOL

DELETE (Capacity) Directs that FY 15-16 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: DELETE proviso.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

7.4. (JDLHS: Capacity) For Fiscal Year 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 Means Committee and the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.

7.5 **DELETE** (Educational, Therapeutic Progress, and Other Financial Information) Directs the school to provided quarterly information and data on student performance measures to the EOC, Inspector General and the Department of Education and for those entities to provide a report to the Governor and the Senate Finance and House Ways and Means Committees by January 15, 2016 on recommendations for improving services to students.

WMC: DELETE proviso. *Report has been completed.* Fiscal Impact: None. Requested by John De La Howe School.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

7.5. (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, the Office of the Inspector General, and the Department of Education 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, the Office of the Inspector General, and the Department of Education 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.

SECTION 8 - H67-EDUCATIONAL TELEVISION COMMISSION

8.2 AMEND (Spectrum Auction) Authorizes ETV to enter the FCC TV Spectrum Auction and to receive and retain any proceeds for the development of a capital reserve declining balance fund. Directs that up to \$40,000,000 of the proceeds be used to fund ETV critical capital needs and requires that proceeds received above \$40,000,000 be placed into a segregated account that will require General Assembly approval prior to expenditure. 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.

WMC: AMEND proviso to delete "opt in" language and direct that the report on the auction is subject to the FCC requirements for a specified quiet period.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

8.2. (ETV: Spectrum Auction) During the current fiscal year, if <u>If</u> the Educational Television Commission opts to enter the Federal Communications Commission TV Spectrum Auction and subsequently receives any proceeds from the auction <u>Federal Communication</u> <u>Commission TV Auction</u>, the commission is authorized to receive and retain the proceeds for the development of a capital reserve declining balance fund. Up to \$40,000,000 of 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. Any proceeds received above \$40,000,000 must be placed into a segregated account and shall require General Assembly approval prior to the expenditure of these funds. Unexpended funds shall be carried forward from the prior fiscal year into the current fiscal year and used for the same purpose. The <u>Subject to the FCC requirements</u> for a specified quiet period, 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.

8.3 CONFORM TO FUNDING / ADD (Antenna and Tower Placement) **WMC:** ADD new proviso to direct that antenna and tower leases on a higher education institution's property must conform to the institution's master plan. *Note: Moved from DOA section, proviso 93.21*

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADOPT new proviso.

8.3. (ETV: Antenna and Tower Placement) All leases for antenna and tower operations within institutions of higher learning campuses must conform to master plans for such property, as determined solely by the institution of higher learning.

8.4 CONFORM TO FUNDING / ADD (Wireless Communications Tower) WMC: ADD new proviso to direct ETV to coordinate tower and antenna operations, approve all leases regarding antenna placement on state-owned property, coordinate new tower construction on state owned property, market excess capacity, generate revenue by leasing or selling excess capacity, and construct new facilities pm state owned property related to communications. Direct the revenue from the leases to be retained and expended for agency operation and to carry forward unexpended funds. Direct ETV to report to the Chairmen of the Senate Finance and House Ways and Means Committees annually by October 1st on revenue collections and disbursements. *Note: Moved from DOA section, proviso 93.16.*

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / ADOPT new proviso.

8.4. (ETV: Wireless Communications Tower) The Educational Television Commission is directed to coordinate tower and antenna operations within South Carolina state government. The commission shall (1) approve all leases regarding antenna placement on state-owned towers and buildings, (2) coordinate all new tower construction on state-owned property, (3) promote and market excess capacity on the State's wireless communications infrastructure, (4) generate revenue by leasing, licensing, or selling excess capacity on the State's wireless communications infrastructure, and (5) construct new communications assets on appropriate state-owned property for the purpose of generating revenue pursuant to this proviso. The commission shall retain and expend such funds for agency operations. The commission shall be authorized to carry forward unexpended funds from the prior fiscal year into the current fiscal year. The commission shall annually report to the Chairmen of the Senate Finance and House Ways and Means Committees by October first of each year all revenue collected and disbursed.

SECTION 28 - H910 - 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, subject to requests received and availability of funds and designates funding.

WMC: AMEND proviso to update all allocation amounts. *Reflects actual expenditures in FY 14-15.* Fiscal Impact: Amended amounts reflect increase of \$925,000 over amounts listed in prior fiscal year act. Requested by Arts Commission.

HOU: ADOPT proviso as amended.

SFC 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: \$65,000 for Alloc Mun-Restricted; $\frac{10,000 \\ $34,012$$ for Alloc Cnty-Restricted; $\frac{226,280 \\ $928,569$$ for Alloc School Dist; $\frac{10,000 \\ $40,000$$ for Alloc Other State Agencies; $\frac{368,148 \\ $459,026$$ for Alloc-Private Sector; $\frac{25,750 \\ $42,750$$ for Alloc Private Sector; $\frac{305,306 \\ $243,241$$ for Aid Mun-Restricted; $\frac{328,839 \\ $389,171$$ for Aid Other State Agencies; $\frac{$1,527,874 \\ $1,580,603$$ for Aid To Private Sector; $\frac{$54,014 \\ $45,221$}$ for Aid To Private Sector. Reportable; and $\frac{$5,855 \\ $3,750$</code> for Aid to County Libraries.$

SECTION 93 - D500 - DEPARTMENT OF ADMINISTRATION

93.31 DELETE (Union County Bus Shop) Directs the DOA, Division of General Services to distribute the proceeds from the sale of the Union County Bus Shop equally to the Union County School District and Union County.

WMC: DELETE proviso. *The property has been sold.*HOU: ADOPT deletion of proviso.SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.31. (DOA: Union County Bus Shop) Notwithstanding any other provision of this act, the Division of General Services, Department of Administration, must distribute the proceeds from the sale of the Union County Bus Shop equally to Union County School District and Union County.

SECTION 117 - X900 - GENERAL PROVISIONS

117.38 AMEND (Personal Property Tax Relief Fund) Suspends Section 12-37-2735 [PERSONAL PROPERTY TAX RELIEF FUND]. *Reduces the amount credited to the Personal Property Tax Relief Fund from \$20 million to zero.* Directs that if a county imposes the Personal Property Tax Exemption Sales Tax and a sales tax rate of 2% of gross proceeds of sale is insufficient to offset the property tax not collected, sufficient amounts must be credited to the Trust Fund for Tax Relief to provide the reimbursement to offset such a shortfall.

WMC: AMEND proviso to delete suspension of Section 12-37-2735. *This section was repealed by Act 87 of 2015.*

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.38. (GP: Personal Property Tax Relief Fund) For the current fiscal year, Section 12-37-2735 of the 1976 Code is suspended. If the Personal Property Tax Exemption Sales Tax is imposed in a county and a sales tax rate of two percent of gross proceeds of sales is insufficient to offset the property tax not collected, sufficient amounts must be credited to the Trust Fund for Tax Relief established pursuant to Section 11-11-150 of the 1976 Code to provide the reimbursement to offset such a shortfall in the manner provided in Section 4-10-540(A) of the 1976 Code.

117.65 AMEND (Healthcare Employee Recruitment and Retention) Provides guidelines for DOC, DDSN, DHEC, DHHS, DJJ, DMH, and Voc Rehab to spend state, federal, and other sources of revenue to provide lump sum bonuses to aid in recruiting and retaining healthcare workers in critical needs healthcare jobs based on objective guidelines established by the Department of Administration. Provides guidelines for paid educational leave for employees, for repaying outstanding student loans, and for tuition reimbursement.

WMC: AMEND proviso to add Wil Lou Gray Opportunity School.HOU: ADOPT proviso as amended.SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.65. (GP: Healthcare Employee Recruitment and Retention) The Department of Corrections, Department of Disabilities and Special Needs, Department of Health and Environmental Control, Department of Health and Human Services, Department of Juvenile Justice, Department of Mental Health, and Department of Vocational Rehabilitation, *and Wil Lou Gray Opportunity School* are allowed to spend state, federal, and other sources of revenue to provide lump sum bonuses to aid in recruiting and retaining healthcare workers in critical needs healthcare jobs based on objective guidelines established by the Department of Administration. The employee bonus amount shall be approved by the State Human Resources Director and shall not exceed \$10,000 per year. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems.

These agencies may also provide paid educational leave for any employees in an FTE position to attend class while enrolled in healthcare degree programs that are related to the agency's mission. All such leave is at the agency head's discretion.

These agencies may enter into an agreement with Psychiatrists, Psychologists, and Nurses employed in those positions to repay them for their outstanding student loans associated with completion of a healthcare degree. The employee must be employed in a critical needs area, which would be identified at the agency head's discretion. Critical needs areas could include rural areas, areas with high turnover, or where the agency has experienced recruiting difficulties. Agencies may pay these employees up to twenty percent or \$7,500, whichever is less, of their outstanding student loan each year over a five-year period. Payments will be made directly to the employee at the end of each year of employment. The agency will be responsible for verifying the principle balance of the employee's student loan prior to issuing payments.

Employees of these agencies working on a practicum or required clinical experience towards completion of a healthcare degree may be allowed to complete these requirements at their state agency or another state agency at the discretion of the agency head. This field placement at another state agency may be considered work time for participating employees.

These agencies are also authorized to allow tuition reimbursement from a maximum of ten credit hours per semester; allow probationary employees to participate in tuition programs; and provide tuition prepayment instead of tuition reimbursement for employees willing to pursue a degree in a healthcare program. An agency may pay up to fifty percent of an employee's tuition through tuition prepayment. The remaining tuition could be reimbursed to the employee after successful completion of the class.

117.89 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 2015 for them to continue to provide services as they were provided in the prior fiscal year.

WMC: AMEND proviso to update "2015" to "2016." Requested by Educational Television Commission.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.89. (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Department of Administration Section 93 for Legislative and Public Affairs Coverage

and Emergency Communications Backbone and to the Law Enforcement Training Council in Section 64 for State and Local Training of Law Enforcement, City and County municipal training services must be transferred to the Educational Television Commission (ETV) during July 2015 2016 for the continuation of services as provided in the prior fiscal year.

117.115 AMEND (SCOIS Transfer) Transfers the S.C. Occupational Information System, its authority, responsibilities, FTE's and funding from DEW to SDE and directs DOA and the Comptroller General to facilitate and coordinate the transfer.

WMC: AMEND proviso to direct that for Fiscal Year to 2016-17 the duties and responsibilities of SCOIS shall continue to be transferred from DEW to SDE and delete the requirement that DOA and the CG facilitate and coordinate the transfer.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.115. (GP: SCOIS Transfer) For Fiscal Year <u>2015-16</u> <u>2016-17</u>, the South Carolina Occupational Information System, its authority, <u>and</u> responsibilities, <u>FTE's and funding</u> shall <u>continue</u> to 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.

117.128 ADD (First Steps Reauthorization) WMC: ADD new proviso to reauthorize First Steps for Fiscal Year 2016-17.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

<u>117.128. (GP: First Steps Reauthorization)</u> Act 99 of 1999, the South Carolina First Steps to School Readiness Act, is reauthorized for the duration of Fiscal Year 2016-17.

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