

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

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 16-17, the base student cost has been determined to be \$2,350; that the per pupil count is projected to be 723,953, 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 17-18 as follows: base student cost \$2,400; total pupil count, 721,401; average per pupil funding: \$6,096 state, \$1,294 federal, and \$5,726 local, for an average total funding level of \$13,116, excluding revenues of local bond issues. Change reference to “school year 2016-17” to “the current” school year.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / AMEND FURTHER to direct that \$2,315 of the state \$6,096 comes from the EFA.

1.3. (SDE: EFA Formula/Base Student Cost Inflation Factor) To the extent possible within available funds, it is the intent of the General Assembly to provide for one hundred percent of full implementation of the Education Finance Act to include an inflation factor projected by the Revenue and Fiscal Affairs Office to match inflation wages of public school employees in the Southeast. The base student cost for the current fiscal year has been determined to be ~~\$2,350~~ \$2,400. For the current fiscal year, the total pupil count is projected to be ~~723,953~~ 721,401. The average per pupil funding is projected to be ~~\$5,827~~ \$6,096 state, of which \$2,315 comes from the EFA, ~~\$1,245~~ \$1,294 federal, and ~~\$5,542~~ \$5,726 local. This is an average total funding level of ~~\$14,210~~ \$13,116 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.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

- (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 *the current* school year ~~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.

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

For the current school year, the Department of Education will continue to use counts from the prior school year to determine poverty funding for the add-on weighting. The Department of Education will continue to work with school districts to determine students eligible for the poverty add-on using the data elements used to determine USDA community eligibility to be used in future years.

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, 2017. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

1.26 CONFORM TO FUNDING (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. *Note: Companion EIA proviso is 1A.14.*

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

WMC: AMEND proviso to delete the suspension of formative assessments for grades one, two, and nine. *Funding has been requested for formative assessments.* Requested by Education Oversight Committee.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

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

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

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

For the current fiscal year, Section 59-21-1030 is suspended. ~~Formative assessments for grades one, two, and nine, the~~ *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.

1.28 AMEND FURTHER (Budget Reduction) Requires local districts to give priority to preserving classroom teachers and operations when compensating for any funding reduction and to first apply reductions to administrative and non-classroom expenses.

WMC: AMEND proviso to also give priority to preserving classroom teachers and operations in the event of a deficit.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to change "deficit" reference to "an operating deficit publically recognized by the School Board of Trustees."

1.28. (SDE: Budget Reduction) In compensating for any reduction in funding or an operating deficit publically recognized by the School Board of Trustees, local districts must give priority to preserving classroom teachers and operations. Funding reductions should first be applied to administrative and non-classroom expenses before classroom expenses are affected.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

- 1.50** **AMEND** (Health Education) Requires school districts to ensure compliance with Chapter 32 of Title 59 [COMPREHENSIVE HEALTH EDUCATION PROGRAM]; provides a complaint process for compliance concerns, a process for corrective action if the complaint is determined to be founded, and requires the department to withhold 1% of a district’s Student Health and Fitness Act funds until the district is in compliance with the corrective action. Requires the department to withhold 1% of the district’s Student Health and Fitness Act funds if the department determines the district is non-compliant with mandated health education, or if a district fails to publish required information on their website until the district is in compliance.
- WMC:** AMEND proviso to require school districts to also use curriculum that aligns to all standards and regulations adopted by the State Board of Education. Specify that the department will review the district’s annual CHE Compliance Survey in determining district compliance with mandated health education. *The department states this amendment clarifies the process; reinserts a language deleted last year when two provisos were combined; and does not add any additional requirements.* Requested by Department of Education.
- HOU:** ADOPT proviso as amended.
- SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

1.50. (SDE: Health Education) *(1)* Each school district is required to ensure that all comprehensive health education, reproductive health education, and family life education conducted within the district, whether by school district employees or a private entity, must utilize curriculum that complies with the provisions contained in Chapter 32, Title 59 and aligns to all standards and regulations adopted by the South Carolina State Board of Education. 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 determines that a district is non-compliant with mandated health education upon review of the district’s annual CHE Compliance Survey or if the district fails to publish the title and publisher of materials on its website, then the Department of Education shall withhold one percent of the district’s funds allocated in Part IA, Section 1, X - Student Health and Fitness Act until the department determines the district is in compliance.

(2) Any person may complain in a signed, notarized writing to the chairman of the governing board of a school district that matter not in compliance with the requirements of Chapter 32, Title 59 is being taught in the district. Upon receiving a notarized complaint, the chairman of the governing board must ensure that the complaint is immediately investigated and, if the complaint is determined to be founded, that immediate action is taken to correct the violation. If corrective action is not taken within 60 days of such a determination, or if no investigation is made within 60 days of the chairman’s receipt of the notarized statement, then the complainant may within 60 calendar days, give written notice to the department. The notice must include the original notarized complaint. If, upon investigation, the department determines that the district has not taken appropriate immediate action to correct a violation, then the Department of Education shall withhold one percent of the district’s funds allocated in Part IA, Section 1, X - Student Health and Fitness Act until the department determines the district is in compliance. ~~If the department determines that a district is non-compliant with mandated health education or if the district fails to publish the title and publisher of materials on its website, then the Department of Education shall withhold one percent of the district’s funds allocated in Part IA, Section 1, X - Student Health and Fitness Act until the department determines the district is in compliance.~~

- 1.58** **AMEND FURTHER** (Full-Day 4K) Provides guidelines for participation in and funding for the CDEPP program. *Note: Companion EIA proviso is IA.30.*
- WMC:** AMEND proviso to direct that public and private providers “shall be funded” rather than “will be reimbursed” and change the rate from “\$4,323” to “\$4,422” and change the private

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

providers transportation reimbursement from “\$550” to “\$563.” Direct that the department only provide funds for public school students whose complete records have been entered into PowerSchool. Authorize the department and First Steps to expand services to additional eligible students who reside in districts that meet certain qualifications if the department or First Steps determine that sufficient carry forward funds and appropriations exist and direct the department and First Steps report to the General Assembly by October 1st on the number of estimated children to be served. Direct the department to annually audit the allocations to public providers to ensure allocations are accurate and properly aligned and to adjust current year allocations if the audit determines the prior year allocations are not accurate. Direct the department to provide audit findings to the General Assembly by December 1st. Direct First Steps to adjust current year allocations if the audit determines the prior year allocations are not accurate. Fiscal Impact: First Steps states that the \$99 increase in tuition per child supports RFA’s inflation factor and the additional cost of \$254,727 would be supported by current budget levels based on 2,573 children currently enrolled for SC First Steps. The \$13 increase in the transportation reimbursement would cost an additional \$3,757 and would be supported by current budget levels based on 289 children. Requested by SC First Steps for School Readiness and the Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to direct that end of year adjustments shall be based on the 135 day student ADM. Delete the authorization for the department and First Steps to expand services to additional eligible students in contiguous school districts.

1.58. (SDE: Full-Day 4K) Eligible students residing in a school district that met the poverty level for participation in the prior school year are eligible to participate in the South Carolina Early Reading Development and Education Program in the current school year. Public and private providers ~~will be reimbursed~~ shall be funded for instructional costs at a rate of ~~\$4,323~~ \$4,422 per student enrolled. Eligible students enrolling during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be eligible for a reimbursement of ~~\$550~~ \$563 per eligible child transported. All providers who are reimbursed are required to retain records as required by their fiscal agent. New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding not to exceed \$10,000. Providers receiving equipment funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps. The Department of Education shall only provide funding for public school students whose complete records have been entered into PowerSchool and end of year adjustments shall be based on the one hundred and thirty-five day student average daily membership.

~~The South Carolina Early Reading Development and Education Program continues to operate annually with unexpended funds at the end of the fiscal year. Therefore, for the current fiscal year, if the Department of Education or the Office of First Steps determine that carry forward funds and appropriations exist to serve additional eligible children, the Department of Education or the Office of First Steps are authorized to expand services to eligible children who reside in school districts that are contiguous to school districts that met the poverty level for participation in the prior school year. The Department of Education and Office of First Steps~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~must report to the General Assembly by October 1 on the estimated number of children to be served.~~

Annually, the Department of Education is directed to audit the annual allocations to public providers to ensure that allocations are accurate and aligned to the appropriate pro rata per student allocation, materials, and equipment funding. In the event the department, during the audit process determines that the annual allocations of the prior fiscal year are not accurate, the department must adjust the allocations for the current fiscal year to account for the audit findings. The department must provide the results of the annual audit findings to the General Assembly no later than December 1. Likewise, in the event the Office of First Steps determines that the annual allocations of the prior fiscal year to private providers are not accurate, the Office of First Steps must adjust the allocations for the current fiscal year to account for the findings.

Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January fifteenth of each year. To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

1.62 AMEND FURTHER (Reading/Literacy Coaches) Provides for the allocation and use of funds appropriated for Reading/Literacy Coaches to school districts. Requires the department publish guidelines defining reading/literacy coach minimum qualifications; develop procedures to monitor the use of these funds; and requires the funds to be retained and carried forward for the same purpose and not flexed. *Note: Companion EIA proviso is 1A.61.*

WMC: AMEND proviso, item (A)(1) to change "proficient" to "meets expectations;" specify the reading "sub score of the English language arts" test; and delete reference to "research" test. Amend item (A)(2) to delete reference to scoring below "proficient on the reading and research test during the same period" and instead direct "as referenced in (A)(1)." Amend item (K) to update fiscal year reference to "2017-18." Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete reference to "either."

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

(1) for each elementary school in which twenty percent or more of the students scored below ~~proficient~~ "meets expectations" on the reading sub score of the English language arts ~~and research~~ test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of ~~either~~ up to \$62,730 or the actual cost of salary and benefits for a full-time reading/literacy coach; and

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

(2) for each elementary school in which fewer than twenty percent of the students scored ~~below proficient on the reading and research test during the same period~~ as referenced in (A)(1), the school district shall be eligible to receive the lesser of ~~either~~ up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading/literacy coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

(B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures, except for districts that either are currently, or in the prior fiscal year, were paying for reading/literacy coaches with local funds. A district may, however, assign a reading/literacy coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

(C) Funds appropriated for reading/literacy Coaches are intended to be used to provide elementary schools with reading/literacy coaches who shall serve according to the provisions in Chapter 155 of Title 59.

(D) Schools and districts accepting funding to support a coaching position agree that the reading/literacy coach must not serve as an administrator. If the department finds that school districts are using these funds for administrative costs as defined in statute they must withhold that districts remaining balance of funds allocated pursuant to this proviso.

(E) The Department of Education must publish guidelines that define the minimum qualifications for a reading/literacy coach. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:

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

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

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

Within these guidelines, the Department of Education must assist districts in identifying a reading/literacy coach in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

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

(G) Prior to the close of the current fiscal year, any unspent or unallocated funds for reading/literacy coaches shall be used to fund Summer Reading Camps.

(H) The Department of Education shall require:

(1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported reading/literacy coach; as well as the school in which the coach is assigned; and

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

(I) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of reading/literacy coaches by school. The department shall also report the amount of funds that will be used for Summer Reading Camps.

(J) Funds appropriated for reading/literacy coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

(K) For Fiscal Year ~~2016-17~~ 2017-18, if increased funding for reading/literacy coaches is not sufficient to provide additional reading/literacy coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.

- 1.68** **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 required school readiness 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, 2017.
WMC: AMEND proviso to update report due date from January 15, "2017" to "2018."
Requested by SC First Steps to School Readiness.
HOU: ADOPT proviso as amended.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.68. (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 four-year-old kindergarten carry forward funds to purchase electronic devices for the administration of required school readiness 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, ~~2017~~ 2018.

- 1.69** **AMEND FURTHER** (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 that information on salary needs for each of the districts that are or were in the original trial and plaintiff school districts in the Abbeville law suit be included. Directs recommendations be provided to the Chairmen of the Senate Finance and House Ways and Means Committees.
WMC: AMEND proviso to direct the department to provide recommendations on modifying the structure of the teacher salary schedule along with the potential fiscal impact of implementing the modifications to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1, 2017. Requested by Department of Education.
HOU: ADOPT proviso as amended.
SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to add CERRA to the list of stakeholders.

1.69. (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 and CERRA 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

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

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 on the modification of the teacher salary schedule structure and the potential fiscal impact on implementing the modification recommendations to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1, 2017.

1.72 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. *Note: Companion EIA proviso is 1A.65.*

WMC: AMEND proviso to update fiscal year reference to “2017-18;” delete calendar year reference on report due of April 1, “2017;” and also require the Department of Education report on how these funds were spent. Requested by SC First Steps to School Readiness and Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete authorization for the department to use funds available from school districts opting out of participating in the CDEPP program to increase participation and instead direct that if the department determine funds will be available, to allocate the funds first to districts with a documented waiting list and then to districts to increase the length of the program to up to 8 ½ hours per day and 20 day per year or to fund summer programs. Provide for how a district is to use the funds for summer programs; direct that the program be up to 8 ½ hours per day for up to 10 weeks. Direct that end of year adjustments be based on the 135 day student ADM or later student ADM for districts that extend the program past 180 days.

1.72. (SDE: CDEPP Unexpended Funds) For Fiscal Year ~~2016-17~~ 2017-18, the Office of First Steps to School Readiness is permitted to retain the first \$1,000,000 of any unexpended CDEPP funds of 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 first, the Office of First Steps is directed to allocate any additional 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 following purpose: Education Oversight Committee - \$1,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

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 by August first, the Department of Education determines there will be funds available, funds shall be allocated ~~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 first, who have a documented waiting list, then to districts to increase the length of the program to a maximum of eight and a half hours per day or two hundred and twenty days per year or to fund summer programs. If a district chooses to fund summer enrollment the program funding shall conform to the funding in this act for full year programs, however shall be reduced on a pro rata basis to conform with the length of the program. A summer program shall be no more than eight and a half hours per day and shall be not more than ten weeks in length. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act and end of year adjustments shall be based on the one hundred and thirty five day student average daily membership or later student average daily membership for districts choosing to

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

extend the program past one hundred and eighty days. Funds may also be used to provide professional development and quality evaluations of programs.

No later than April 1, 2017, the Department of Education and 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.

- 1.74 DELETE** (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 by 12/31/16 on the specific steps, timeline, and progress made in improving meeting compliance standards for indicators the office was scored on as being low performing and on whether the additional employees authorized by this act are sufficient for compliance. Authorizes First Steps to use funds appropriated for BabyNet to meet these requirements.

WMC: DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by SC First Steps to School Readiness.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1.74. (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, 2016. 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.~~

- 1.75 AMEND** (Data Maintenance and Collection) Directs that personally identifiable information for teacher candidates and teachers that is collected and maintained by the department shall be treated as personnel records and not be subject to public disclosure.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct the department to use funds appropriated to procure and maintain a new Education Evaluation Data System to work with higher education institutions to provide teacher prep programs with certain aggregate, non-personally identifiable educator effectiveness data. Specify that educator effectiveness data shall remain private and that shared data will be only be used to evaluate educator prep programs.

1.75. (SDE: Data Maintenance and Collection) For the current fiscal year and from the funds appropriated to the department ~~for the collection and maintenance of data, personally identifiable information of teacher candidates and teachers collected and maintained by the Department of Education~~ to procure and maintain licenses for a new Education Evaluation Data System, the department shall work with institutions of higher education to provide teacher

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

preparation programs with aggregate, non-personally identifiable educator effectiveness data related to domain performance ratings, student growth data, and overall final ratings for graduates of the educator preparation program. Data collected on educator effectiveness shall remain private and shall be treated as personnel records and shall not be subject to public disclosure for any reason. The data shared with institutions of higher education per memorandum of agreement shall be used solely for the purpose of evaluating the educator preparation programs.

- 1.79 DELETE** (Teacher Salaries Increase) Directs the department to increase the statewide salary schedule by 2%; requires a local school district board of trustees to provide all certified teachers paid on the teacher salary schedule the 2% increase; specifies that districts are to use the prior year's district salary schedule as its base; directs school districts to use the additional funds from the Teacher Salary Supplement to provide 1% of the required 2% increase; and provides for salary increases for all eligible certified teachers entering the 23rd year if the district's salary schedule does not go beyond 22 years. Allows for a waiver from the requirements of this provision under certain conditions. *Note: Companion General Education proviso is 1A.73.*
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1.79. (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 utilized the prior fiscal year 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 twenty-third year if the district's salary schedule does not go beyond twenty-two 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.~~

- 1.80 DELETE** (Facilities Tracking System and Assessment Assistance) Directs the department to issue a RFP to contract with one or more vendors to complete facilities assessments and efficiency studies reviews; provides guidelines as to what must be included, at a minimum; and directs which school districts are to be assessed and studied first. Directs that the completed assessments and studies be provided to each local school board of trustees and that the department publish them on the department's website.
WMC: DELETE proviso. *The assessments and studies are currently being conducted.* Requested by Department of Education.
HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1.80. (SDE: Facilities Tracking System and Assessment Assistance) Of the funds appropriated to the department for Facilities Assessments and Efficiency Studies, the department~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~is directed to issue a RFP to contract with one or more vendors to complete the reviews. The Facilities Assessments shall include, at a minimum: (1) facilities use and management; (2) energy management; (3) site review when needed; and (4) any technology needs and infrastructure as aligned to the district technology plan and the district technology assessment. The Efficiency Studies shall include, at a minimum: (1) overhead; (2) human resources; (3) procurement; (4) financial management; and (5) transportation and must be aligned to any diagnostic review that may be conducted in the district to avoid duplication. The Assessments and Studies shall be first conducted in school districts which are or were the Abbeville Plaintiff District and prioritized according to the prior year poverty index and for districts that have not had an efficiency study or facility assessment completed in the last two years. The completed Assessments and Studies shall be provided to each local school board of trustees and shall inform funding decisions for facilities and potential school or district consolidation. The department shall make the Assessments and the Studies available on the department website.~~

- 1.83** **AMEND** (Abbeville Equity Districts Comprehensive Report) Requires the department submit a comprehensive report to the General Assembly by January 1, 2017 on the current allocation of funds and services provided to the Abbeville equity districts.

WMC: AMEND proviso to update report due date from January 1, “2017” to “2018.” Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.83. (SDE: Abbeville Equity Districts Comprehensive Report) Of the appropriations and provision of services that are provided in the current fiscal year’s budget for the Abbeville equity districts, the Department of Education must submit a comprehensive report to the General Assembly by January 1, ~~2017~~ 2018 on the current allocation of funds to the Abbeville equity districts and the provision of services to these districts.

- 1.84** **CONFORM TO FUNDING** (~~Coding~~ Computer Science Curriculum) Directs the department to use the funds appropriated for “Coding” to develop or secure a basic computer science course that includes coding and to recommend that introductory keyboarding and computer skills be taught in elementary and primary schools.

WMC: AMEND proviso to direct the department to use the funds appropriated for “computer science” to develop grade appropriate computer science standards that include computational thinking and computer coding for 9th through 12th grades; to include higher education, business, and industry experts and officials in developing the standards; and to support teachers in designing interdisciplinary units and instructional practices that engage students to apply literacy, math, and computational thinking skills to solve problems. *Reflects portions of H.3427 “South Carolina Computer Science Education Initiative.”* Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

1.84. (SDE: ~~Coding~~ Computer Science Curriculum) Of the funds appropriated to the department for ~~coding computer science~~, the department shall develop ~~or secure a basic computer science course that must include~~ grade appropriate computer science standards that include computational thinking and computer coding for grades 9-12. Experts and officials from higher education, business and industry must be included in the development of the standards. The department shall support K-12 academic and computer science teachers in designing interdisciplinary units and instructional practices that engage students in applying literacy,

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

math, and computational thinking skills to solve problems. ~~The department shall recommend introductory keyboarding and computer skills be taught in elementary and primary schools.~~

- 1.85** **AMEND NEW PROVISO** (Military Child Care Centers) **WMC:** ADD new proviso to allow First Steps to extend 4K provider eligibility to military child care settings that are regulated by the US Department of Defense. Fiscal Impact: First Steps states that the fiscal impact is estimated to be \$442,200, which is an estimated 100 additional children as well as \$50,000 in class room supplies which comes to a total of \$492,000, but that these costs can be absorbed by the program with its current funding. Requested by SC First Steps to School Readiness.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to require state funds appropriated for use in military child care facilities to be used to expand services to CERDEP eligible children who live in school districts that were approved for participation in the prior fiscal year and direct that the funds may not be used to supplant existing federal child care investment.

1.85. (SDE: Military Child Care Centers) During the current fiscal year, South Carolina First Steps to School Readiness may extend four-year-old kindergarten provider eligibility to military child care settings regulated by the United States Department of Defense. State funds appropriated for use in military child care facilities must be used to expand service to CERDEP eligible children residing in school districts approved for participation during the prior fiscal year and may not be used to supplant any existing federal child care investment.

- 1.86** **AMEND NEW PROVISO** (First Steps 4K Underserved Communities) **WMC:** ADD new proviso to direct First Step to use CDEPP funds to develop a pilot program to expand 4K enrollment in underserved communities and direct that newly created and/or approved private providers, under certain conditions, may receive up to \$30,000 in supplemental, needs-based incentives. Direct First Steps to submit an expenditure and expanded enrollment report to the Chairman of the House Ways and Means and Senate Finance Committees by March 15, 2018.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to specify that expansion shall be within underserved communities that were eligible in the most recent fiscal year. Direct that to be eligible to “apply for” up to \$30,000 of one-time supplemental need-based incentives the newly created and/or approved private provider must propose to expand services to 10 or more CERDEP eligible children and require building renovations to be documented as necessary to bring proposed classrooms into compliance with licensing regulations. Require the First Steps Board of Trustees to develop and approve an application process to ensure grant funds are used to address documented barriers to program participation. Require providers that receive the supplement to participate in the program for at least 3 years and direct that failure to do so will result in First Steps determining what portion of the funds must be returned.

1.86. (SDE: First Steps 4K Underserved Communities) Using funds appropriated for the Child Early Reading and Development Education Program, South Carolina First Steps shall develop a pilot program to expand four-year-old kindergarten enrollment within underserved communities eligible for participation during the most recent fiscal year. Newly-created and/or newly-approved private providers proposing to expand service to ten or more CERDEP eligible children in communities enrolling less than 80% of eligible students in a public, private, or Head Start setting during the prior fiscal year, may receive apply for up to \$30,000 in one-time supplemental, needs-based incentives designed to address necessary building renovations, documented as necessary to bring proposed classrooms into compliance with licensing

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

regulations, materials and staffing costs, and/or other obstacles currently preventing their participation in the First Steps 4K program. **The First Steps Board of Trustees shall develop and approve an application process that incorporates formal review and fiscal safeguards designed to ensure grant funds are used solely to address documented barriers to program participation. Providers receiving this one-time supplement are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the supplemental allocation at a level determined by the Office of First Steps to School Readiness.** First Steps shall submit a report detailing its **process, expenditures and expanded enrollment to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee by March 15, 2018.**

- 1.87 AMEND NEW PROVISO (School Leadership) WMC:** ADD new proviso to direct the department to use \$400,000 of Professional Development funds to contract with a non-profit leadership development provider that specializes in multiple assessments, executive coaching, and leadership development that provides school leadership progressive career path skills. Requested by SC Association of School Administrators.
HOU: ADOPT new proviso.
SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to specify “and retained by” the department.

1.87. (SDE: School Leadership) Of the funds appropriated to **and retained by the department for Professional Development, \$400,000 shall be used to contract with a non-profit leadership development provider. The provider must specialize in multiple assessments, executive coaching, and leadership development that provides the skills necessary for a progressive career path in school leadership.**

- 1.88 CARRIED OVER (CDEP Overpayment) WMC:** ADD new proviso to direct that school districts are not required to return any overpayment of CDEP funds they received in school year 2015-16 due to a department calculation error. Prohibit the department from requiring school districts to return such overpayment.
HOU: ADOPT new proviso.
SFC SUBCOMMITTEE RECOMMENDATION: CARRIED OVER. *Note: Companion EIA proviso is 1A.co.*

1.88. (SDE: CDEP Overpayment) School districts that received an overpayment of CDEP funds in school year 2015-16 due to a Department of Education calculation error shall not be required to return such overpayment to the Department of Education. The Department of Education shall be prohibited from requiring school districts to return any such overpayment of CDEP funds.

- 1.cf CONFORM TO FUNDING / ADD (Carry Forward) SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation / ADD new proviso to direct the department to allocate \$30 million from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act. *Companion EIA proviso is 1A.cf.*

1.cf. (SDE: Carry Forward) For Fiscal Year 2017-18, the Department of Education is directed to allocate \$30,000,000 from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

1.pov **ADD** (Poverty) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that students who were eligible to receive funds in the prior fiscal year according to the EFA Poverty weighting pursuant to proviso 1.3 are eligible to receive those funds for FY 2017-18.

1.pov. (SDE: Poverty) Students eligible in the prior fiscal year to receive funding according to the Poverty weighting in the Education Finance Act pursuant to proviso 1.3 in this Act, are eligible to receive those funds for Fiscal Year 2017-18.

1.sbd **ADD** (School Bus Drivers) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that a driver candidate must have a valid driver's license that meets the requirements to operate commercial and non-commercial school bus type vehicles with no restrictions other than vision correction. Require candidates to complete all department classroom and behind-the-wheel training requirements, a medical exam, and drug/alcohol testing for initial certification and to complete all annual in-service training required by the department to continue to qualify for certification.

1.sbd. (SDE: School Bus Drivers) For the current fiscal year, a driver candidate must possess a valid driver's license that meets the requirements in State and Federal law to operate commercial and non-commercial school bus type vehicles with no restrictions other than vision correction to qualify for issuance. Driver candidates must complete all Department of Education classroom and behind-the-wheel training requirements, including a medical examination and drug/alcohol testing, for initial certification as well as all Department of Education required in-service training annually to qualify for continued certification.

SECTION 1A - H630 - DEPARTMENT OF EDUCATION-EIA

1A.2 **AMEND** (African-American History) Authorizes African-American curricula development funds to be carried forward and used for the same purpose. Requires at least 70% of carry forward funds be spent in FY 2016-17 to develop additional instructional materials by non-profit organizations selected through a grant process.

WMC: AMEND proviso to update fiscal year reference to "2017-18." 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. Funds 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 ~~2016-17~~ *2017-18* 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 grant process by the Department of Education.

1A.9 **AMEND FURTHER** (Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$275 each school year to offset the expenses teachers have incurred for teaching supplies and materials. Allows any classroom teacher, including those at a S.C. private

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

schools that are not eligible for this reimbursement to claim a refundable income tax credit on their 2016 tax return.

WMC: AMEND proviso to delete references to receiving “reimbursement” of \$275 and instead provide a method and timeframe to disburse the funds to eligible teachers by direct deposit or by prepaid card. Amend to update tax return references to “2017.” Requested by School Districts.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to reinsert references to “reimbursement” and delete references to “funds.” Delete authorization for the funds to be disbursed using a prepaid card.

1A.9. (SDE-EIA: Teacher Supplies) All certified and non-certified public school teachers identified in PCS, certified special school classroom teachers, certified media specialists, certified guidance counselors, and career specialists who are employed by a school district, a charter school, or lead teachers employed in a publically funded full day 4K classroom approved by the South Carolina First Steps to School Readiness, as of November thirtieth of the current fiscal year, based on the public decision of the school board may receive **reimbursement of** two hundred seventy-five dollars each school year to offset expenses incurred by them for teaching supplies and materials. Funds shall be disbursed by the department to School districts by July fifteenth based on the last reconciled Professional Certified Staff (PCS) listing from the previous year. With remaining funds for this program, any deviation in the PCS and actual teacher count will be reconciled by December thirty-first or as soon as practicable thereafter. Based on the public decision of the school district *and no later than May 15 annually, the district shall notify all individuals entitled to receive these funds the manner in which the funds will be dispersed.* ~~these funds shall~~ *Funds may* be disbursed to each teacher via check in a manner separate and distinct from their payroll check on the first day teachers, by contract, are required to be in attendance at school for the current contract year, *or the funds may be disbursed to each teacher via direct deposit as long as the funds are handled in a manner to be separate and distinct from their payroll check.* ~~Funds may also be disbursed using a prepaid card on the first day teachers, by contract, are required to be in attendance at school for the current contract year.~~ Upon request of the teacher, a school district must give the teacher the option of being reimbursed by a debit card. **This reimbursement** ~~These funds~~ shall not be considered by the state as taxable income. Special schools include the Governor’s School for Science and Math, the Governor’s School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice, and Palmetto Unified School District. Funds distributed to school districts or allocated to schools must not supplant existing supply money paid to teachers from other sources. If a school district requires receipts for tax purposes the receipts may not be required before December thirty-first. Districts that do not wish to require receipts may have teachers retain the receipts and certify for the district they have received the allocation for purchase of teaching supplies and/or materials and that they have purchased or will purchase supplies and/or materials during the fiscal year for the amount of the allocation. Districts shall not have an audit exception related to non-retention of receipts in any instances where a similar instrument is utilized. Any district requiring receipts must notify any teacher from whom receipts have not been submitted between November twenty-fifth and December sixth that receipts must be submitted to the district. Districts may not add any additional requirement not listed herein related to **this reimbursement** ~~these funds~~.

Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the **reimbursement funds** allowed by this provision, may claim a refundable income tax credit on the teacher’s ~~2016~~ 2017 tax return, provided that the return or any amended return claiming the credit is filed prior to the end of the fiscal year. The credit is equal to two hundred seventy-five dollars, or the amount the teacher expends on teacher supplies and

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

materials, whichever is less. If any expenditures eligible for a credit are made after December thirty-first, the teacher may include the expenditures on his initial return or may file an amended ~~2016~~ 2017 return claiming the credit, so long as the return or amended return is filed in this fiscal year. The Department of Revenue may require whatever proof it deems necessary to implement the credit provided by this part of this provision. Any person receiving **the reimbursement funds** provided by this proviso is ineligible to take the income tax credit allowed by this proviso.

1A.14 CONFORM TO FUNDING (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. *Note: Companion General Education proviso is 1.26.*

WMC: AMEND proviso to delete the suspension of formative assessments for grades one, two, and nine. *Funding has been requested for formative assessments.* Requested by Education Oversight Committee.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

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 sub-function 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 seventy-five percent of the school district’s per pupil expenditures must be utilized within the In\$ite categories of instruction, instructional support, and only transportation, food service, and safety within non-instruction pupil services. No portion of the seventy-five percent may be used for facilities, 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 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.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

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~~ *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.15 CONFORM TO FUNDING / RESTORE ORIGINAL PROVISO (Teacher Salary Supplement) Directs the department to carry forward unobligated teacher salary supplement and

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

employer contribution funds to be used for the same purpose and allows unexpended teacher salary supplement funds to be used for shortfalls in associated employer contributions funds.

WMC: AMEND proviso to replace “same purpose” with “Abbeville Equity Districts Capital Improvement Plan pursuant to proviso 1A.50.” Delete directive for funding shortfalls.

HOU: ADOPT proviso as amended.

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

1A.15. (SDE-EIA: Teacher Salary Supplement) The department is directed to carry forward prior year unobligated teacher salary supplement and related employer contribution funds into the current fiscal year to be used for the **same purpose** ~~Abbeville Equity Districts Capital Improvement Plan pursuant to proviso 1A.50~~. **Any unexpended funds in teacher salary supplement may be used to fund shortfalls in the associated employer contribution funding in the current fiscal year.**

1A.16 CONFORM TO FUNDING / AMEND FURTHER (Dropout Prevention and High Schools That Work Programs) Requires the department to report annually on the effectiveness of dropout prevention programs funded by the EEDA and on the progress and effectiveness of the High Schools That Work Programs. Authorizes High Schools That Work funds to be carried forward.

WMC: AMEND proviso to delete carry forward authorization.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / AMEND FURTHER to reinsert last sentence regarding authorization to carry forward unexpended funds.

1A.16. (SDE-EIA: Dropout Prevention and High Schools That Work Programs) The Department of Education must report annually by December first, to the Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee, and the Chairman of the House Education and Public Works Committee on the effectiveness of dropout prevention programs funded by the Education and Economic Development Act and on the High Schools that Work Programs’ progress and effectiveness in providing a better prepared workforce and student success in post-secondary education. **The department, school districts, and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal that were allocated for High Schools That Work.**

1A.17 AMEND (Assessment) Authorizes assessment funds to be carried forward to pay for state assessment activities and directs that PSAT pre-ACT or 10th grade Aspire reimbursements shall resume in the current fiscal year.

WMC: AMEND proviso to delete the requirement that reimbursements resume in the current fiscal year and instead direct the department to contract with the test publishers for administration of PSAT, pre-ACT or 10th grade Aspire as required in Section 59-18-340 [PSAT OR PLAN TESTS OF TENTH GRADE STUDENTS; AVAILABILITY; USE OF RESULTS]. *The department states that ACT, Inc. will not provide the agency with student scores for the pre-ACT unless there is a contract between the agency and ACT, Inc. and the agency pays ACT, Inc. directly. The requested amendment is to contract for the three assessments rather than reimbursing districts.* Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

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~~ *The Department of Education shall contract with the test publishers for the administration of PSAT, pre-ACT or 10th grade Aspire required in Section 59-18-340 of the 1976 Code.*

1A.24 CONFORM TO FUNDING / 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 direct that funds must be allocated to districts based “on the number of weighted pupil units in the district” and delete the requirement allocation be based on two factors (poverty add on weight and prior fiscal year weighted pupil units in need of academic assistance). Require 5% of the funds be spent on formative assessment for K-9 students. Amend the definition of students at academic risk.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / AMEND FURTHER to reinsert the two allocation factors and delete reference to “on the number of weighted pupil units in the district.” Delete instructional support directive “five percent of the funds must be spent on formative assessments for students in kindergarten through grade 9.”

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, must be allocated to school districts based upon two factors: (1) poverty as determined for the poverty add on weight in Proviso 1.3; and (2) the number of weighted pupil units identified in the prior fiscal year as in need of academic assistance ~~on the number of weighted pupil units in the district~~. 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 at academic risk. Instructional support may include family literacy and parenting programs to students at-risk for school failure and their families, ~~and five percent of the funds must be spent on formative assessments for students in kindergarten through grade 9~~. Students at academic risk are defined as students who ~~score not met on~~ are not meeting grade level standards in English language arts/reading and mathematics as evidenced by summative state assessments in grades three through eight in reading and mathematics state assessments or students who are not on track to meeting or exceeding English language arts/reading or mathematics standards by the end of third grade. 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 and provides for the allocation of the funds. Authorizes the department to retain up to 25% for administration and for providing professional development services targeted to the original Abbeville law suite trial and plaintiff school districts. Requires the department to post professional development standards on its website and provide training through telecommunication methods. Authorizes unexpended professional development funds to be carried forward and used for the same purpose.

WMC: AMEND proviso to allow professional development funds to also be used for technology in classroom instruction.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

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 and using technology in classroom instruction. No more than twenty-five 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. The department is authorized to carry forward and expend professional development funds for the same purpose.

1A.26 **AMEND** (Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Directs that up to \$5,400,000 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 delete “up to \$5,400,000.” *Assessment costs increase each year due to an increase in testing costs and in student participation.* Fiscal Impact: The department state the fiscal impact for 2017-18 is estimated at \$560,000. However, costs will increase each year as individual student testing costs and enrollment increases. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.26. (SDE-EIA: Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) ~~Of the funds~~ *Funds* appropriated and/or authorized for assessment, ~~up to \$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.29 **DELETE** (Incentive for National Board Certification After June 30, 2010) States the parameters for individuals who complete the application process after 6/30/10 for the National Board Certification Program including the salary supplement, the administration of applications, and administration fees.

WMC: DELETE proviso. *See new proviso 1A.80.*

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.. *See new proviso 1A.80.*

1A.29. (SDE-EIA: Incentive for National Board Certification After June 30, 2010) ~~Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who complete the application process on~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~or after July 1, 2010 shall be paid a \$5,000 salary supplement in the year of achieving certification. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$5,000 salary supplement shall be added to the annual pay of the teacher, not to exceed ten years of the national certificate. However, the \$5,000 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) shall administer whereby teachers who are United States citizens or permanent resident aliens apply to the National Board for Professional Teaching Standards for certification on or after July 1, 2010. Should the program not be suspended, up to nine hundred applications shall be processed annually. Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) the funds necessary for the administration of teachers applying to the National Board for Professional Teaching Standards for certification.~~

1A.30 CARRIED OVER (Full-Day 4K) Provides guidelines for participation in and funding for the CDEPP program. *Note: Companion General Education proviso is 1.58.*

WMC: AMEND proviso to direct that public and private providers "shall be funded" rather than "will be reimbursed" and change the rate from "\$4,323" to "\$4,422" and change the private providers transportation reimbursement from "\$550" to "\$563." Direct that the department only provide funds for public school students whose complete records have been entered into PowerSchool. Authorize the department and First Steps to expand services to additional eligible students who reside in districts that meet certain qualifications if the department or First Steps determine that sufficient carry forward funds and appropriations exist and direct the department and First Steps report to the General Assembly by October 1st on the number of estimated children to be served. Direct the department to annually audit the allocations to public providers to ensure allocations are accurate and properly aligned and to adjust current year allocations if the audit determines the prior year allocations are not accurate. Direct the department to provide audit findings to the General Assembly by December 1st. Direct First Steps to adjust current year allocations if the audit determines the prior year allocations are not accurate. Fiscal Impact: First Steps states that the \$99 increase in tuition per child supports RFA's inflation factor and the additional cost of \$254,727 would be supported by current budget levels based on 2,573 children currently enrolled for SC First Steps. The \$13 increase in the transportation reimbursement would cost an additional \$3,757 and would be supported by current budget levels based on 289 children. Requested by SC First Steps for School Readiness and the Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to direct that end of year adjustments shall be based on the 135 day student ADM. Delete the authorization for the department and First Steps to expand services to additional eligible students in contiguous school districts.

1A.30. (SDE-EIA: Full-Day 4K) Eligible students residing in a school district that met the poverty level for participation in the prior school year are eligible to participate in the South Carolina Early Reading Development and Education Program in the current school year. Public and private providers ~~will be reimbursed~~ shall be funded for instructional costs at a rate of ~~\$4,323~~ \$4,422 per student enrolled. Eligible students enrolling during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

eligible for a reimbursement of ~~\$550~~ \$563 per eligible child transported. All providers who are reimbursed are required to retain records as required by their fiscal agent. New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding not to exceed \$10,000. Providers receiving equipment funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps. *The Department of Education shall only provide funding for public school students whose complete records have been entered into PowerSchool and end of year adjustments shall be based on the one hundred and thirty-five day student average daily membership.*

~~*The South Carolina Early Reading Development and Education Program continues to operate annually with unexpended funds at the end of the fiscal year. Therefore, for the current fiscal year, if the Department of Education or the Office of First Steps determine that carry forward funds and appropriations exist to serve additional eligible children, the Department of Education or the Office of First Steps are authorized to expand services to eligible children who reside in school districts that are contiguous to school districts that met the poverty level for participation in the prior school year. The Department of Education and Office of First Steps must report to the General Assembly by October 1 on the estimated number of children to be served.*~~

Annually, the Department of Education is directed to audit the annual allocations to public providers to ensure that allocations are accurate and aligned to the appropriate pro rata per student allocation, materials, and equipment funding. In the event the department, during the audit process determines that the annual allocations of the prior fiscal year are not accurate, the department must adjust the allocations for the current fiscal year to account for the audit findings. The department must provide the results of the annual audit findings to the General Assembly no later than December 1. Likewise, in the event the Office of First Steps determines that the annual allocations of the prior fiscal year to private providers are not accurate, the Office of First Steps must adjust the allocations for the current fiscal year to account for the findings.

Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January fifteenth of each year. To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

1A.33 CONFORM TO FUNDING / AMEND FURTHER (IDEA Maintenance of Effort) Provides for the use of Aid to Districts to supplement support of programs and services for students with disabilities; to meet the estimated maintenance of effort for IDEA; or to resolve pending IDEA maintenance of effort litigation. Directs that IDEA maintenance of effort funds 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, 2016. Authorizes IDEA Maintenance Effort funds to be carried forward and used for the same purpose.

WMC: AMEND proviso to delete previous directive on the use of funds to meet IDEA maintenance of effort and that these funds are not subject to flexibility and instead authorizes the department, if state funds are reduced or changes in the EFA Base Student Cost would reduce support for children with disabilities, to use Aid to District funds in Section VIII.A.1. to ensure maintenance of state financial support for the IDEA. Amend distribution of these funds to delete the requirement that they be distributed as directed “in any litigation settlement agreement” and instead by distributed as directed “by the United States Department of Education. Change references to maintenance of “efforts” to “state financial support.” Delete specific reference to “2016.” Delete the carry forward authorization. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / AMEND FURTHER to direct that distribution of these funds using the 135 ADM or as directed by the USDE are not subject to flexibility and reinsert the authorization for the department to carry forward IDEA Maintenance of Effort funds and spend them in the same manner..

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 these purposes may not be transferred to any other purpose and therefore are not subject to flexibility.~~ ***It in the event that there is a reduction in state funds or there are changes in the Education Finance Act/Base Student Cost formula that would reduce support for children with disabilities, the Department of Education is authorized to utilize funds appropriated in Section VIII.A.1. Aid to Districts to ensure maintenance of state financial support for the IDEA.*** 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 by the United States Department of Education.~~ ***Funds provided for these purposes may not be transferred to any other purpose and therefore are not subject to flexibility.*** For continued compliance with the federal maintenance of ~~efforts~~ *state financial support* 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~~ *state financial support* 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, 2016, the department must submit an estimate of the IDEA MOE *maintenance of state financial support* requirement to the General Assembly and the Governor. **For the current fiscal year, the department may carry forward IDEA Maintenance of Effort funds from the prior fiscal year and expend them in the same manner.**

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

1A.37 AMEND (Teacher Salaries/SE Average) States the projected Southeastern average teacher salary for FY 2016-17 is \$51,495. Requires a local district board of trustees to provide a step increase for all eligible certified teachers. Directs the department to continue to use the FY 2012-13 statewide minimum teacher salary schedule in FY 2016-17 and to increase the schedule by 2%.

WMC: AMEND proviso to change “\$51,495” to \$51,966;” change “2012-13” to “2016-17;” change “2016-17” to “2017-18;” and delete the requirement that the schedule be increased by 2%.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.37. (SDE-EIA: Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers’ salaries of the southeastern states as projected by the Revenue and Fiscal Affairs Office. For the current school year the Southeastern average teacher salary is projected to be ~~\$51,495~~ \$51,966. The General Assembly remains desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary.

The statewide minimum teacher salary schedule used in Fiscal Year ~~2012-13~~ 2016-17 will continue to be used in Fiscal Year ~~2016-17~~ 2017-18 ~~and be increased by two percent.~~

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

Funds appropriated in Part IA, Section 1, VIII.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50(4)(b), to include classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists in the school districts of the state.

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

1A.40 DELETE (National Board Certification Incentive) Provides for the National Board Certification Incentive for teachers certified by the National Board or who completed the application process prior to July 1, 2010.

WMC: DELETE proviso. *See new proviso IA.80.*

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso. *See new proviso IA.80.*

1A.40. (SDE-EIA: National Board Certification Incentive) ~~Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July first in the year following the year of achieving certification, beginning with 2009 applicants. The special schools include the Governor’s School for Science and Math, Governor’s School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) shall administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010, may receive a loan equal to the amount of the application fee. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 shall have one-half of the loan principal amount and interest forgiven when the required portfolio is submitted to the national board. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 who attain certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) the funds necessary for the administration of the loan program for teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010. In addition, teachers who have applied prior to July 1, 2010 and are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.~~

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

1A.50 CONFORM TO FUNDING (Surplus) Requires EIA funds carried forward from the prior fiscal year that are not appropriated or authorized to be carried forward and spent for specified purposes and directs that any additional funds carried forward and not otherwise appropriated or authorized to be used for Instructional Materials.. Allows the funding items to be reduced pro rata if there are not sufficient monies to fund the items.

WMC: AMEND proviso to update fiscal year reference to "2017-18;" delete previously funded items; add the following items: \$400,000 for Computer Science Task Force, \$3,650,000 to EOC - Partnerships, \$3,000,000 for Industry Certification, and \$100,000,000 for Abbeville Equity Districts for Capital Improvements; and delete carry forward funds authorization.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

1A.50. (SDE-EIA: Surplus) For Fiscal Year ~~2016-17~~ 2017-18, EIA ~~surplus~~ cash funds from the prior fiscal year and EIA funds not otherwise appropriated or authorized must be carried forward and expended on the following items in the order listed:

- ~~1. EOC Partnerships for Innovation \$3,200,000;~~
 - ~~2. Allendale County School District \$150,000;~~
 - ~~3. Modernize Vocational Equipment \$1,501,307;~~
 - ~~4. Industry Certification \$3,000,000;~~
 - ~~5. Adult Education \$1,000,000;~~
 - ~~6. Power Schools/Data Collection \$1,952,000;~~
 - ~~7. IT Academy \$750,000;~~
 - ~~8. Instructional Development and Digital Content Curation \$393,443; and~~
 - ~~9. EOC Customized STEM labs for grades 6-8 located in school districts that are a trial or plaintiff district in the Abbeville equity lawsuit \$200,000.~~
1. Computer Science Task Force - \$400,000;
 2. EOC-Partnerships - \$3,650,000;
 3. Industry Certification - \$3,000,000; and
 4. SDE-Abbeville Equity Districts for Capital Improvements - \$100,000,000.

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

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

1A.52 CONFORM TO FUNDING (South Carolina Public Charter School District Funding) Provides for the allocation of S.C. Public Charter School District funds for virtual and brick and mortar charter schools. Provides a timeline extension for ruling on charter school applications and requires the Public Charter School District provide an outcomes report on the extended time frame to the Senate Finance Committee.

WMC: AMEND proviso to update fiscal year reference to “2017-18.” Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

1A.52. (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~~ 2017-18, 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 South Carolina Public

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

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.53 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.
HOU: DELETE proviso. Sponsor: Rep. Whitmire.
SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / REINSERT proviso.

1A.53. (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.54 CONFORM TO FUNDING / REINSERT** (TransformSC) Requires at least \$400,000 of Partnerships for Innovation funds appropriated to the EOC be allocated to the TransformSC public-private project.
HOU: DELETE proviso. Sponsor: Rep. Whitmire.
SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation / REINSERT proviso.

1A.54. (SDE-EIA: TransformSC) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, at least \$400,000 shall be allocated to the TransformSC public-private project.

- 1A.56 DELETE** (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 or the current Medicaid rate, whichever is higher, and the individual hourly pay of line therapists to a minimum of \$10.00. 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: DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to HHS.*
HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

1A.56. (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~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~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.58 DELETE (EIA: Technology Professional Development) Directs that \$4,000,000 of Professional Development funds be designated for professional development for use of classroom technology. Requires districts report by June 15th on the amount of funds expended, type of activities funded, and the number of teachers participating in the activity.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1A.58.** (SDE-EIA: Technology Professional Development) Of the funds appropriated in Section VIII.C.3 for Professional Development, \$4,000,000 shall be designated for use as professional development for the use of classroom technology. Funds designated for technology-related professional development shall be distributed to each school district or special school in proportion to the previous year's one hundred thirty five day average daily membership. Districts must report by June fifteenth of the current fiscal year on the amount of funds expended, the types of activities funded by the district, and the number of teachers participating in the activity on a form prescribed by the department.~~

1A.61 AMEND FURTHER (Reading/Literacy Coaches) Provides for the allocation and use of funds appropriated for Reading/Literacy Coaches to school districts. Requires the department publish guidelines defining reading/literacy coach minimum qualifications; develop procedures to monitor the use of these funds; and requires the funds to be retained and carried forward for the same purpose and not flexed. *Note: Companion General Education proviso is 1.62.*

WMC: AMEND proviso, item (A)(1) to change "proficient" to "meets expectations;" specify the reading "sub score of the English language arts" test; and delete reference to "research" test. Amend item (A)(2) to delete reference to scoring below "proficient on the reading and research test during the same period" and instead direct "as referenced in (A)(1)." Amend item (K) to update fiscal year reference to "2017-18." Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete reference to "either."

1A.61. (SDE-EIA: Reading/Literacy Coaches) (A) Funds appropriated for Reading/Literacy Coaches must be allocated to school districts by the Department of Education as follows:

(1) for each elementary school in which twenty percent or more of the students scored below ~~proficient~~ "meets expectations" on the reading sub score of the English language arts ~~and research~~ test in the most recent year for which such data are available, the school district shall be

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

eligible to receive the lesser of ~~either~~ up to \$62,730 or the actual cost of salary and benefits for a full-time reading/literacy coach; and

(2) for each elementary school in which fewer than twenty percent of the students scored ~~below proficient on the reading and research test during the same period as referenced in (A)(1)~~, the school district shall be eligible to receive the lesser of ~~either~~ up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading/literacy coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

(B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures, except for districts that either are currently, or in the prior fiscal year, were paying for reading/literacy coaches with local funds. A district may, however, assign a reading/literacy coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

(C) Funds appropriated for reading/literacy Coaches are intended to be used to provide elementary schools with reading/literacy coaches who shall serve according to the provisions in Chapter 155 of Title 59.

(D) Schools and districts accepting funding to support a coaching position agree that the reading/literacy coach must not serve as an administrator. If the department finds that school districts are using these funds for administrative costs as defined in statute they must withhold that districts remaining balance of funds allocated pursuant to this proviso.

(E) The Department of Education must publish guidelines that define the minimum qualifications for a reading/literacy coach. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:

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

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

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

Within these guidelines, the Department of Education must assist districts in identifying a reading/literacy coach in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

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

(G) Prior to the close of the current fiscal year, any unspent or unallocated funds for reading/literacy coaches shall be used to fund Summer Reading Camps.

(H) The Department of Education shall require:

(1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported reading/literacy coach; as well as the school in which the coach is assigned; and

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

(I) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of reading/literacy coaches by school. The department shall also report the amount of funds that will be used for Summer Reading Camps.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

(J) Funds appropriated for reading/literacy coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.

(K) For Fiscal Year ~~2016-17~~ 2017-18, if increased funding for reading/literacy coaches is not sufficient to provide additional reading/literacy coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.

1A.63 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 specify that "up to \$2,000,000" of 4K half-day program and assessment carry forward funds be used to administer the "Kindergarten Readiness Assessment (KRA)" rather than that "\$2,000,000" of those funds being used to administer Developmental Reading Assessment(®) 2nd Edition Plus" to each child entering kindergarten in public schools. Delete the requirement that the assessment also be administered once during the last forty-five days of the school year. Delete the authorization for the department to pilot other more comprehensive readiness assessments. Require the department collect certain data from schools and school districts on each student's prior early learning experience if they are assessed with the KRA. Requested by Department of Education and Education Oversight Committee.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.63. (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 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. 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, up to \$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~~ Kindergarten Readiness Assessment (KRA) to 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

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

to kindergarten. 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. 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 of kindergarten students to the Education Oversight Committee. With available funds, the department will also provide or secure training for appropriate educators in how to administer the assessment. ~~In addition the department may pilot in kindergarten classes one or more comprehensive readiness assessments that address the other domains in numeracy, approaches to learning, social and emotional development, and physical well being in the current school year.~~

For all students assessed with the Kindergarten Readiness Assessment (KRA), the Department of Education is required to collect data from schools and school districts on the prior early learning experience of each student. The data would include whether the kindergartener had attended in the prior school year a Head Start program, a South Carolina Early Reading Development and Education Program in a public school or a private center, a half-day 4K program in a public school, a full-day 4K program in a public school, a child care center (registered faith-based, registered family home, group home, or exempt provider) or informal child care.

1A.65 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. *Note: Companion General Education proviso is 1.72.*

WMC: AMEND proviso to update fiscal year reference to "2017-18;" delete calendar year reference on report due of April 1, "2017;" and also require the Department of Education report on how these funds were spent. Requested by SC First Steps to School Readiness and Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete authorization for the department to use funds available from school districts opting out of participating in the CDEPP program to increase participation and instead direct that if the department determine funds will be available, to allocate the funds first to districts with a documented waiting list and then to districts to increase the length of the program to up to 8 ½ hours per day and 20 day per year or to fund summer programs. Provide for how a district is to use the funds for summer programs; direct that the program be up to 8 ½ hours per day for up to 10 weeks. Direct that end of year adjustments be based on the 135 day student ADM or later student ADM for districts that extend the program past 180 days.

1A.65. (SDE-EIA: CDEPP Unexpended Funds) For Fiscal Year ~~2016-17~~ 2017-18, the Office of First Steps to School Readiness is permitted to retain the first \$1,000,000 of any unexpended CDEPP funds of 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 first, the Office of First Steps is directed to allocate any additional 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 following purpose: Education Oversight Committee - \$1,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

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

SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18

If by August first, the Department of Education determines there will be funds available, funds shall be allocated ~~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 first, who have a documented waiting list, then to districts to increase the length of the program to a maximum of eight and a half hours per day or two hundred and twenty days per year or to fund summer programs. If a district chooses to fund summer enrollment the program funding shall conform to the funding in this act for full year programs, however shall be reduced on a pro rata basis to conform with the length of the program. A summer program shall be no more than eight and a half hours per day and shall be not more than ten weeks in length. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act and end of year adjustments shall be based on the one hundred and thirty five day student average daily membership or later student average daily membership for districts choosing to extend the program past one hundred and eighty days. Funds may also be used to provide professional development and quality evaluations of programs.

No later than April 1, 2017, the Department of Education and 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.67 CONFORM TO FUNDING (Industry Certifications/Credentials) Directs that Industry Certification/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year. Directs the department to work with the Department of Commerce and DEW, 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.

WMC: AMEND proviso to specify that “\$3,000,000” of Industry Certifications/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year with each district receiving a \$10,000 base amount. Direct that any additional funds be allocated based on the number of national industry exams/credentials earned in the prior school year. Require districts use these funds to pay for the cost of the industry exams or to support students in preparing for the exams. Fiscal Impact: EOC requested an additional \$1,000,000 in funding for this purpose. Requested by Education Oversight Committee.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

1A.67. (SDE-EIA: Industry Certifications/Credentials) ~~The~~ Of the funds appropriated for Industry Certifications/Credentials, \$3,000,000 must be allocated to school districts based upon the number of national industry exams administered in the prior school year with each district receiving a base amount of \$10,000. 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. Any additional funds appropriated must be allocated to school districts based upon the number of national industry

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

exams/credentials earned in the prior school year, and districts must expend these funds to pay for the cost of industry exams or to support students in preparing for the exams in the current fiscal year.

- 1A.68 CONFORM TO FUNDING** (~~Career and Technical Equipment Funding~~ *Technology Education*) Provides for the distribution and use of Modernize Career and Technical Equipment funds to school districts and multi-district career centers. Requires the district plan contain certain information on other available career and technical equipment and to include charter schools offering at least one career and technical education completer program. Authorizes school districts and career centers to carry forward these funds for the same purpose.
- WMC:** AMEND proviso to change “Modernize Career and Technical Equipment” to “Career and Technology Education.” Include “regional career specialists and such evidence-based initiatives like High Schools that Work and Project Lead the Way” to list of authorized fund expenditures. Direct that \$125,000 be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support.
- HOU:** ADOPT proviso as amended.
- SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

1A.68. (SDE-EIA: ~~Career and Technical Equipment Funding~~ *Technology Education*) Funds appropriated for ~~Modernize Career and Technical Equipment~~ *Career and Technology Education* will be distributed to school districts and multi-district career centers based on the prior year actual student enrollment for career and technology education courses, with no district or multi-district career center receiving less than \$50,000. Funds may be expended for the purchase of career and technical equipment, the up fitting of facilities and the purchase of consumables, regional career specialists, and such evidence-based initiatives like High Schools that Work and Project Lead the Way. 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. In addition, \$125,000 of the funds appropriated shall be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support.

- 1A.69 CONFORM TO FUNDING** (Digital Learning) Authorizes the EOC to use \$1,600,000 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. Directs that at least \$1,300,000 be authorized for schools or school districts that have poverty indices of 80% or greater based on certain poverty indices or who are an Abbeville equity lawsuit trial or plaintiff district.
- HOU:** AMEND proviso to delete the use of the \$1,600,000 for the computer science initiatives pilot. Sponsor: Rep. Whitmire.
- SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

1A.69. (SDE-EIA: Digital Learning) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, ~~\$1,600,000 will be authorized to be utilized to enter into one-year memoranda of agreements with public and private entities to pilot computer science~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~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 \$1,300,000 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.73 DELETE** (Teacher Salaries Increase) Directs the department to increase the statewide salary schedule by 2%; requires a local school district board of trustees to provide all certified teachers paid on the teacher salary schedule the 2% increase; specifies that districts are to use the prior year's district salary schedule as its base; directs school districts to use the additional funds from the Teacher Salary Supplement to provide 1% of the required 2% increase; and provides for salary increases for all eligible certified teachers entering the 23rd year. Allows for a waiver from the requirements of this provision under certain conditions. *Note: Companion General Education proviso is 1.79.*

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1A.73.** (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 utilized the prior fiscal year 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.74 DELETE** (College Readiness Assessments) Provides for administration of college readiness assessments for students in the 11th grade. Provides guidelines if a student chooses to use the results of this assessment for post-secondary admission or placement.

WMC: DELETE proviso. *Codified in Section 59-18-325.*

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1A.74.** (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~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~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.~~

- 1A.75 CONFORM TO FUNDING** (EOC Military-Connected Children) Directs the EOC to use \$100,000 of Partnerships for Innovation funds to initiate a pilot program in at least two school districts that have a high military density that will provide training, services, resources and research to various educational and mental health professionals, service providers, and military parents. Directs that the objective of the pilot is to increase the level of educational quality and support for military-connected children. Requires training and services be provided by a non-profit entity with specific credentials. Directs the EOC to report on the expenditures of these funds and post-training evaluation in its annual report on the education performance of military-connected children as required by Act 289 of 2014.

HOU: DELETE proviso. Sponsor: Rep. Whitmire.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

~~**1A.75.** (SDE-EIA: EOC Military-Connected Children) Of the funds allocated for Partnerships for Innovation, the Education Oversight Committee is directed to expend \$100,000 to initiate in at least two school districts with high military density, a pilot program that will provide training, services, resources and research to teachers, counselors, mental health professionals, school nurses, service providers and military parents. The objective of the pilot is to increase the level of educational quality and support for military connected children. The training and services must be provided by a non profit entity that is an NBCC Approved Continuing Education Provider and is an authorized provider by the international Association for Continuing Education and Training (IACET). Pursuant to its responsibilities under Act 289 of 2014, the Education Oversight Committee will report on the expenditure of these funds and post-training evaluations in its annual report on the educational performance of military connected children.~~

- 1A.76 CONFORM TO FUNDING** (STEM Labs) Directs the EOC to work with the department’s Office of Standards and Learning to solicit middle schools from the Abbeville trial and plaintiff districts to participate in implementing a STEM based curriculum customized for 6th-8th grade designed to address local industry needs. Requires the curriculum be aligned to state standards and certified by ACT WorkKeys.

HOU: DELETE proviso. Sponsor: Rep. Whitmire.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

~~**1A.76.** (SDE-EIA: STEM Labs) Of the funds appropriated for customized STEM labs, the Education Oversight Committee shall work with the Department of Education, Office of Standards and Learning to solicit interested middle schools from the Abbeville trial and plaintiff districts to participate in implementing a STEM based curriculum. The pilot sites will receive a customized 6th–8th grade STEM curriculum designed to address the needs of local industry. The curriculum provided will be aligned to state standards and certified by ACT WorkKeys and will include hands on, problem-based student labs. The curriculum will also be certified by ACT WorkKeys. Teachers in the pilot sites will receive ongoing, year-long professional development~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~on cross-curricular STEM implementation that will be aligned to state standards as well and the district strategic plan.~~

1A.77 DELETE (Baby Net Financial Audit Reimbursement) Directs First Steps to use their appropriated or carried forward funds to reimburse the Department of Education up to \$50,000 for Baby Net financial audit costs.

WMC: DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by SC First Steps to School Readiness.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1A.77.** (SDE-EIA: Baby Net Financial Audit Reimbursement) For Fiscal Year 2016-17, of the funds appropriated or carried forward, First Steps to School Readiness is directed to reimburse the Department of Education up to \$50,000 for the costs of the financial audit of Baby Net.~~

1A.79 DELETE (Report Cards) Directs the EOC to not calculate absolute or absolute growth performance ratings for the 2016-17 school year for schools or districts, but instead to determine the format of a transitional report card for release in the fall of 2016 that will also identify underperforming schools and districts.

WMC: DELETE proviso. *Codified in Act 281 of 2016.* Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1A.79.** (SDE-EIA: Report Cards) With the funds appropriated for assessment and the achievement results obtained from these assessments, the Education Oversight Committee shall not calculate absolute or growth performance ratings for the 2016-17 school year for schools or districts. Instead, the Education Oversight Committee shall determine the format of a transitional report card released to the public in the fall of 2016 that will also identify underperforming schools and districts. These transitional reports will, at a minimum, include the following: (1) school, district and statewide student assessment results in reading and mathematics in grades 3 through 8; (2) high school and district graduation rates; and (3) measures of student college and career readiness at the school, district, and statewide level. These transitional reports shall inform schools and districts, the public, and the Department of Education of school and district general academic performance and assist in identifying potentially underperforming schools and districts and in targeting technical assistance support and interventions in the interim before ratings are issued.~~

1A.80 AMEND FURTHER (EIA: National Board Certification Incentive) **WMC:** ADD new proviso to direct that a \$7,500 salary supplement be paid to public school classroom teachers, including special schools, who are certified by the State Board of Education and the National Board for Professional Teaching Standards if they completed the application process before July 1, 2010 and a \$5,000 salary supplement if they completed the application process after July 1, 2010 as long as they maintain their national board certification. Direct CERRA, for the current fiscal year, to suspend the acceptance of new applications for the program. *Combines provisos 1A.29 and 1A.42 to reflect the changes in the national board per the recommendations of the NBPTS.*

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete the directive that CERRA suspend administering applications into the program and instead direct that FY 2017-18 will be the final year for eligible teachers to submit initial application and fee

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

for the incentive program and be eligible to receive the state supplement when they achieve certification. Direct that excess funds be distributed to school districts based on the EFA formula.

1A.80. (SDE-EIA: National Board Certification Incentive) Public school classroom teachers, to include teachers employed at the special schools or classroom teachers who work with classroom teachers, to include teachers employed at the special schools who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July first in the year following the year of achieving certification, beginning with 2009 applicants. The special schools include the Governors School for Science and Math, Governors School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teachers FTE and paid to the teacher in accordance with the districts payroll procedure. In addition, teachers who have applied prior to July 1, 2010 and are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

For the current fiscal year the salary supplement will be \$5,000 for public school classroom teachers, to include teachers employed at the special schools or classroom teachers who work with classroom teachers, to include teachers employed at the special schools who are certified by the State Board of Education and who complete the application process on or after July 1, 2010, beginning in the year of achieving certification and applies uniformly to all teachers covered under Section 59-26-85(A)(2) of the 1976 Code. The special schools include the Governors School for Science and Math, Governors School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Department of Juvenile Justice and Palmetto Unified School District 1. The \$5,000 salary supplement shall be added to the annual pay of the teacher, not to exceed the lesser of, the length of one national certificate cycle. However, the \$5,000 supplement shall be adjusted on a pro rata basis for the teachers FTE and paid to the teacher in accordance with the districts payroll procedure.

~~*For the current fiscal year CERRA shall suspend administering applications into the program. Fiscal Year 2017-18 shall be the final year for eligible teachers to submit the initial application and fee for NBPTS and be eligible to receive the state supplement upon achieving certification. Appropriations in excess of applicable expenditures shall be distributed to school districts based on the EFA formula.*~~

1A.81 CONFORM TO FUNDING (Revolving Student Loan Program Transfer) **WMC:** ADD new proviso to direct the State Treasurer to transfer \$16,000,000 from the EIA Revolving Student Loan Program, Fund 41L1, to the department for the Abbeville Equity Districts Capital Improvement Plan.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

1A.81. (SDE-EIA: Revolving Student Loan Program Transfer) The State Treasurer shall transfer \$16,000,000 from the EIA Revolving Student Loan Program, Fund 41L1, to the Department of Education. The department shall utilize these funds for the Abbeville Equity Districts Capital Improvement Plan as set forth in this act.

1A.82 CARRIED OVER (EIA: Abbeville Equity Districts Capital Improvement Plan) **WMC:** ADD new proviso to direct that funds appropriated for the Abbeville Equity Districts Capital Improvement Plan be allocated by the department to eligible school districts to fund school facility upgrades. Define “eligible school district” and “school facility” for purposes of this provision. Direct that school facilities does not include unimproved real property, centralized district administration facilities, or other facilities, including those identified with interscholastic sports activities. Direct the department to develop and maintain an application process and establish policies, procedures and priorities. Direct the department, at least twice a year, to prioritize eligible projects and submit recommended grant awards to the State Board of Education and require the State Board to affirmatively vote to award a grant. Direct the department to prepare an annual report on Plan activities for the preceding year and submit the report to the Governor and the Chairmen of the Senate Finance, House Ways and Means, Senate Education, and House Education and Public Works Committees.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CARRIED OVER.

1A.82. (SDE-EIA: Abbeville Equity Districts Capital Improvement Plan) The funds appropriated for the Abbeville Equity Districts Capital Improvement Plan in Part IA, Section 1, VIII, I, Abbeville Equity Districts Capital Improvements and by provisos 1A.50 and 1A.81 shall be allocated by the Department of Education to eligible school districts for the purpose of funding school facility upgrades. Eligible school districts include any school district that is a plaintiff in the Abbeville law suit or districts with a poverty index of eighty percent or higher. For the purpose of this provision, “school facility” means only facilities necessary for instructional and related supporting purposes including, but not limited to, classrooms, libraries, media centers, laboratories, cafeterias, physical education spaces, related interior and exterior facilities, and the conduit, wiring, and powering of hardware installations for classroom computers or for area network systems. Eligible school facility projects shall include: (a) health and safety upgrades; (b) technology upgrades inside school facilities; (c) upgrades associated with career and technology education programs; and (d) deferred maintenance needs as described in the district’s capital improvement plan. For purposes of this provision, school facilities shall not include unimproved real property, centralized district administration facilities, or other facilities, including those normally identified with interscholastic sports activities.

The department shall develop and maintain an application process for school districts to request funding for qualified school projects and establish policies, procedures, and priorities for the making of grants pursuant to this provision. At least twice a year and upon receipt of applications pursuant to the application process adopted by the department, the department shall prioritize the eligible projects with the greatest need and shall submit a list of recommended grant awards to the State Board of Education. Grants shall be awarded upon an affirmative vote of the State Board.

The financial assistance provided to school districts pursuant to this provision must be used for the eligible school facility project. The department is responsible for establishing policies and procedures to ensure that funds are expended in a manner consistent with this provision.

Following the close of the fiscal year, the department shall submit an annual report of its Abbeville Equity Districts Capital Improvement Plan activities for the preceding year to the Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

Means Committee, the Chairman of the Senate Education Committee, and the Chairman of the House Education and Public Works Committee.

- 1A.83 CONFORM TO FUNDING** (Value-Added Accountability) **HOU:** ADD new proviso to direct the department to use the education value-added assessment system to calculate the magnitude of student progress or growth at the school level for purposes of state and federal accountability. Allow local school districts to use the system to evaluate classroom teachers using student progress or growth. Direct that this teacher evaluation is to only be available to the specific teacher, principal and superintendent and shall not be a public record. Sponsor: Rep. Whitmire. **SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

1A.83. (SDE-EIA: Value-Added Accountability) With the funds appropriated for School Value Added Instrument in the current fiscal year the Department of Education shall use the education value-added assessment system that was procured and administered in the prior fiscal year to calculate the magnitude of student progress or growth at the school level for purposes of state and federal accountability. At the discretion of the local school district, a district may use the education value-added assessment system to evaluate classroom teachers using student progress or growth. The estimates of specific teacher effects on the educational progress of students will not be a public record and shall be made available only to the specific teacher, principal and superintendent. In the current fiscal year, the Department of Education is directed to procure a value-added assessment system, which calculates student growth and includes the measurement of magnitude of growth, to be used in future school years that meets the requirements of the state and federal accountability system as defined in Chapter 18 of Title 59 of the 1976 Code.

- 1A.84 CONFORM TO FUNDING** (Aid to Districts-Technology) **HOU:** ADD new proviso to direct that Aid to Districts - Technology funds be distributed to public school districts, special schools, and the SC Public Charter School District per pupil, based on the previous year's 135 day ADM based on specific calculations. Allow the department to adjust the per-ADM rates to conform to actual levels of student attendance and available appropriations. Direct that funds are to be used to improve external and internal connections and develop or expand 1-1 computing initiatives. Allow a school district that has achieved each goal to submit a plan to the K-12 Technology Committee for permission to use the funds for other technology-related uses and provide an appeals process. Direct each school district that receives these funds to provide an itemized report by June 30, 2018, on the amounts and uses of these funds. Sponsor: Rep. Whitmire. **SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation. *This proviso was formerly in the Lottery Section.*

1A.84. (SDE-EIA: Aid to Districts-Technology) Funds appropriated to the Department of Education for Aid to Districts - Technology shall be distributed to the public school districts of the state, the special schools of the state and the South Carolina Public Charter School District, per pupil, based on the previous year's one hundred thirty-five day average daily membership, according to the below calculations: (1) For a school district with a poverty index of less than 75: \$35 per ADM; (2) For a school district with a poverty index of at least 75 but no more than 85: \$50 per ADM; or (3) For a school district with a poverty index of greater than 85 or a special school with no defined poverty index: \$70 per ADM. Poverty will be defined as determined for the poverty add on weight in Proviso 1.3 of this Act.

The Department of Education may adjust the per-ADM rates for each of the three classes defined above in order to conform to actual levels of student attendance and available

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

appropriations, provided that the per-ADM rate for each class is adjusted by the same percentage.

Funds distributed to a school district may only be used for the following purposes: (1) To improve external connections to schools, with a goal of reaching at least 100 kilobits per second, per student in each school by 2017; (2) To improve internal connections within schools, with a goal of reaching at least 1 megabit per second, per student in each school by 2017; or (3) To develop or expand one-to-one computing initiatives.

A school district that has achieved each of the above goals may submit a plan to the K-12 Technology Committee for permission to expend its allocation on other technology-related uses; such permission shall not be unreasonably withheld and the K-12 Technology Committee must permit districts to appeal any process should a district not receive approval and must provide technical assistance to districts in developing plans should the district request such.

Funds appropriated may not be used to supplant existing school district expenditures on technology. By June 30, 2018, each school district that receives funding during Fiscal Year 2017-18 must provide the K-12 Technology Committee with an itemized report on the amounts and uses of these funds, using a form developed by the Education Oversight Committee. In this report, a school district must provide information on its efforts to obtain reimbursements through the "E-Rate" Schools and Libraries Program administered by the Universal Service Administrative Company. Within its available resources, the K-12 Technology Committee shall support school districts' efforts to obtain these reimbursements.

- 1A.co CARRIED OVER (CDEP Overpayment) SFC SUBCOMMITTEE RECOMMENDATION:** CARRIED OVER / ADD new proviso to direct that school districts are not required to return any overpayment of CDEP funds they received in school year 2015-16 due to a department calculation error. Prohibit the department from requiring school districts to return such overpayment.. *Note: Companion General Education proviso is 1.88.*

1A.co. (SDE-EIA: CDEP Overpayment) School districts that received an overpayment of CDEP funds in school year 2015-16 due to a Department of Education calculation error shall not be required to return such overpayment to the Department of Education. The Department of Education shall be prohibited from requiring school districts to return any such overpayment of CDEP funds.

- 1A.cf CONFORM TO FUNDING / ADD (Carry Forward) SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation / ADD new proviso to direct the department to allocate \$30 million from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act. *Companion General Education proviso is 1.cf.*

1A.cf. (SDE-EIA: Carry Forward) For Fiscal Year 2017-18, the Department of Education is directed to allocate \$30,000,000 from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act.

- 1A.imp ADD (Instructional Materials Adoption) SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department and the State Board of Education to review the current process for adopting and appropriating instructional materials; to establish an updated process that includes both print and digital materials by December 1, 2017; and make recommendations to the Governor and General Assembly according to the new process.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

1A.imp. (SDE-EIA: Instructional Materials Adoption) The Department of Education and the State Board of Education are directed to review the current process for the adoption and appropriation of instructional materials and establish an updated process that will include both print and digital instructional materials no later than December 1, 2017, and make corresponding funding recommendations to the Governor and the General Assembly according to the new process.

1A.epp ADD (Educator Preparation Provider) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the department to use up to \$300,000 of carry forward fund to develop a data system to store post-certification date and employment for Education Preparation Provider completers in accordance with Reg 43-90 [PROGRAM APPROVAL STANDARDS FOR SOUTH CAROLINA TEACHER EDUCATION INSTITUTIONS] and direct that the stored data is exempt from disclosure under FOIA.

1A.epp. (SDE-EIA: Educator Preparation Provider) Of the funds carried forward from the prior fiscal year, the department is authorized to use up to \$300,000 to develop a data system to house post-certification data and employment for Education Preparation Provider (EPP) completers in accordance with S.C. Code Reg. 43-90. The system must provide the department with the ability to collect, store, and disseminate data elements needed for national accreditation of providers. Such data shall be exempted from disclosure under Section 30-4-40 of the 1976 Code, the South Carolina Freedom of Information Act

SECTION 3 - H660 - LOTTERY EXPENDITURE ACCOUNT

3.sui ADD (Student Unique Identifiers) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso direct that, in order to provide longitudinal data, if an institution of higher education or technical college accepts lottery funds they must retain the student unique identifier number that is assigned to a student that attended a state public high school. Direct that an institution and technical college are not prohibited from using additional student identifiers.

3.sui. (LEA: Student Unique Identifiers) For the current fiscal year, in order to provide longitudinal data, institutions of higher education and technical colleges accepting lottery funds must retain the student unique identifier or SUNS number assigned to students who attended public high schools in South Carolina. This shall not prohibit institutions of higher education or technical colleges from using additional student identifiers.

SECTION 6 - H750 - SCHOOL FOR THE DEAF AND THE BLIND

6.4 DELETE (Adult Vocational Program Fees) Authorizes the school to charge tuition, room and board and other fees to students in the Adult Vocational Program. Directs that fees be determined by the School Board of Commissioners and that the revenue be retained and carried forward.
WMC: DELETE proviso. *Program is no longer offered.* Requested by School for the Deaf and the Blind.
HOU: ADOPT deletion of proviso.
SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**6.4.** (SDB: Adult Vocational Program Fees) The School for the Deaf and the Blind is authorized to charge appropriate tuition, room and board, and other fees to students accepted into~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~the Adult Vocational Program. Such fees will be determined by the School Board of Commissioners, and such revenue shall be retained and carried forward.~~

SECTION 7 - L120 - JOHN DE LA HOWE SCHOOL

7.4 CARRIED OVER (Transition) Directs the John de la Howe Board of Trustees to work with an advisory group to recommend an educational, vocational, and life skills training program for older children who are at risk and aging out of the foster care or juvenile justice DSS or DJJ supervisory programs. Directs the Board of Trustees, in consultation with the advisory group to contract with a child-service provider to operate the program. Directs the Board of Trustees, with technical assistance from Clemson University, DOA, and EBO to continue to provide wilderness camp programs and identify initiatives to provide agricultural education opportunities on campus. Directs the school to work with DSS and DJJ to safely transition existing students into appropriate placements, programs and services. Provides for a status and progress report to be made to certain legislative committees by June 30th. Directs the Board of Trustees, in consultation with the advisory group to made recommendations to the Governor and General Assembly on the future role of the school.

WMC: DELETE proviso. Requested by John de la Howe School.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CARRIED OVER.

~~7.4. (JDLH: Transition) In accordance with the purposes of the will of Dr. John de la Howe, by September thirtieth of the current fiscal year, the Board of Trustees of John de la Howe is directed to work with an advisory group comprised of one person each designated by the Director of the Department of Social Services, the Director of the Department of Mental Health, the Director of the Department of Juvenile Justice, the State Superintendent of Education, the Director of the Department of Alcohol and Other Drug Abuse Services, the Chair of the Joint Citizens and Legislative Committee on Children, a Representative appointed by the Speaker of the House, and a Senator appointed by the President Pro Tempore of the Senate to recommend an educational, vocational, and life skills training program at the John de la Howe School for older youth who are at risk and who are aging out of the foster care or the juvenile justice supervisory programs of the Department of Social Services or the Department of Juvenile Justice. The program will utilize the funds appropriated to John de la Howe School for the costs of the program that will include school drop out recovery to complete a high school degree, a GED program, vocational and employment training, and an aftercare program for transition of the youth to independent living and employment. Clemson University will collaborate with the advisory group regarding the development of a vocational farming component for the program.~~

~~In consultation with the advisory group and as set forth herein, by November thirtieth, the John de la Howe Board of Trustees will procure a contract with a child-service provider to operate the program. The child-service provider must be a nationally accredited (AdvancED) educational organization experienced in both child protection and juvenile justice programs and must be able to demonstrate a history of success in the operation of educational and vocational residential training programs for youth. The Department of Administration and the Executive Budget Office will assist John de la Howe as needed in the transition.~~

~~With funds appropriated and with technical assistance from Clemson University, the Department of Administration and the Executive Budget Office, the John de la Howe School Board of Trustees will continue to provide wilderness camp programs to students in the current fiscal year; and identify initiatives to provide agricultural education opportunities on campus for students.~~

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~John de la Howe will work with the Department of Social Services and the Department of Juvenile Justice to provide for the safe transition of the existing residents from John de la Howe School into such placements, programs and services as determined appropriate based on an assessment of their individual needs.~~

~~In the development of the program and in the qualifications and selection of the child service provider, considerations by the John de la Howe Board of Trustees in consultation with the advisory group will include the following:~~

~~(1) the overlap of needs of children who crossover for services between the Department of Social Services and the Department of Juvenile Justice;~~

~~(2) educational, school drop out recovery, GED, vocational programs, life skills training programs, career and employment opportunities, and independent living programs for these older youth clients that can be provided using the John de la Howe School facilities, resources, and funding to assist these youth who are at risk and aging out of state services to prepare for success as adults;~~

~~(3) aftercare programs that will follow these youths into the community and help them to become established in viable employment and living situations that encourage a future free of homelessness, unemployment, poverty, alcohol and other substance abuse, criminal behavior, and dependence on public assistance;~~

~~(4) provide the existing child clients at John de la Howe School with a proper, safe transition to family reunification or other appropriate placements and services;~~

~~(5) provide consideration of current John de la Howe School employees, where appropriate, for employment pursuant to the new provider contract for program services; and,~~

~~(6) how the existing funds and youth vocational training programs can be applied to provide repairs and maintenance to the John de la Howe School buildings and grounds.~~

~~The John de la Howe Board of Trustees, with technical assistance from the Department of Education will provide procurement for the contract, fiscal administration of the funds, contract accountability, compliance, and reporting and will submit reports by June thirtieth of the current fiscal year to the House Ways and Means Committee, the Senate Finance Committee, and the Joint Citizens and Legislative Committee on Children to inform the Committees regarding the status and progress of programs, operations, client data, facilities, and budget information. The John de la Howe Board of Trustees, in consultation with the advisory group will make recommendations to the Governor and General Assembly regarding the future role of the John De La Howe School.~~

7.5 CARRIED OVER (Transition) WMC: ADD new proviso to suspend all John de la Howe School operations for Fiscal Year 2017-18 and to terminate all employees, effective July 1, 2017. Provide for final compensation payout and direct all remaining funds and vacant FTEs be transferred to Clemson University PSA. Direct Clemson PSA to use the funds to evaluate and report on what agricultural educational programs can be offered that align with the Will, what land management and operational changes are needed and what the projected costs and timeframe would be for these changes. Direct that findings and recommendations be reported by December 1 to the Senate Finance and House Ways and Means Committees.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: CARRIED OVER.

7.5.(JDLHS: Transition) For Fiscal Year 2017-18, all financial and programmatic management and operations of the John de la Howe School shall be suspended and all employees terminated, effective July 1, 2017.

After the terminated employees final compensation has been paid, all remaining funds and vacant FTE's shall be transferred to Clemson University PSA. The university shall utilize

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

transferred funds to perform an evaluation and report focused on: (1) what agricultural educational programs can be offered that align with the terms and purpose of the Dr. John de la Howe will; (2) what land management and operation changes are needed in order for the property and remaining assets to support the agricultural education programming mission of the will; and (3) what would be the projected costs of and timeframe for these changes. Additionally, Clemson University PSA shall be authorized to utilize the transferred funds to manage and maintain the grounds and other property of the estate as it sees fit, during the suspension period.

Clemson University PSA shall report to the Senate Finance Committee and to the House Ways and Means Committee by December 1 of the current fiscal year on its findings and recommendations.

SECTION 8 - H670 - EDUCATIONAL TELEVISION COMMISSION

8.2 AMEND FURTHER (Spectrum Auction) Authorizes ETV to receive and retain proceeds from the FCC TV Auction and directs how ETV is to use the proceeds. Authorizes unexpended funds to be carried forward and used for the same purpose. Directs ETV, subject to FCC specified quiet period requirement, 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 authorize ETV to receive and retain all proceeds received from the FCC TV Auction. Delete the requirements that the funds be used to develop a capital reserve declining fund balance; that up to \$40,000,000 of the proceeds be used to fund ETV critical capital needs; that proceeds received above \$40,000,000 be placed into a segregated account that will require General Assembly approval prior to expenditure; and the reporting requirement.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to limit the amount of proceeds ETV may receive and retain to \$40,000,000 and direct that the funds be placed in a segregated, restricted account. Direct that any proceeds received above \$40,000,000 must be placed into a segregated account and transferred to the SDE for school bus purchases. Direct ETV to report to the Chairmen of the Senate Finance and House Ways and Means Committees by June 30th the amount expended from the fund and the fund balance.

8.2. (ETV: Spectrum Auction) ~~If the~~ The Educational Television Commission receives any shall be authorized to receive and retain ~~all~~ up to \$40,000,000 of the proceeds from the Federal Communication Commission TV Auction and place them in a segregated, restricted account; 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 ~~The~~ These proceeds shall be used to fund several critical capital needs at ETV, including an expected broadcast industry standards change changes. 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.~~ Any proceeds received above \$40,000,000 must be placed into a segregated account and transferred to the Department of Education to be used for school bus purchases. Unexpended funds shall be carried forward from the prior fiscal year into the current fiscal year and used for the same purpose. Subject to the FCC requirements 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. No later than June 30th of the current fiscal year, ETV must report to the Chairman of the House

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

Ways and Means Committee and the Chairman of the Senate Finance Committee the amount of money expended from the fund and the balance of the fund.

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 delete references to specific distribution amounts and instead direct the Arts Commission to report to the Chairmen of the House Ways and Means and Senate Finance Committees by December 1st, the amounts of allocations distributed to subdivisions for the prior fiscal year. *To provide actual amounts distributed versus an estimation based on total funds allocated.* 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; \$34,012 for Alloc Cnty Restricted; \$928,569 for Alloc School Dist; \$40,000 for Alloc Other State Agencies; \$459,026 for Alloc Private Sector; \$42,750 for Alloc Private Sector; \$75,449 for Aid Mun Restricted; \$41,155 for Aid Cnty Restricted; \$243,241 for Aid School Districts; \$389,171 for Aid Other State Agencies; \$1,580,603 for Aid To Private Sector; \$45,221 for Aid To Private Sector Reportable; and 3,750 for Aid to County Libraries. No later than December 1st of the current fiscal year, the Arts Commission must report to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee the amount of aid/allocations distributed to subdivisions during the most recently completed fiscal year, detailed by specific subdivisions.~~

SECTION 109 - R440 - DEPARTMENT OF REVENUE

109.11 **AMEND FURTHER** (Educational Credit for Exceptional Needs Children) Creates the Educational Credit for Exceptional Needs Children Fund and 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 definition of “Eligible school” in (A)(1)(f) to require a school to also be in good standing with the “Palmetto Association of Independent Schools.” Amend definition of “Exceptional needs child” by adding (A)(2)(c) to include a child who has been identified by DSS as having special educational or developmental needs. Amend definition of “resident public school district” in (A)(6) to add “or in the case of dependents of active duty military personnel, the public school district which the student may attend.” Amend (E)(1) to provide guidelines to reapply and apply to the EOC in order to participate in the program in the current fiscal year; provide for removal from the program if certain information is not received by specific deadlines; provide for verification that a school is a member in good standing with certain associations and with the Diocese of Charleston and that the school continues to serve exceptional needs children. Amend (E)(1)(c) to direct that the application must contain a copy of a compilation, review, or compliance audit of the organization’s financial statement “as relating to the grants received”

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

conducted by a CPA firm. Amend (E)(3)(a)(ii) to require an independent school's compliance audit be posted on the EOC website. Delete (J) which required scholarship funding organizations organized for the purpose of providing grants to qualifying students with exceptional needs to attend an independent school, to deposit all remaining funds into the Educational Credit for Exceptional Needs Children Fund by August 1, 2016 and direct that these organizations shall cease to exist on August 1, 2016.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to

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

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

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

(d) has an educational curriculum that includes courses set forth in the state's diploma requirements, graduation certificate requirements (for 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, *or Palmetto Association of Independent Schools*; 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) 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) 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; ~~or~~

~~*(c) who has been identified by the Department of Social Services as having special educational or developmental needs.*~~

(4) ~~(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.

~~(5)~~ ~~(4)~~ 'Parent' means the natural or adoptive parent or legal guardian of a child.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

~~(6)~~ (5) ‘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.

~~(7)~~ (6) ‘Resident public school district’ means the public school district in which a student resides, or in the case of dependents of active military personnel, the public school district which the student may attend.

~~(8)~~ (7) ‘Transportation’ means transportation to and from school only.

~~(9)~~ (8) ‘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.

~~(10)~~ (9) ‘Department’ means the Department of Revenue.

(B) (1) There is created the Educational Credit for Exceptional Needs Children Fund that is separate and distinct from the State general fund. The fund shall be organized by the department as a public charity as defined by the Internal Revenue Code under sections 509(a)(1) through 509(a)(4) and consist solely of contributions made to the fund. The fund may not receive an appropriation of public funds. The fund shall receive and hold all contributions intended for it as well as all earnings until disbursed as provided in this chapter. Monies received in the fund shall be used to provide scholarships to exceptional needs children attending eligible schools.

(2) The amounts on deposit in the fund do not constitute public funds nor are the deposits property of the State. Amounts on deposit in the fund must not be commingled with public funds and the State shall have no claim to or interest in the amounts on deposit. Agreements or contracts entered into by or on behalf of the fund do not constitute a debt or obligation of the State.

(3) The ~~fund~~ public charity shall be governed by five directors, two appointed by the Chairman of the House Ways and Means Committee, one of which is based upon the recommendation of the South Carolina Association of Christian Schools and one which is based upon the recommendation of the Diocese of Charleston, two appointed by the Chairman of the Senate Finance Committee based upon the recommendations of the South Carolina Independent Schools Association and one appointed by the Governor based upon the recommendation of the Palmetto Association of Independent Schools. The directors of the ~~fund~~ public charity, along with the Director of the Department of Revenue, shall designate an executive director of the ~~fund~~ public charity.

(4) In concert with the ~~fund~~ public charity directors, the Department of Revenue shall administer the ~~fund~~ public charity, including, but not limited to, the keeping of records, the management of accounts, and disbursement of the grants awarded pursuant to this proviso. The ~~department~~ fund public charity may expend up to two percent of the fund for administration and related costs. ~~The~~ Neither the department or the public charity may ~~not~~ expend public funds to administer the program.

(5) By June thirtieth of the current fiscal year, the Department of Revenue must report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee and the Governor:

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

(b) for each grant issued to an eligible school in the 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 a compilation, review, or audit of the fund’s financial statements, conducted by a certified public accounting firm and;

(e) the criteria and eligibility requirements for scholarship awards.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

(C) (1) Grants may be awarded in an amount not exceeding eleven thousand dollars or the total annual cost of tuition, whichever is less, to a qualifying student at an eligible school.

(2) Before awarding any grant, the ~~fund~~ public charity must receive written documentation from the qualifying student's parent or guardian documenting that the qualifying student is an exceptional needs child. Upon approving the application, the ~~fund~~ public charity must issue a check to the eligible school in the name of the qualifying student within either thirty days upon approval of the application or thirty days of the start of the school's semester.

(3) 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 ~~fund~~ public charity 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.

(4) The ~~department~~ fund public charity may not award grants solely for the benefit of one school.

(5) The department or the public charity may not release any personally identifiable information pertaining to students or donors or use information collected about donors, students, or schools for financial gain.

(6) The ~~department~~ fund public charity shall develop a process to prioritize the awarding of grants to eligible incumbent grant recipients at eligible schools.

(D) (1) (a) Tax credits authorized by subsection (H)(1) and subsection (I) of this proviso annually may not exceed cumulatively a total of ten million dollars for contributions to the Educational Credit for Exceptional Needs Children Fund.

(b) Tax credits authorized pursuant to subsection (H)(2) of this proviso annually may not exceed cumulatively a total of two million dollars for tuition payments made on behalf of qualifying students.

(c) If the department determines that the total of the credits claimed by all taxpayers exceeds either limit amount as contained in items (a) or (b), it shall allow credits only up to those amounts on a first come, first served basis.

(2) (a) 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 subitem (e), contributions must be made annually on or before June thirtieth, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

(b) A taxpayer may not claim more than sixty percent of his total tax liability for the year in contribution toward the tax credit authorized by subsection (H)(1) or subsection (I). This credit is not refundable.

(c) If a taxpayer deducts the amount of the contribution on his federal return and claims the credit allowed by subsection (H)(1) or subsection (I), then he must add back the amount of the deduction for purposes of South Carolina income taxes.

(d) The department shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (H)(1) or subsection (I). The department shall also develop a method of informing taxpayers if the credit limit is met at any time during the fiscal year.

(e) A taxpayer only may claim a credit pursuant to subsection (H)(1) and subsection (I) for contributions made during the fiscal year.

(3) A corporation or entity entitled to a credit under subsection (H)(1) and subsection (I) 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.

(E) (1) On or before August 1, ~~2016~~ of the current fiscal year an independent schools may apply to the Education Oversight Committee to be certified as an eligible institution school who participated in the program in the prior fiscal year and who desires to participate in the program

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

in the current fiscal year must reapply to the Education Oversight Committee. The independent school must certify to the Education Oversight Committee that it continues to meet all program requirements and must provide to the committee student test score data from the prior school year by December 31. If student test score data are not submitted by December 31, then the Education Oversight Committee must remove the school from the program. The Education Oversight Committee must consult with the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools, the South Carolina Independent Schools Association, Palmetto Association of Independent Schools, or the Diocese of Charleston to verify that the school is still a member in good standing and that the school continues to serve exceptional needs children. An independent school who did not participate in the program in the prior fiscal year but desires to participate in the program in the current fiscal year must apply to the Education Oversight Committee. The Education Oversight Committee shall develop an application to be completed by the independent schools which must contain at least:

- (a) the number and total amount of grants received 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 chapter in the previous fiscal year;
- (c) a copy of a compilation, review, or compliance audit of the organization's financial statements as relating to the grants received, 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.

(2) (a) The Education Oversight Committee may waive the August first deadline contained in subsection (E) upon good cause shown by an independent school.

(b) The Education Oversight Committee may waive some or all of the curriculum requirements contained in subsection (A)(1)(d) following consultation with the advisory committee.

(3) (a) By September 1, 2016 the Education Oversight Committee shall publish on its website a comprehensive list of independent schools certified as eligible institutions. The list shall include for each eligible institution:

- (i) the institution's name, addresses, telephone numbers, and, if available, website addresses; and
- (ii) the score reports and compliance audits received by the committee pursuant to subsection (E)(1)(b) and (c).

(b) The Education Oversight Committee shall summarize or redact the score reports identified in item (3)(a)(ii) if necessary to prevent the disclosure of personally identifiable information.

(4) An independent school that does not apply for certification pursuant to this subsection must not be included on the list of eligible schools and contributions to that school shall not be allowed for purposes of the tax credits permitted by this proviso.

(5) An independent school that is denied certification pursuant to this section 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.

(F) (1) 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.

(2) The advisory committee shall:

- (a) consult with the Education Oversight Committee concerning requests for exemptions from curriculum requirements; and

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

(b) provide recommendations on other matters requested by the Education Oversight Committee.

(G) Except as otherwise provided, the Department of Education, the Education Oversight Committee, and the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this chapter.”

(H) (1) A taxpayer is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12 for the amount of cash and the monetary value of any publicly traded securities the taxpayer contributes to the Educational Credit for Exceptional Needs Children Fund up to the limits contained in subsection (D)(1)(a) 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 taxpayer does not designate a specific child or school as the beneficiary of the contribution.

(2) (a) A taxpayer is entitled to a refundable tax credit against income taxes imposed pursuant to Chapter 6, Title 12 for the amount of cash and the monetary value of any publicly traded securities, not exceeding eleven thousand dollars per child, for tuition payments to an eligible school for an exceptional needs child within his custody or care who would be eligible for a grant pursuant to this proviso up to the limits contained in subsection (D)(1)(b) of this proviso.

(b) If a child within the care and custody of taxpayer claiming a tax credit pursuant to this item also receives a grant from the Educational Credit for Exceptional Needs Children Fund, then the taxpayer may only claim a credit equal to the difference of eleven thousand dollars or the cost of tuition, whichever is lower, and the amount of the grant.

(I) A taxpayer is entitled to a tax credit against income taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities the taxpayer contributes to the Educational Credit for Exceptional Needs Children Fund up to the limits contained in subsection (D)(1)(a) of this proviso if:

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

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

~~(J) On or before August 1, 2016, each scholarship funding organization organized and operating pursuant to SECTION 9 of H. 4230, R. 130, Act 92 of 2015 shall deposit with the Educational Credit for Exceptional Needs Children Fund all remaining funds on hand as of July 1, 2016. Scholarship funding organizations organized and operating pursuant to SECTION 9 shall remain in existence after the effective date of this act solely for the purpose of winding down operations and depositing remaining funds with the Educational Credit for Exceptional Needs Children Fund pursuant to this provision. On August 1, 2016 all scholarship funding organizations organized pursuant to SECTION 9 shall cease to exist.~~

SECTION 117 - X900 - GENERAL PROVISIONS

117.89 CONFORM TO FUNDING (Funds Transfer to ETV) Requires funds appropriated to 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 2016 for services as they were provided in the prior fiscal year.

WMC: AMEND proviso to update “2016” to “2017.” Requested by Educational Television Commission.

**SENATE FINANCE COMMITTEE
K-12 EDUCATION SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2017-18**

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: CONFORM to funding recommendation.

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 ~~2016~~ 2017 for the continuation of services as provided in the prior fiscal year.

117.114 AMEND (SCOIS Transfer) Directs that for FY 2016-17 the authorities and responsibilities of SCOIS shall continue to be transferred from DEW to SDE.

WMC: AMEND proviso to change fiscal year reference to “the current fiscal year.”

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.114. (GP: SCOIS Transfer) For ~~Fiscal Year 2016-17~~ the current fiscal year, the South Carolina Occupational Information System, its authority and responsibilities shall continue to be transferred from the Department of Employment and Workforce to the Department of Education.

117.119 AMEND (First Steps Reauthorization) Reauthorizes Act 99 of 1999 as amended by Act 287 of 2014 (First Steps) for Fiscal Year 2016-17.

WMC: AMEND proviso to update fiscal year reference to “2017-18.” Requested by First Steps to School Readiness.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.119. (GP: First Steps Reauthorization) Act 99 of 1999, the South Carolina First Steps to School Readiness Act, as amended by Act 287 of 2014 is reauthorized for the duration of Fiscal Year ~~2016-17~~ 2017-18.

117.143 ADD (IBC Requirements) **WMC:** ADD new proviso to exempt high school stadiums, bleachers and grandstands from plumbing requirements contained in Section 2902.1 A-5 of the 2015 International Building Code.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.143. (GP: IBC Requirements) For Fiscal Year 2017-18, high schools shall be exempt from Section 2902.1 A-5 of the 2015 International Building Code pertaining to the minimum plumbing requirements for stadiums, bleachers and grandstands.