

**PUBLIC EDUCATION SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2026-27
TO THE PROVISO SUBCOMMITTEE**

SECTION 1 - H630 - DEPARTMENT OF EDUCATION

1.3 CONFORM TO FUNDING / AMEND (SDE: State Aid Classrooms) States the General Assembly’s intent to fully implement the EFA via the State Aid to Classrooms allocation and provide for the allocation of those funds. Updates the average per pupil funding projections and the estimated teacher salary schedule. Provides for the distribution of funds to the SC Public Charter School District. Requires the Revenue and Fiscal Affairs Office to document annually the expenditure of all funds by each district and to 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. Directs RFA to review the student weightings in the State Aid to Classrooms funding formula to improve its alignment with student enrollment and ensure more consistent funding distributions to districts and charter authorizers.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / AMEND proviso to update pupil count, funding levels, and salary schedule. Creates additional state funding for charter school authorizers based on additional student weights. Directs that brick-and-mortar charter students are weighted at 1.25 and virtual charter students at 0.50, solely to calculate this additional charter funding and are not included in Aid to Classrooms and eligible 3- and 4-year-old students with disabilities in brick-and-mortar charters are included for this extra weight. Each district is guaranteed to receive no less than its FY 2025-26 funding, adjusted to remove a portion of the precareer and career technology weight. Directs the Public Charter School District and institution of higher education sponsoring a public charter school to publish on its website the methodology used to allocate these funds to each public charter school. Deletes the requirement that RFA shall review the student weightings and examine methods to improve the alignment of State Aid to Classrooms funding with student enrollment and ensure districts and charter authorizers receive consistent distributions.

1.3. (SDE: State Aid to Classrooms) (A) For the current fiscal year, the total pupil count is projected to be ~~770,504~~ 771,758, which includes ~~712,097~~ 710,055 traditional school districts, ~~57,665~~ 60,967 charter school authorizers, and ~~742~~ 736 special school districts. The total appropriations for State Aid to Classrooms represent an average per pupil appropriation of ~~\$5,884~~ \$6,023. The average total per pupil funding, excluding revenue and local bond issues, is projected to be ~~\$8,914~~ \$9,341 from state sources, ~~\$1,225~~ \$1,428 from federal sources, and ~~\$8,936~~ \$9,805 from local sources. This is an average total funding level of ~~\$19,075~~ \$20,574, excluding revenues of local bond issues.

(B) The State Minimum Teacher Salary Schedule for the current fiscal year is as follows, and districts have flexibility to pay above these levels:

	CLASS 3	CLASS 1	CLASS 7	CLASS 8
	BACHELORS	MASTERS	MASTERS	DR
YRS	DEGREE	DEGREE	DEGREE	DEGREE
EXP	+30 HOURS			
0	\$48,500	\$52,500	\$54,000	\$56,500
1	\$48,750	\$52,750	\$54,250	\$57,000
2	\$49,000	\$53,000	\$54,500	\$57,500
3	\$49,250	\$53,250	\$54,750	\$58,000
4	\$49,500	\$53,500	\$55,000	\$58,500
5	\$50,500	\$54,500	\$55,500	\$59,000
6	\$51,000	\$55,000	\$56,000	\$59,500
7	\$51,500	\$55,500	\$56,500	\$60,500

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8	\$52,000	\$56,000	\$57,000	\$62,000
9	\$52,500	\$56,500	\$57,500	\$63,500
10	\$53,500	\$57,500	\$58,500	\$64,750
11	\$54,000	\$58,000	\$59,500	\$66,000
12	\$54,500	\$58,750	\$60,500	\$67,250
13	\$55,000	\$59,500	\$61,500	\$68,500
14	\$55,500	\$60,250	\$62,500	\$69,750
15	\$56,000	\$61,000	\$63,500	\$71,000
16	\$56,500	\$61,750	\$64,500	\$72,250
17	\$57,000	\$62,500	\$65,500	\$73,500
18	\$57,500	\$63,250	\$66,000	\$74,000
19	\$58,500	\$64,250	\$66,500	\$74,500
20	\$59,000	\$64,750	\$67,000	\$75,250
21	\$59,500	\$65,250	\$67,500	\$76,000
22	\$60,000	\$65,750	\$68,000	\$76,750
23	\$60,500	\$66,250	\$68,500	\$77,250
24	\$61,000	\$66,750	\$69,000	\$77,500
25	\$61,500	\$67,250	\$69,500	\$77,750
26	\$62,000	\$67,750	\$70,000	\$78,000
27	\$62,250	\$68,000	\$70,250	\$78,250
28+	\$62,500	\$68,250	\$70,500	\$78,500
	<i>CLASS 3</i>	<i>CLASS 1</i>	<i>CLASS 7</i>	<i>CLASS 8</i>
	<i>BACHELORS</i>	<i>MASTERS</i>	<i>MASTERS</i>	<i>DR</i>
<i>YRS</i>	<i>DEGREE</i>	<i>DEGREE</i>	<i>DEGREE</i>	<i>DEGREE</i>
<i>EXP</i>			<i>+30 HOURS</i>	
<i>0</i>	<i>\$50,500</i>	<i>\$54,500</i>	<i>\$56,000</i>	<i>\$58,500</i>
<i>1</i>	<i>\$50,750</i>	<i>\$54,750</i>	<i>\$56,250</i>	<i>\$59,000</i>
<i>2</i>	<i>\$51,000</i>	<i>\$55,000</i>	<i>\$56,500</i>	<i>\$59,500</i>
<i>3</i>	<i>\$51,250</i>	<i>\$55,250</i>	<i>\$56,750</i>	<i>\$60,000</i>
<i>4</i>	<i>\$51,500</i>	<i>\$55,500</i>	<i>\$57,000</i>	<i>\$60,500</i>
<i>5</i>	<i>\$52,500</i>	<i>\$56,500</i>	<i>\$57,500</i>	<i>\$61,000</i>
<i>6</i>	<i>\$53,000</i>	<i>\$57,000</i>	<i>\$58,000</i>	<i>\$61,500</i>
<i>7</i>	<i>\$53,500</i>	<i>\$57,500</i>	<i>\$58,500</i>	<i>\$62,500</i>
<i>8</i>	<i>\$54,000</i>	<i>\$58,000</i>	<i>\$59,000</i>	<i>\$64,000</i>
<i>9</i>	<i>\$54,500</i>	<i>\$58,500</i>	<i>\$59,500</i>	<i>\$65,500</i>
<i>10</i>	<i>\$55,500</i>	<i>\$59,500</i>	<i>\$60,500</i>	<i>\$66,750</i>
<i>11</i>	<i>\$56,000</i>	<i>\$60,000</i>	<i>\$61,500</i>	<i>\$68,000</i>
<i>12</i>	<i>\$56,500</i>	<i>\$60,750</i>	<i>\$62,500</i>	<i>\$69,250</i>
<i>13</i>	<i>\$57,000</i>	<i>\$61,500</i>	<i>\$63,500</i>	<i>\$70,500</i>
<i>14</i>	<i>\$57,500</i>	<i>\$62,250</i>	<i>\$64,500</i>	<i>\$71,750</i>
<i>15</i>	<i>\$58,000</i>	<i>\$63,000</i>	<i>\$65,500</i>	<i>\$73,000</i>
<i>16</i>	<i>\$58,500</i>	<i>\$63,750</i>	<i>\$66,500</i>	<i>\$74,250</i>
<i>17</i>	<i>\$59,000</i>	<i>\$64,500</i>	<i>\$67,500</i>	<i>\$75,500</i>
<i>18</i>	<i>\$59,500</i>	<i>\$65,250</i>	<i>\$68,000</i>	<i>\$76,000</i>
<i>19</i>	<i>\$60,500</i>	<i>\$66,250</i>	<i>\$68,500</i>	<i>\$76,500</i>
<i>20</i>	<i>\$61,000</i>	<i>\$66,750</i>	<i>\$69,000</i>	<i>\$77,250</i>
<i>21</i>	<i>\$61,500</i>	<i>\$67,250</i>	<i>\$69,500</i>	<i>\$78,000</i>
<i>22</i>	<i>\$62,000</i>	<i>\$67,750</i>	<i>\$70,000</i>	<i>\$78,750</i>
<i>23</i>	<i>\$62,500</i>	<i>\$68,250</i>	<i>\$70,500</i>	<i>\$79,250</i>
<i>24</i>	<i>\$63,000</i>	<i>\$68,750</i>	<i>\$71,000</i>	<i>\$79,500</i>

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<u>25</u>	<u>\$63,500</u>	<u>\$69,250</u>	<u>\$71,500</u>	<u>\$79,750</u>
<u>26</u>	<u>\$64,000</u>	<u>\$69,750</u>	<u>\$72,000</u>	<u>\$80,000</u>
<u>27</u>	<u>\$64,250</u>	<u>\$70,000</u>	<u>\$72,250</u>	<u>\$80,250</u>
<u>28+</u>	<u>\$64,500</u>	<u>\$70,250</u>	<u>\$72,500</u>	<u>\$80,500</u>

(C)(1) For the current fiscal year, the funds appropriated for State Aid to Classrooms represent the State’s contribution to the Aid to Classrooms program for direct instruction of students in kindergarten through grade twelve in our state, which is seventy-five percent of the total salary and employer contribution cost of funding one teacher for every 11.2 students. The salary used to determine the amount of funding required for the state effort is based on that of a teacher having a master’s degree and twelve years of experience, which equates to ~~\$58,750~~ \$60,750 on the statewide minimum salary schedule for the current fiscal year and including fringe benefits of ~~\$19,129~~ \$19,628, for a total of ~~\$77,879~~ \$80,378. The types of teachers used in the calculation of student-teacher ratio includes those teachers eligible pursuant to Section 59-20-50(4)(b). This includes 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. School districts are required to meet the statewide minimum salary schedule in the current fiscal year and are required to provide the annual step increase pursuant to Section 59-20-50. No school district is required to increase teacher salaries above the amount necessary to meet the statewide minimum salary schedule as prescribed in this act. For the current fiscal year, the provisions of Section 59-20-50(3) of the 1976 Code, as amended, are suspended.

~~(D)(2)~~ To allocate the funds, the department will calculate the total number of weighted pupil units (WPU) in each school district and in the State. The funds appropriated herein for State Aid to Classrooms represent the state share of the total Aid to Classrooms program, which is seventy-five percent. The local required effort is twenty-five percent of the total program. The total Aid to Classrooms funding for each district is calculated based on the district’s percentage of the total statewide weighted pupils multiplied by the total Aid to Classrooms program. The district’s local share is calculated by multiplying the total local share by the district’s imputed index of taxpaying ability, which is the district’s relative fiscal capacity compared to that of all other districts in the State. The State Aid to Classrooms amount allocated to each district will be determined by subtracting the calculation of the district’s local share from the calculation of the district’s total Aid to Classrooms projected funding. The Statewide Public Charter School District and any approved institution of higher education authorizing charter schools shall receive one hundred percent of the Aid to Classrooms funding from the State. For Fiscal Year ~~2025-26~~ 2026-27, no local match is required for the State Aid to Classroom EIA distributions for the base funding rolled up from the previous fiscal year. The department will make any necessary adjustments to account for the state share for Charter and Special Districts.

~~(E) Each district will receive either the amount determined by this new methodology or the actual state funding received in Fiscal Year 2021-22 from State Aid to Classrooms, Aid School Districts, Student Health and Fitness, Guidance/Career Specialists, Handicapped — Profoundly Mentally, EIA — Aid to Districts, EIA — Students at Risk of School Failure, Allocations EIA — Teacher Salaries, Allocations EIA — Employer Contributions, EIA — Student Health and Fitness Act — Nurses, and EIA — South Carolina Public Charter Schools.~~

(D) The Statewide Public Charter School District and any approved institution of higher education authorizing charter schools shall receive additional charter district funding to increase the district’s amount received from one hundred percent of the Aid to Classrooms funding from the State by a percentage equal to the weighted pupils for students attending a brick and mortar or virtual school as determined in this subitem divided by total weighted pupils as determined by the pupil classification weightings in subitem (N). The weights for students attending brick and mortar and virtual schools are only used to determine the additional charter district funding and

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are not included in total weighted pupils used to calculate Aid to Classrooms funding under subitem (C). Three- and four-year-old students with a disability, who are eligible for services under IDEA and enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District or registered IHE, shall be included in student counts solely for the purposes of receiving the additional weighting for students attending a brick and mortar charter school.

(E) Additional charter district funding student weights:

<u>(1) Enrolled in brick-and-mortar school</u>	<u>1.25</u>
<u>(2) Enrolled in virtual charter school</u>	<u>0.50</u>

(F) Each district will receive either the amount determined by this new methodology including the additional charter district funding or the actual state funding received in Fiscal Year 2025-26 from State Aid to Classrooms less the amount received by the district due to 0.20 of the Precareer and Career Technology weight of 1.20 in Fiscal Year 2025-26.

~~(F)~~(G) To provide flexibility, each district may expend the funds as determined by the local school board of trustees to meet the educational needs of students as defined in Section 59-1-50, Chapter 18, Title 59, and as delineated in a child's Individualized Education Program (IEP). Pursuant to Section 59-20-80, each school board of trustees must make available by September first of each fiscal year its annual budget that includes state, local, and federal investments in education. The budget must be available on the district's website. The department, in collaboration with local school districts, will provide a template that each district must use in reporting its budget.

~~(G)~~(H) To provide transparency, Revenue and Fiscal Affairs will document annually, through an online financial dashboard, the expenditure of all state, local, and federal funds by each district and by each charter school authorizer and other relevant data to include its fund balance and average fund balance for the reporting year. The districts shall report monthly, to the Department of Education, their monthly fund balance that will be used to calculate an average. To ensure that the public reporting meets the needs of educators, parents, citizens, and policymakers, the department, in conjunction with Revenue and Fiscal Affairs, will consult routinely with a group of educators, parents, citizens, and policymakers. District expenditures for the prior fiscal year must be published on the department's website for public disclosure by January 1.

~~(H)~~(I) If a traditional school district, charter school authorizer, or special school district fails to submit expenditure data needed for the online financial dashboard, the Revenue and Fiscal Affairs Office will notify the Department of Education. Within thirty days of such notification, the Department of Education must then withhold ten percent of all state payments to the district or authorizer until the district or authorizer complies and all payments will then be made.

~~(I)~~(J) To ensure accountability, each district's annual audit that is submitted to the Department of Education pursuant to Section 59-17-100 must be conducted using an auditing firm from an approved list provided by the State Auditor. The State Auditor will develop standards and criteria for determining qualifying auditors. Each district's annual audit must be available on the district's website.

~~(J)~~(K) 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 Aid to Classroom funds to the charter school. ~~Students enrolled in charter schools authorized by the South Carolina Public Charter School District or an institution of higher education will receive in addition to the base weight of 1.00 or in addition to the disability weight of 2.60 an additional weight based upon the type of charter school that they attend. These additional funds must support the provision of educational services for children served by a charter school that does not receive local revenues. These students are also eligible to receive additional weights for personalized instruction. The department will make any necessary adjustments to account for the~~

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~~state share for Charter and Special Districts. *The South Carolina Public Charter School District and institution of higher education sponsoring a public charter school shall publish on its website the methodology used to allocate these funds to each public charter school.*~~

~~(K) Three and four year old students with a disability, who are eligible for services under IDEA and enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District or registered IHE, shall be included in student counts solely for the purposes of receiving the additional weighting for students attending a brick and mortar charter school.~~

(L) For Fiscal Year ~~2025-26~~ 2026-27, special districts and alternative schools will receive the amount received in the prior fiscal year from these funds.

(M) 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.

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

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

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

(2) Weights for students with disabilities as documented
by their Individualized Education Program (IEP) 2.60

(3) ~~Precareer and Career Technology~~ 1.20

~~(4) Charter school students~~

~~(a) Enrolled in brick and mortar school 1.25~~

~~(b) Enrolled in virtual charter school 0.50~~

~~(5) 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 0.50~~

(O) The Department of Education will review the child count data for all of the districts and charter school authorizers in the State and identify any school district or charter school authorizer whose percentage of total enrolled students with IEPs is outside of the typical percentage range based on national and state data. The department will then conduct a focused review of the district's special education population and provide technical assistance, as needed, to ensure that students with disabilities are being appropriately identified and served.

(P) Students in poverty are students who qualify for Medicaid, SNAP, TANF, or are homeless, transient, or in foster care.

(Q) Gifted and talented students are students who are classified as academically or artistically gifted and talented or who are enrolled in Advanced Placement (AP), International Baccalaureate (IB), and Cambridge International 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.

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(R) 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.

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

(T) 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. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

(U) Up to ten percent of any funds appropriated for State Aid to Classrooms at the end of the fiscal year may be carried forward into the subsequent fiscal year and allocated to school districts, the South Carolina Public Charter School District, and an institution of higher education that authorizes charter schools pursuant to this provision. The additional funds must first support increases in student enrollment and any balance may be allocated proportionately utilizing weighted pupil units to districts. Any additional unexpended funds shall revert to the general fund or to the EIA Fund.

(V) With the funds that the Department of Education receives for health insurance for school districts *in the current fiscal year*, the department shall allocate the funds to school districts proportionately utilizing weighted pupil units. *Any funding received for health insurance for school districts in prior fiscal years is not required to be distributed proportionally.* The department shall allocate to districts funds received for retirement benefits through the State Aid to Classrooms formula.

(W) In the event of a mid-year across-the-board budget reduction, which reduces the total appropriation of general funds for State Aid to Classrooms, the Department of Education is directed to first reduce the amount of funds allocated to traditional school districts, charter school authorizers, and the special school districts for proportional funding under this provision.

~~(X) The South Carolina Revenue and Fiscal Affairs Office shall review the student weightings used in the State Aid to Classrooms funding formula and examine methods to improve the alignment of State Aid to Classrooms funding with student enrollment while ensuring districts and charter authorizers receive more consistent distributions. The agency must consider input from policymakers and relevant stakeholders as determined by the Revenue and Fiscal Affairs Office. Any recommendations for changes to the formula must be submitted to the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, the Governor, and the Superintendent of Education by December 1, 2025.~~

1.46 AMEND (SDE: Full-Day 4K) Provides guidelines for participation in and funding for the SC Early Reading Development and Education Program (CERDEP). *Companion to EIA proviso 1A.25.*

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that school districts participating in the EOC wait list pilot are exempt from the September 1 requirement and directs the EOC to annually evaluate the available space in public and private providers to increase the number of CERDEP classrooms. Requested by the Education Oversight Committee.

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1.46. (SDE: Full-Day 4K) (A) Eligible students residing in any school district or attending any charter school authorized by the South Carolina Public Charter School District or an approved institution of higher education may participate in the South Carolina Early Reading Development and Education program (CERDEP) pending the availability of space and funding. Student eligibility as defined by Section 59-156-130 of the 1976 Code is an annual family income of one hundred eighty-five percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services or a statement of Medicaid eligibility.

(B) A parent or guardian may choose to enroll their child in a public school participating in the program and approved by the Department of Education pursuant to Section 59-156-210 or in a private provider participating in the program and approved by the Office of First Steps pursuant to Section 59-156-200. A private provider includes, but is not limited to, a child care center, a military child care facility regulated by the United States Department of Defense, or a non-profit independent school. State funds appropriated for the provision of CERDEP services in military child care facilities may not be used to supplant existing federal child care funds. No school district can be denied participation in CERDEP or be denied CERDEP funding pursuant to the terms of this provision.

(C) 4K programs in public schools and non-profit independent schools participating in CERDEP are not required to be approved, registered, or licensed by the Department of Social Services in order to participate in CERDEP. Instead, the Department of Education and the Office of First Steps are responsible for ensuring that providers deliver high-quality educational programs pursuant to Section 59-156-160.

(D) Public and private providers shall be funded for instructional costs at a minimum rate of \$5,100 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 reimbursement at a minimum of \$620 per eligible child transported. First Steps and the Department of Education must provide an equitable distribution above the minimum between public and private providers. First Steps and the Department of Education must provide a quarterly report beginning October 1 detailing funding above the minimum made to any provider to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. 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 at a minimum of \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding at a minimum of \$10,000. The Department of Education and the Office of First Steps Readiness are authorized to utilize carry forward funds and federal funds to supplement the amount expended for materials and equipment. 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 based on the one hundred and thirty-five day student average daily membership. For the current fiscal year, providers may enroll pay-lunch children who score at or below the twenty-fifth national percentile on two of the three DIAL-3 subscales by July 1 if at least seventy-five percent of the total number of children eligible or the Child Early Reading Development and Education Program in a district or county

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are projected to be enrolled in that program, Head Start, or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, Child Early Reading Development and Education Program. Providers may receive reimbursement for these children if funds are available. By September 1, the Department of Education and the Office of First Steps must collect the documented waiting lists, share the lists, and determine a process to notify parents of eligible students of available slots in all approved providers. School districts participating in the EOC wait list pilot are exempt from the September 1 requirement. The Department of Education is required to offer waivers allowing students with disabilities to be served in multi-categorical classroom settings based on similar cognition and abilities. Funding appropriated for CERDEP may be carried forward and expended for the same purpose.

(E) 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 first. 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.

(F) Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Early Reading Development and Education Program (CERDEP) and to issue findings in a report to the General Assembly by March first of each year. To aid in this evaluation, the Education Oversight Committee shall determine and obtain 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, including average daily attendance data, so that consistent enrollment may be determined. 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 public or private provider including those funded by CERDEP, Head Start, SC Child Care Scholarships, EIA, Title I, district-funded, and all other federal, state, or local public sources. 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 along with information, recommendations, and a timeline for how the state can increase the number of students served in high-quality programs. To aid in the accurate reporting of four-year-olds in poverty served in formal education programs in public schools in South Carolina, the Department of Education must provide to the EOC data related to four-year-olds served in formal education programs funded with other state, local, or federal funds, including Title 1 and EIA-District-funded programs, denoting full- or partial-day status. The Education Oversight Committee also shall annually evaluate the availability of space in public and private providers to increase the number of CERDEP classrooms to serve additional students whose family income is three hundred percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services.

(G) For eligible children residing in school districts that do not participate in CERDEP, the Department of Education is required to develop and implement inter-district transfer policies that give parents or guardians the option of their eligible child attending an out-of-district school that participates in CERDEP.

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(H) For the current fiscal year, the Office of First Steps may expend: (1) up to \$2,000,000 to pilot a program to provide higher reimbursement rates to high-quality providers. The reimbursement rate for students enrolled by child care providers rated B or higher in the ABC Quality System operated by the Department of Social Services may be increased by up to 10% of the per-student base following guidelines developed by the Office of First Steps; and (2) up to \$250,000 to provide one-time supplemental, needs-based incentive grants in an amount not to exceed \$30,000 for newly created and/or newly approved private providers proposing to expand service to ten or more CERDEP eligible children in communities unable to enroll all eligible students in a public, private, or Head Start setting during the prior fiscal year. These grants are designed to address building renovations, documented as necessary to bring proposed classrooms into compliance with licensing regulations, materials and staffing costs, and/or other obstacles currently preventing their participation in the 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 shall be 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 shall 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.

(I) If by August first, the Department of Education or the Office of First Steps determines that appropriations will exceed expenditures, available funds may be used to fund an extended program and 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, it 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 parent engagement, professional development, and quality evaluations of programs. No later than April first, the Department of Education and the Office of First Steps shall 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. The Office of First Steps is directed to determine if the provision of extended programs in private centers improves the ability of parents to enter the workforce or to pursue postsecondary training or industry credentials.

(J) On or before November 15, the Department of Education and the Office of First Steps shall share data that identifies the total number of children enrolled in CERDEP in both public and private providers. If available appropriations exceed the instructional costs of serving children enrolled in the program and if a waiting list of eligible children can be documented by the Department of Education and by the Office of First Steps, then the Executive Budget Office may authorize the transfer of funds between the Department of Education and the Office of First Steps.

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(K) The Office of First Steps and the Department of Education shall collaborate with the South Carolina Head Start State Collaboration Office to inform parents of all publicly funded full-day 4K programs including Head Start by participating in PalmettoPreK and First5SC.

1.69 **AMEND** (SDE: Teacher Salaries/SE Average) Provides the projected Southeastern average teacher salary. Requires a local district board of trustees to provide a step increase for all eligible certified teachers. Requires districts to use the district salary schedule used in the prior fiscal year as the basis for providing the increase. Suspends the requirement that districts maintain local salary supplements per teacher no less than their prior fiscal year. *Companion to EIA proviso 1A.30.*

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update the Southeastern average teacher salary and fiscal year reference.

1.69. (SDE: Teacher Salaries/SE Average) (A) 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 ~~\$61,964~~ \$65,545. 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.

(B) 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 at a minimum 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. For Fiscal Year ~~2025-26~~ 2026-27, the requirement that school districts maintain local salary supplements per teacher no less than their prior fiscal year level is suspended.

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

1.71 **AMEND** (SDE: Standard-Based Assessments Suspended) Suspends Section 59-18-325(C)(3) which requires science standards-based assessments in grade 8 and social studies standards-based assessments in grades 5 and 7. Directs the department to use \$500,000 of the funds available due to the assessment suspension to fund South Carolina Computer Science and Digital Literacy Standards educator professional development and to use the remaining funds to pay for industry certification/credentials as approved to measure College/Career Readiness.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to fund social studies curriculum and supplemental materials for educator professional development and delete funding requirement for the South Carolina Computer Science and Digital Literacy Standards in regards to professional development.

1.71. (SDE: Standards-Based Assessments Suspended) In the current fiscal year, the provisions of Section 59-18-325(C)(3) ~~of the 1976 Code~~ requiring science standards-based assessments of students in grade eight and social studies standards-based assessments of students in grades five and seven are suspended. Of the funds available due to the suspension of these assessments, \$500,000 must be used by the Department of Education to fund ~~educator professional development regarding the South Carolina Computer Science and Digital Literacy Standards~~ social studies curriculum and supplemental materials, development, and purchase. The remainder of the funds shall be used to pay for industry certification/credentials as approved to measure College/Career Readiness for purposes of the state accountability system.

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- 1.72 DELETE** (SDE: ESSER Monthly Funding Report) Requires the department to submit a monthly report to EBO on the expenditure of federal funds at the state and district level that are allocated to the State through ESSER and the Emergency Assistance to Non-Public Schools Program. Directs EBO to collaborate with the Senate Finance and House Ways and Means Committees to determine how the data will be reported. Requires SDE and EBO to post the monthly report on their websites.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~1.72. (SDE: ESSER Monthly Funding Report) The Department of Education is required to submit a monthly report to the Department of Administration, Executive Budget Office documenting the expenditure of federal funds allocated to South Carolina through the Elementary and Secondary Emergency Education Relief Fund and the Emergency Assistance to Non-Public Schools Program. The Executive Budget Office, in collaboration with the Senate Finance Committee and the House Ways and Means Committee, shall determine how the data will be reported. The data shall document how federal funds are expended at the state and district level in accordance with federal guidelines on allowable expenditures and shall include information on how the funds have been used to offset the learning loss students are facing and mitigations taken due to the COVID-19 pandemic. The Department of Education and the Executive Budget Office shall post the monthly reports on their websites.~~

- 1.74 AMEND** (SDE: Funding for Schools Safety) Outlines the allocation and use of funds for school safety upgrades. Directs the department to create a process for school districts to apply for funding. Directs that applications must be submitted by September 1, 2025 and directs the department to submit a recommended list to the State Board of Education by December 31, 2025. **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update calendar year references and add ballistic proof door requirements.

1.74. (SDE: Funding for Schools Safety) (A) The funds appropriated for Funding for Schools Safety shall be made available for the direct benefit of all children of South Carolina enrolled in K-12 schools by funding security assessments and facilities upgrades aligned with school safety priorities. The department shall allocate these funds to the public school districts and charter school districts. Eligible school facility upgrades shall include:

- ~~(a)(1)~~ classroom/internal door locks;
- ~~(b)(2)~~ secure school entry points and access control;
- ~~(c)(3)~~ window covers;
- ~~(d)(4)~~ bulletproof glass or bulletproof film for windows or doors;
- ~~(e)(5)~~ electronic or other technology; and
- ~~(f)(6)~~ ballistic proof doors, *meaning door assemblies designed to provide enhanced protection against forced entry and ballistic threats, which shall meet all of the following minimum requirements:*

minimum requirements:

(i) the door shall be designed for installation within existing door frames and shall not exceed a weight that would impede safe and effective operation by students and school personnel;

(ii) the door assembly shall be tested and certified by an independent, United States Government – authorized laboratory to meet nationally recognized ballistic-resistance standards for high-powered rifle fire; and

(iii) the door assembly shall provide fire-resistance performance suitable for installation in school facilities, as determined through independent testing and verification.

(B) School facilities eligible for safety upgrades under ~~this subsection~~ *subitem (A)* are defined as locations with daily student attendance and shall not include unimproved real property,

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centralized district administration facilities, or other facilities, including those normally identified with interscholastic sports activities.

~~(B)~~(C) The department shall develop an application process for public and charter school districts to request funding for facilities upgrades aligned with school safety priorities and establish policies, procedures, and priorities for the making of awards pursuant to this subsection. Criteria for prioritizing the awarding of funding shall include, but not be limited to, percentage of students enrolled from low-income families, the age and condition of the existing school facilities to be upgraded as well as the ability to commence construction in a timely matter and the quality of the application. The criteria must also require that all proposed projects do not create new recurring annual expenses and comply with local, state, and federal building codes.

~~(C)~~(D) Applications must be submitted to the department by September 1, ~~2025~~ 2026. Upon receipt of applications pursuant to the application process adopted by the department, the department shall prioritize the eligible projects with the greatest need using the established criteria and shall submit a list of recommended awards to the State Board of Education no later than December 31, ~~2025~~ 2026. Funding shall be awarded upon an affirmative vote of the State Board.

~~(D)~~(E) The financial assistance provided to public school districts and charter 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. Unexpended funds may be carried forward to be expended for the same purposes by the department and award recipients. Following the close of the fiscal year, the department shall submit a report of approved projects to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.

~~(E)~~(F) Unexpended funds may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department and school districts.

- 1.76** **AMEND** (SDE: Retired Teacher Salary Negotiation) Allows school districts to negotiate salaries below the salary schedule when hiring retired teachers for the 2024-25 school year.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference.

1.76. (SDE: Retired Teacher Salary Negotiation) With funds appropriated for State Aid to Classrooms, when hiring retired teachers for the ~~2024-25~~ 2026-27 School Year, school districts uniformly may negotiate salaries below the school district salary schedule.

- 1.84** **AMEND** (SDE: Surplus Property) Directs a school district to transfer or to offer for sale a lease a property which has been vacant for the previous four school years and has not been approved for use before July 1, 2025. Directs school districts to publish the list of properties on their website by September 15, 2025. Directs the district to transfer property by December 31, 2025 to a governmental subdivision or state agency that has provided written confirmation to accept the property for public use. States that if no subdivision or state agency accepts the property, the district is directed to offer the property for sale or lease at fair market value. Directs that 5% of state payments be withheld if a district fails to comply.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update calendar year references.

1.84. (SDE: Surplus Property) (A) A school district must transfer, or offer for sale or lease, any surplus real property or property which has been vacant, unused, or unused for direct student instruction for the previous four school years and is not currently included in any district

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capital improvement plan for future use on or before July 1, ~~2025-2026~~. All school districts must publish on their website by September 15, ~~2025-2026~~, a list of properties that qualify under this provision.

(B) A school district shall comply with the requirements of this provision by transferring such property to another governmental subdivision or state agency that has provided written confirmation of an intent to accept the property for public use by December 31, ~~2025-2026~~. Any governmental subdivision or state agency providing such written confirmation must comply with all requirements related to the acquisition of real property or surplus property, and/or requirements related to the establishment of permanent improvement projects prior to accepting property transferred pursuant to this provision.

(C) If no governmental subdivision or state agency confirms an intent to accept the property, the district shall offer the property for sale or lease at fair market value as determined by a neutral appraiser and in compliance with existing law providing for sale or lease of such property by a school district. If a school district fails to comply with this provision, the Department of Education must withhold five percent of all state payments to the district until the district complies.

- 1.87 DELETE** (SDE: Reporting Requirements) Suspends the college freshman reporting requirements of Section 59-101-130. Directs SDE and EOC to use existing data to report on the in-state and out-of-state college enrollment, persistence, and post-secondary completion of high school graduates from South Carolina. Requires SDE to streamline data collection timelines and processes. Extends legislatively mandated due dates for school, district, and state plans to June 30, 2026.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~1.87. (SDE: Reporting Requirements) (A) For the current fiscal year, the college freshman reporting requirements of Section 59-101-130 are suspended. The Department of Education, in collaboration with the Education Oversight Committee, is authorized to use data that is already collected to report on the in-state and out-of-state college enrollment, college persistence, and post-secondary completion of South Carolina's high school graduates.~~

~~(B) The Department of Education shall work to streamline data collection timelines and processes to reduce burden and increase efficiency of data collection and reporting. For the current fiscal year, legislatively mandated due dates for school, district, and state plans including, but not limited to, District Strategic and School Renewal Plans, Read to Succeed Reading Plans, Academic Recovery Plans, District ADEPT Plans, and School Turnaround Plans are extended at the discretion of the Department of Education, but shall be due by June 30, 2026.~~

- 1.96 DELETE** (SDE: District Accounting Systems and Best Practices) Directs the Department of Education to convene a study committee to examine and propose revisions to improve district accounting systems and best practices. Establishes the membership and duties of the committee. Directs the committee to provide a report of potential reforms by May 31, 2026 to the Governor, the Speaker of the House, and the President of the Senate.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~1.96. (SDE: District Accounting Systems and Best Practices) (A) The Department of Education shall convene and staff a study committee to examine and propose necessary revisions for improving district accounting systems and best practices.~~

~~(B) The study committee shall be comprised of the following individuals who each should have background and expertise in education finance:~~

- ~~(1) one member appointed by the Governor; who shall serve as Chair of the task force;~~

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- ~~(2) the State Superintendent of Education or their designee;~~
- ~~(3) the Chief Financial Officer of the State Department of Education;~~
- ~~(4) one member of the South Carolina House of Representatives appointed by the Chair of the House of Representatives Education and Public Works Committee;~~
- ~~(5) one member of the South Carolina Senate appointed by the Chair of the Senate Education Committee;~~
- ~~(6) one member appointed by the Chair of the House of Representatives Ways and Means Committee;~~
- ~~(7) one member appointed by the Chair of the Senate Finance Committee;~~
- ~~(8) one member appointed by the Chair of the Board of the Revenue and Fiscal Affairs Office;~~
- ~~(9) one member appointed by the Governor upon recommendation of the South Carolina Association of School Administrators;~~
- ~~(10) one member appointed by the Governor upon recommendation of the South Carolina School Boards Association; and~~
- ~~(11) one member appointed by the Governor upon recommendation of the South Carolina Association of School Business Officials.~~

~~(C) Members of the task force shall receive no compensation but may receive per diem and mileage from the South Carolina Department of Education as provided for boards and commissions.~~

~~(D) The task force must submit recommendations for potential reforms to the Governor, the Speaker of the House of Representatives, and the President of the Senate no later than May 31, 2026. Recommendations shall include, but not be limited to, the following areas:~~

- ~~(1) increased transparency for school district personnel, stakeholders, and policymakers;~~
- ~~(2) ensuring alignment to accounting standards across the State;~~
- ~~(3) ease of reporting;~~
- ~~(4) consolidation of multiple reports into a streamlined reporting format;~~
- ~~(5) consistency of data across districts; and~~
- ~~(6) increased efficiency for school district financial staff.~~

1.103 CONFORM TO FUNDING / AMEND (SDE: Child Nutrition Programs) Directs that child nutrition programs shall not charge a qualifying student a reduced-price copayment if funds are appropriated. States that all other requirements by the school district related to reduced meals do not change. Directs that reimbursements to school districts for reduced meals shall be reduced proportionately if sufficient funds are not appropriated to cover the full cost.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / AMEND proviso so direct that any public school student who does not already receive a free breakfast through another program may request and receive one free breakfast each school day, regardless of income. Directs the department to use available federal child nutrition funds first, and state funds if federal funds are insufficient, to cover the cost.

1.103. (SDE: Child Nutrition Programs) (A) For the current fiscal year and subject to the appropriation of funds, child nutrition programs that serve school breakfast and/or school lunch shall not charge a qualifying student a reduced-price copayment. The traditional \$0.30 copayment for breakfast and \$0.40 copayment for lunch may not be collected from the student. This restriction on payment collection does not change the requirements for processing meal applications. School districts shall continue to process meal applications and assign meal status based on income eligibility guidelines. Districts shall continue to claim meals based on assigned eligibility status. Meals counted by students that have a reduced meal status must be claimed for

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reimbursement as reduced meals. Reimbursements to school districts for reduced meals shall be reduced proportionately if sufficient funds are not appropriated to cover the full cost.

(B) Beginning with the 2026-27 school year, with funds appropriated and with funds carried forward from the prior fiscal year, a public school student who is not a qualifying student who does not receive a free breakfast through any local, state, or federal program shall be provided one breakfast at no cost during each school day upon his or her request without consideration of his or her eligibility for a federally-funded free- or reduced-price meal. If necessary, the Department of Education shall provide federal funds that have been disbursed to the Department of Education for purposes of funding child nutrition programs to cover the cost of providing one breakfast at no cost during each school day to each public school student who is not a qualifying student under this provision. If federal funds appropriated to the Department of Education for a child nutrition program are insufficient to cover the cost of providing one breakfast at no cost during each school day to each public school student who is not a qualifying student, the Department of Education shall allocate state funds appropriated to the Department of Education to cover the cost of providing one breakfast at no cost during each school day to each public school student who is not a qualifying student.

- 1.110** **AMEND** (SDE: Assessments and Final Grade Determination) Directs that school districts may not include scores from district-selected benchmark assessments in students' final course grades. These assessments may only be used for instructional purposes unless developed or approved by the course instructor and based solely on previously taught content. Violations may result in corrective action, including reduced state funding. Directs that this does not apply to End of Course assessments.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference.

1.110. (SDE: Assessments and Final Grade Determination) For Fiscal Year ~~2025-26~~ 2026-27, no school district receiving funds pursuant to Section 1 of the Appropriations Act may require the inclusion of student performance on any district-selected benchmark assessment in calculating a student's final grade in any course or subject. District-selected benchmark assessments may only be used as formative assessments for informing instructional purposes and shall not factor into a student's course grade unless the assessment is developed or directly approved by the course instructor and exclusively measures content that has previously been taught in the course. Any school district found in violation of this provision may be subject to corrective action, including a reduction in state funding allocations as determined by the department. These provisions do not apply to End of Course assessments.

- 1.ec** **ADD** (SDE: Employment Contract) **SUBCOMMITTEE RECOMMENDATION: ADD** proviso to direct that for superintendent contracts entered into on or after July 1, districts must cap mutual contract termination settlements at no more than one year's salary or the remaining contract value, whichever is less.

1.ec. (SDE: Employment Contract) With funds appropriated, a local school district board of trustees shall include a term in all district superintendent employment contracts, entered into on or after July 1 of the current fiscal year, specifying that the maximum settlement amount to be paid by the district as part of the mutual dissolution of the contract shall not exceed one year's salary or the remainder of the contract value, whichever is less. Nothing in this provision limits a district superintendent's right to file a claim in state or federal court based on an alleged violation of law relevant to that individual's employment.

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1.dr CONFORM TO FUNDING / ADD (SDE: Disconnect to Reconnect) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / ADD proviso to direct the department to contract with Families Managing Media Inc. to purchase materials for 3rd-8th grade students.

1.dr. (SDE: Disconnect to Reconnect) The department shall contract with Families Managing Media Inc. to purchase the material corresponding to the student's grade for each 3rd – 8th grade student attending public and charter schools. All public and charter schools shall incorporate the lessons included in the material provided throughout the school year.

1.se CONFORM TO FUNDING / ADD (SDE: Special Education) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / ADD proviso to direct the department to allocate \$1,500,000 to conduct a study of special education in SC and issue findings and improve outcomes of students with disabilities and issue a report to the General Assembly by June 30, 2027.

1.se. (SDE: Special Education) In the current fiscal year, \$1,500,000 shall be allocated by the Department of Education to conduct a landscape study of special education in South Carolina and to issue findings, along with a road map to improve outcomes of students with disabilities, in a report to the General Assembly by June 30, 2027. Recommendations resulting from this study shall highlight how the Department of Education and local education agencies can effectively invest to better support, manage, and strengthen the delivery of services in local education agencies to students with disabilities. Special attention shall be paid to the consistency of available high-quality services and resources available to educators, administrators, and families, including military families. Any remaining funds may be used to implement recommendations from the study.

1.cfs CONFORM TO FUNDING / ADD (SDE: Capital Funding for Schools) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / ADD proviso to direct the department to establish a Capital Funding for Schools Committee to develop criteria and award capital funds for eligible K–12 school facilities projects. Provides for the composition of the committee. Directs the committee to evaluate applications from eligible school districts, charter schools with a “good” or higher academic rating, and special schools. Directs that awards shall be based on demonstrated facility needs, local support, financial contributions, academic benefit, school safety, and priority for areas of critical need. Directs that funds may be used only for eligible instructional facilities and related project costs. Directs the committee to provide a report of funded projects to the Governor and the Chairmen of Senate Finance and House Ways and Means by June 30, 2027. Directs that unexpended funds may be carried forward for the same purpose.

1.cfs. (SDE: Capital Funding for Schools) (A) For the current fiscal year, of the funds appropriated for Capital Funding for Schools, the Department of Education shall comprise a committee to establish and approve criteria to disburse funds.

(B) The committee shall be comprised of the following individuals:

(1) one individual with experience in educational facilities appointed by the State Superintendent of Education, who serves as chair;

(2) one individual with at least ten years of economic development experience appointed by the Governor;

(3) one individual appointed by the Chairman of the House Education and Public Works Committee;

(4) one individual appointed by the Chairman of the Ways and Means Committee;

(5) one individual appointed by the Chairman of the Senate Finance Committee; and

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(6) one individual appointed by the Chairman of the Senate Education Committee;

(C) No member of the committee shall serve on the committee if that member or immediate family is an employee, contractor, or board member of a school district, charter school, or other educational institution that has the potential to receive funds from the Capital Funding for Schools Committee.

(D) Charter schools that have an academic achievement rating of good on the most recent South Carolina School Report Card, school districts, and special schools are eligible to receive funding from the committee.

(E) In order for a project to be considered by the committee, the applicant must conduct a facility capacity study that includes at least the historical and projected student enrollment of the applicant and building information to include: square footage, both total and broken down by usable space, capacity of each space based on recommended square footage per student, and the age and condition of each building.

(F) The committee shall develop the criteria to consider for determining awards. Criteria must include, but is not limited to:

(1) the local support of the project, expressed by resolutions by the governing bodies, or for charter schools, by the charter school governing board in the areas in which the project will be located;

(2) maximum academic benefit and enhancement of school safety, with regards to the ability of the project to optimally use, close, or consolidate existing buildings to accommodate current and projected student enrollment;

(3) the financial or in-kind contributions to the project;

(4) greater weighting in recommending priorities for eligible projects to areas of the State experiencing critical need as defined by criteria which may include, but is not limited to, local property wealth per student, per-capita income, poverty, or other relevant measures;

(5) the results of the school's facility capacity study.

(G) Funds may only be used for school buildings whose primary purpose must be for K-12 in-person classroom instruction, state-funded full-day 4K, or other public school secondary in-person classroom instruction. School buildings shall not include unimproved real property, centralized district administration facilities, or other facilities, including those normally identified with interscholastic sports activities.

(H) Eligible costs for projects include preliminary engineering, traffic and revenue studies, environmental studies, right-of-way acquisition, construction, construction management, and facilities.

(I) The committee shall issue a report to the Governor, the Senate Finance Committee Chairman, and the House Ways and Means Committee Chairman no later than June 30, 2027. The report shall include the districts and charter schools funded, the amount, and the purpose of the award.

(J) All unexpended funds appropriated for Capital Funding for Schools may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and charter schools.

1.iaq

ADD (SDE: Indoor Air Quality and Mold Remediation Unit) **SUBCOMMITTEE RECOMMENDATION:** ADD proviso to direct the department to establish a statewide Indoor Air Quality and Mold Remediation Unit within the Office of School Facilities to provide, upon request, certified preventative, routine, and emergency indoor air quality and mold assessment, mitigation, and repair services to public school districts under policies and procedures set by the department.

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1.iaq. (SDE: Indoor Air Quality and Mold Remediation Unit) (A) For the current fiscal year, the Office of School Facilities within the Department of Education is directed to establish a specialized Indoor Air Quality and Mold Remediation Unit. The unit shall operate as a statewide resource and, upon request, provide services to public school districts throughout the State.

(B) Services provided by the Indoor Air Quality and Mold Remediation Unit shall include, but are not limited to, preventative, routine, and emergency maintenance, assessment, mitigation, and repair services related to indoor air quality and mold for all public schools and school administrative facilities.

(C) The Department of Education shall develop and implement policies and procedures governing how school districts may request services from the Indoor Air Quality and Mold Remediation Unit, including prioritization of requests and coordination with local school district personnel.

(D) The Indoor Air Quality and Mold Remediation Unit shall maintain all appropriate and required professional certifications and credentials related to indoor air quality assessment and mold remediation.

SECTION 1A - H630 - DEPARTMENT OF EDUCATION-EIA

1A.6 AMEND (SDE-EIA: (CHE/Teacher Recruitment) Provides for the distribution of teacher recruitment funds for the Teaching Fellows Program; for other state teacher recruitment programs such as Teacher Cadet Program; for recruitment of minority teachers; and to S.C. State for operation of a minority teacher recruitment program. Requires the annual reporting on the success of the recruitment and retention efforts. Requires CERRA to appoint and maintain the S.C. teacher Loan Advisory Committee.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that EOC to make recommendations for the Teacher Loan Advisory Committee. Updates membership and responsibilities of the committee. Directs that the Student Loan Corporation must modernize the TLP application process by planning for an online system, update applications to identify Teaching Fellow recipients, and provide audited financial statements detailing the Revolving Loan Fund, charitable funding sources, and the origin of the corporation's philanthropic funding.

1A.6. (SDE-EIA: CHE/Teacher Recruitment) (A) Of the funds appropriated in Part IA, Section 1, VIII.F. for the Teacher Recruitment Program, the Commission on Higher Education shall distribute a total of ninety-two percent to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) for a state teacher recruitment program, of which at least seventy-eight percent must be used for the Teaching Fellows Program specifically to provide scholarships for future teachers, and of which twenty-two percent must be used for other aspects of the state teacher recruitment program, including the Teacher Cadet Program and \$166,302 which must be used for specific programs to recruit minority teachers: and shall distribute eight percent to South Carolina State University to be used only for the operation of a minority teacher recruitment program and therefore shall not be used for the operation of their established general education programs. Working with districts with an absolute rating of At-Risk or Below Average, CERRA will provide shared initiatives to recruit and retain teachers to schools in these districts. CERRA will report annually by October first to the Education Oversight Committee and the Department of Education on the success of the recruitment and retention efforts in these schools. The Commission on Higher Education shall ensure that all funds are used to promote teacher recruitment on a statewide basis, shall ensure the continued coordination of efforts among the three teacher recruitment projects, shall review the use of funds and shall have prior program and

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budget approval. The South Carolina State University program, in consultation with the Commission on Higher Education, shall extend beyond the geographic area it currently serves. Annually, the Commission on Higher Education shall evaluate the effectiveness of each of the teacher recruitment projects and shall report its findings and its program and budget recommendations to the House and Senate Education Committees, the State Board of Education, and the Education Oversight Committee by October first annually, in a format agreed upon by the Education Oversight Committee and the Department of Education.

(B) With the funds appropriated CERRA shall also appoint and maintain the South Carolina Teacher Loan Advisory Committee upon recommendations by the Education Oversight Committee. The Committee shall be composed of one member representing each of the following: (1) Commission on Higher Education who shall serve as chair of the Committee; (2) State Board Department of Education; (3) Education Oversight Committee; (4) Center for Educator Recruitment, Retention, and Advancement; (5) South Carolina Student Loan Corporation; (6) South Carolina Association of Student Financial Aid Administrators (SCASF4A); (7) a local school district human resources officer; (8) a public higher education institution with an approved teacher education program; and (9) a private higher education institution with an approved teacher education program. The members of the committee representing SCASF4A, a local school district, and the public and private higher education institutions shall rotate among those institutions and shall serve a single two-year term on the committee. The committee must be staffed by CERRA, and shall meet at least twice four times annually. The committee's responsibilities are limited to its duties for: (1) establishing, monitoring, and reporting progress on goals for the Teacher Loan Program; (2) facilitating communication among the cooperating agencies entities; (3) actively advocating for program participants; and (4) using the most recent program evaluation reports as a guide, recommending policies and procedures necessary to promote and maintain publicize the program, as well as developing specific recommendations for changes necessary to statute, regulation, and/or proviso necessary to modernize and streamline the program, enhance its alignment and parity with other teacher recruitment initiatives; and (5) annually, by February 1 and August 1, submitting a summary of meetings held during that period and actions taken to conform with each state duty to the Commission on Higher Education and to the Education Oversight Committee for inclusion in the annual program evaluation.

(C) In conformance with the 2025 Teacher Loan Program (TLP) Report Finding and Recommendations, the Student Loan Corporation shall:

(1) review and revise TLP applications and submit a plan to the Commission on Higher Education for implementing an online application process;

(2) add a question on the TLP application which will designate applicant as a Teaching Fellow recipient; and

(3) provide audited financial statements for the TLP, which shall include the Revolving Loan Fund and sources of all charitable dollars to outside entities as well as the funding source that seeded the philanthropic arm of the Student Loan Corporation.

1A.9 AMEND (SDE-EIA: Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$400 each school year to offset the expenses teachers have incurred for teaching supplies and materials. Directs that this reimbursement shall not be considered by the state as taxable income or reported as income on the employee's annual W-2 form, and a district may not withhold or garnish the amount of the supply check from an employee's salary. Allows any classroom teacher, including those at a S.C. private school that are not eligible for this reimbursement, to claim a refundable income tax credit on their 2025 tax return.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update tax year reference.

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1A.9. (SDE-EIA: Teacher Supplies) (A) 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 publicly 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 \$400 each school year to offset expenses incurred by them for teaching supplies and materials identified by the employee as essential for student success. 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 fifteenth annually, the district shall notify all individuals entitled to receive these funds the manner in which the funds will be disbursed. 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. This reimbursement shall not be considered by the state as taxable income or reported as income on the employee's annual W-2 form, and a district may not withhold or garnish the amount of the supply check from an employee's salary. 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, Governor's School for Agriculture at John de la Howe, 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.

(B) Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the reimbursement allowed by this provision, may claim a refundable income tax credit on the teacher's ~~2025~~ 2026 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 \$400, or the amount the teacher expends on teacher supplies and materials, whichever is less. If any expenditures eligible for a credit are made after December thirty-first, the teacher may include the expenditures on his initial return or may file an amended ~~2025~~ 2026 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 provided by this proviso is ineligible to take the income tax credit allowed by this proviso.

1A.25 **AMEND** (SDE-EIA: Full-Day 4K) Provides guidelines for participation in and funding for the SC Early Reading Development and Education Program (CERDEP). *Companion to 1.46.*

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SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that school districts participating in the EOC wait list pilot are exempt from the September 1 requirement and directs the EOC to annually evaluate the available space in public and private providers to increase the number of CERDEP classrooms. Requested by the Education Oversight Committee.

1A.25. (SDE: Full-Day 4K) (A) Eligible students residing in any school district or attending any charter school authorized by the South Carolina Public Charter School District or an approved institution of higher education may participate in the South Carolina Early Reading Development and Education program (CERDEP) pending the availability of space and funding. Student eligibility as defined by Section 59-156-130 of the 1976 Code is an annual family income of one hundred eighty-five percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services or a statement of Medicaid eligibility.

(B) A parent or guardian may choose to enroll their child in a public school participating in the program and approved by the Department of Education pursuant to Section 59-156-210 or in a private provider participating in the program and approved by the Office of First Steps pursuant to Section 59-156-200. A private provider includes, but is not limited to, a child care center, a military child care facility regulated by the United States Department of Defense, or a non-profit independent school. State funds appropriated for the provision of CERDEP services in military child care facilities may not be used to supplant existing federal child care funds. No school district can be denied participation in CERDEP or be denied CERDEP funding pursuant to the terms of this provision.

(C) 4K programs in public schools and non-profit independent schools participating in CERDEP are not required to be approved, registered, or licensed by the Department of Social Services in order to participate in CERDEP. Instead, the Department of Education and the Office of First Steps are responsible for ensuring that providers deliver high-quality educational programs pursuant to Section 59-156-160.

(D) Public and private providers shall be funded for instructional costs at a minimum rate of \$5,100 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 reimbursement at a minimum of \$620 per eligible child transported. First Steps and the Department of Education must provide an equitable distribution above the minimum between public and private providers. First Steps and the Department of Education must provide a quarterly report beginning October 1 detailing funding above the minimum made to any provider to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. 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 at a minimum of \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding at a minimum of \$10,000. The Department of Education and the Office of First Steps Readiness are authorized to utilize carry forward funds and federal funds to supplement the amount expended for materials and equipment. 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 based on the one hundred

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and thirty-five day student average daily membership. For the current fiscal year, providers may enroll pay-lunch children who score at or below the twenty-fifth national percentile on two of the three DIAL-3 subscales by July 1 if at least seventy-five percent of the total number of children eligible for the Child Early Reading Development and Education Program in a district or county are projected to be enrolled in that program, Head Start, or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, Child Early Reading Development and Education Program. Providers may receive reimbursement for these children if funds are available. By September 1, the Department of Education and the Office of First Steps must collect the documented waiting lists, share the lists, and determine a process to notify parents of eligible students of available slots in all approved providers. School districts participating in the EOC wait list pilot are exempt from the September 1 requirement. The Department of Education is required to offer waivers allowing students with disabilities to be served in multi-categorical classroom settings based on similar cognition and abilities. Funding appropriated for CERDEP may be carried forward and expended for the same purpose.

(E) 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 first. 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.

(F) Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Early Reading Development and Education Program (CERDEP) and to issue findings in a report to the General Assembly by March first of each year. To aid in this evaluation, the Education Oversight Committee shall determine and obtain 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, including average daily attendance data, so that consistent enrollment may be determined. 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 public or private provider including those funded by CERDEP, Head Start, SC Child Care Scholarships, EIA, Title I, district-funded, and all other federal, state, or local public sources. 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 along with information, recommendations, and a timeline for how the state can increase the number of students served in high-quality programs. To aid in the accurate reporting of four-year-olds in poverty served in formal education programs in public schools in South Carolina, the Department of Education must provide to the EOC data related to four-year-olds served in formal education programs funded with other state, local, or federal funds, including Title 1 and EIA-District-funded programs, denoting full- or partial-day status. The Education Oversight Committee also shall annually evaluate the availability of space in public and private providers to increase the number of CERDEP classrooms to serve additional students whose family income is three hundred percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services.

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(G) For eligible children residing in school districts that do not participate in CERDEP, the Department of Education is required to develop and implement inter-district transfer policies that give parents or guardians the option of their eligible child attending an out-of-district school that participates in CERDEP.

(H) For the current fiscal year, the Office of First Steps may expend: (1) up to \$2,000,000 to pilot a program to provide higher reimbursement rates to high-quality providers. The reimbursement rate for students enrolled by child care providers rated B or higher in the ABC Quality System operated by the Department of Social Services may be increased by up to 10% of the per-student base following guidelines developed by the Office of First Steps; and (2) up to \$250,000 to provide one-time supplemental, needs-based incentive grants in an amount not to exceed \$30,000 for newly created and/or newly approved private providers proposing to expand service to ten or more CERDEP eligible children in communities unable to enroll all eligible students in a public, private, or Head Start setting during the prior fiscal year. These grants are designed to address building renovations, documented as necessary to bring proposed classrooms into compliance with licensing regulations, materials and staffing costs, and/or other obstacles currently preventing their participation in the 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 shall be 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 shall 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.

(I) If by August first, the Department of Education or the Office of First Steps determines that appropriations will exceed expenditures, available funds may be used to fund an extended program and 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, it 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 parent engagement, professional development, and quality evaluations of programs. No later than April first, the Department of Education and the Office of First Steps shall 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. The Office of First Steps is directed to determine if the provision of extended programs in private centers improves the ability of parents to enter the workforce or to pursue postsecondary training or industry credentials.

(J) On or before November 15, the Department of Education and the Office of First Steps shall share data that identifies the total number of children enrolled in CERDEP in both public and private providers. If available appropriations exceed the instructional costs of serving children enrolled in the program and if a waiting list of eligible children can be documented by

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the Department of Education and by the Office of First Steps, then the Executive Budget Office may authorize the transfer of funds between the Department of Education and the Office of First Steps.

(K) The Office of First Steps and the Department of Education shall collaborate with the South Carolina Head Start State Collaboration Office to inform parents of all publicly funded full-day 4K programs including Head Start by participating in PalmettoPreK and First5SC.

1A.30 AMEND (SDE: Teacher Salaries/SE Average) Provides the projected Southeastern average teacher salary. Requires a local district board of trustees to provide a step increase for all eligible certified teachers. Requires districts to use the district salary schedule used in the prior fiscal year as the basis for providing the increase. Suspends the requirement that districts maintain local salary supplements per teacher no less than their prior fiscal year. *Companion to General Education proviso 1.69.*

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update the Southeastern average teacher salary and fiscal year reference.

1A.30. (SDE: Teacher Salaries/SE Average) (A) 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 ~~\$61,964~~ \$65,545. 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.

(B) 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 at a minimum 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. For Fiscal Year ~~2025-26~~ 2026-27, the requirement that school districts maintain local salary supplements per teacher no less than their prior fiscal year level is suspended.

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

1A.44 AMEND (SDE-EIA: Rural Teacher Recruiting Incentive) Creates a program within CERRA to recruit and retain classroom educators in rural and underserved districts that annually experience excessive teacher turnover. Requires CERRA report by July 31st of the current fiscal year to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House on the incentives that have been developed and to make recommendations for attracting and retaining high quality teachers. Requires EOC to complete a evaluation of the impact of funds and incentives related to the Rural Teacher Recruitment Incentive and provide the evaluation to the House Ways and Means Committee, the House Education Committee, the Senate Finance Committee, the Senate Education Committee, and the Governor's Office by June 30, 2026.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso change "CERRA" to "SC TEACHER" and redefine eligibility for district participation in the incentive. Adds evidence-based requirements to the annual report. Directs SC TEACHER to create a district-facing portal to provide relevant information and access, and to support district's required responsibilities. Deletes the reference to the evaluation of the program by EOC as it will be complete.

1A.44. (SDE-EIA: Rural Teacher Recruiting *and Retention* Incentive) (A) There is created a program within the South Carolina ~~Center for Educator Recruitment, Retention, and Advancement (CERRA)~~ Teacher Education Advancement Consortium through Higher

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Education Research (SC TEACHER) to recruit and retain classroom educators in rural and underserved districts experiencing elevated teacher ~~excessive~~ turnover of classroom teachers on an annual basis.

(B) During the current fiscal year ~~CERRA~~ SC TEACHER shall publish eligibility requirements and applications for individual educators, school districts, and institutions of higher education not inconsistent with existing licensure requirements for each, but also including:

(1) Eligible districts identified by ~~CERRA~~ SC TEACHER as those whose three-year average teacher retention rate, calculated using teacher-level administrative data for eligible classroom educators, falls below the statewide three-year average district retention rate, and that are not within the highest quartile of districts based on index of taxpaying ability. Eligible districts may make application to participate in the program ~~experiencing greater than eleven percent average annual teacher turnover, as reported on the districts' five most recent district report cards issued by the South Carolina Department of Education and are not one of the fifteen wealthiest districts based on the index of taxpaying ability, may make application to participate in the program.~~

(2) Notwithstanding item (B)(1), districts in the lowest quartile of taxpaying ability shall remain eligible if their three-year average teacher retention rate is within two percentage points of the statewide three-year district average, recognizing structural recruitment and retention challenges associated with limited fiscal capacity.

(3) Once determined eligible, a district shall retain eligibility status for a period of three fiscal years, subject to monitoring and reporting by SC TEACHER, to support long-term strategic recruitment and retention planning and implementation.

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

~~(3)~~(5) Institutions of higher education eligible to receive education funding as a component of recruiting incentives created pursuant to item (C) of this provision shall not be excluded from participation in Teaching Fellows Program.

~~(4)~~(6) Any incentives requiring individuals to relocate into an eligible district to provide instructional services shall not be made available to individuals providing instructional services in other eligible districts.

(C) Pursuant to item (A), ~~CERRA~~ SC TEACHER shall develop a set of incentives including, but not limited to, salary supplements, education subsidies, loan forgiveness, professional development, and mentorship to be provided to eligible classroom teachers or candidates ~~educators that offer instructional services~~ in eligible districts and shall provide incentive options for eligible individuals at all stages of their careers, including high-school and college or university students interested in entering the teaching profession and including individuals entering the field through an approved alternative certification pathway ~~to include, but not limited to, PACE, ABCTE, Teach for America, and CATE Work Based Certification.~~ In developing and approving incentives, SC TEACHER shall ensure that funding allocations reflect a balanced and evidence-informed approach to both recruitment and retention, recognizing that sustained workforce stability requires investment beyond initial hiring.

(1) At a minimum, the incentives shall include:

~~(1)~~(i) Development of a program for forgiveness of undergraduate student loans, not to exceed \$5,000 per year, for up to 7 years, for teachers participating in this incentive that achieve certification through an alternative pathway or who have a loan from an institution other than the South Carolina Student Loan Corporation or program other than the South Carolina Teachers Loan Program.

~~(2)~~(ii) Development of a forgivable loan program for individuals pursuing graduate coursework in furtherance of a teaching career, including enrollment in graduate-level

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coursework necessary to seek additional credentialing or certification relevant to the participant's teaching practice, or individuals seeking an alternative pathway to certification as a teacher.

~~(3)(iii)~~ Support for the establishment and maintenance of a teaching mentorship program, including salary supplements for teaching mentors not to exceed \$2,500 per year.

~~(4)(iv)~~ Other technical support and recruiting incentives as developed by ~~CERRA~~ SC TEACHER in conjunction with the Department of Education and the Education Oversight Committee consistent with the objectives of this section.

(D) In addition to eligibility and application requirements, ~~CERRA~~ SC TEACHER shall develop a process for recovering an amount equal to the incentives given to individual participants who fail to comply with the obligations associated with a relevant incentive in which they participate including, but not limited to, failure to complete a prescribed course of study, failure to obtain a relevant certification or licensure upon completion of a course of study, or failure to provide instructional services in an eligible district for a prescribed period of time.

(E) ~~CERRA~~ SC TEACHER shall report by July thirty-first of the current fiscal year to the Governor, President of the Senate, ~~and~~ Speaker of the House, ~~and~~ Education Oversight Committee on the incentives developed pursuant to item (C) of this proviso and make recommendations for attracting and retaining high quality teachers in rural and underserved districts. The report shall contain at a minimum eligibility requirements and application processes for districts and individuals, descriptions of and proposed budgets for each incentive program and an analysis of the number and demographics of individuals potentially eligible for each.

(F) Additional evidence-based report requirements shall include:

(1) Tracking of incentives funded under this proviso, to the extent practicable, to individual classroom educators;

(2) Analysis of expenditures by category of recruitment and retention strategy;

(3) Computation of return on investment and related effectiveness measures for categories of spending, including impacts on recruitment, retention, and workforce stability; and

(4) As a condition of eligibility and continued participation, districts shall provide timely, accurate, and standardized information necessary for such tracking and analysis, as specified by SC TEACHER.

(G) To streamline reporting evidence consistency, accuracy and transparency, SC TEACHER shall:

(1) Develop, maintain, and make available to eligible districts a secure district-facing portal that provides access to aggregated information relevant to the Rural Teacher Recruiting & Retention Incentive, including but not limited to incentive expenditures, recruitment and retention trends, and educator working conditions data, consistent with applicable privacy and data governance requirements.

(2) The district portal shall be designed to support district's required responsibilities in use of these data for district planning, monitoring, and evaluation of recruitment and retention strategies funded under this proviso.

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

~~(G) The Education Oversight Committee is required to complete an evaluation of the impact of the funds and incentives related to the Rural Teacher Recruiting Incentive. A completed evaluation is due to the House Ways and Means Committee, the House Education Committee, the Senate Finance Committee, the Senate Education Committee, and the Governor's Office by June 30, 2026.~~

1A.50 CONFORM TO FUNDING / AMEND (SDE-EIA: Career and Technology Education)
Provides for the distribution and use of Career and Technology Education funds to school districts

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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. Directs that \$125,000 be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support. **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / AMEND proviso to update the distribution to school districts, the public charter school district, and approved institutions of higher education authorizing charter schools based on the prior year's 135-day average membership count with no entity receiving less than \$250,000.

1A.50. (SDE-EIA: Career and Technology Education) ~~Of~~ The funds appropriated for Career and Technology Education, ~~multi-district career centers that received funds in Fiscal Year 2025-26 from the State Aid to Classrooms line item shall receive in the current fiscal year at least \$2,750,000. The balance of funds appropriated for 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 shall be allocated to school districts, the Statewide Public Charter School District, any approved institution of higher education authorizing charter schools, and multi-district career centers based on the prior year's 135-day average daily membership count for each district or authorizer with no district or multi-district career center receiving less than \$250,000.~~ Funds may be expended for the purchase of career and technical equipment, technology, curriculum, industry certifications, 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.61 CONFORM TO FUNDING / AMEND (SDE-EIA: Surplus) Provides that the expenditures of the EIA cash funds and EIA funds from the prior fiscal year not appropriated or authorized must be carried forward and expended to entities in the order listed. **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / AMEND proviso to update fiscal year reference and delete prior year funding items.

1A.61. (SDE-EIA: Surplus) For Fiscal Year ~~2025-26~~ 2026-27, EIA 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) \$29,614,175 to the Department of Education for the purchase of instructional materials;~~
- ~~(2) \$35,000,000 to the Department of Education for School Buses;~~
- ~~(3) \$20,000,000 to the Department of Education for School Facilities Safety Upgrades;~~
- ~~(4) \$23,519,825 to the Department of Education for Summer Reading Camps;~~
- ~~(5) \$1,000,000 to the College of Education at the University of South Carolina for the Teaching Transformation Pilot Program;~~

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~~(6) \$750,000 to the South Carolina Farm Bureau Federation to support the Ag in the Classroom program by providing resources and professional development to teachers and schools;~~

~~(7) \$5,000,000 to the Department of Education for the Teacher Strategic Compensation;~~

~~(8) \$1,600,000 to reimburse school districts for reduced meals for the Child Nutrition Program;~~

~~(9) \$1,500,000 to the South Carolina Technical College System to create, in partnership with the South Carolina Technical College System Foundation (SCTCSF), a pilot program to increase the number of individuals earning an associate's degree in education who will then transfer to a four year institution of higher learning and complete a bachelor's degree in education. The pilot program will provide a cost efficient, accelerated online, in person or hybrid program to facilitate completion of an education degree. Focusing on rural South Carolina communities, the SCTCSF will partner with local school districts to identify future teachers, provide apprenticeship opportunities, and encourage future long term employment in rural school districts for Tech to Teach graduates. The SCTCSF shall issue a report to the Governor, the Senate Finance Committee, the House Ways and Means Committee, and the Education Oversight Committee by June 30, 2026; and~~

~~(10) \$6,000,000 to the Statewide Implementation of the Imagination Library.~~

1A.71 AMEND (SDE-EIA: CERDEP Foundational Literacy Skill Training) Directs SDE to provide training on literacy skills to all public school educators and aides who work with CERDEP, and staff of the Office of First Steps in every district that has CERDEP classrooms. Provides a stipend for educators who successfully complete the training. Allows SDE to carry forward and expend funds for the same purposes. Requested by the Department of Education.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that successful completion of the training will satisfy the requirements of the R2S Child Early Reading Development Education Program (CERDEP) Literacy Teacher Endorsement. Requested by the Department of Education.

~~1A.71. (SDE-EIA: CERDEP Foundational Literacy Skill Training) (A) Beginning in the 2025-26 Fiscal Year~~ *For the current fiscal year*, with funds available, the Department of Education will train public school educators and class aides working with children in the South Carolina Early Reading Development and Education program (CERDEP) and staff *with* the Office of First Steps to School Readiness in foundational literacy skills. Each school district with CERDEP classrooms shall participate in the implementation of this foundational literacy skills training.

(B) Selected educators shall participate in foundational literacy skills training provided and paid for by the Department of Education. Successful completion of this training shall satisfy the requirements of the ~~literacy teacher endorsement~~ *R2S Child Early Reading Development Education Program (CERDEP) Literacy Teacher Endorsement*. Educators who successfully complete the training, as determined by the department, shall receive a monetary stipend.

(C) The Department of Education is authorized to carry forward and expend any balance of funds authorized in the prior fiscal year for training for the same purposes in the current fiscal year.

1A.72 AMEND (SDE-EIA: Teacher Loan Program) Directs that up to \$10 million from South Carolina's Teacher Loan Program will support certified public school teachers, with \$5 million for refinancing student loan debt statewide, and \$5 million for loan forgiveness in high-vacancy districts with 10% or higher teacher vacancy rates per the 2024-25 Teacher Supply and Demand Report.

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SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that up to 50% of interest, investment earnings, and late fees from the Teacher Loan Program revolving account will be used to help certified public school teachers refinance student loan debt through a program run by the SC Student Loan Corporation. Directs that an additional \$5 million from the account will support loan forgiveness for teachers in rural school districts, modeled after the SC Teacher Loan Program, with eligible districts identified by the Department of Education based on documented recruitment and retention challenges. Deletes references to teachers in certain school districts.

1A.72. (SDE-EIA: Teacher Loan Program) Of the available funds in the Teacher Loan Program revolving account administered by the SC Student Loan Corporation, up to ~~\$5,000,000~~ fifty percent of the interest earned, investment earnings, and late fees in the program revolving account shall be made available through a program administered by the Student Loan Corporation to assist in refinancing student loan debt for all certified teachers employed in the public schools of the State. An additional \$5,000,000 from the revolving loan account will be made available to teachers in rural school districts for loan forgiveness patterned after the SC Teacher Loan ~~in the following school districts based on the number of teacher vacancies and/or the number of teachers of record uncertified in the subject area in which they are teaching: Bamberg, Allendale, Calhoun, Jasper, Lee, and McCormick school districts that show a vacancy rate of ten percent or greater based on the 2024-25 Teacher Supply and Demand Report~~ Program. The Department of Education will identify the rural school districts for inclusion in loan forgiveness using data that documents the difficulty of the districts in recruiting and retaining certified teachers. The Student Loan Corporation must have both programs operational by the end of the fiscal year.

1A.stl CONFORM TO FUNDING / ADD (SDE-EIA: Strategic Teacher Career Ladder Pilot Implementation) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / ADD proviso to direct the department to develop at Teacher Career Ladder (TCL) pilot program to provide high-performing teachers with opportunities for career advancement. Details the requirements that must be performed by the department for the pilot program. Requested by the Department of Education.

1A.stl. (SDE-EIA: Strategic Teacher Career Ladder Pilot Implementation) (A) With funds appropriated, the Department of Education shall develop a pilot implementation plan for a strategic Teacher Career Ladder (TCL) program designed to provide high-performing teachers with opportunities for career advancement through advanced license designations, such as Mentor Teacher, Lead Teacher, and Advanced Teacher. These designations shall be linked to clearly defined additional roles, responsibilities, and compensation. The purpose of the TCL is to increase teacher retention, validate career accomplishments, expand access to highly effective educators, and incentivize placement of high impact teachers in schools with the greatest need.

(B)The department shall:

(1) create an opt-in application process for districts, including a rubric to evaluate and select participants for phased implementation;

(2) develop criteria and guidance for districts to award advanced license designations and validate consistency and fairness through a qualified third party;

(3) publish annually a list of "Targeted Career Ladder Program" schools where designated teachers may earn higher stipends;

(4) include research and best practices from other states to inform the design and execution of the pilot.

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(5) allocate funds to participating districts, requiring that at least ninety percent of funds be used for teacher stipends;

(6) require participating districts to submit annual data detailing designation data, educator performance, and implementation outcomes; and

(7) submit an annual report to the General Assembly detailing the pilot program recommendations for implementing the program.

1A.ps **ADD** (SDE-EIA: ESTF Parent Survey) **SUBCOMMITTEE RECOMMENDATION:** ADD proviso to direct EOC to provide results of the parent survey by June 30. Requested by the Education Oversight Committee.

1A.ps. (SDEEIA: ESTF Parent Satisfaction Survey) For the current fiscal year, the Education Oversight Committee is directed to provide the results of the Education Scholarship Trust Fund Parent Survey by June 30.

SECTION 8 - H670 - EDUCATIONAL TELEVISION COMMISSION

8.lpt **ADD** (ETV: Local Programming and State Government Transparency) **SUBCOMMITTEE RECOMMENDATION:** ADD proviso to direct the commission to prioritize funds for the purpose of increasing local, state, and regionally-produced programming.

8.lpt. (ETV: Local Programming and State Government Transparency) General funds appropriated in the current fiscal year to the agency used for the broadcast, transmission, or dissemination of programming, content, or information to the general public shall be prioritized for the purpose of increasing local, state, and regionally-produced news, educational, cultural, sports, entertainment, and state government transparency programming.

SECTION 27 - H870 - STATE LIBRARY

27.1 **CONFORM TO FUNDING / AMEND** (LIB: Aid to Counties Libraries Allotment) Directs that funds for “Aid to County Libraries” shall distributed per capita based on the 2020 Census, with a minimum of \$150,000 per county, paid in two equal installments. To receive funds, counties must maintain prior local funding levels and certify that no materials appealing to the prurient interest of minors are accessible in youth sections without parental consent. Noncompliance or challenges from local legislative delegations may result in fund withholding until the State Library verifies compliance.
SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / AMEND proviso to increase the amount of funds distributed to \$200,000.

27.1. (LIB: Aid to Counties Libraries Allotment) The amount appropriated in this section for “Aid to County Libraries” shall be allotted to each county on a per capita basis according to the official United States Census For 2020, as aid to the County Library. No county shall be allocated less than ~~\$150,000~~ \$200,000 under this provision. Counties shall receive their allocations in two equal parts To receive this aid, local library support shall not be less than the amount actually expended for library operations from local sources in the second preceding year. Prior to receiving each of these allocations, county libraries must certify to the State Library and have an adopted policy in place that their county libraries do not offer any books or materials that appeal to the prurient interest of children under the age of seventeen in children’s, youth, or teen book sections of libraries and are only made available with explicit parental consent. Failure to provide these

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certifications in a manner satisfactory to the State Library shall result in the immediate withholding of the allocation. If the local Legislative Delegation presents evidence that these requirements are not being met by a county library, the delegation may request a comprehensive review of the certification by the State Library. All remaining funds shall be withheld until the State Library verifies full compliance with these requirements and issues a written determination of compliance to the delegation.

SECTION 117 - X900 - GENERAL PROVISIONS

117.184 DELETE (GP: Program Transfer) Directs that CHE collaborate with SDE and DOA, Executive Budget Office to transition the Educator Report Card program to SDE by 1/1/26.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~117.184. (GP: Program Transfer) For Fiscal Year 2025-26, the Commission on Higher Education shall collaborate with the Department of Education and the Department of Administration, Executive Budget Office, to transition the Educator Report Card program, including associated FTE positions and all related funding, to the Department of Education no later than January 1, 2026. The Executive Budget Office is authorized to implement the necessary permanent transfers of funding and positions to facilitate the transition of the program.~~