

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

SECTION 1 - H630 - DEPARTMENT OF EDUCATION

1.3 AMEND (EFA Formula/Base Student Cost Inflation Factor) States the General Assembly's intent to fully implement the EFA including an inflation factor to match the inflation wages of public school employees in the southeast; states that for FY 16-17, the base student cost has been determined to be \$2,350; that the per pupil count is projected to be 723,953, and projects the average per pupil funding. Provides for the distribution of funds to the SC Public Charter School District. Requires the Revenue and Fiscal Affairs Office post each school district's projections on their website and for each school district to also post their numbers. Requires the department and the EOC provide links to this information on their websites. Provides pupil classification weightings.

WMC: AMEND proviso to update the projections for FY 17-18 as follows: base student cost \$2,400; total pupil count, 721,401; average per pupil funding: \$6,096 state, \$1,294 federal, and \$5,726 local, for an average total funding level of \$13,116, excluding revenues of local bond issues. Change reference to "school year 2016-17" to "the current" school year.

HOU: ADOPT proviso as amended.

1.3. (SDE: EFA Formula/Base Student Cost Inflation Factor) To the extent possible within available funds, it is the intent of the General Assembly to provide for one hundred percent of full implementation of the Education Finance Act to include an inflation factor projected by the Revenue and Fiscal Affairs Office to match inflation wages of public school employees in the Southeast. The base student cost for the current fiscal year has been determined to be ~~\$2,350~~ \$2,400. For the current fiscal year, the total pupil count is projected to be ~~723,953~~ 721,401. The average per pupil funding is projected to be ~~\$5,827~~ \$6,096 state, ~~\$1,245~~ \$1,294 federal, and ~~\$5,542~~ \$5,726 local. This is an average total funding level of ~~\$14,210~~ \$13,116 excluding revenues of local bond issues. For the current fiscal year the South Carolina Public Charter School District and any institution of higher education sponsoring a public charter school shall receive and distribute state EFA funds to the charter school as determined by one hundred percent of the current year's base student cost, as funded by the General Assembly multiplied by the weighted students pupils enrolled in the charter school, which must be subject to adjustment for student attendance.

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

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

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(3) Precareer and Career Technology	1.29
(4) Additional weights for personalized instruction:	
(A) Gifted and Talented	0.15
(B) Academic Assistance	0.15
(C) Limited English Proficiency	0.20
(D) Pupils in Poverty	0.20
(E) Dual Credit Enrollment	0.15

No local match is required for the additional weightings for personalized instruction in *the current* school year ~~2016-17~~. Charter school per pupil calculations for locally sponsored charters will continue to be calculated according to Section 59-40-140 of the 1976 Code. Students may receive multiple weights for personalized instruction; however, within each weight, students should only be counted once. These weights are defined below:

Gifted and talented students are students who are classified as academically or artistically gifted and talented or who are enrolled in Advanced Placement (AP) and International Baccalaureate (IB) courses in high school. Districts shall set-aside twelve percent of the funds for serving artistically gifted and talented students in grades three through twelve.

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

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

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

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

Further, the Department of Education may use school district student counts for personalized instruction as collected in the same manner as the prior fiscal year, PowerSchool or other available existing data sources as determined by the department to calculate the school district add on weightings for the personalized instruction classifications and the determination of the school districts monetary entitlement. End of year adjustments shall be based on the one hundred thirty-five day student average daily membership for all classifications. During the current fiscal year the department will update PowerSchool calculations, reports, screen development, documentation, and training to incorporate the new pupil classification weightings and to make final district allocation adjustments by June 30, 2017. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

- 1.26 AMEND** (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments. *Note: Companion EIA proviso is IA.14.*

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

HOU: ADOPT proviso as amended.

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

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

"InSite" means the financial analysis model for education programs utilized by the Department of Education.

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

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

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

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

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

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

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

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

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

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

The provisions contained herein do not amend, suspend, supersede, replace, revoke, restrict, or otherwise affect Chapter 4, Title 30, the South Carolina Freedom of Information Act. Nothing in this proviso shall be interpreted as prohibiting the State Board of Education to exercise its authority to grant waivers under Regulation 43-261.

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

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

HOU: ADOPT proviso as amended.

1.28. (SDE: Budget Reduction) In compensating for any reduction in funding *or deficit*, local districts must give priority to preserving classroom teachers and operations. Funding

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

reductions should first be applied to administrative and non-classroom expenses before classroom expenses are affected.

1.50 **AMEND** (Health Education) Requires school districts to ensure compliance with Chapter 32 of Title 59 [COMPREHENSIVE HEALTH EDUCATION PROGRAM]; provides a complaint process for compliance concerns, a process for corrective action if the complaint is determined to be founded, and requires the department to withhold 1% of a district's Student Health and Fitness Act funds until the district is in compliance with the corrective action. Requires the department to withhold 1% of the district's Student Health and Fitness Act funds if the department determines the district is non-compliant with mandated health education, or if a district fails to publish required information on their website until the district is in compliance.

WMC: AMEND proviso to require school districts to also use curriculum that aligns to all standards and regulations adopted by the State Board of Education. Specify that the department will review the district's annual CHE Compliance Survey in determining district compliance with mandated health education. *The department states this amendment clarifies the process; reinserts a language deleted last year when two provisos were combined; and does not add any additional requirements.* Requested by Department of Education.

HOU: ADOPT proviso as amended.

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

1.58 **AMEND** (Full-Day 4K) Provides guidelines for participation in and funding for the CDEPP program. *Note: Companion EIA proviso is IA.30.*

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

HOU: ADOPT proviso as amended.

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

participation in the prior school year. The Department of Education and Office of First Steps must report to the General Assembly by October 1 on the estimated number of children to be served.

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

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

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

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

HOU: ADOPT proviso as amended.

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

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

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

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

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

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

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

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

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

(H) The Department of Education shall require:

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

1.68 **AMEND** (First Steps 4K Technology) Authorizes First Steps to spend up to \$75,000 of 4K carry forward funds to purchase electronic devices, with certain restrictions, for administering required school readiness assessments to children enrolled in the full-day 4K program in private centers. Requires First Steps to provide a report on these expenditures to the Chairmen of the Senate Finance and Ways and Means Committees by January 15, 2017.

WMC: AMEND proviso to update report due date from January 15, "2017" to "2018."
Requested by SC First Steps to School Readiness.

HOU: ADOPT proviso as amended.

1.68. (SDE: First Steps 4K Technology) During the current fiscal year, South Carolina Office of First Steps to School Readiness is authorized to expend up to \$75,000 from the four-year-old kindergarten carry forward funds to purchase electronic devices for the administration of required school readiness assessments to children enrolled in the full-day 4K program in private centers in the current fiscal year. The State Office of First Steps may purchase one device, which would be the property of the Office of First Steps, for every ten centers serving children in the program. The regional coordinators who provide support to the centers shall coordinate the usage of the devices among the centers. First Steps shall provide a report documenting its technology and materials expenditures to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 15, ~~2017~~ 2018.

1.69 **AMEND** (Teacher Salary Schedule Structure) Directs the department to convene certain stakeholders to examine and make recommendations on changes to the statewide minimum state teacher salary schedule and include extending steps, the beginning teacher salary and each district's salary schedule structure in the examination. Directs that information on salary needs for each of the districts that are or were in the original trial and plaintiff school districts in the Abbeville law suit be included. Directs recommendations be provided to the Chairmen of the Senate Finance and House Ways and Means Committees.

WMC: AMEND proviso to direct the department to provide recommendations on modifying the structure of the teacher salary schedule along with the potential fiscal impact of implementing the modifications to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1, 2017. Requested by Department of Education.

HOU: ADOPT proviso as amended.

1.69. (SDE: Teacher Salary Schedule Structure) The Department of Education shall convene stakeholders to include: Palmetto State Teachers Association, South Carolina School Business Officials, South Carolina Association of School Administrators, South Carolina School Boards Association, South Carolina Education Association, and the Education Oversight Committee to examine and make recommendations regarding changes to the statewide minimum state teacher salary schedule to include extending the steps on the state teacher salary schedule; an examination of the beginning teacher salary; and an examination of each district's salary

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

schedule structure. The department shall also include information from each of the districts who are, or were, the original trial and plaintiff school districts in the Abbeville law suit regarding salary needs in those districts. Recommendations shall be provided on the modification of the teacher salary schedule structure and the potential fiscal impact on implementing the modification recommendations to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1, 2017.

1.72 AMEND (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent. *Note: Companion EIA proviso is IA.65.*

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

HOU: ADOPT proviso as amended.

1.72. (SDE: CDEPP Unexpended Funds) For Fiscal Year ~~2016-17~~ 2017-18, the Office of First Steps to School Readiness is permitted to retain the first \$1,000,000 of any unexpended CDEPP funds of the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities.

By August first, the Office of First Steps is directed to allocate any additional unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the following purpose: Education Oversight Committee - \$1,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

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

If by August first, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act. Funds may also be used to provide professional development and quality evaluations of programs.

No later than April 1, ~~2017;~~ the Department of Education and the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

1.74 DELETE (First Steps Accountability) Requires First Steps to meet federal compliance for Part C of the IDEA and to report to the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor by 12/31/16 on the specific steps, timeline, and progress made in improving meeting compliance standards for indicators the office was scored on as being low performing and on whether the additional employees authorized by this act are sufficient for compliance. Authorizes First Steps to used funds appropriated for BabyNet to meet these requirements.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

HOU: ADOPT deletion of proviso.

~~1.74. (SDE: First Steps Accountability) Based on the need for stated intervention by the US Department of Education Office of Special Education and Rehabilitative Services (OSEP) in implementing Part C of the Individuals with Disabilities Education Act (IDEA), the Office of First Steps to School Readiness must meet federal compliance for the Part C program. Additionally, the Office of First Steps to School Readiness shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor the specific steps, timeline and progress made in improving meeting compliance standards its performance for those indicators with which the office was scored as being low performing. The report must include a statement regarding whether the additional employees authorized by this act are sufficient for compliance. The report shall also include any correspondence from the US Department of Education concerning the progress made on federal compliance with OSEP state standards. The report must be submitted no later than December 31, 2016. From the funds appropriated for BabyNet, the Office of First Steps to School Readiness may expend the funds necessary to meet the requirements of this proviso.~~

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

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~1.79. (SDE: Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule utilized the prior fiscal year as its base. School districts shall utilize the additional funds made available from the Education Finance Act appropriation to provide one percent of the required two percent increase.~~

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

1.80 DELETE (Facilities Tracking System and Assessment Assistance) Directs the department to issue a RFP to contract with one or more vendors to complete facilities assessments and efficiency studies reviews; provides guidelines as to what must be included, at a minimum; and directs which school districts are to be assessed and studied first. Directs that the completed assessments and studies be provided to each local school board of trustees and that the department publish them on the department's website.

WMC: DELETE proviso. *The assessments and studies are currently being conducted.*
Requested by Department of Education.

HOU: ADOPT deletion of proviso.

~~**1.80.** (SDE: Facilities Tracking System and Assessment Assistance)—Of the funds appropriated to the department for Facilities Assessments and Efficiency Studies, the department is directed to issue a RFP to contract with one or more vendors to complete the reviews. The Facilities Assessments shall include, at a minimum: (1) facilities use and management; (2) energy management; (3) site review when needed; and (4) any technology needs and infrastructure as aligned to the district technology plan and the district technology assessment. The Efficiency Studies shall include, at a minimum: (1) overhead; (2) human resources; (3) procurement; (4) financial management; and (5) transportation and must be aligned to any diagnostic review that may be conducted in the district to avoid duplication. The Assessments and Studies shall be first conducted in school districts which are or were the Abbeville Plaintiff District and prioritized according to the prior year poverty index and for districts that have not had an efficiency study or facility assessment completed in the last two years. The completed Assessments and Studies shall be provided to each local school board of trustees and shall inform funding decisions for facilities and potential school or district consolidation. The department shall make the Assessments and the Studies available on the department website.~~

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

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

HOU: ADOPT proviso as amended.

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

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

WMC: AMEND proviso to direct the department to use the funds appropriated for "computer science" to develop grade appropriate computer science standards that include computational thinking and computer coding for 9th through 12th grades; to include higher education, business, and industry experts and officials in developing the standards; and to support teachers in designing interdisciplinary units and instructional practices that engage students to apply literacy,

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

math, and computational thinking skills to solve problems. *Reflects portions of H.3427 "South Carolina Computer Science Education Initiative."* Requested by Department of Education.

HOU: ADOPT proviso as amended.

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

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

HOU: ADOPT new proviso.

1.85. (SDE: Military Child Care Centers) During the current fiscal year, South Carolina First Steps to School Readiness may extend four-year-old kindergarten provider eligibility to military child care settings regulated by the United States Department of Defense.

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

HOU: ADOPT new proviso.

1.86. (SDE: First Steps 4K Underserved Communities) Using funds appropriated for the Child Early Reading and Development Education Program, South Carolina First Steps shall develop a pilot program to expand four-year-old kindergarten enrollment within underserved communities. Newly-created and/or newly-approved private providers in communities enrolling less than 80% of eligible students in a public, private, or Head Start setting during the prior fiscal year, may receive up to \$30,000 in supplemental, needs-based incentives designed to address necessary building renovations, materials and staffing costs, and/or other obstacles currently preventing their participation in the First Steps 4K program. First Steps shall submit a report detailing its expenditures and expanded enrollment to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee by March 15, 2018.

- 1.87** **ADD** (School Leadership) **WMC:** ADD new proviso to direct the department to use \$400,000 of Professional Development funds to contract with a non-profit leadership development provider that specializes in multiple assessments, executive coaching, and leadership development that

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

provides school leadership progressive career path skills. Requested by SC Association of School Administrators.

HOU: ADOPT new proviso.

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

1.88 ADD (CDEP Overpayment) WMC: ADD new proviso to direct that school districts are not required to return any overpayment of CDEP funds they received in school year 2015-16 due to a department calculation error. Prohibit the department from requiring school districts to return such overpayment.

HOU: ADOPT new proviso.

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

SECTION 1A - H630 - DEPARTMENT OF EDUCATION-EIA

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

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

HOU: ADOPT proviso as amended.

1A.2. (SDE-EIA: African-American History) Funds provided for the development of the African-American History curricula may be carried forward into the current fiscal year. Funds that are currently a salary line item will be reallocated for the development of instructional materials and programs and the implementation of professional learning opportunities that promote African American history and culture. For Fiscal Year ~~2016-17~~ 2017-18 not less than seventy percent of the funds carried forwarded must be expended for the development of additional instructional materials by nonprofit organizations selected through a grant process by the Department of Education.

1A.9 AMEND (Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$275 each school year to offset the expenses teachers have incurred for teaching supplies and materials. Allows any classroom teacher, including those at a S.C. private schools that are not eligible for this reimbursement to claim a refundable income tax credit on their 2016 tax return.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the ~~reimbursement~~ funds allowed by this provision, may claim a refundable income tax credit on the teacher’s ~~2016~~ 2017 tax return, provided that the return or any amended return claiming the credit is filed prior to the end of the fiscal year. The credit is equal to two hundred seventy-five dollars, or the amount the teacher expends on teacher supplies and materials, whichever is less. If any expenditures eligible for a credit are made after December thirty-first, the teacher may include the expenditures on his initial return or may file an amended ~~2016~~ 2017 return claiming the credit, so long as the return or amended return is filed in this fiscal

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

year. The Department of Revenue may require whatever proof it deems necessary to implement the credit provided by this part of this provision. Any person receiving ~~the reimbursement~~ funds provided by this proviso is ineligible to take the income tax credit allowed by this proviso.

1A.14 AMEND (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments. *Note: Companion General Education proviso is 1.26.*

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

HOU: ADOPT proviso as amended.

1A.14. (SDE-EIA: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, funds provided for the Education and Economic Development Act, funds provided for Career and Technology Education, nor required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for four-year old programs and programs serving students with disabilities who have Individualized Education Programs.

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

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

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

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

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

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

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

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

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

The provisions contained herein do not amend, suspend, supersede, replace, revoke, restrict, or otherwise affect Chapter 4, Title 30, the South Carolina Freedom of Information Act. Nothing in this proviso shall be interpreted as prohibiting the State Board of Education to exercise its authority to grant waivers under Regulation 43-261.

1A.15 AMEND (Teacher Salary Supplement) Directs the department to carry forward unobligated teacher salary supplement and employer contribution funds to be used for the same purpose and

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

allows unexpended teacher salary supplement funds to be used for shortfalls in associated employer contributions funds.

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

HOU: ADOPT proviso as amended.

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

1A.16 **AMEND** (Dropout Prevention and High Schools That Work Programs) Requires the department to report annually on the effectiveness of drop-out prevention programs funded by the EEDA and on the progress and effectiveness of the High Schools That Work Programs. Authorizes High Schools That Work funds to be carried forward.

WMC: AMEND proviso to delete carry forward authorization.

HOU: ADOPT proviso as amended.

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

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

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

HOU: ADOPT proviso as amended.

1A.17. (SDE-EIA: Assessment) The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the same purpose. ~~Reimbursements shall resume in the current fiscal year for~~ The Department of Education shall contract with the test

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

publishers for the administration of PSAT, pre-ACT or 10th grade Aspire required in Section 59-18-340 of the 1976 Code.

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

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

HOU: ADOPT proviso as amended.

1A.24. (SDE-EIA: Students at Risk of School Failure) For the current fiscal year, EIA funds appropriated for students at academic risk of school failure, must be allocated to school districts based ~~two factors: (1) poverty as determined for the poverty add on weight in Proviso 1.3; and (2) the number of weighted pupil units identified in the prior fiscal year as in need of academic assistance~~ on the number of weighted pupil units in the district. At least eighty-five percent of the funds ~~allocated for students classified as at academic risk~~ must be spent on instruction and instructional support for ~~these students who generated the funds at academic risk~~. Instructional support may include family literacy and parenting programs to students at-risk for school failure and their families, and five percent of the funds must be spent on formative assessments for students in kindergarten through grade 9. Students at academic risk are defined as students who ~~score not met on~~ are not meeting grade level standards in English language arts/reading and mathematics as evidenced by summative state assessments in grades three through eight ~~in reading and mathematics state assessments~~ or students who are not on track to meeting or exceeding English language arts/reading or mathematics standards by the end of third grade. Public charter schools, the Palmetto Unified School District, and the Department of Juvenile Justice must also receive a proportionate per pupil allocation based on the number of students at academic risk of school failure served.

1A.25 AMEND (Professional Development) Allows up to \$500,000 of professional development funds to be used for gifted and talented teacher endorsement and certification activities and provides for the allocation of the funds. Authorizes the department to retain up to 25% for administration and for providing professional development services targeted to the original Abbeville law suite trial and plaintiff school districts. Requires the department to post professional development standards on its website and provide training through telecommunication methods. Authorizes unexpended professional development funds to be carried forward and used for the same purpose.

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

HOU: ADOPT proviso as amended.

1A.25. (SDE-EIA: Professional Development) Of the funds appropriated for professional development, up to \$500,000 may be expended for gifted and talented teacher endorsement and certification activities. The balance of EIA funds appropriated for professional development must be allocated to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the one hundred thirty-five day count of the prior school year. The funds must be expended on professional development for

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

certificated instructional and instructional leadership personnel in grades kindergarten through twelve across all content areas, including teaching in and through the arts *and using technology in classroom instruction*. No more than twenty-five percent of the funds appropriated for professional development may be retained by the Department of Education for the administration and provision of other professional development services which must be targeted to districts who are or were the original trial and plaintiff school districts in the Abbeville law suit to increase the capacity of educators and leaders in those districts. The Department of Education must provide professional development on assessing student mastery of the content standards through classroom, formative and end-of-year assessments. The Department of Education also must post on the agency's website the South Carolina Professional Development Standards and provide training through telecommunication methods to school leadership on the professional development standards. The department is authorized to carry forward and expend professional development funds for the same purpose.

1A.26 AMEND (Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Directs that up to \$5,400,000 of assessment funds be used for assessments to determine gifted and talented programs eligibility and for the cost of AP and IB exams.

WMC: AMEND proviso to delete "up to \$5,400,000." *Assessment costs increase each year due to an increase in testing costs and in student participation.* Fiscal Impact: The department state the fiscal impact for 2017-18 is estimated at \$560,000. However, costs will increase each year as individual student testing costs and enrollment increases. Requested by Department of Education.

HOU: ADOPT proviso as amended.

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

1A.29 DELETE (Incentive for National Board Certification After June 30, 2010) States the parameters for individuals who complete the application process after 6/30/10 for the National Board Certification Program including the salary supplement, the administration of applications, and administration fees.

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

HOU: ADOPT deletion of proviso.

1A.29. (SDE-EIA: Incentive for National Board Certification After June 30, 2010) ~~Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who complete the application process on or after July 1, 2010 shall be paid a \$5,000 salary supplement in the year of achieving certification. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$5,000 salary supplement shall be added to the annual pay of the teacher, not to exceed ten years of the national certificate. However, the \$5,000 supplement shall be adjusted on a pro-rata basis for the teacher's FTE and paid to the teacher in~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) shall administer whereby teachers who are United States citizens or permanent resident aliens apply to the National Board for Professional Teaching Standards for certification on or after July 1, 2010. Should the program not be suspended, up to nine hundred applications shall be processed annually. Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) the funds necessary for the administration of teachers applying to the National Board for Professional Teaching Standards for certification.~~

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

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

HOU: ADOPT proviso as amended.

1A.30. (SDE-EIA: Full-Day 4K) Eligible students residing in a school district that met the poverty level for participation in the prior school year are eligible to participate in the South Carolina Early Reading Development and Education Program in the current school year. Public and private providers ~~will be reimbursed~~ shall be funded for instructional costs at a rate of ~~\$4,323~~ \$4,422 per student enrolled. Eligible students enrolling during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be eligible for a reimbursement of ~~\$550~~ \$563 per eligible child transported. All providers who are reimbursed are required to retain records as required by their fiscal agent. New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding not to exceed \$10,000. Providers receiving equipment funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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.

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

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

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

1A.33 AMEND (IDEA Maintenance of Effort) Provides for the use of Aid to Districts to supplement support of programs and services for students with disabilities; to meet the estimated maintenance of effort for IDEA; or to resolve pending IDEA maintenance of effort litigation. Directs that IDEA maintenance of effort funds may not be transferred for any other purpose and are not subject to flexibility. Requires the department submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor by December, 2016. Authorizes IDEA Maintenance Effort funds to be carried forward and used for the same purpose.

WMC: AMEND proviso to delete previous directive on the use of funds to meet IDEA maintenance of effort and that these funds are not subject to flexibility and instead authorizes the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

department, if state funds are reduced or changes in the EFA Base Student Cost would reduce support for children with disabilities, to use Aid to District funds in Section VIII.A.1. to ensure maintenance of state financial support for the IDEA. Amend distribution of these funds to delete the requirement that they be distributed as directed "in any litigation settlement agreement" and instead by distributed as directed "by the United States Department of Education. Change references to maintenance of "efforts" to "state financial support." Delete specific reference to "2016." Delete the carry forward authorization. Requested by Department of Education.

HOU: ADOPT proviso as amended.

1A.33. (SDE-EIA: IDEA Maintenance of Effort) ~~Prior to the dispersal of funds appropriated in Section VIII.A.1. Aid to Districts according to Proviso 1A.31 for the current fiscal year, the department shall direct funds appropriated in Section VIII.A.1. Aid To Districts to school districts and special schools for supplemental support of programs and services for students with disabilities, to meet the estimated maintenance of effort for IDEA or to resolve pending litigation concerning the IDEA maintenance of effort. Funds provided for these purposes may not be transferred to any other purpose and therefore are not subject to flexibility. *In the event that there is a reduction in state funds or there are changes in the Education Finance Act/Base Student Cost formula that would reduce support for children with disabilities, the Department of Education is authorized to utilize funds appropriated in Section VIII.A.1. Aid to Districts to ensure maintenance of state financial support for the IDEA.* The department shall distribute these funds using the current fiscal year one hundred thirty-five day Average Daily Membership or as directed ~~in any litigation settlement agreement~~ *by the United States Department of Education.* For continued compliance with the federal maintenance of ~~efforts~~ *state financial support* requirements of the IDEA, funding for children with disabilities must, to the extent practicable, be held harmless to budget cuts or reductions to the extent those funds are required to meet federal maintenance of ~~effort~~ *state financial support* requirements under the IDEA. In the event cuts to funds that are needed to maintain fiscal effort are necessary, when administering such cuts, the department must not reduce funding to support children with disabilities who qualify for services under the IDEA in a manner that is disproportionate to the level of overall reduction to state programs in general. By December 1, 2016, the department must submit an estimate of the IDEA ~~MOE~~ *maintenance of state financial support* requirement to the General Assembly and the Governor. ~~For the current fiscal year, the department may carry forward IDEA Maintenance of Effort funds from the prior fiscal year and expend them in the same manner.~~~~

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

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

HOU: ADOPT proviso as amended.

1A.37. (SDE-EIA: Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers' salaries of the southeastern states as projected by the Revenue and Fiscal Affairs Office. For the current school year the Southeastern average teacher salary is projected to be \$51,495 \$51,966. The General Assembly remains

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary.

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

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

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

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

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

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

HOU: ADOPT deletion of proviso.

~~1A.40. (SDE-EIA: National Board Certification Incentive) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July first in the year following the year of achieving certification, beginning with 2009 applicants. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) shall administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010, may receive a loan equal to the amount of the application fee. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 shall have one-half of the loan principal amount and interest forgiven when the required portfolio is submitted to the national board. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 who attain certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) the funds necessary for the administration of the loan program for teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010. In addition, teachers who have applied prior to July 1, 2010 and are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.~~

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

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

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

HOU: ADOPT proviso as amended.

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

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

1. Computer Science Task Force - \$400,000;
2. EOC-Partnerships - \$3,650,000;
3. Industry Certification - \$3,000,000; and

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

4. SDE-Abbeville Equity Districts for Capital Improvements - \$100,000,000.

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

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

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

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

HOU: ADOPT proviso as amended.

1A.52. (SDE-EIA: South Carolina Public Charter School District Funding) The funds appropriated in Part IA, Section VIII.G. - South Carolina Public Charter School District must be allocated in the following manner to students at charter schools within the South Carolina Public Charter School District: Pupils enrolled in virtual charter schools sponsored by the South Carolina Public Charter School District shall receive \$1,900 per weighted pupil and pupils enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District shall receive \$3,600 per weighted pupil. Any unexpended funds, not to exceed ten percent of the prior year appropriation, must be carried forward from the prior fiscal year and expended for the same purpose. Any unexpended funds exceeding ten percent of the prior year appropriation must be transferred to the Charter School Facility Revolving Loan Program established in Section 59-40-175. For Fiscal Year ~~2016-17~~ 2017-18, the timelines set forth for ruling on charter school applications are extended for sixty calendar days for all applications submitted to the South Carolina Public Charter School District if the district determines that an applicant should be permitted to amend its application to meet the requirements of Section 59-40-60 and Section 59-40-70, of the 1976 Code, based on an applicant's proposal to address an existing achievement gap utilizing an evidence-based educational program in an underserved geographical area of the state including, but not limited to, charter schools proposed to be located in any school district that is a plaintiff in the Abbeville law suit. The South Carolina Public Charter School District shall report to the Senate Finance Committee and the House Ways and Means Committee on the outcomes of this extended time for a hearing at the end of the application cycle.

1A.53 DELETE (Low Achieving Schools) Directs the EOC to use \$500,000 of the Partnerships for Innovation funds to support up to 3 low-achieving schools to design and plan for implementing innovative, research-based strategies that are focused on recruiting and retaining highly effective teachers and on increasing time-on task. Directs the EOC to assist schools to determine the evidence to be collected to measure initiative effectiveness and to identify resources to support the initiative and to collaborate with TransformSC.

HOU: DELETE proviso. Sponsor: Rep. Whitmire.

1A.53. (SDE-EIA: Low Achieving Schools) ~~Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$500,000 must be allocated to support up to three low-achieving schools in designing and planning for implementation innovative,~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~research based strategies focused on recruiting and retaining highly effective teachers and on increasing time on task through the amount of time, the quality of instruction and the engagement of students. The committee will assist the schools in determining the evidence that will be collected to measure the effectiveness of the initiative and in identifying resources to support the initiative and in collaborating with TransformSC.~~

- 1A.54 DELETE** (TransformSC) Requires at least \$400,000 of Partnerships for Innovation funds appropriated to the EOC be allocated to the TransformSC public-private project.
HOU: DELETE proviso. Sponsor: Rep. Whitmire.

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

- 1A.56 DELETE** (BabyNet Early Intervention Autism Therapy) Requires the \$814,348 appropriated to First Steps for BabyNet Autism Therapy be used only to increase the BabyNet autism therapy provider hourly rate to \$13.58 or the current Medicaid rate, whichever is higher, and the individual hourly pay of line therapists to a minimum of \$10.00. Requires First Steps send a quarterly compliance report to the Chairmen of the Senate Finance and House Ways and Means Committees and directs that the report include information on the expenditure of state funds as well as receipt and expenditure of Federal Medicaid funds associated with the program.
WMC: DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to HHS.*
HOU: ADOPT deletion of proviso.

~~**1A.56.** (SDE-EIA: BabyNet Early Intervention Autism Therapy) The \$814,348 in funds appropriated in this act to the Office of First Steps to School Readiness for BabyNet Autism Therapy must be used only to increase the BabyNet autism therapy provider hourly rate and the individual hourly pay of line therapists during the current fiscal year. The Office of First Steps must consult with the Department of Disabilities and Special Needs regarding the implementation of these increases. The Office of First Steps must ensure that, prior to payment, these line therapists meet all current state requirements. It is the intent of the General Assembly that these monies be used solely for the purpose of increasing the BabyNet autism therapy provider rate to \$13.58 per hour or the current Medicaid rate, whichever is higher, and the hourly pay to individual line therapists being increased to a minimum of \$10.00 per hour. Quarterly, the Office of First Steps must send a letter to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee reporting on their compliance with the requirements of this proviso. The report must include information regarding the expenditure of state funds as well as the receipt and expenditure of Federal Medicaid funds associated with the program.~~

- 1A.58 DELETE** (EIA: Technology Professional Development) Directs that \$4,000,000 of Professional Development funds be designated for professional development for use of classroom technology. Requires districts report by June 15th on the amount of funds expended, type of activities funded, and the number of teachers participating in the activity.
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

HOU: ADOPT proviso as amended.

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

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

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

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

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

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

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

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

(H) The Department of Education shall require:

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

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

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

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

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

1A.63 AMEND (4K Early Literacy Competencies Assessments) Provides for the use of full-day 4K program carry forward funds to procure and administer pre-kindergarten and kindergarten readiness assessments.

WMC: AMEND proviso to specify that "up to \$2,000,000" of 4K half-day program and assessment carry forward funds be used to administer the "Kindergarten Readiness Assessment (KRA)" rather than that "\$2,000,000" of those funds being used to administer Developmental Reading Assessment(®) 2nd Edition Plus" to each child entering kindergarten in public schools. Delete the requirement that the assessment also be administered once during the last forty-five days of the school year. Delete the authorization for the department to pilot other more comprehensive readiness assessments. Require the department collect certain data from schools

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

and school districts on each student's prior early learning experience if they are assessed with the KRA. Requested by Department of Education and Education Oversight Committee.

HOU: ADOPT proviso as amended.

1A.63. (SDE-EIA: 4K Early Literacy Competencies Assessments) Of the funds carried forward from the full-day 4K program from the previous fiscal year, the Department of Education is authorized to expend up to \$800,000 on assessments and professional development to analyze the early literacy competencies of children in publicly funded prekindergarten. The department shall manage the administration of assessments that analyze the early literacy and language development of children in publicly funded prekindergarten as done in the prior fiscal year. Each school district and private provider participating in a publicly funded prekindergarten program will administer one of the formative assessments selected by the department to each child eligible for and enrolled in a publicly funded prekindergarten program during the first forty-five days of the school year and during the last forty-five days of the school year. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. The department will provide the assessment data to the Education Oversight Committee. The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student to admission to prekindergarten.

Furthermore, *up to* \$2,000,000 of the funds appropriated for half-day programs for four-year-olds and funds carried forward from assessment must be expended by the Department of Education to administer the ~~Developmental Reading Assessment® 2nd Edition PLUS to implement the progress monitoring system required by the Read to Succeed Act of 2014 and to evaluate the early literacy and language competencies of~~ *Kindergarten Readiness Assessment (KRA)* to each child entering kindergarten in the public schools. The assessment of kindergarten students must be administered at a minimum of once during the first forty-five days of the school year ~~and once during the last forty five days of the school year~~ with the results collected by the department. The results of the assessments and the developmental intervention strategies recommended or services needed to address each child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student admission to kindergarten. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. Districts are given the option of designating up to two days of the one hundred eighty day school calendar to administer the assessment to kindergarten students. The department will also provide the results of the assessment of kindergarten students to the Education Oversight Committee. With available funds, the department will also provide or secure training for appropriate educators in how to administer the assessment. ~~In addition the department may pilot in kindergarten classes one or more comprehensive readiness assessments that address the other domains in numeracy, approaches to learning, social and emotional development, and physical well being in the current school year.~~

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(registered faith-based, registered family home, group home, or exempt provider) or informal child care.

1A.65 AMEND (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent. *Note: Companion General Education proviso is 1.72.*

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

HOU: ADOPT proviso as amended.

1A.65. (SDE-EIA: CDEPP Unexpended Funds) For Fiscal Year ~~2016-17~~ 2017-18, the Office of First Steps to School Readiness is permitted to retain the first \$1,000,000 of any unexpended CDEPP funds of the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities.

By August first, the Office of First Steps is directed to allocate any additional unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the following purpose: Education Oversight Committee - \$1,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

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

If by August first, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act. Funds may also be used to provide professional development and quality evaluations of programs.

No later than April 1, ~~2017~~, the Department of Education and the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

1A.67 AMEND (Industry Certifications/Credentials) Directs that Industry Certification/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year. Directs the department to work with the Department of Commerce and DEW, state and local chambers of commerce and economic development offices, and the Tech board to ensure students are aware of industry required credentials for current job availability.

WMC: AMEND proviso to specify that “\$3,000,000” of Industry Certifications/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year with each district receiving a \$10,000 base amount. Direct that any additional funds be allocated based on the number of national industry exams/credentials

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

earned in the prior school year. Require districts use these funds to pay for the cost of the industry exams or to support students in preparing for the exams. Fiscal Impact: EOC requested an additional \$1,000,000 in funding for this purpose. Requested by Education Oversight Committee.

HOU: ADOPT proviso as amended.

1A.67. (SDE-EIA: Industry Certifications/Credentials) ~~The~~ *Of the* funds appropriated for Industry Certifications/Credentials, \$3,000,000 must be allocated to school districts based upon the number of national industry exams administered in the prior school year *with each district receiving a base amount of \$10,000*. The department will identify the national industry exams that will be funded based upon the job availability in the state. School districts may carry forward funds from the prior fiscal year into the current fiscal year and expend the funds for the cost of national industry exams. The department shall work with the Department of Commerce, the Department of Employment and Workforce, state and local chambers of commerce and economic development offices and the Tech Board to ensure that students are aware of the industry required credentials for current job availability in the state organized by region. Any additional funds appropriated must be allocated to school districts based upon the number of national industry exams/credentials earned in the prior school year, and districts must expend these funds to pay for the cost of industry exams or to support students in preparing for the exams in the current fiscal year.

1A.68 **AMEND** (Career and ~~Technical Equipment Funding~~ *Technology Education*) Provides for the distribution and use of Modernize Career and Technical Equipment funds to school districts and multi-district career centers. Requires the district plan contain certain information on other available career and technical equipment and to include charter schools offering at least one career and technical education completer program. Authorizes school districts and career centers to carry forward these funds for the same purpose.

WMC: AMEND proviso to change “Modernize Career and Technical Equipment” to “Career and Technology Education.” Include “regional career specialists and such evidence-based initiatives like High Schools that Work and Project Lead the Way” to list of authorized fund expenditures. Direct that \$125,000 be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support.

HOU: ADOPT proviso as amended.

1A.68. (SDE-EIA: Career and ~~Technical Equipment Funding~~ *Technology Education*) Funds appropriated for ~~Modernize Career and Technical Equipment~~ *Career and Technology Education* will be distributed to school districts and multi-district career centers based on the prior year actual student enrollment for career and technology education courses, with no district or multi-district career center receiving less than \$50,000. Funds may be expended for the purchase of career and technical equipment, the up fitting of facilities and the purchase of consumables, regional career specialists, and such evidence-based initiatives like High Schools that Work and Project Lead the Way. Each district must include in the district plan submitted to the Office of Career and Technology Education information on other career and technical equipment available. The district must include, at a minimum, equipment located at the career center and at the technical college, information on the alignment of equipment to current industry jobs and needs in the state as recommended by career and technical program advisory committees. District plans must include charter schools within the school district offering at least one career and technical education completer program. School districts and career centers may carry forward unexpended

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

funds to be used for the same intended purposes to up fit career and technical facilities and replace career and technical program consumables. In addition, \$125,000 of the funds appropriated shall be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support.

- 1A.69 AMEND** (Digital Learning) Authorizes the EOC to use \$1,600,000 of Partnerships for Innovation funds to enter into one-year MOAs with public and private entities to pilot computer science initiatives in schools and school districts. Directs that at least \$1,300,000 be authorized for schools or school districts that have poverty indices of 80% or greater based on certain poverty indices or who are an Abbeville equity lawsuit trial or plaintiff district.
HOU: AMEND proviso to delete the use of the \$1,600,000 for the computer science initiatives pilot. Sponsor: Rep. Whitmire.

~~**1A.69.** (SDE-EIA: Digital Learning) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, \$1,600,000 will be authorized to be utilized to enter into one-year memoranda of agreements with public and private entities to pilot computer science initiatives in schools and school districts. The initiatives must focus on improving the digital literacy skills of students and teachers, expanding opportunities for students to learn coding, or providing computer science curriculum. To this end, at least \$1,300,000 must be authorized for schools or school districts that have poverty indices of eighty percent or greater based on the poverty index utilized the prior fiscal year that was student eligibility for the free or reduced price lunch program and Medicaid, or are a trial or plaintiff district in the Abbeville equity lawsuit. In these districts, the EOC will pilot a program that provides school districts with digital learning tools, digital resources, the curriculum foundry, technical support, and professional development.~~

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

~~**1A.73.** (SDE-EIA: Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule utilized the prior fiscal year as its base. School districts shall utilize the additional funds made available from the Teacher Salary Supplement appropriation to provide one percent of the required two percent increase.~~

~~Additionally, for the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by an amount equal to a step on the salary schedule for any teacher entering the 23rd year if the district's salary schedule does not go beyond 22 years. Application of this provision must be applied uniformly for all eligible certified teachers. If a school district believes it will be unable to provide the~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~required additional step without incurring a deficit, it may apply to the State Board of Education for a waiver from this requirement.~~

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

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

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

HOU: ADOPT deletion of proviso.

~~**1A.74.** (SDE-EIA: College Readiness Assessments) For the current fiscal year, with the funds appropriated for assessment, the Department of Education is directed to manage the administration of the same college readiness assessment that was administered in the prior fiscal year to students in grade 11. The assessment, or an alternate college readiness measure approved by the department as set forth by the student's Individualized Education Program, must be administered to all students in grade 11. For the purposes of administering the assessment, "eleventh grade students" is defined as students in the third year of high school after their initial enrollment in the ninth grade. Valid accommodations must be provided according to the student's IEP/504 plan. If a student also chooses to use the results of the college readiness assessment for post-secondary admission or placement, the student, his parent, or his guardian must indicate that choice in compliance with the testing vendor's deadline to ensure that the student may receive allowable accommodations consistent with the IEP or 504 plan that may yield a college reportable score.~~

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

HOU: DELETE proviso. Sponsor: Rep. Whitmire.

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

HOU: DELETE proviso. Sponsor: Rep. Whitmire.

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

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

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

HOU: ADOPT deletion of proviso.

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

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

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

HOU: ADOPT deletion of proviso.

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~and in targeting technical assistance support and interventions in the interim before ratings are issued.~~

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

For the current fiscal year CERRA shall suspend administering applications into the program.

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

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

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

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

The department shall develop and maintain an application process for school districts to request funding for qualified school projects and establish policies, procedures, and priorities for the making of grants pursuant to this provision. At least twice a year and upon receipt of applications pursuant to the application process adopted by the department, the department shall

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

prioritize the eligible projects with the greatest need and shall submit a list of recommended grant awards to the State Board of Education. Grants shall be awarded upon an affirmative vote of the State Board.

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

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

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

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

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

1A.84. (SDE-EIA: Aid to Districts-Technology) Funds appropriated to the Department of Education for Aid to Districts - Technology shall be distributed to the public school districts of the state, the special schools of the state and the South Carolina Public Charter School District, per pupil, based on the previous year's one hundred thirty-five day average daily membership,

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

according to the below calculations: (1) For a school district with a poverty index of less than 75: \$35 per ADM; (2) For a school district with a poverty index of at least 75 but no more than 85: \$50 per ADM; or (3) For a school district with a poverty index of greater than 85 or a special school with no defined poverty index: \$70 per ADM. Poverty will be defined as determined for the poverty add on weight in Proviso 1.3 of this Act.

The Department of Education may adjust the per-ADM rates for each of the three classes defined above in order to conform to actual levels of student attendance and available appropriations, provided that the per-ADM rate for each class is adjusted by the same percentage.

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

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

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

SECTION 3 - H660 - LOTTERY EXPENDITURE ACCOUNT

3.1 AMEND (Audit) Directs each state agency that receives lottery funds to develop and implement procedures to monitor lottery expenditures to ensure that lottery funds are expended in accordance with applicable state laws, rules, and regulations. Directs the Executive Budget Office to ensure that these state agencies have effective monitoring procedures in place.

WMC: AMEND proviso to update calendar year reference from "2016" to "2017."

HOU: ADOPT proviso as amended.

3.1.(LEA: Audit) Each state agency receiving lottery funds shall develop and implement procedures to monitor the expenditures of lottery funds in order to ensure that lottery funds are expended in accordance with applicable state laws, rules, and regulations.

For institutions of higher learning, adopted procedures to monitor expenditures of lottery funds shall be reported to the Commission on Higher Education and the Executive Budget Office by October 1, ~~2016~~ 2017, and these expenditures are subject to annual verification and audit by the Commission on Higher Education on a rotational schedule not to exceed three years. The annual verification and audit shall be funded from the funds appropriated to or authorized for the Commission on Higher Education and the commission shall not assess a fee or charge institutions of higher learning for performing this function. In addition, the Commission on Higher Education shall provide a report to the Executive Budget Office, the Chairman of the Senate Finance

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

Committee, and the Chairman of the House Ways and Means Committee by October first each year summarizing, by institution, how lottery funds were expended in the prior fiscal year, issues and concerns as well as institution responses to those issues and concerns discovered as a result of the commission's verification and/or audit activity during the prior fiscal year, if any.

For the Department of Education, adopted procedures to monitor expenditures of lottery funds that are allocated to the South Carolina school districts and other recipient institutions according to law and Department of Education guidelines shall be reported to the Executive Budget Office by October 1, ~~2016~~ 2017. In addition, the Department of Education shall provide a report to the Executive Budget Office, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee on the amount of lottery funds the department distributed to each entity in the prior fiscal year.

All other state agencies must submit their adopted procedures to monitor expenditures of lottery funds to the Executive Budget Office by October 1, ~~2016~~ 2017.

The Executive Budget Office shall ensure that state agencies receiving lottery funds have procedures in place to monitor expenditures of lottery funds and that the monitoring procedures are operating effectively.

3.3 DELETE (FY 2016-17 Lottery Funding) Directs expenditure of lottery funds for Fiscal Year 2016-17.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~3.3. (LEA: FY 2016-17 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Executive Budget Office as directed below. These appropriations must be used to supplement and not supplant existing funds for education.~~

~~The Executive Budget Office is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.~~

~~All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.~~

~~Certified net lottery proceeds and investment earnings for Fiscal Year 2016-17 are appropriated as follows:~~

- ~~(1) Commission on Higher Education LIFE Scholarships as provided in Chapter 149, Title 59..... \$ 199,754,741;~~
- ~~(2) Commission on Higher Education HOPE Scholarships as provided in Section 59-150-370 \$ 9,552,955;~~
- ~~(3) Commission on Higher Education Palmetto Fellows Scholarships as provided in Section 59-104-20 \$ 49,274,030;~~
- ~~(4) Commission on Higher Education and State Board for Technical and Comprehensive Education Tuition Assistance..... \$ 51,100,000;~~
- ~~(5) Commission on Higher Education Need Based Grants \$ 17,537,078;~~
- ~~(6) Higher Education Tuition Grants Commission Tuition Grants ... \$ 8,330,008; and~~
- ~~(7) Department of Education K-12 Technology Initiative..... \$ 23,822,432.~~

~~Fiscal Year 2015-16 surplus net lottery proceeds and investment earnings certified for Fiscal Year 2016-17 are appropriated as follows:~~

- ~~(1) Department of Education School Bus Lease/Purchase \$ 6,500,000;~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(2) Commission on Higher Education – Technology Public Four Year Institutions, Two Year Institutions, and State Technical Colleges	\$ 2,242,212;
(3) State Board for Technical and Comprehensive Education – Critical Training Equipment	\$ 2,000,000;
(4) Department of Education – Instructional Material	\$ 18,000,000;
(5) Department of Education – College and Career Readiness	\$ 3,000,000;
(6) Department of Education – Efficiency Study	\$ 3,100,000;
(7) Department of Education – Dynamic Report Card System	\$ 1,695,000;
(8) Department of Education – Reading Partners	\$ 400,000;
(9) Department of Education – Mobile Device Access and Management	\$ 3,000,000;
(10) Commission on Higher Education – Need Based Grants	\$ 1;
(11) Department of Education – K12 Technology Initiative	\$ 5,466,544; and
(12) Higher Education Tuition Grants Commission – SREB Program and Assessments	\$ 313,456.

For Fiscal Year 2016-17, net lottery proceeds and investment earnings above the Fiscal Year 2015-16 certified surplus are appropriated pro-rata as follows:

(1) State Board for Technical and Comprehensive Education – Workforce Scholarships/Grants	\$ 5,000,000;
(2) Commission on Higher Education – Higher Education Excellence Enhancement Program	\$ 567,475;
(3) Department of Education – School Bus Lease/Purchase	\$ 2,100,000;
(4) Department of Education – Mobile Device Access and Management	\$ 1;
(5) Department of Education – Efficiency Study	\$ 1;
(6) State Board for Technical and Comprehensive Education – Critical Training Equipment	\$ 912,307;
(7) Commission on Higher Education – Technology Public Four Year Institutions, Two Year Institutions, and State Technical Colleges	\$ 5,000,000;
(8) University of South Carolina – Columbia – Maintenance Critical Care and Replacement 1 to 1 Match	\$ 1;
(9) Clemson University – Maintenance Critical Care and Replacement 1 to 1 Match	\$ 1; and
(10) Medical University of South Carolina – Maintenance Critical Care and Replacement 1 to 1 Match	\$ 1.

For Fiscal Year 2016-17, funds certified from unclaimed prizes are appropriated as follows:

(1) Department of Education – School Bus Lease/Purchase	\$ 3,500,000;
(2) State Board for Technical and Comprehensive Education – Workforce Scholarships/Grants	\$ 1;
(3) South Carolina State University	\$ 2,500,000;
(4) Commission on Higher Education – Higher Education Excellence Enhancement Program	\$ 5,504,999;
(5) Commission on Higher Education – National Guard Tuition Repayment Program as provided in Section 59-111-75	\$ 4,545,000;
(6) Department of Alcohol and Other Drug Abuse Services – Gambling Addiction Services	\$ 50,000;
(7) School for the Deaf and the Blind – Technology	\$ 200,000; and

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~(8) State Library Aid to County Libraries \$ 1,700,000.~~

~~If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2016-17 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis.~~

~~Any unclaimed prize funds available in excess of the Board of Economic Advisors estimate shall be appropriated as follows:~~

~~(1) Commission on Higher Education PASCAL Program \$ 1,412,514;~~

~~(2) Department of Education School Bus Lease/Purchase \$ 1,000,000;~~

~~(3) State Board for Technical and Comprehensive Education –
Manufacturing, Healthcare, and STEM Education
and Training \$ 15,000,000;~~

~~(4) Commission on Higher Education Higher Education
Excellence Enhancement Program \$ 2,631,137; and~~

~~(5) Commission on Higher Education Need Based Grants \$ 3,000,000.~~

~~Fiscal Year 2016-17 funds appropriated to the Commission on Higher Education and the State Board for Technical and Comprehensive Education for Tuition Assistance must be distributed to the technical colleges and two-year institutions as provided in Section 59-150-360. Annually the State Board for Technical and Comprehensive Education and the Commission on Higher Education shall develop the Tuition Assistance distribution of funds.~~

~~The provisions of Section 2-75-30 of the 1976 Code regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.~~

~~The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full-time students.~~

~~Fiscal Year 2016-17 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2016-17 are fully funded.~~

~~If the lottery revenue received for Fiscal Year 2016-17 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.~~

~~The Commission on Higher Education is authorized to use up to \$345,000 of the funds appropriated in this provision for LIFE, HOPE, and Palmetto Fellows scholarships to provide the necessary level of program support for the scholarship award process and to provide for a Scholarship Compliance Auditor.~~

~~Of the funds appropriated to the Commission on Higher Education for institutions of higher learning entitled “Technology Public Four-Year Institutions, Two-Year Institutions, and State Technical Colleges,” the commission shall allocate the realized funds on a proportional basis as follows:~~

~~(1) The Citadel \$ 307,628;~~

~~(2) University of Charleston \$ 643,395;~~

~~(3) Coastal Carolina University \$ 573,411;~~

~~(4) Francis Marion University \$ 293,497;~~

~~(5) Lander University \$ 301,439;~~

~~(6) South Carolina State University \$ 276,399;~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(7) USC Aiken Campus	\$ 269,987;
(8) USC Upstate.....	\$ 366,549;
(9) USC Beaufort Campus	\$ 200,669;
(10) USC Lancaster Campus.....	\$ 75,440;
(11) USC Salkehatchie Campus.....	\$ 75,440;
(12) USC Sumter Campus.....	\$ 75,440;
(13) USC Union Campus	\$ 75,440;
(14) Winthrop University	\$ 388,130; and
(15) State Technical Colleges and State Board for Technical and Comprehensive Education.....	\$ 3,319,348.

~~In accordance with Section 59-150-356 of the 1976 Code, each institution shall use the amount appropriated only for technology repair and related technology maintenance and/or upgrades that are necessary to support an institution's educational purpose.~~

~~Prior to the utilization of these funds, institutions must certify to the Commission on Higher Education, in a manner it prescribes, the extent to which they have met this requirement.~~

~~Not later than one hundred twenty days after the close of the fiscal year, the Commission on Higher Education shall report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding the utilization of this provision.~~

~~Funds not expended in the prior fiscal year may be carried forward into the current fiscal year and utilized for the same purpose, subject to certification from the Commission on Higher Education they continue to meet the requirement of this provision.~~

~~Of the funds appropriated above to the State Board for Technical and Comprehensive Education for "Critical Training Equipment," the State Board shall allocate the realized funds on a proportional basis as follows:~~

(1) Aiken Technical College	\$ 157,732;
(2) Central Carolina Technical College.....	\$ 165,234;
(3) Denmark Technical College	\$ 83,432;
(4) Florence Darlington Technical College.....	\$ 172,296;
(5) Greenville Technical College	\$ 269,810;
(6) Horry Georgetown Technical College.....	\$ 213,535;
(7) Midlands Technical College	\$ 221,557;
(8) Northeastern Technical College	\$ 128,984;
(9) Orangeburg Calhoun Technical College	\$ 161,357;
(10) Piedmont Technical College.....	\$ 198,705;
(11) Spartanburg Community College	\$ 171,418;
(12) Technical College of the Lowcountry	\$ 144,362;
(13) Tri County Technical College	\$ 199,914;
(14) Trident Technical College	\$ 325,470;
(15) Williamsburg Technical College	\$ 124,150; and
(16) York Technical College.....	\$ 174,351.

~~The Higher Education Tuition Grants Commission is authorized to use up to \$70,000 of the funds appropriated in this provision for Tuition Grants to provide the necessary level of program support for the grants award process.~~

~~Funds appropriated to the Department of Education for the K-12 Technology Initiative shall be distributed to the public school districts of the state, the special schools of the state and the South Carolina Public Charter School District, per pupil, based on the previous year's one hundred thirty five day average daily membership, according to the below calculations: (1) For a school district with a poverty index of less than 75: \$35 per ADM; (2) For a school district with~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

a poverty index of at least 75 but no more than 85: \$50 per ADM; or (3) For a school district with a poverty index of greater than 85 or a special school with no defined poverty index: \$70 per ADM. Poverty will be defined as determined for the poverty add-on weight in Proviso 1.3 of this Act.

The Department of Education may adjust the per ADM rates for each of the three classes defined above in order to conform to actual levels of student attendance and available appropriations, provided that the per ADM rate for each class is adjusted by the same percentage.

Funds distributed to a school district through the K-12 Technology Initiative may only be used for the following purposes: (1) To improve external connections to schools, with a goal of reaching at least 100 kilobits per second, per student in each school by 2017; (2) To improve internal connections within schools, with a goal of reaching at least 1 megabit per second, per student in each school by 2017; or (3) To develop or expand one-to-one computing initiatives.

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

Funds appropriated for the K-12 Technology Initiative may not be used to supplant existing school district expenditures on technology. By June 30, 2017, each school district that receives funding through the K-12 Technology Initiative during Fiscal Year 2016-17 must provide the K-12 Technology Initiative Committee with an itemized report on the amounts and uses of these funds, using a form developed by the Education Oversight Committee. In this report, a school district must provide information on its efforts to obtain reimbursements through the "E-Rate" Schools and Libraries Program administered by the Universal Service Administrative Company. Within its available resources, the K-12 Technology Initiative Committee shall support school districts' efforts to obtain these reimbursements.

Funds appropriated to the Department of Education for Reading Partners shall be allocated to Reading Partners and must be used to increase the number of reading interventions for students in low performing schools in grades K-5. The Office of Early Learning and Literacy shall specify planning criteria to be submitted by Reading Partners no later than July 15, 2016. Planning criteria shall include, but is not limited to, pre and post assessment data, parental and family literacy engagement, summer learning support and building school level capacity for intervention. The department shall report to the Governor, the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee and the Chairman of the House Education Committee by June 15, 2017 on the impact of the program.

Funds appropriated to the Department of Education for Mobile Device Access and Management shall be disbursed to school districts to procure high-speed mobile internet service for students that lack such internet service at home and are participating in a course of study that requires such access, as demonstrated by the school district. Districts requesting funding shall make application to the South Carolina K-12 Technology Committee in a form approved by the committee and the Department of Education detailing, at a minimum, the proposed uses of such mobile internet service, the number of students eligible for the service, the process used to determine student eligibility, and the process by which the devices will be secured and use restricted to prevent breach or misuse. The Committee may approve requests in whole or in part as funds are available.

The Department of Administration, Division of Technology may disapprove applications if the district's mobile device management plans are insufficient to properly secure mobile internet

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~devices issued to students. The Division of Technology may offer mobile device management services to applicant districts in lieu of a district-specific plan.~~

~~The funds appropriated above for South Carolina State University shall be utilized by the Interim Board of Trustees for administrative functions of the interim board, payments of debt, and for any other purpose deemed necessary by the interim board.~~

~~The funds appropriated to State Board for Technical and Comprehensive Education for Workforce Scholarships and Grants shall be used to provide grants for tuition, fees, transportation, or textbook expenses to South Carolina residents enrolled in a career education program that meets all eligibility guidelines promulgated by the State Board for Technical and Comprehensive Education in consultation with the Department of Education. Grants may be awarded from the fund in an amount not exceeding ten thousand dollars or the total cost of attendance, whichever is less, for students to attend the program of their choice at a South Carolina technical school or professional certification program. By March fifteenth of the academic year provided, the State Board for Technical and Comprehensive Education shall provide a report to the Chairman of House Ways and Means Committee and the Chairman of the Senate Finance Committee containing a list of programs, amount of funding spent per program, number of students that received grants, and the grant amount per student.~~

~~On or before December 31, 2016, the Department of Education, in cooperation with the Commission on Higher Education, shall provide a report to the Governor, the Chairman of the Senate Education Committee, the Chairman of the House Education and Public Works Committee, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee regarding the costs and opportunities of the change to the State's Uniform Grading Policy from a 7 point scale to a 10 point scale. The report shall include, but not necessarily be limited to, the projected impact, if any, that the change may have on the State's merit based scholarship programs, recommendations on how to fund the projected impact, if any, to the State's merit based scholarship programs, and suggested alternatives to mitigate the projected impact, if any, to the State's merit based scholarship programs. Alternatives, if any, may include potential changes to the State's merit based scholarship criteria including GPA or testing requirements.~~

~~Any lottery revenue in excess of the total amount of money appropriated by this proviso shall be held for appropriation by the General Assembly in the future to offset scholarship needs as a result of population growth and changes to the state's grading scale by the Department of Education.~~

3.4 ADD (FY 2017-18 Lottery Funding) WMC: ADD new proviso to direct expenditure of lottery funds for FY 17-18. Suspend, for the current fiscal year, the provisions of Section 2-75-30 regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment. Direct that net lottery proceeds and investment earnings in excess of certified net lottery proceeds and investment earnings are appropriated and must be used to ensure that LIFE, Palmetto Fellows, and HOPE scholarships are fully funded for FY 17-18. Provide for lottery appropriations to be reduced on a pro rata basis, excluding LIFE, HOPE, and Palmetto Fellows Scholarships, if lottery revenue is less than the amounts appropriated. Authorize Higher Ed Tuition Grants to use up to \$70,000 of Tuition Grants funds to support the grants award process. Direct that Workforce Scholarships and Grants funds are to be used to provide grants for tuition, fees, transportation, or textbook expenses to S.C. residents enrolled in a career education program that meets eligibility requirements.

HOU: ADOPT new proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

3.4. (LEA: FY 2017-18 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Executive Budget Office as directed below. These appropriations must be used to supplement and not supplant existing funds for education.

The Executive Budget Office is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.

All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.

For Fiscal Year 2017-18, certified net lottery proceeds, investment earnings, and any other proceeds identified by this provision are appropriated as follows:

- (1) Commission on Higher Education--LIFE Scholarships as provided in Chapter 149, Title 59 \$ 217,601,614;
- (2) Commission on Higher Education--HOPE Scholarships as provided in Section 59-150-370 \$ 10,182,978;
- (3) Commission on Higher Education--Palmetto Fellows Scholarships as provided in Section 59-104-20 \$ 51,927,301;
- (4) Commission on Higher Education and State Board for Technical and Comprehensive Education--Tuition Assistance.. \$ 58,100,000;
- (5) Commission on Higher Education--Need-Based Grants..... \$ 17,537,078;
- (6) Higher Education Tuition Grants Commission--Tuition Grants... \$ 8,330,008;
- (7) Department of Education--School Bus Lease/Purchase..... \$ 4,836,770;
- (8) State Board for Technical and Comprehensive Education --Workforce Scholarship Grants \$ 10,000,000;
- (9) Higher Education Tuition Grants Commission--SREB Program and Assessments..... \$ 349,606; and
- (10) State Board for Technical and Comprehensive Education --Allied Health..... \$ 5,000,000.

For Fiscal Year 2017-18, net lottery proceeds and investment earnings above the Fiscal Year 2016-17 certified surplus are appropriated as follows:

Department of Education--School Bus Lease/Purchase..... \$ 20,000,000.

For Fiscal Year 2017-18, funds certified from unclaimed prizes are appropriated as follows:

- (1) Commission on Higher Education--Higher Education Excellence Enhancement Program..... \$ 5,505,000;
- (2) Department of Alcohol and Other Drug Abuse Services --Gambling Addiction Services..... \$ 50,000;
- (3) Commission on Higher Education--National Guard Tuition Repayment Program as provided in Section 59-111-75..... \$ 4,545,000;
- (4) School for the Deaf and the Blind--Technology \$ 200,000;
- (5) School for the Deaf and the Blind--Bus/Lease..... \$ 800,000;
- (6) Department of Education--School Bus Lease/Purchase..... \$ 2,900,000; and
- (7) State Board for Technical and Comprehensive Education--Equipment..... \$ 3,000,000.

If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2017-18 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

Any unclaimed prize funds available in excess of the Board of Economic Advisors estimate shall be appropriated as follows:

Department of Education--School Bus Lease/Purchase..... \$ 3,000,000.

Fiscal Year 2017-18 funds appropriated to the Commission on Higher Education and the State Board for Technical and Comprehensive Education for Tuition Assistance must be distributed to the technical colleges and two-year institutions as provided in Section 59-150-360. Annually the State Board for Technical and Comprehensive Education and the Commission on Higher Education shall develop the Tuition Assistance distribution of funds.

The provisions of Section 2-75-30 of the 1976 Code regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.

The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full time students.

Fiscal Year 2017-18 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2017-18 are fully funded.

If the lottery revenue received for Fiscal Year 2017-18 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.

The Higher Education Tuition Grants Commission is authorized to use up to \$70,000 of the funds appropriated in this provision for Tuition Grants to provide the necessary level of program support for the grants award process.

The funds appropriated to State Board for Technical and Comprehensive Education for Workforce Scholarships and Grants shall be used to provide grants for tuition, fees, transportation, or textbook expenses to South Carolina residents enrolled in a career education program that meets all eligibility guidelines promulgated by the State Board for Technical and Comprehensive Education in consultation with the Department of Education. Grants may be awarded from the fund in an amount not exceeding ten thousand dollars or the total cost of attendance, whichever is less, for students to attend the program of their choice at a South Carolina technical school or professional certification program. By March fifteenth of the academic year provided, the State Board for Technical and Comprehensive Education shall provide a report to the Chairman of House Ways and Means Committee and the Chairman of the Senate Finance Committee containing a list of programs, amount of funding spent per program, number of students that received grants, and the grant amount per student.

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~6.4. (SDB: Adult Vocational Program Fees) The School for the Deaf and the Blind is authorized to charge appropriate tuition, room and board, and other fees to students accepted into the Adult Vocational Program. Such fees will be determined by the School Board of Commissioners, and such revenue shall be retained and carried forward.~~

SECTION 7 - L120 - JOHN DE LA HOWE SCHOOL

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

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

HOU: ADOPT deletion of proviso.

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

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

~~With funds appropriated and with technical assistance from Clemson University, the Department of Administration and the Executive Budget Office, the John de la Howe School Board of Trustees will continue to provide wilderness camp programs to students in the current~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

fiscal year; and identify initiatives to provide agricultural education opportunities on campus for students.

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

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

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

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

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

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

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

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

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

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

HOU: ADOPT new proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

SECTION 8 - H670 - EDUCATIONAL TELEVISION COMMISSION

8.2 AMEND (Spectrum Auction) Authorizes ETV to receive and retain proceeds from the FCC TV Auction and directs how ETV is to use the proceeds. Authorizes unexpended funds to be carried forward and used for the same purpose. Directs ETV, subject to FCC specified quiet period requirement, to report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees on their intent to enter the auction; auction dates; estimated potential revenue; and actual revenue received from the auction.

WMC: AMEND proviso to authorize ETV to receive and retain all proceeds received from the FCC TV Auction. Delete the requirements that the funds be used to develop a capital reserve declining fund balance; that up to \$40,000,000 of the proceeds be used to fund ETV critical capital needs; that proceeds received above \$40,000,000 be placed into a segregated account that will require General Assembly approval prior to expenditure; and the reporting requirement.

HOU: ADOPT proviso as amended.

8.2. (ETV: Spectrum Auction) ~~If the The Educational Television Commission receives any shall be authorized to receive and retain all~~ proceeds from the Federal Communication Commission TV Auction, ~~the commission is authorized to receive and retain the proceeds for the development of a capital reserve declining balance fund. Up to \$40,000,000 of the The proceeds shall be used to fund several critical capital needs at ETV, including an expected broadcast industry standards change changes.~~ Proceeds shall also be deployed for existing equipment repair, maintenance and replacement needs, and operational costs. ~~Any proceeds received above \$40,000,000 must be placed into a segregated account and shall require General Assembly approval prior to the expenditure of these funds.~~ Unexpended funds shall be carried forward from the prior fiscal year into the current fiscal year and used for the same purpose. ~~Subject to the FCC requirements for a specified quiet period, the commission shall report to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the intent to enter the auction; dates of the auction; potential revenue estimates; and actual received revenue.~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

SECTION 11 - H030 - COMMISSION ON HIGHER EDUCATION

11.15 **AMEND** (Abatements) Requires higher education institutions report to CHE by November 1st on the total number of out-of-state undergraduate students that received abatement of rates during the prior fiscal year and requires the report include certain student related information and the calculation method used to determine the amount of abatement awarded as well as the number of students that received education fee waivers.

WMC: AMEND proviso to direct CHE to compile the information received from the institutions into a comprehensive report and submit such report to the Chairmen of the Senate Finance and House Ways and Means Committees by January 5th each year.

HOU: ADOPT proviso as amended.

11.15. (CHE: Abatements) By November first of each year, state supported institutions of higher learning must submit to the Commission on Higher Education the total number of out-of-state undergraduate students during the prior fiscal year that received abatement of rates pursuant to Section 59-112-70 of the 1976 Code as well as the total dollar amount of the abatements received. The report must include the geo-origin of the student, class of the student, comprehensive listing of all financial awards received by the student, number of semesters the student has received the abated rate, as well as the athletic status of the student. The report must also include the calculation method used to determine the abatement amount awarded to students as well as the number of students that received educational fee waivers pursuant to Section 59-101-620. *The Commission on Higher Education is directed to compile the information received from the state-supported institutions of higher learning into a comprehensive report and submit such report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 5th each year.*

11.17 **ADD** (Longitudinal Data Reports) **WMC:** ADD new proviso to direct CHE to provide quarterly reports to the Chairmen of the Senate Finance and House Ways and Means Committees on tuition and fees longitudinal data.

HOU: ADOPT new proviso.

11.17. (CHE: Longitudinal Data Reports) The Commission on Higher Education is directed to provide quarterly reports to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on tuition and fees longitudinal data collected by the commission from colleges and universities.

11.18 **ADD** (Suspend Governor's Professor of the Year Award) **WMC:** ADD new proviso to suspend the Governor's Professor of the Year Award for FY 2017-18.

HOU: ADOPT new proviso.

11.18. (CHE: Suspend Governor's Professor of the Year Award) The requirements of Section 59-104-220 of the 1976 Code pertaining to the Governor's Professor of the Year Award shall be suspended for Fiscal Year 2017-18.

11.19 **ADD** (Council of Presidents) **WMC:** ADD new proviso to require the Council of Presidents to convene meetings at least four times a years to investigate and report to CHE on academic planning, business and financial coordination, and library utilization and coordination a mandated by the code.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

HOU: ADOPT new proviso.

11.19. (CHE: Council of Presidents) The Council of Presidents of state institutions of higher learning, as established in Section 59-103-40 of the 1976 Code, shall convene meetings at least four times a year for the purpose of investigating, studying, and reporting to the Commission on Higher Education on such subjects as academic planning, business and financial coordination, and library utilization and coordination as mandated by Section 59-103-40.

- 11.20** **ADD** (Deans' Committee on Medical Education) **WMC:** ADD new proviso to require the Deans' Committee on Medical Education to convene at least quarterly to ensure and coordinate the development and implementation of a strategic plan for medical education research and related clinical services as mandated by the code.

HOU: ADOPT new proviso.

11.20. (CHE: Deans' Committee on Medical Education) The Deans' Committee on Medical Education, as established in Section 59-101-190 of the 1976 Code, shall convene meetings at least quarterly each year for the purpose of ensuring and coordinating the development and implementation of a strategic plan for effective and efficient medical education, research, and related clinical services programs to best meet the needs of the State of South Carolina as mandated by Section 59-101-190. In addition, all other directives contained within Section 59-101-190 shall be performed.

- 11.21** **ADD** (Capital Project Vetting) **WMC:** ADD new proviso to direct CHE to only evaluate true, new capital projects and instruct institutions of higher learning to submit auxiliary, maintenance or renovation projects directly to JBRC.

HOU: ADOPT new proviso.

11.21. (CHE: Capital Project Vetting) The Commission on Higher Education is directed to only evaluate true, new capital projects for institutions of higher learning. Institutions shall submit auxiliary, maintenance, or renovation projects directly to the Joint Bond Review Committee and shall not submit such projects to the Commission on Higher Education for vetting.

SECTION 15 - H150 - UNIVERSITY OF CHARLESTON

- 15.1** **DELETE** (Science Center Renovation) Authorizes the University of Charleston to use funds appropriated in FY 2005-06 for the School of Science and Mathematics' Grice Marine Biology Laboratory for the renovation of the Rita L. Hollings Science Center.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~**15.1.** (UoC: Science Center Renovation) In the current fiscal year, the University of Charleston may use funds appropriated in Fiscal Year 2005-06 for the School of Science and Mathematics' Grice Marine Biology Laboratory, for the School of Science and Mathematics' renovation of the Rita L. Hollings Science Center.~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

SECTION 20 - H450 - UNIVERSITY OF SOUTH CAROLINA

20.4 DELETE (Palmetto College - Operating) Directs USC to allocate \$373,010 to the USC campuses at Lancaster, Salkehatchie, Sumter, and Union to reduce the per-student funding disparity that exists between the campuses. Directs USC to determine the appropriate enrollment measure to guide the distribution of these funds and to report the allocation to CHE and the Chairmen of the Senate Finance and House Ways and Means Committees.

WMC: DELETE proviso. *The funds have been permanently transferred to the four campuses and will now be reflected in their respective base budgets.* Requested by University of South Carolina.

HOU: ADOPT deletion of proviso.

~~20.4. (USC: Palmetto College - Operating) The University of South Carolina is directed to allocate \$373,010 to the USC campuses at Lancaster, Salkehatchie, Sumter and Union in order to reduce the per student funding disparity that exists between each of these campuses. The university shall determine the appropriate enrollment measure to guide the distribution of these additional, recurring state appropriations. The allocation of state funds shall be reported to the Commission on Higher Education, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.~~

SECTION 23 - H510 - MEDICAL UNIVERSITY OF SOUTH CAROLINA

23.2 DELETE (Telemedicine) Directs the MUSC Hospital Authority to continue to develop the Telemedicine network. Directs the S.C. Telehealth Alliance to submit a proposal to the authority to determine which hospitals are best suited for a Telemedicine partnership. Directs the authority to provide bi-annual reports on the distributions of funds to the chairmen of the Senate Finance and House Ways and Means Committees.

WMC: DELETE proviso. *Deleted language has been moved to new proviso 117.135.*

HOU: ADOPT deletion of proviso.

~~23.2. (MUSC: Telemedicine) From the funds appropriated to the Medical University of South Carolina for the MUSC Hospital Authority, the Authority is directed to continue the development of South Carolina Statewide Telemedicine network. The South Carolina Telehealth Alliance shall submit a proposal to the MUSC Hospital Authority to determine which hospitals are best suited for a Telemedicine partnership. The MUSC Hospital Authority shall provide bi-annual reports to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee detailing the distribution of funds.~~

SECTION 25 - H590 - STATE BOARD FOR TECHNICAL & COMPREHENSIVE EDUCATION

25.7 DELETE (Study of Employment of Entry-Level CDL Drivers by State and Local Agencies) Directs the State Board for Tec and Comp Ed to establish a 12 member study committee to identify the best way to facilitate and incentivize state and local government fleet operations in the hiring of entry-level Commercial Drivers' License holders and to develop recommendations for the General Assembly's consideration. Directs that findings and recommendations be submitted to the General Assembly by October 31, 2016.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

WMC: DELETE proviso. *Agency states is no longer necessary as the report required will be completed and submitted to the General Assembly on or before October 31, 2016.* Requested by State Board for Technical and Comprehensive Education.

HOU: ADOPT deletion of proviso.

~~25.7. (TEC: Study of Employment of Entry-Level CDL Drivers by State and Local Agencies) From the funds appropriated to and/or authorized for the State Board for Technical and Comprehensive Education, the board shall establish a study committee to identify how best to facilitate and incentivize state and local government fleet operations in the hiring of entry level Commercial Drivers' License holders. The study committee shall develop recommendations for the General Assembly to consider which include, but are not limited to, coordination and cooperation with the Department of Education and the State Technical College system; minimal and/or targeted agency entry level employment level objectives; state sponsored incentives; limitations on liability; state sponsored insurance coverage underwriting for some initial period of employment; payroll tax exemptions or incentives; and other state sponsored support.~~

~~The study committee shall be comprised of twelve members as follows:~~

~~(1) two members appointed by the Governor, one of whom is an employee of the South Carolina Insurance Reserve Fund and one of whom is an employee of the Department of Administration;~~

~~(2) two members appointed by the Chairman of the House Education and Public Works Committee, one of whom is a member of the committee and one of whom is an employee of the Department of Education;~~

~~(3) two members appointed by the Chairman of the Senate Transportation Committee, one of whom is a member of the committee and one of whom is an employee of the Technical College System;~~

~~(4) one member appointed by the Secretary of Transportation;~~

~~(5) one member appointed by the South Carolina Municipal Association;~~

~~(6) one member appointed by the South Carolina Association of Counties;~~

~~(7) one member appointed by the South Carolina Trucking Association;~~

~~(8) one member appointed by the Motor Coach Association of South Carolina; and~~

~~(9) one member appointed by the Carolina Association of General Contractors.~~

~~Members of the study committee shall possess experience and expertise in human resources, safety, risk, fleet management, or other areas consistent with this objective. Staff support shall be provided by the State Board for Technical and Comprehensive Education, with assistance from the staffs of the Senate Transportation Committee and the House Education and Public Works Committee, upon request. Findings and recommendations shall be submitted to the General Assembly by October 31, 2016.~~

25.8 AMEND (Workforce Pathways Funding Distribution) Directs the State Board to distribute Workforce Pathways Program funds as follows: \$740,000 to Tri-County Technical College and \$602,000 to Central Carolina Technical College for those schools to maintain operations of their existing Workforce Pathways programs and directs that any remaining funds be set-aside in a separate account until the State Board develops a distribution formula. Specifies that certain criteria that must be included in the formula and directs that the State Board report the distribution formula and required criteria to the Chairmen of the Senate Finance and House Ways and Means Committees by August 31, 2016.

WMC: AMEND proviso to update calendar year reference from "2016" to "2017."

HOU: ADOPT proviso as amended.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

25.8. (TEC: Workforce Pathways Funding Distribution) Of the funds appropriated to the State Board for Technical and Comprehensive Education for the Workforce Pathways Program, the State Board must first distribute \$740,000 to Tri-County Technical College and \$602,000 to Central Carolina Technical College in order for each school to maintain operations of the existing Workforce Pathways programs established pursuant to Act 286 of 2014.

Any remaining funds shall be set aside in a separate and distinct account until a formula for distribution is developed by the State Board. The formula shall specify criteria for the Workforce Pathways program that each technical school must adhere to in order to receive their respective share of the set aside funding. At a minimum, each Workforce Pathways program must expand current best practices in technical career pathways for youth and unemployed or underemployed adults leading to immediate employment in high skill, high demand jobs with emphasis in STEM fields. The program shall utilize all credit and non-credit delivery systems within the technical college, include cohort training options for adults, provide dual credit for youth via college courses taught by college faculty, provide opportunities for prior learning credit for adults, include structured work-based learning or other apprenticeship training approaches, and result in industry-recognized work certifications as well as stackable postsecondary credentials. Workforce Pathways programs shall establish or build on existing collaborative design and coordination efforts with area school districts and career centers and with area employers. All technical colleges receiving funding through the Workforce Pathways must provide comprehensive evaluation and reporting mechanisms that include long-range tracking of individual and economic impacts as well as return-on-investment analyses.

The State Board shall report the formula for distribution and required criteria to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by August 31, ~~2016~~ 2017.

SECTION 28 - H910 - ARTS COMMISSION

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

WMC: AMEND proviso to delete references to specific distribution amounts and instead direct the Arts Commission to report to the Chairmen of the House Ways and Means and Senate Finance Committees by December 1st, the amounts of allocations distributed to subdivisions for the prior fiscal year. *To provide actual amounts distributed versus an estimation based on total funds allocated.* Requested by Arts Commission.

HOU: ADOPT proviso as amended.

28.5. (ARTS: Distribution to Subdivisions) ~~Of the funds appropriated and/or authorized to the Arts Commission for Distribution to Subdivisions, the following amounts shall be distributed in the same manner as the funds were distributed in the prior fiscal year, subject to requests received and availability of funds: \$65,000 for Alloc Mun Restricted; \$34,012 for Alloc Cnty Restricted; \$928,569 for Alloc School Dist; \$40,000 for Alloc Other State Agencies; \$459,026 for Alloc Private Sector; \$42,750 for Alloc Private Sector; \$75,449 for Aid Mun Restricted; \$41,155 for Aid Cnty Restricted; \$243,241 for Aid School Districts; \$389,171 for Aid Other State Agencies; \$1,580,603 for Aid To Private Sector; \$45,221 for Aid To Private Sector Reportable; and 3,750 for Aid to County Libraries. No later than December 1st of the current fiscal year, the Arts Commission must report to the Chairman of the House Ways and~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

Means Committee and the Chairman of the Senate Finance Committee the amount of aid/allocation distributed to subdivisions during the most recently completed fiscal year, detailed by specific subdivisions.

SECTION 33 - J020 - DEPARTMENT OF HEALTH AND HUMAN SERVICES

33.9 **AMEND** (Medicaid Eligibility Transfer) Authorizes the department to determine SC Medicaid Program applicant eligibility. Requires counties to provide office space and facility services for this function as they do for DSS functions.

WMC: AMEND proviso to require the DHHS director, by November 1st, to provide each county governing authority and legislative delegation with information on the condition of space furnished for this purpose and to identify any known ADA deficiencies. Require the governing authorities to report to its legislative delegation and the DHHS director by May 1st on progress being made in correcting any identified ADA deficiencies. Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

33.9. (DHHS: Medicaid Eligibility Transfer) The South Carolina Department of Health and Human Services (DHHS) is hereby authorized to determine the eligibility of applicants for the South Carolina Medicaid Program in accordance with the State Plan Under Title XIX of The Social Security Act Medical Assistance Program. The governing authority of each county shall provide office space and facility service for this function as they do for DSS functions under Section 43-3-65.

With funds available to the department and by November 1, the Director of the Department of Health and Human Services shall provide the governing authority and the legislative delegation of each county with information on the condition of space furnished for this purpose and shall specifically identify any known deficiencies with respect to the accessibility requirements of the Americans with Disabilities Act (ADA). By May 1, the governing authority of any county with an identified ADA-related deficiency shall report to its legislative delegation and the Director of the Department of Health and Human Services on its progress in correcting such deficiency.

33.16 **AMEND** (Carry Forward) Authorizes the department to carry forward prior year cash balances from any earmarked or restricted trust, agency, or special revenue account or subfund. Requires the department submit a comprehensive reporting of all cash balances brought forward from the prior fiscal year to the President Pro Tempore of the Senate, Speaker of the House, and Chairmen of the Senate Finance and Ways and Means Committees, within 15 days after the Comptroller General closes books on the fiscal year.

WMC: AMEND proviso to authorize the department to carry forward and “expend” any “General Fund balance” as well as expend cash balances carried forward. *Merged proviso 33.22 into this proviso.* Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

33.16. (DHHS: Carry Forward) The Department of Health and Human Services is authorized to carry forward and expend any General Fund balance and any cash balances from the prior fiscal year into the current fiscal year for any earmarked or restricted trust and agency, or special revenue account or subfund. The department shall submit a comprehensive reporting of all cash balances brought forward from the prior fiscal year. The report shall, at a minimum,

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

for each account or subfund include the following: the statutory authority that allows the funds to be carried forward, the maximum authorized amount that can be carried forward, the general purpose or need for the carry forward, the specific source(s) of funding or revenue that generated the carry forward, and a detailed description of any pending obligations against the carry forward. The report must be submitted to the President Pro Tempore of the Senate, Chairman of the Senate Finance Committee, Speaker of the House of Representatives, and Chairman of the House Ways and Means Committee, within fifteen days after the Comptroller General closes the fiscal year.

33.20 AMEND (Medicaid Accountability and Quality Improvement Initiative) Directs the department to implement accountability and quality improvements initiatives for: (A) Healthy Outcomes Initiative; (B) Improve Community Health; (C) Rural Hospital DSH Payment; (D) Primary Care Safety Net; (E) Rural and Underserved Area Provider Capacity; (F) Obesity Education; (G) Provider Eligibility Data; (H) Pilot of All-Inclusive Health Intervention for Vulnerable Mental Health Patients; and (I) Publish Quarterly Progress Reports.

WMC: AMEND proviso subsection (D) to change the following allocations: innovative care strategies from "\$4,000,000" to "\$3,600,000;" FQHCs from "\$6,400,000" to "\$5,000,000;" Free Clinics from "\$1,600,000" to "\$1,500,000;" and local alcohol and drug abuse authorities from "\$1,600,000" to "\$1,500,000." Delete the requirement that the department also explore a transition to a prospective payment system for FQHCs. Delete subsection (E) Rural and Underserved Area Provider Capacity. Amend renumbered subsection (G) to change the requirement that the department pilot "an all-inclusive" to "a behavioral" health intervention program. *For FY 2017-18, the department is proposing a \$2 million reduction designed to minimize the impact on the providers who have the most constrained access to other revenue sources (free clinics and 301s).* Fiscal Impact: Agency states it would reduce expenditures by approximately \$2 million (100% state funds) compared to FY 2016-17. *Deleted telemedicine language has been moved to new proviso 117.135 and rural health language has been moved to proviso 33.23.* Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

33.20. (DHHS: Medicaid Accountability and Quality Improvement Initiative) From the funds appropriated and authorized to the Department of Health and Human Services, the department is authorized to implement the following accountability and quality improvement initiatives:

(A) Healthy Outcomes Initiative - The Department of Health and Human Services may tie Disproportionate Share Hospital (DSH) payments to participation in the Healthy Outcomes Initiative and may expand the program as DSH funding is available.

(B) To improve community health, the department may explore various health outreach, education, patient wellness and incentive programs. The department may pilot health interventions targeting diabetes, smoking cessation, weight management, heart disease, and other health conditions. These programs may be expanded as their potential to improve health and lower costs are identified by the department.

(C) Rural Hospital DSH Payment - Medicaid-designated rural hospitals in South Carolina may be eligible to receive up to one hundred percent of costs associated with uncompensated care as part of the DSH program. Funds shall be allocated from the existing DSH program. To be eligible, rural hospitals must participate in reporting and quality guidelines published by the department and outlined in the Healthy Outcomes Initiative. In addition to the requirements placed upon them by the department, rural hospitals must actively participate with

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

the department and any other stakeholder identified by the department, in efforts to design an alternative health care delivery system in these regions.

(D) Primary Care Safety Net - The department shall implement a methodology to reimburse safety net providers participating in a hospital Healthy Outcomes Initiative program to provide primary care, behavioral health services, and pharmacy services for chronically ill individuals that do not have access to affordable insurance. Qualifying safety net providers are approved, licensed, and duly organized Federally Qualified Health Centers (FQHCs and other entities receiving funding under Section 330 of the Public Health Services Act), Rural Health Clinics (RHCs), local alcohol and drug abuse authorities established by Act 301 of 1973, Free Clinics, other clinics serving the uninsured, and Welvista. The department shall formulate a methodology and allocate ~~\$4,000,000~~ \$3,600,000 for innovative care strategies for qualifying safety net providers. The department shall formulate a separate methodology and allocate ~~\$6,400,000~~ \$5,000,000 of funding to FQHCs, at least ~~\$1,600,000~~ \$1,500,000 of funding for Free Clinics, and ~~\$1,600,000~~ \$1,500,000 of funding for local alcohol and drug abuse authorities created under Act 301 of 1973. The department shall ~~may continue to~~ develop and implement a process for obtaining encounter-level data that may be used to assess the cost and impact of services provided through this proviso. ~~The department shall also explore a transition to a prospective payment system for FQHCs to provide greater predictability and stability for FQHC budgets.~~

~~(E) Rural and Underserved Area Provider Capacity~~ The department shall incentivize the development of primary care access in rural and underserved areas through the following mechanisms:

~~(1) the department shall leverage Medicaid spending on Graduate Medical Education (GME) by implementing methodologies that support recommendations contained in the January 2014 report of the South Carolina GME Advisory Group;~~

~~(2) the department shall develop or continue a program to leverage the use of teaching hospitals to provide rural physician coverage, expand the use of Telemedicine, and ensure targeted placement and support of OB/GYN services in at least four counties with a demonstrated lack of adequate OB/GYN resources by June 30, 2017; and~~

~~(3) during the current fiscal year the department shall contract with the MUSC Hospital Authority in the amount of \$10,000,000 to lead the development and operation of an open access South Carolina Telemedicine Network. Working with the department, the MUSC Hospital Authority shall collaborate with Palmetto Care Connections to pursue this goal. No less than \$1,000,000 of these funds shall be allocated toward support of Palmetto Care Connections and other hospitals in South Carolina. MUSC Hospital Authority must provide the department with quarterly reports regarding the funds allocation and progress of telemedicine transformation efforts and networks. MUSC Hospital Authority shall publish a summary report to the General Assembly indicating the overall progress of the state's telemedicine transformation by March 1, 2017. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000, and the USC School of Medicine in the amount of \$2,000,000 to further develop statewide teaching partnerships.~~

~~(4) the department shall partner with the University of South Carolina School of Medicine to develop a statewide Rural Health Initiative to identify strategies for significantly improving health care access, supporting physicians, and reducing health inequities in rural communities. Any funding supplied by the department in support of the Rural Health Initiative may be deducted from the allocation made to the USC School of Medicine in section (E)(3) of this proviso.~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(~~F~~ E) The department shall allocate funds to be used for obesity education for patients, reimbursement payments for providers, and continuing education for all providers through partnerships with the Department.

(~~G~~ F) To be eligible for funds in this proviso, providers must provide the department with patient, service and financial data to assist in the operation and ongoing evaluation of both the initiatives resulting from this proviso, and other price, quality, transparency and DSH accountability efforts currently underway or initiated by the department. The Revenue and Fiscal Affairs Office shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations.

(~~H~~ G) The department may pilot ~~an all-inclusive~~ *a behavioral* health intervention program for wrap-around care to vulnerable mental health patients who frequent the emergency room in hotspots and underserved areas within the state. The pilot program must provide reports detailing progress on the target population and health outcomes achieved. These programs may be expanded as their potential to improve health and lower costs are identified by the department.

(~~I~~ H) The department shall publish quarterly reports on the agency's website regarding the department's progress in meeting the goals established by this provision.

33.22 **DELETE** (Carry Forward Authorization) Authorizes the department to carry forward any general fund balance and spend the funds for the Medicaid program. Requires the department report the balance carried forward to the Chairmen of the Senate Finance and House Ways and Means Committees within thirty days after the close of the fiscal year.

WMC: DELETE proviso. *Combined with proviso 33.16.* Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

~~**33.22.** (DHHS: Carry Forward Authorization) For the current fiscal year, the Department of Health and Human Services is authorized to carry forward and expend any General Fund balances for the Medicaid program. Within thirty days after the close of the fiscal year, the department shall report the balance carried forward to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.~~

33.23 **AMEND** (Rural Health Initiative) Directs the department to partner with various state agencies, institutions, and other key stakeholders to implement components of the Rural Health Initiative to address the needs of medically underserved communities and to leverage federal funds to implement the initiative. (A)(1) Rural Healthcare and Education - Directs the USC School of Medicine to consult with the S.C. Office of Rural Health in preparing a proposal for a Center of Excellence to support and develop rural medical education and delivery infrastructure with a statewide focus. Directs the department to authorize at least \$1,500,000 to support the center and prohibit these funds from being used by recipients to supplant existing resources; Requires the USC School of Medicine report on the how the funds designated through this provision were used and/or expended. (A)(2) Rural Medicine Workforce Development - Directs the department, in consultation with the Medical Education Advisory Committee, to support development of additional residency and/or fellowship slots or programs. (B) Directs the department to investigate the potential use of DSH and/or other allowable and appropriate sources of funds to improve access to emergency medical services in communities whose access has been degraded due to a hospital's closure during the past five years and to establish a DSH pool for this purpose. **WMC:** AMEND proviso to authorize recurring and non-recurring Rural Health Initiative funds to be carried forward and expended for the same purpose. Amend subsection (A) to direct the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

department to incentivize development of primary care access in rural and underserved areas; leverage Medicaid spending on Graduate Medical Education by implementing new methodologies that support recommendations contained in the January 2014 SC GME Advisory Group report; and continue to leverage the use of teaching hospitals to ensure rural physician coverage. Add subsection (A)(1) Rural and Underserved Area Provider Capacity to direct the department to partner with USC School of Medicine to develop a statewide Rural Health Initiative and to use \$1,000,000 to contract with the MUSC Hospital Authority and \$2,000,000 to contract with the USC School of Medicine to further develop statewide teaching partnerships. Amend subsection (A)(3) to delete the requirement that applications to the ACGME must be developed by June 30, 2017. Add subsection (A)(4) Statewide Health Innovations to direct the department to spend at least \$2,000,000 to contract with the USC School of Medicine and at least \$1,000,000 to contract with the MUSC Hospital Authority to develop and continue innovative healthcare delivery and training opportunities via ICARED and other innovative programs. Amend subsection (B) to authorize the department to carry forward DSH capacity from a previous period as federally permissible. Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

33.23. (DHHS: Rural Health Initiative) From the funds appropriated to the Department of Health and Human Services for the Rural Health Initiative, the department shall partner with the following state agencies, institutions, and other key stakeholders to implement these components of a Rural Health Initiative to better meet the needs of medically underserved communities throughout the state. The department may leverage any and all available federal funds to implement this initiative. Recurring and non-recurring funding for the Rural Health Initiative may be carried forward by the department and expended for the same purpose.

(A) The Department of Health and Human Services shall ~~take appropriate action to facilitate~~ incentivize the development of primary care access in rural and underserved areas, leverage Medicaid spending on Graduate Medical Education (GME) by implementing methodologies that support recommendations contained in the January 2014 report of the South Carolina GME Advisory Group, and continue to leverage the use of teaching hospitals to ensure rural physician coverage in counties with a demonstrated lack of adequate access and coverage through the following provisions:

(1) Rural and Underserved Area Provider Capacity - the department shall partner with the University of South Carolina School of Medicine to develop a statewide Rural Health Initiative to identify strategies for significantly improving health care access, supporting physicians, and reducing health inequities in rural communities. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000, and the USC School of Medicine in the amount of \$2,000,000 to further develop statewide teaching partnerships.

~~(+ 2)~~ Rural Healthcare Coverage and Education - The USC School of Medicine, ~~shall consult in consultation with the South Carolina Office of Rural Health, in preparing a proposal for~~ shall continue to operate a Center of Excellence to support and develop rural medical education and delivery infrastructure with a statewide focus, through clinical practice, training, and research, as well as collaboration with other state agencies and institutions. The center's activities must be centered on efforts to improve access to care and expand healthcare provider capacity in rural communities. The department shall authorize at least \$1,000,000 to support center staffing as well as the programs and collaborations delivering rural health research, the ICARED program, workforce development scholarships and recruitment, rural fellowships,

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

health education development, and/or rural practice support and education. Funding released by the department pursuant to this section must not be used by the recipient(s) to supplant existing resources already used for the same or comparable purposes. No later than February 1st of the current fiscal year, the USC School of Medicine shall report to the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, and the Director of the Department of Health and Human Services on the specific uses of funds budgeted and/or expended pursuant to this provision.

(2 3) Rural Medicine Workforce Development - The department, in consultation with the Medical Education Advisory Committee (MEAC), shall support the development of additional residency and/or fellowship slots or programs in rural medicine, family medicine, and any other appropriate primary care specialties that have been identified by the department as not being adequately served by existing Graduate Medical Education programs. The department shall ensure that each in-state member of the Association of American Medical Colleges is afforded the opportunity to participate in MEAC. New training sites and/or residency positions are subject to approval as specified by the Accreditation Council for Graduate Medical Education (ACGME). ~~Applications to the ACGME must be developed no later than June 30, 2017.~~ The department may also accept proposals and award grants for programs designed to expose resident physicians to rural practice and enhance the opportunity to recruit these residents for long-term practice in these rural and/or underserved communities. Up to \$500,000 of the recurring funds appropriated to the department for the Rural Health Initiative may be used for this purpose.

(4) Statewide Health Innovations - At least \$2,000,000 must be expended by the department to contract with the USC School of Medicine and at least \$1,000,000 to the MUSC Hospital Authority to develop and continue innovative healthcare delivery and training opportunities through collaborative community engagement via ICARED and other innovative programs that provide clinical services, mental and behavioral health services, children's health, OB/GYN services, and/or chronic disease coverage gaps. In consultation with the Office of Rural Health, the department must ensure collaborative efforts with the greatest potential for impact are prioritized.

(B) The department shall continue to investigate the potential use of DSH and/or any other allowable and appropriate source of funds in order to improve access to emergency medical services in one or more communities identified by the department in which such access has been degraded due to a hospital's closure during the past five years. In the current fiscal year, the department is authorized to establish a DSH pool, or carry forward DSH capacity from a previous period as federally permissible, for this purpose and/or if deemed necessary to implement transformation plans for which conforming applications were filed with the department ~~on or before April 1, 2016~~ pursuant to this or a previous hospital transformation or rural health initiative proviso, but for which additional negotiations or development were required. An emergency department that is established within 35 miles of its sponsoring hospital ~~during the current fiscal year~~ pursuant to this or a previous hospital transformation or rural health initiative proviso and which receives dedicated funding pursuant to this proviso shall be exempt from any Department of Health and Environmental Control Certificate of Need requirements or regulations. Any such facility shall participate in the ~~Statewide~~ South Carolina Telemedicine Network.

(C) The Revenue and Fiscal Affairs Office and the Area Health Education Consortium's Office of Healthcare Workforce Analysis and Planning shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

- 33.24** **ADD** (BabyNet Compliance) **WMC:** ADD new proviso to direct the department to report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2017, on the status of the department's efforts to bring the BabyNet program into compliance with federal requirements. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017. Agency states this would replace Proviso 1.74, which imposed similar obligations upon First Steps during its administration of the BabyNet program.* Requested by Department of Health and Human Services.
HOU: ADOPT new proviso.

33.24. (DHHS: BabyNet Compliance) With the funds available to the department, the Department of Health and Human Services shall report to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later than December 31, 2017 on the status of the department's efforts to bring the BabyNet program into compliance with federal requirements. This report must specifically address areas in which the BabyNet program has received low performance scores and include any relevant correspondence from the U.S. Department of Education. The report must explain the department's plan for bringing BabyNet into compliance, including specific steps and the associated timeline.

- 33.25** **ADD** (Personal Emergency Response System) **WMC:** ADD new proviso to direct the department to develop RFPs to provide for Personal Emergency Response Systems (PERS) to be issued to Medicaid recipients based on the department's Medicaid Home and Community-based waiver. Direct that PERS devices must include unlimited 24-7 live phone contact with RNs for triage services. Require the PERS nurse triage call centers be accredited and separate from PERS emergency response call centers. Require PERS devices comply with all FCC rules and regulations. Require the department apply for any necessary waivers.
HOU: ADOPT new proviso.

33.25. (DHHS: Personal Emergency Response System) With funds appropriated and authorized to the Department of Health and Human Services for Fiscal Year 2017-18, the department shall develop one or more Requests for Proposals, to provide for Personal Emergency Response Systems (PERS) to be issued to Medicaid recipients pursuant to the department's Medicaid Home and Community-based waiver. The PERS devices must include in addition to emergency response services, unlimited twenty-four hour, seven-day a week live phone contact with experienced registered nurses for triage services. A PERS nurse triage call center must be accredited and must be separate from the PERS emergency response call center. The PERS device must have a wireless radio transmitter and a console that is cellular and does not require a traditional land line. A PERS device that includes nurse triage services also must comply with the requirements of Federal Communications Commission rules, 47 C.F.R. Part 68; and be approved by the Underwriters Laboratory or Equipment Testing Laboratories as a health care signaling product. The Department of Health and Human Services shall apply for any waiver necessary under the department's Medicaid Home and Community-based waiver to implement these provisions.

SECTION 34 - J040 - DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

- 34.17** **AMEND** (Nursing Home Medicaid Bed Day Permit) Authorizes the transfer of the Medicaid patient day permit to a nursing home receiving a patient from a facility that has violations of state

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

or federal law or Medicaid certification requirements that necessitate the transfer. Requires the receiving facility to apply to retain the Medicaid patient day permit within sixty days of receipt of the patient.

WMC: AMEND proviso to direct that the Medicaid patient day permit is transferred with the patient if the receiving nursing home is an enrolled Medicaid provider that already holds Medicaid patient day permits. Requested by Department of Health and Environmental Control.

HOU: ADOPT proviso as amended.

34.17. (DHEC: Nursing Home Medicaid Bed Day Permit) When ~~transfer of~~ a Medicaid patient *is transferred* from a nursing home *to a receiving nursing home* ~~is necessary~~ due to violations of state or federal law or Medicaid certification requirements, the Medicaid patient day permit shall be transferred with the patient to the receiving nursing home, provided that the receiving nursing home is an enrolled Medicaid provider that already holds Medicaid patient day permits, in which case ~~The~~ *the* receiving facility shall apply to permanently retain the Medicaid patient day permit within sixty days of receipt of the patient.

34.18 **DELETE** (Mineral Sets Revenue) Authorizes the department to charge a reasonable fee for mineral sets and to retain the funds in a revolving account with a maximum carry forward of \$2,000. Directs that funds must be expended for mineral set supplies and related mining and reclamation educational products.

WMC: DELETE proviso. *Mineral sets at a fee of \$3/each have not been sold in several years.* Fiscal Impact: Agency recommends closing the account and any remaining funds being transferred to the General Fund. Requested by Department of Health and Environmental Control.

HOU: ADOPT deletion of proviso.

34.18. (DHEC: Mineral Sets Revenue) ~~The department is authorized to charge a reasonable fee for mineral sets. Funds generated from the sale of mineral sets may be retained by the department in a revolving account with a maximum carry forward of \$2,000 and must be expended for mineral set supplies and related mining and reclamation educational products.~~

34.42 **DELETE** (Obesity) Directs that DHEC shall be the convener and coordinator of the fight against Obesity in South Carolina. Directs SDE, DHHS, DSS, DMH, MUSC, USC Arnold School of Public Health, PRT, Department of Commerce, DOT, and Commission for the Blind to cooperate with DHEC and its partners to facilitate an environment that decreases body mass index (BMI). Requires school district provide DHEC with information on their progress toward meeting certain provisions of the Student Health and Fitness Act of 2005. Authorizes DHEC to collect, compile and assess State and school districts progress in meeting these goals.

WMC: DELETE proviso. *Agency states partners are already working together voluntarily and have been doing so for 3 years as a part of the Scaledown Initiative and this proviso does not include all of the agencies and organizations involved.* Requested by Department of Health and Environmental Control.

HOU: ADOPT deletion of proviso.

34.42. (DHEC: Obesity) ~~The Department of Health and Environmental Control is charged with addressing the public health of our citizens and shall be the convener and coordinator of the fight against Obesity in South Carolina. Because addressing the obesity epidemic requires behavioral, educational, systemic, medical, and community involvement, the following state agencies should use their best efforts to cooperate with the requests of the department and its~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~partners to facilitate an environment that decreases body mass index (BMI): Department of Education; Department of Health and Human Services; Department of Social Services; Department of Mental Health; Medical University of South Carolina; University of South Carolina Arnold School of Public Health; Department of Parks, Recreation and Tourism; Department of Commerce; Department of Transportation; and Commission for the Blind.~~

~~In addition, school districts must provide the Department of Health and Environmental Control with information regarding their progress towards meeting certain provisions of the Student Health and Fitness Act of 2005, specifically: Section 59-10-10 regarding the average number of minutes students exercise weekly; Section 59-10-50 regarding the SC Physical Education Assessment; Section 59-10-310 regarding efforts to promote healthy eating patterns; Section 59-10-320 regarding assessment of school district health education programs; Section 59-10-340 regarding snacks in vending machines; and Section 59-10-360 regarding health curriculum. The department is given the authority to collect, compile and assess the progress of the State and the School Districts in meeting the goals of this act.~~

34.48 AMEND FURTHER (~~Birthing~~ *Birth* Center Inspections) Requires accredited birthing centers to register an on-call agreement and any transfer policies with DHEC.

WMC: AMEND proviso to change “birthing” to “birth.” Delete reference to centers being accredited by the Commission on Accreditation of Birth Centers. Require the on-call agreement contain provisions for the on-call physician “or his/her designee” to have “hospital admitting privileges” at the hospital that is within a 30 minute drive of the birthing center.

HOU: AMEND FURTHER to direct the “department to ensure” that all licensed birth centers register an on-call agreement and transfer policies with DHEC and delete reference to centers being accredited by the Commission on Accreditation of Birth Centers. Change “his/her designee” reference to “another physician designated by the on-call physician.” Require the physician to also have hospital consulting privileges. Require acute care hospitals licensed by the department to negotiate in good faith and fair dealing effort with any birth center licensed by the department within a 50 mile radius to establish a written transfer agreement. Sponsors: Reps. Hill and G.M. Smith.

34.48. (DHEC: ~~Birthing~~ *Birth* Center Inspections) ~~For~~ *With the funds appropriated and authorized to the Department of Health and Environmental Control for* this fiscal year, ~~birthing the department shall ensure that all licensed birth centers, accredited by the Commission on Accreditation of Birth Centers,~~ must register an on-call agreement and any transfer policies with the Department of Health and Environmental Control. The on-call agreement shall contain provisions which provide that the on-call physician, *or another physician designated by the on-call physician*, is readily available to provide medical assistance either in person or by telecommunications or other electronic means, which means the physician must be within a thirty minute drive of the ~~birthing~~ *birth* center or hospital, must be licensed in the State of South Carolina, *and have hospital admitting or consulting privileges*, and shall provide consultation and advice to the ~~birthing~~ *birth* center at all times it is serving the public. Furthermore, a ~~birthing~~ *birth* center shall document in its practice guidelines and policies the ability to transfer care to an acute care hospital with obstetrical and newborn services and must demonstrate this by: (A) coordinated transfer care plans, protocols, procedures, arrangements, or through collaboration with one or more acute care hospitals with appropriate obstetrical and newborn services; and (B) admitting *or consulting* privileges at one or more hospitals with appropriate obstetrical and newborn services by a ~~birthing~~ *birth* center’s consulting physician. The department shall require a \$25.00 registration fee upon receipt and review of the agreements containing these provisions.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

Acute care hospitals licensed by the department must negotiate in good faith and fair dealing effort with any birth center licensed by the department within a 50 mile radius to establish a written transfer agreement pursuant to this proviso. ~~Birth~~ Birth centers registering on-call and transfer policies in accordance with this proviso shall be deemed by the department to be in compliance with Section 44-89-60(3) of the South Carolina Code and any implementing regulations for this fiscal year.

- 34.50** **AMEND** (Data Center Migration) Directs the department to use Data Center Migration funds for a variety of shared technology services offered by the DOA, Division of Technology Operations.
WMC: AMEND proviso to authorize unexpended data center migration funds to be carried forward. *To assist the Division of Technology with costs associated with migrating DHEC's data center.* Fiscal Impact: In the event carry forward funds remain, they would not lapse to the general fund. Requested by Department of Health and Environmental Control.
HOU: ADOPT proviso as amended.

34.50. (DHEC: Data Center Migration) Of the funds appropriated to the Department of Health and Environmental Control for Data Center Migration, the department must utilize the Department of Administration, Division of Technology Operations for shared services, including but not limited to, mainframe services, application hosting, servers, managed servers, storage, network services and disaster recovery services. Unexpended funds appropriated for the data center migration may be carried forward from the prior fiscal year and used for the same purpose.

- 34.53** **DELETE** (Coastal Zone Boundary) Directs DHEC to report to the General Assembly by January 1, 2017 on initial recommendations to revise the coastal zone boundary, if any, and directs the study begin with Dorchester County.
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.

~~**34.53.** (DHEC: Coastal Zone Boundary) Of the funds appropriated, the Department of Health and Environmental Control shall report to the General Assembly by January 1, 2017, with an initial recommendation to revise the coastal zone boundary, if any, and the study shall begin with Dorchester County.~~

- 34.54** **ADD** (EMS Monetary Penalties) **WMC:** ADD new proviso to allow the Bureau of Emergency Medical Services to retain up to the first \$40,000 of civil monetary penalties against nonconforming providers collected each fiscal year and direct that the funds to be used solely to carry out and enforce the provisions of applicable regulations. Direct a report be submitted to the Governor and Chairmen of the Senate Finance and House Ways and Means Committees on how these funds are expended. *The department states it does not currently have the authority to retain these funds, however provisos 34.24, 34.25, and 34.26 authorize the retention of certain health related monetary penalties.* Fiscal Impact: The agency states approximately \$18,000 was collected in the prior fiscal year and remitted to the General Fund.
HOU: ADOPT new proviso.

34.54. (DHEC: EMS Monetary Penalties) In the course of regulating Emergency Medical Services (EMS) agencies and personnel, the Bureau of EMS assesses civil monetary penalties

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

against nonconforming providers. The Bureau of EMS shall retain up to the first \$40,000 of civil monetary penalties collected each fiscal year and these funds shall be utilized solely to carry out and enforce the provisions of regulations applicable to that bureau. These funds shall be separately accounted for in the department's fiscal records. The agency shall provide a report on how these funds are expended to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

- 34.55** **ADD** (Remedial Actions on Regulated Dams) **WMC:** ADD new proviso to allow DHEC to enter into contracts with one or more contractors to perform remedial actions on dams regulated under the SC Dams and Reservoir and Safety Act as necessary to protect life or property when an emergency order has been issued. Direct that these contracts shall be exempt from the Procurement Code's purchasing procedures.
HOU: ADOPT new proviso.

34.55. (DHEC: Remedial Actions on Regulated Dams) With funds appropriated or authorized for the Department of Health and Environmental Control in Fiscal Year 2017-18, the department may enter into contracts with one or more contractors to perform remedial actions on dams regulated under the SC Dams and Reservoir and Safety Act as necessary to protect life or property. Remedial actions may be implemented where the department has issued an emergency order for a dam to protect life or property. Remedial actions include, but are not limited to, lowering water levels, placing rip rap, and breaching dams. These contracts shall be exempt from the purchasing procedures of the South Carolina Consolidated Procurement Code.

- 34.56** **ADD** (Greenwood Sewer Extension Line) **WMC:** ADD new proviso to redirect nonrecurring funds appropriated in the FY 2007-08 Appropriation Act for the Greenwood Sewer Extension Line to any project on the Eagles Harbor priority list, less outstanding expenses associated with the sewer extension line. Authorize unexpended funds to be carried forward.
HOU: ADOPT new proviso.

34.56. (DHEC: Greenwood Sewer Extension Line) Funds remaining from the \$990,000 appropriated in Act 117 of 2007, by proviso 73.12, Item 65(S) to the Department of Health and Environmental Control for the Greenwood Sewer Extension Line shall be redirected for any project on the Eagles Harbor priority list, less any outstanding expenses associated with the Greenwood Sewer Extension Line. Unexpended funds may be carried forward into the current fiscal year to be expended for the same purpose.

- 34.57** **ADD** (Lake Conestee Dam and Reservoir) **WMC:** ADD new proviso to direct DHEC to appropriate up to \$185,000 to the Conestee Foundation to conduct an expert dam engineering study to examine alternatives to rehabilitate and/or replace the Lake Conestee Dam. Direct that that study include related construction and long term care costs and identify a Final Recommended Alternative appropriate for final design and construction. Provide for the membership of a panel to select a contractor to conduct the study. Direct that funding of the study does not obligate the state for the future costs of anticipated dam rehabilitation or replacement.
HOU: ADOPT new proviso.

34.57. (DHEC: Lake Conestee Dam and Reservoir) Of the funds appropriated and authorized to the Department of Health and Environmental Control, the department shall

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

appropriate up to \$185,000 to the Conestee Foundation, the owner of the Lake Conestee Dam, to conduct an expert dam engineering study. The objective of this study shall be to examine alternatives for the rehabilitation and/or replacement of the present Lake Conestee Dam. The study shall include all inspection, survey, engineering analysis, risk calculations, sampling and environmental testing activities, and hydrologic modeling necessary to evaluate all viable alternatives, and related construction and long term care costs and other related requirements necessary to compare the alternatives in accordance with appropriate state and federal agency requirements, and customary dam engineering requirements. The study shall identify a Final Recommended Alternative appropriate for final design and construction.

The contractor conducting the study on behalf of the Conestee Foundation shall be selected in a manner similar to state procurement standards. The panel selecting the contractor shall be made up of one representative of the Conestee Foundation, one representative of the Department of Health and Environmental Control, and one appointee selected by the Greenville County legislative delegation. The study must meet all regulatory requirements and the department will provide review of the study and scope of work. The funding of this study does not obligate the State of South Carolina in any way for the future cost of the anticipated rehabilitation or replacement of the dam.

- 34.58** **ADD** (Ocean Water Quality Outfall Initiative) **WMC:** ADD new proviso to direct the department's Beach Renourishment Fund be made available as state matching funds for Horry County Ocean Water Quality Outfall Initiatives. Authorize funds to be retained and carried forward for the same purpose.
HOU: ADOPT new proviso.

34.58. (DHEC: Ocean Water Quality Outfall Initiative) In the current fiscal year, funds appropriated and authorized to the Department of Health and Environmental Control in the department's Beach Renourishment Fund shall be made available as state matching funds for Horry County Ocean Water Quality Outfall Initiatives. The department is authorized to retain and carry forward these funds into the current fiscal year to be used for the same purpose. Any interest generated by the account must be credited and deposited into this account, to be used as state matching funds for either local or federal funding, and utilized for Ocean Water Quality Outfall Initiatives in Horry County.

SECTION 35 - J120 - DEPARTMENT OF MENTAL HEALTH

- 35.7** **AMEND** (Deferred Maintenance, Capital Projects, Ordinary Repair and Maintenance) Authorizes the department to establish an interest bearing fund with the State Treasurer to deposit deferred maintenance funds and other one-time funds from any source. Authorizes the department to spend these funds for deferred maintenance, capital projects and ordinary repair and maintenance. Authorizes the funds to be carried forward and used for the same purpose.
WMC: AMEND proviso to delete specific reference to depositing funds "appropriated" for deferred maintenance and other one-time funds from any source. Authorize the department to retain and deposit into the fund the proceeds from the sale of excess real property owned by, under the control of, or assigned to the department. Requested by Department of Mental Health.
HOU: ADOPT proviso as amended.

35.7. (DMH: Deferred Maintenance, Capital Projects, Ordinary Repair and Maintenance) The Department of Mental Health is authorized to establish an interest bearing fund with the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

State Treasurer to deposit funds ~~appropriated~~ for deferred maintenance and other one-time funds from any source. The department is also authorized to retain and deposit into the fund proceeds from the sale of excess real property owned by, under the control of, or assigned to the department. After receiving any required approvals, the department is authorized to expend these funds for the purpose of deferred maintenance, capital projects, and ordinary repair and maintenance. These funds may be carried forward from the prior fiscal year into the current fiscal year to be used for the same purpose.

35.8 **ADD** (Lease Payments to SFAA for SVP Program) **WMC:** ADD new proviso to exempt Sexually Violent Predator Program lease payments to SFAA from any across-the-board base reductions.

HOU: ADOPT new proviso.

35.8. (DMH: Lease Payments to SFAA for SVP Program) In the current fiscal year, funds appropriated and authorized to the Department of Mental Health for Lease Payments to the State Fiscal Accountability Authority for the Sexually Violent Predator Program are exempt from any across-the-board base reductions.

SECTION 36 - J160 - DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS

36.7 **AMEND** (Unlicensed Medication Providers) Authorizes the department to license or certify select unlicensed persons in community-based programs to provide select medications. Limits the medications allowed to be administered. Requires the department to establish curriculum and standards for training and oversight. Directs that this provision does not apply to an intermediate care facility for individuals with intellectual and/or related disability.

WMC: AMEND proviso to change “selected” to “designated” unlicensed persons. Direct that unlicensed persons must have documented “successful completion of” medication training and direct that in addition to nurses, “licensed pharmacists and licensed medical doctors” may train and supervise designated unlicensed persons to provide medication. Amend the type of medications designated unlicensed persons may provide. Require a written or electronic record about each medication be provided as part of the provision of medication. Direct that nurses, pharmacists and medical doctors that train, approve, and supervise designated unlicensed persons shall be protected against tort liability. Requested by Department of Disabilities and Special Needs.

HOU: ADOPT proviso as amended.

36.7. (DDSN: Unlicensed Medication Providers) The provision of selected prescribed medications may be performed by ~~selected~~ designated unlicensed persons in community-based programs sponsored, licensed or certified by the South Carolina Department of Disabilities and Special Needs, provided ~~such selected~~ the unlicensed persons have documented successful completion of medication training and ~~skill~~ competency evaluation. Licensed nurses, licensed pharmacists and licensed medical doctors may train and supervise ~~selected~~ designated unlicensed persons to provide medications and, after reviewing competency evaluations, may approve ~~selected~~ designated unlicensed persons for the provision of medications. The provision of medications by ~~selected~~ designated unlicensed persons is limited to oral, sublingual, buccal, and topical, inhalation and transdermal medications; ear drops, eye drops, nasal sprays, injections of ~~and to~~ regularly scheduled insulin and injections of prescribed anaphylactic treatments, ~~under established medical protocol and does not include~~ The provision of medications

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

by designated unlicensed persons does not include rectal and vaginal medications, sliding scale insulin or other injectable medications. A written or electronic record regarding each medication provided, including time and amount administered, is required as part of the provision of medication. Provision of medication does not include judgment, evaluation or assessment by the designated unlicensed persons. The ~~selected~~ designated unlicensed persons and the nurses, pharmacists and medical doctors that train, approve, and supervise these staff shall be protected against tort liability provided their actions are within the scope of their job duties and the established medical protocol.

The Department of Disabilities and Special Needs shall establish curriculum and standards for training and oversight.

This provision shall not apply to a facility licensed as an intermediate care facility for individuals with intellectual and/or related disability.

- 36.16** **ADD** (Beaufort DSN Facility) **WMC:** ADD new proviso to authorize the department to retain the full amount of proceeds from the sale of the local DSN Board of Beaufort County property. Direct that funds from the sale must be used to purchase new property for the local DSN Board that better meets the needs of those served. Authorize unexpended funds to be carried forward and used for the same purpose. Direct the department to provide a status report to the Beaufort County Legislative Delegation by June 30, 2018 that details the retention of any sale proceeds and/or expenditures of the funds.
HOU: ADOPT new proviso.

36.16. (DDSN: Beaufort DSN Facility) For Fiscal Year 2017-18, the Department of Disabilities and Special Needs is authorized to retain the full amount of proceeds from the sale of the local Disabilities and Special Needs Board of Beaufort County property. The funds retained from this sale must be used by the department to purchase a new property for the local Disabilities and Special Needs Board in Beaufort County that more appropriately meets the needs of the individuals served. Unexpended funds may be carried forward into the current fiscal year and used for the same purpose. The department must provide a status report to the Beaufort County Legislative Delegation by June 30, 2018, detailing the retention of any sale proceeds and/or the expenditures of those funds.

SECTION 38 - L040 - DEPARTMENT OF SOCIAL SERVICES

- 38.3** **AMEND** (~~Foster Children~~ Burial *Expenses*) Directs that the expenditure of funds allocated for burials of foster children not exceed \$1,500 per burial.
WMC: AMEND proviso to include adults who are in DSS custody. Requested by Department of Social Services.
HOU: ADOPT proviso as amended.

38.3. (DSS: ~~Foster Children~~ Burial *Expenses*) The expenditure of funds allocated for burials of foster children and adults in the custody of the Department of Social Services shall not exceed one thousand five hundred dollars per burial.

- 38.27** **ADD** (Wilderness Therapeutic Camps) **WMC:** ADD new proviso to direct DSS to make and promulgate any licensing standards rules and regulations necessary to carry out the purposes of Article 1 of Title 63, Chapter 11 [CHILD WELFARE AGENCIES] as applied to Wilderness Therapeutic Camps. Define "Wilderness Therapeutic Camp."

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

HOU: ADOPT new proviso.

38.27. (DSS: Wilderness Therapeutic Camps) The Department of Social Services shall make and promulgate such rules and regulations relating to licensing standards and other matters as may be necessary to carry out the purposes of Title 63, Chapter 11, Article 1 of the 1976 Code as applied to Wilderness Therapeutic Camps. For this purpose, a "Wilderness Therapeutic Camp" is a therapeutic camp organization or facility with an outdoor or wilderness focus that is engaged in receiving children for care and maintenance, either part or full time, but shall not include any summer camp, day camp, or after school program, and shall also not include any other outdoor education or youth development program or facility where participants usually attend for less than 15 days, and does not include any licensed residential group care organization, child caring institution or group home or facility that meets the facility requirements of S.C. Code of Regulations Section 114-590.

38.28 **ADD** (Group Home Transition) **HOU:** ADD new proviso to direct the department to provide financial and administrative support to group homes to enable any necessary transition of services or the development of new service models for children and young adults. Direct that group homes with young adults ages 18 to 23 are not required to provide 24 hour face to face supervision. Sponsor: Rep. Finlay.

38.28. (DSS: Group Home Transition) For the current fiscal year, the Department of Social Services shall provide financial and administrative support and flexibility to Group Homes in order to best enable any necessary transition of services or the development of new service models for children and young adults. Group Homes with young adults between the ages of 18 to 23 years residing in approved and supervised independent living programs shall not be required to provide 24 hours per day face to face supervision for the resident. Regulatory and contractual requirements must not be different for supervision and staff ratios when a young adult aged 18 to 23 is a resident in an approved and supervised independent living program.

SECTION 42 - L320 - HOUSING FINANCE AND DEVELOPMENT AUTHORITY

42.5 **ADD** (Housing Trust Fund Disaster Initiative) **WMC:** ADD new proviso to exclude Housing Trust Fund Disaster Initiative funds from the calculation of the percentage of trust fund expenditures per county. Requested by Housing Finance and Development Authority.

HOU: ADOPT new proviso.

42.5. (HFDA: Housing Trust Fund Disaster Initiative) Funds allocated, granted, or awarded under the Housing Trust Fund's Disaster Initiative shall not be included when calculating the percentage of trust fund expenditures per county.

SECTION 44 - P160 - DEPARTMENT OF AGRICULTURE

44.6 **DELETE** (Farmers Market Revenue) Requires revenues from the sale of the State Farmers Market be deposited into a separate restricted special account under the State Fiscal Accountability Authority; authorizes the funds and accrued interest to be used to relocate and reestablish the State Farmers Market after JBRC and SFAA approval.

WMC: DELETE proviso. Requested by Department of Agriculture.

HOU: ADOPT deletion of proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~44.6. (AGRI: Farmers Market Revenue) The revenues associated with the sale of the State Farmers Market shall be deposited into a separate restricted special account under the authority of the State Fiscal Accountability Authority. These funds and accrued interest may only be expended for relocating and reestablishing the State Farmers Market after approval by the Joint Bond Review Committee and the State Fiscal Accountability Authority.~~

SECTION 47 - P240 - DEPARTMENT OF NATURAL RESOURCES

47.11 **ADD** (Water Recreation Resources Fund) **WMC:** ADD new proviso to allow the department to use the Water Recreation Resources Fund gasoline user fees for programs that support water and marine resources in addition to its current authorized uses. *Agency states that expanding use of the funds for Marine Resources will help in addressing needs of a growing salt-water recreational activity segment; while expanding use to the Water Resources section will allow for the further enhancement of water monitoring across the state.* Fiscal Impact: RFAO states this would have no expenditure or revenue impact on the General Fund, Federal Funds or Other Funds. Requested by Department of Natural Resources.
HOU: ADOPT new proviso.

47.11. (DNR: Water Recreation Resources Fund) For the current fiscal year, from the portion of the gasoline user fee distributed to the Water Recreation Resources Fund, in addition to the current authorized department uses, the department may extend use to programs supporting water resources and marine resources.

47.12 **ADD** (Saltwater License Revenue) **WMC:** ADD new proviso to allow the department to use the law enforcement portion of certain license fees to support the operations of the Marine Resources Division or for deferred maintenance on division facilities and ocean research vessel maintenance. *Agency states this would allow for deferred maintenance deficiencies to be addressed.* Fiscal Impact: RFAO states this would have no expenditure or revenue impact on the General Fund, Federal Funds or Other Funds. Requested by Department of Natural Resources.
HOU: ADOPT new proviso.

47.12. (DNR: Saltwater License Revenue) For the current fiscal year, from the fees collected by the department for any recreational saltwater, shrimp baiting, charter vessel and saltwater fishing pier license issued for this fiscal year, the department may designate the law enforcement portion to be used in whole or in part to support the operations of the Marine Resources Division operations. The department may also designate a portion of the law enforcement fees for deferred maintenance on Marine Resources Division facilities and ocean research vessel maintenance.

SECTION 49 - P280 - DEPARTMENT OF PARKS, RECREATION, AND TOURISM

49.16 **ADD** (Palmetto Pride) **HOU:** ADD new proviso to prohibit funds from being used for any beautification project. Restrict use to recycling, reducing litter and education only. Sponsors: Reps. Erickson and Thayer.

49.16. (PRT: Palmetto Pride) The funds distributed through Section 14-1-208(10) of the 1976 Code to the Governor's Task Force on Litter shall only be utilized by Palmetto Pride for

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

the purpose of recycling, reducing litter, and education and shall not be used for beautification projects of any kind.

- 49.17** **ADD** (Welcome Center Complex Mowing) **HOU:** ADD new proviso to direct the department to mow the outer edge of the pavement of the adjacent highway, the highway control of access right of way line and all boundaries surrounding state welcome center complexes. Sponsor: Rep. Hixon.

49.17. (PRT: Welcome Center Complex Mowing) Of the funds appropriated for State Welcome Centers, the department is directed to ensure that at every Welcome Center complex, the outer edge of the pavement of the adjacent highway, the highway control of access right of way line, and all boundaries surrounding the complex must be mowed in a manner to ensure that the entirety of the grounds are uniform in appearance.

SECTION 50 - P320 - DEPARTMENT OF COMMERCE

- 50.13** **AMEND** (Regional Economic Development Organizations) Designates funding for Regional Economic Development Organizations and provides a mechanism by which the funds should be distributed.

WMC: AMEND proviso to update fiscal year reference to 2017-18.

HOU: ADOPT proviso as amended.

50.13. (CMRC: Regional Economic Development Organizations) The Department of Commerce shall utilize \$5,000,000 appropriated in Fiscal Year ~~2016-17~~ 2017-18 for Regional Economic Development Organizations to provide funds to the following economic development organizations and must be disbursed as follows:

- | | |
|--|-----------------|
| (1) Upstate Alliance | \$ 750,000; |
| (2) Central SC Economic Development Alliance | \$ 750,000; |
| (3) North Eastern Strategic Alliance (NESA) | \$ 745,000; |
| (4) Charleston Regional Development Alliance | \$ 660,000; |
| (5) I-77 Alliance | \$ 660,000; |
| (6) Economic Development Partnership | \$ 450,000; |
| (7) Southern Carolina Alliance | \$ 460,000; and |
| (8) The LINK Economic Alliance | \$ 385,000. |

Each dollar of state funds must be matched with one dollar of private funds. The organization receiving state funds must certify that the private funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development. No funds appropriated in this proviso may be used for routine operating costs of the organization as defined by the Department of Commerce.

The remaining \$140,000 shall be provided to Beaufort County, provided it meets the requirements established above.

Upon receipt of the request for the funds and certification of the matching funds, the Department of Commerce shall disburse the funds to the requesting organization.

Funds recipients shall provide an annual report by November first, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee and the Secretary of Commerce on the expenditure of the funds and on the outcome measures.

Any unexpended, unallocated, or undistributed funds appropriated in prior fiscal years for Regional Economic Development Organizations shall first be made available to Regional

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

Economic Development Organizations and any remainder shall be transferred to the Rural Infrastructure Fund at the Department of Commerce. If more than one alliance applies for the same funds, the funds will be distributed pro-rata.

- 50.19 DELETE** (Water System Corrective Action Plan) Redirects the non-recurring \$500,000 appropriated in Act 91 of 2015 for the Hartsville Downtown Revitalization - Center Theater to the Town of Lamar for the Water System Corrective Action Plan.

WMC: DELETE proviso. *Funds were redirected in FY 2016-17.* Requested by Department of Commerce.

HOU: ADOPT deletion of proviso.

~~**50.19.** (CMRC: Water System Corrective Action Plan) The \$500,000 appropriated through the Department of Commerce for the Hartsville Downtown Revitalization - Center Theater (Requires 2:1 Match) in Act 91 of 2015 by proviso 118.14(B)(42)(i) shall be redirected to the Town of Lamar for the Water System Corrective Action Plan.~~

SECTION 53 - P40-S.C. CONSERVATION BANK

- 53.1 AMEND** (Conservation Bank Trust Fund) Requires the South Carolina Conservation Bank to receive all revenues designated for it under Sections 12-24-95 [STATE DEED RECORDING FEE CREDITED TO SOUTH CAROLINA CONSERVATION BANK TRUST FUND] and 12-24-97 [STARTING DATE FOR TRANSFERS ON WHICH FEE BASED].

WMC: AMEND proviso to suspend revenues to the Conservation Bank pursuant to Section 12-24-95 of the 1976 Code.

HOU: ADOPT proviso as amended.

~~**53.1.** (CB: Conservation Bank Trust Fund) All revenues designated for the South Carolina Conservation Bank pursuant to Sections 12-24-95 and 12-24-97 of the 1976 Code must be credited to the South Carolina Conservation Bank Trust Fund. For Fiscal Year 2017-18, the provisions of Section 12-24-95 of the 1976 Code are suspended.~~

SECTION 57 - B040 - JUDICIAL DEPARTMENT

- 57.5 AMEND** (Judicial Expense Allowance) Provides a \$500 monthly expense allowance to full time judges.

WMC: AMEND proviso to change “five hundred” to “one thousand” dollars per month. Fiscal Impact: Agency states a projected fiscal impact of \$800,000. Requested by South Carolina Judicial Department.

HOU: ADOPT proviso as amended.

57.5. (JUD: Judicial Expense Allowance) Each Supreme Court Justice, Court of Appeals Judge, Family Court Judge and Circuit Court Judge and any retired judge who receives payment for performing full-time judicial duties pursuant to Section 9-8-120 of the South Carolina Code of Laws, shall receive ~~five hundred~~ one thousand dollars per month as expense allowance.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

SECTION 63 - K050 - DEPARTMENT OF PUBLIC SAFETY

- 63.7** **DELETE** (Hours of Service Rest Requirements) Directs DPS to establish a policy to allow commercial motor vehicle drivers who are involved in intrastate commerce to use time waiting in their trucks while on the job to satisfy any hours of the 30 minute rest requirements.
WMC: DELETE proviso. *Agency states it has satisfied the requirements of this proviso.*
Requested by Department of Public Safety.
HOU: ADOPT deletion of proviso.

~~**63.7.** (DPS: Hours of Service Rest Requirements) Of the funds directed to the Department of Public Safety, the department shall expend the necessary funds to establish a policy to allow drivers of commercial motor vehicles engaged in intrastate commerce to use time waiting in their trucks while on the job to satisfy any hours of service thirty minute rest requirements. The policy shall then be printed and distributed to the Senate Transportation Committee and the House of Representatives Education and Public Works Committee. In addition, the policy shall be provided to any motor carrier who requests a copy. The department is further instructed to allow the Motor Carrier Advisory Committee to review options that may facilitate adoption of allowable variances from state and federal statutes, rules, and regulations, as well as specific relief for interstate border zone operations.~~

- 63.9** **ADD** (Overtime Pay) **WMC:** ADD new proviso to require the department to pay current law enforcement officers, by October 1, for any comp time earned and not used in the prior fiscal year. Direct the department to use personal services and/or employer contributions carried forward funds for this purpose.
HOU: ADOPT new proviso.

63.9. (DPS: Overtime Pay) The department is authorized and required to pay current law enforcement officers, by October 1st of the current fiscal year, for any compensatory time earned and not used in the prior fiscal year. The funds for this compensation must be provided from available personal services and/or employer contributions funds carried forward from the prior fiscal year.

SECTION 65 - N040 - DEPARTMENT OF CORRECTIONS

- 65.18** **AMEND** (Special Assignment Pay Level 2 & 3 Facilities) Directs that funds appropriated for special assignment pay are to address vacancies and turnover by providing pay differential for certain correctional officers, nursing staff, and food service staff at Level II and III facilities.
WMC: AMEND proviso to delete the directive that special assignment pay is a percentage of the base salary and shall not exceed the specified percentages. Delete references to previous staff categories and percentages assigned to each and add Cadets, Correctional Officers, Corporals I and II, Sergeants and Lieutenants; Captains and Majors; Nursing Staff, Food Services Staff, and Warden.
HOU: ADOPT proviso as amended.

65.18. (CORR: Special Assignment Pay Level 2 & 3 Facilities) Funds appropriated for special assignment pay at the Department of Corrections are for the purpose of addressing vacancies and turnover of staff by providing a pay differential for certain employees assigned to institutions with a Level II or Level III security designation. The funds are to be used for special

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

assignment pay only and may not be transferred to any other program. If the employee leaves one of the qualifying job classes or leaves a Level II or Level III institution for a non-Level II or non-Level III facility, they shall no longer be eligible for this special assignment pay. Only employees in full-time equivalent positions are eligible for this special assignment pay.

The special assignment pay is not a part of the employee's base salary, ~~but is a percentage thereof, and is to be paid so as not to exceed the percentages specified below~~ and is as determined by the Director of the Department of Corrections at Level II and Level III institutions:

- (1) Cadets;
- (2) Correctional Officers, including Class Code JD-30 (Officer I and II positions);
- (3) Corporals I and II;
- (4) Sergeants and Lieutenants;
- (5) Captains and Majors;
- (6) Nursing Staff;
- (7) Food Services Staff; and
- (8) Warden.

(A) At Level II institutions:

- ~~(1) four percent for Correctional Officers including Class Code JD-30 (cadets and Officer I and II positions) and Corporals I and II;~~
- ~~(2) two percent for Sergeants and Lieutenants;~~
- ~~(3) one percent for Captains and Majors;~~
- ~~(4) two percent for Nursing staff; and~~
- ~~(5) two percent for Food Service staff.~~

(B) At Level III institutions:

- ~~(1) eight percent for Correctional Officers including Class Code JD-30 (cadets and Officer I and II positions) and Corporals I and II;~~
- ~~(2) three percent for Sergeants and Lieutenants;~~
- ~~(3) one percent for Captains and Majors;~~
- ~~(4) three percent for Nursing staff; and~~
- ~~(5) three percent for Food Service staff.~~

SECTION 74 - R080 - WORKERS' COMPENSATION COMMISSION

74.1 **DELETE** (Medical Services Provider Manual Revenue) Allows the commission to retain the revenue from the sale of Medical Services Provider Manual to fund the printing and distribution of future editions of the schedule.

WMC: DELETE proviso. *The commission no longer sells or receives revenue from the manual.*
Requested by Workers' Compensation Commission.

HOU: ADOPT deletion of proviso.

74.1. (WCC: Medical Services Provider Manual Revenue) ~~All revenue earned from the sale of the commission's publication Medical Services Provider Manual shall be retained by the agency to be used for the printing and distribution of subsequent revised editions of the schedule.~~

SECTION 79 - R230 - BOARD OF FINANCIAL INSTITUTIONS

79.2 **DELETE** (National Mortgage Settlement Carry Forward) Authorizes the Consumer Finance Division to retain, expend, and carry forward State-Federal National Mortgage Settlement funds received for enforcement and regulation.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

WMC: DELETE proviso. *Funds received from the settlement have been expended.* Requested by Board of Financial Institutions.

HOU: ADOPT deletion of proviso.

~~79.2. (FI: National Mortgage Settlement Carry Forward) Funds received by the Consumer Finance Division pursuant to the State Federal National Mortgage Settlement for enforcement and regulation may be retained, expended, and carried forward from the prior fiscal year into the current fiscal year and used for the same purposes.~~

SECTION 82 - R400 - DEPARTMENT OF MOTOR VEHICLES

82.2 **DELETE** (Publish Headquarters Call Center Telephone Number) Directs DMV to publish the telephone number of the Headquarters Call Center in each county.

WMC: DELETE proviso. *Phone number is readily available therefore proviso is unnecessary.* Requested by Department of Motor Vehicles.

HOU: ADOPT deletion of proviso.

~~82.2. (DMV: Publish Headquarters Call Center Telephone Number) From the funds appropriated in Part IA, Section 82 to the Department of Motor Vehicles, it is the intent of the General Assembly that the Department of Motor Vehicles in each county should have the Headquarters Call Center telephone number published.~~

82.6 **DELETE** (Facial Recognition Program) Directs DMV to continue the Facial Recognition Program using their authorized funds.

WMC: DELETE proviso. *DMV states it will continue to pay for the program therefore proviso is unnecessary.* Requested by Department of Motor Vehicles.

HOU: ADOPT deletion of proviso.

~~82.6. (DMV: Facial Recognition Program) The Department of Motor Vehicles is directed to utilize the funds authorized for the agency to continue the Facial Recognition Program.~~

82.9 **DELETE** (DOT Transfer) Directs DMV to transfer \$10,000,000 from any available cash balances to the Non-Federal Aid Highway Fund at the DOT.

WMC: DELETE proviso. *DOT one-time transfer has been accomplished.* Fiscal Impact: Agency states that another \$10,000,000 transfer would eliminate the ability to use funds to complete the Phoenix III system. Requested by Department of Motor Vehicles.

HOU: ADOPT deletion of proviso.

~~82.9. (DMV: DOT Transfer) The Department shall transfer \$10,000,000 in the current fiscal year from any available cash balances to the Non-Federal Aid Highway Fund at the Department of Transportation.~~

82.11 **ADD** (Phoenix III Migration Pilot) **WMC:** ADD new proviso to authorize DMV, upon approval from DOA through the IT project governance process, to expend up to \$1,000,000 from any available other earmarked cash balances to conduct a proof-of-concept pilot for Phoenix III development and data migration.

HOU: ADOPT new proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

82.11. (DMV: Phoenix III Migration Pilot) In Fiscal Year 2017-18, the department shall be authorized to expend up to \$1,000,000 from any available other earmarked cash balances to conduct a proof-of-concept pilot for Phoenix III development and data migration. Funds may be expended only upon review and approval of the Department of Administration through the IT project governance process established by proviso 117.121.

SECTION 83 - R600 - DEPARTMENT OF EMPLOYMENT AND WORKFORCE

83.5 **AMEND** (UI Tax System Modernization) Authorizes DEW to expend up to \$300,000 of funds made available to the State under Section 903 of the U.S. Social Security Act. Directs the funds to be used to replace the agency's unemployment tax information system with a modern technology solution. Prohibits the funds from being obligated after a 2-year period beginning July 1, 2015.

WMC: AMEND proviso to change "\$300,000" to "\$1,743,930" and update two-year period reference from "2015" to "2017." *Agency states Reed Act funds will be used to fund a portion of the agency's unemployment tax system modernization project.* Fiscal Impact: Agency states there would be up to \$1,743,930 of other funds will be utilized to fund a portion of the project. Requested by Department of Employment and Workforce.

HOU: ADOPT proviso as amended.

83.5. (DEW: UI Tax System Modernization) The Department of Employment and Workforce is authorized to expend up to ~~\$300,000~~ \$1,743,930 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of acquiring software, equipment, and necessary services to replace the agency's unemployment tax information system with a modern technology solution. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2015~~ 2017. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and required by law to be charged against the amounts transferred to the account of this State.

83.6 **AMEND** (Employment Training Outcomes Data Sharing) Directs DEW to require training and employment data integration; establish a Governance Policy; and develop a model data-sharing agreements with various agencies and entities.

WMC: AMEND proviso, item (A) to delete reference to "partner collaboration and sharing responsibilities" and change "2016" to "2017." Amend item (B) to change "July 22, 2016 to July 1, 2017;" delete the requirement that DEW "develop a model" and instead "enter into a" data sharing agreement; require ETPs submit "personally identifiable information" data "for the purpose of assessing program effectiveness." Delete language referencing the North American Industry Classification (NAIC) System and the Standard Occupation Classification (SOC) System. Delete items (C) (D) and (E) which reference deleting model data sharing agreements with specific entities. *DEW proposes deleting language referencing NAICS and SOC until a system for acquiring occupational data such as SOC is developed. Items C through E are deleted because the directives are duplicative due to the passage of Act 252 of 2016.* Requested by Department of Employment and Workforce.

HOU: ADOPT proviso as amended.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

83.6. (DEW: Employment Training Outcomes Data Sharing) The Department of Employment and Workforce, in developing the Workforce and Labor Market Information System (WLMIS) improvements required of the Workforce Innovation and Opportunity Act (WIOA) (P.L. 113-128), will require integration of training and employment data for the purposes of improving longitudinal assessment of employment outcomes for the various training providers eligible to receive funding appropriated or authorized by this Act.

(A) As the entity with authority for the oversight and maintenance for the WLMIS, the department shall establish a Governance Policy for the management, development, and security, partner collaboration, and sharing responsibilities no later than July 1, 2016 ~~2017~~.

(B) No later than July ~~22, 2016~~ 1, 2017, the department must ~~develop a model~~ enter into a data-sharing agreement with eligible training providers (ETPs). As specified by the WIOA Act, this agreement will require ETPs to submit personally identifiable information (PII) data related to the types of training programs offered, individual student coursework ~~and outcomes~~, program completion and time to complete, program costs, and tuition assistance for the purpose of assessing program effectiveness. ~~It will further require reporting of personally identifiable information (PII) to match training and employment data to determine placement in companies and jobs by the North American Industry Classification (NAIC) System and Standard Occupation Classification (SOC) System and other information necessary for the department to accurately and completely assess the effectiveness and return on investment of all training programs offered by the entity.~~

~~(C) No later than January 1, 2017, the department must develop a model data sharing agreement with the Department of Education, the Center for Educator Recruitment, Retention and Advancement, and the Education Oversight Committee, the Vocational Rehabilitation Department, and the Commission on Higher Education to capture and match data as enumerated in item (B) of this provision. This agreement will ensure collaborative sharing of matched data with each partner agency for the purpose of program assessment and effectiveness in compliance with state and federal laws.~~

~~(D) The department and the South Carolina Student Loan Corporation shall, by January 1, 2017, enter into a data sharing agreement to determine the average debt load carried by individuals who participate in training programs with eligible training providers. This agreement will ensure collaborative sharing of matched data for the purpose of program assessment and effectiveness in compliance with state and federal laws.~~

~~(E) No later than June 30, 2017, the department must develop a model data sharing agreement with the Department of Social Services to capture data related to New Hire status and social service data and with the Department of Labor, Licensing and Regulation to capture licensing and licensing related data. This agreement will ensure collaborative sharing of matched data for the purpose of program assessment and effectiveness in compliance with state and federal laws.~~

SECTION 84 - U120 - DEPARTMENT OF TRANSPORTATION

84.9 DELETE (Tree Removal) Prohibits DOT from using their authorized funds for tree removal or other similar activities in the median of I-26 from mile marker 170 to mile marker 199 between Summerville and I-95.

WMC: DELETE proviso. *The project is complete.* Requested by Department of Transportation.

HOU: ADOPT deletion of proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

84.9. (DOT: Tree Removal) ~~The Department of Transportation is prohibited from using funds authorized by this act for clear cutting, or other similar activities, in the median of Interstate 26 from approximately mile marker 170 to approximately mile marker 199 between Summerville and Interstate 95, except for the following mile marker locations: 170 to 171, 175 to 176, 182 to 183, 187 to 191, and 193 to 199.~~

84.12 DELETE (CTC Project Expansion) Limits CTC to utilize no more than 20% of funds for ancillary initiatives that improve economic development or safety in areas adjacent to roads under its jurisdiction and defines ancillary initiatives for this purpose. Directs that if the CTC spends funds for this purpose, it must document the related anticipated results on economic development or safety.

WMC: DELETE proviso. *Agency states funds were distributed to CTCs in Fiscal Year 2015-16 in accordance with H.4230 of 2015 and therefore proviso is unnecessary.* Requested by Department of Transportation.

HOU: ADOPT deletion of proviso.

~~**84.12.** (DOT: CTC Project Expansion) Of the funds distributed to County Transportation Committees (CTC), no more than twenty percent may be utilized for ancillary initiatives that improve the areas adjacent to roads under their jurisdiction for economic development or safety purposes. Ancillary initiatives may include, but are not limited to, drainage improvements, signage, lighting, sidewalks and other safety or economic development related projects. If a CTC expends funds pursuant to this provision, the CTC must document the anticipated results on economic development or safety relative to the project.~~

84.15 ADD (Local Road Transfer) **HOU:** ADD new proviso to authorize the department to remove a road from the state highway system and for a county or municipal governing authority to assume maintenance of the road upon receipt of a proper resolution submitted by a county or municipal governing authority. Authorize the department to provide a thing of value as a condition of transfer such as credits towards future construction projects, payment from CTC funds, or debt satisfaction and require the condition be agreed to in writing by all parties. Sponsor: Rep. Simrill.

84.15. (DOT: Local Road Transfer) The Department of Transportation, upon receipt of a proper resolution submitted by a county or municipal governing authority to the Secretary of Transportation indicating its conditions, willingness, and desire to incorporate into the county or municipal road system a road on the state highway system and to assume the maintenance thereof, may at its discretion accept the resolution and remove the road from the state highway system, and it shall thereafter form a part of the county or municipal road system.

As a condition of such transfer, the department may provide a thing of value, including but not limited to credits towards future construction projects, payment of funds from the state's share of the County Transportation Committee funds, or satisfaction of debt owed to the department. Such thing of value may be equal to the amount of the present value of the forty-year projected future maintenance cost of the road to be transferred and may be funded by the state's share of the County Transportation Committee funds. Any such condition of transfer shall be agreed to in writing by all parties.

84.16 ADD (Rest Areas Contractual Payments) **HOU:** ADD new proviso to direct the department to ensure that firms contracted to service rest areas pay their employees in a timely payment. Direct

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

the department to delay payment to a contracted firm by the same number of days the firm is late paying their employees. Sponsor: Rep. Cobb-Hunter.

84.16. (DOT: Rest Areas Contractual Payments) The Department of Transportation is directed to ensure that firms the department contracts with to perform services at South Carolina Rest Areas pay their employees for performing such services in a timely manner. If the department determines that the contracted firm does not pay these employees in a timely manner, the department shall delay the next contractual payment to the firm by the same number of days that payment to its contracted employees was delayed.

SECTION 85 - U150 - INFRASTRUCTURE BANK BOARD

- 85.1 ADD** (Board Meeting Coverage) **WMC:** ADD new proviso to direct the Transportation Infrastructure Bank Board to provide live-streamed coverage of all Board meetings.
HOU: ADOPT new proviso.

85.1. (IBB: Board Meeting Coverage) Of the funds authorized for the State Transportation Infrastructure Bank Board, the Bank must provide live-streamed coverage of all Board meetings to ensure transparency and access for the public.

SECTION 88 - Y140 - STATE PORTS AUTHORITY

- 88.1 AMEND** (Charleston Cooper River Bridge Project) Directs the State Ports Authority to pay the State Transportation Infrastructure Bank \$1,000,000 before June 30, 2017 to continue the Charleston Cooper River Bridge Project.
WMC: AMEND original proviso to change July 1, “2016” to “2017” and June 30, and “2017” to “2018.” *Meets the obligations of the State Ports Authority and the State Infrastructure Bank’s financial agreement.* Fiscal Impact: No impact on the General Fund. The funds used to pay the Transportation Infrastructure Bank are operating funds of the Ports Authority, none of which are state appropriated funds. Generates \$1,000,000 for the State Transportation Infrastructure Bank. Per the Ports Authority, the commitment of the agency is to provide \$1,000,000 per year for 25 years, until 2027. Requested by State Ports Authority.
HOU: ADOPT proviso as amended.

88.1. (SPA: Charleston Cooper River Bridge Project) The State Ports Authority shall, from other general fund or operating fund surplus available and any funds appropriated to the authority in prior fiscal years and left unexpended as of July 1, ~~2016~~ 2017, pay to the State Transportation Infrastructure Bank one million dollars before June 30, ~~2017~~ 2018, to continue the Charleston Cooper River Bridge Project.

- 88.5 DELETE** (Jasper Ocean Terminal Permitting) Designates \$1,000,000 of the funds allocated for the Jasper Ocean Terminal Permitting for a contract for the permitting process that the Corps of Engineers were previously scheduled to handle. Prohibits the Ports Authority from spending these funds until a contract is executed. Requires funds not committed by the contract to be returned to the General Fund at the end of FY 2017-18.
WMC: DELETE proviso. Requested by State Ports Authority.
HOU: ADOPT deletion of proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

88.5. (SPA: Jasper Ocean Terminal Permitting) ~~Of the funds allocated to the Ports Authority for the Jasper Ocean Terminal Permitting, \$1,000,000 is designated for a contract for the permitting process that was previously scheduled to be handled by the Corps of Engineers. This funding may not be expended by the Ports Authority until a contract is executed. Additionally, any funds not committed by this contract must be returned to the General Fund at the end of Fiscal Year 2016-17.~~

SECTION 91 - A990 - LEGISLATIVE DEPARTMENT

91.23 **AMEND** (Technology Panel) Directs the K-12 Technology Initiative partnership to provide a report that describes the state's efforts to facilitate providing cost effective connectivity and internet bandwidth to schools and libraries statewide and to report on certain technology related activities by June 1, 2017.

WMC: AMEND proviso to specify that the funds referenced are appropriated in SDE program VIII.D. and update report due date to June 1, "2018." Requested by Department of Administration.

HOU: ADOPT proviso as amended.

91.23. (LEG: Technology Panel) Of the funds appropriated in ~~XII.E.2.~~ *the Department of Education's program VIII.D.* for Technology the K-12 Technology Initiative partnership shall provide a report to the House Education and Public Works Committee, the House Ways and Means Committee, the Senate Education Committee and the Senate Finance Committee, describing the state's efforts to facilitate the cost effective provision of connectivity and internet bandwidth to schools and libraries on a statewide basis, regardless of location, activities to assist schools and libraries in minimizing and detecting internet security threats, the development and utilization of technological and online resources to support student development and achievement, the development and utilization of curriculum and professional training to support the use of instructional technology in schools and libraries, and other educational technology related activities engaged in by the partnership. Further, the report must detail information on the expenditure of the K-12 Technology funds by each district as well as a list of the districts requesting flexibility in the use of those funds. The report shall be submitted no later than June 1, ~~2017~~ 2018.

SECTION 93 - D500 - DEPARTMENT OF ADMINISTRATION

93.11 **AMEND** (Crime Victims Ombudsman) Directs the State Office of Victim's Assistance to transfer \$85,000 to the Crime Victims Ombudsman's Office for administrative and operations support.

WMC: AMEND proviso to change "\$85,000 to \$116,000." *Adjustments to funding amounts are needed to cover increased operating costs, payroll and employer contributions.* Fiscal Impact: Agency states there would be an increase in other fund expenditures of \$31,000 and is necessary as the carry forward funds for the Crime Victims Ombudsman Office will be depleted in FY 2018-19. Requested by Department of Administration.

HOU: ADOPT proviso as amended.

93.11. (DOA: Crime Victims Ombudsman) For the current fiscal year, the State Office of Victims Assistance shall transfer ~~\$85,000~~ \$116,000 to the Crime Victims Ombudsman's Office to be used for administrative and operational support.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

93.13 DELETE (Carillon Tower) Directs the DOA OEPP Veterans' Affairs Program to use any M.J. "Dolly" Cooper Veterans Cemetery carry forward funds to build the Carillon Tower to house the bell tower music sound system for the cemetery.

WMC: DELETE proviso. *Project is complete.* Requested by Department of Administration.

HOU: ADOPT deletion of proviso.

~~**93.13.** (DOA: Carillon Tower) The Department of Administration, Office of Executive Policy and Programs, Veterans' Affairs Program shall use any carry forward funds authorized for the M.J. "Dolly" Cooper Veterans Cemetery to construct the Carillon Tower to house the sound system used to provide bell tower music for the cemetery.~~

93.25 AMEND (Emerging Leaders Program) Directs DOA Office of Human Resources to establish an Emerging Leaders Program designed to identify and develop the next generation of state government leaders. Requires the plans for the program be completed in time for the first cohort of participants to be selected by June 30, 2017.

WMC: AMEND proviso to update calendar year reference to "2018."

HOU: ADOPT proviso as amended.

93.25. (DOA: Emerging Leaders Program) (A) With the funds appropriated to the Office of Human Resources, the Department of Administration shall establish an Emerging Leaders Program (ELP) that is designed to identify and develop the next generation of South Carolina state government's leaders by attracting and/or retaining imminent or recent graduates of relevant post-baccalaureate programs to careers in public service. In order to cultivate effective and innovative leaders with demonstrated problem-solving capabilities, the program shall be cohort-based and require participants to complete rotations in a variety of functional roles that focus on budgeting, policymaking, operations/service delivery, and other appropriate/elective fields. These rotations shall be augmented by and interspersed with classroom-based modules on organizational behavior, decision-making processes, principles of leadership, and other appropriate topics. The program's ultimate design shall reflect the department's assessment of best practices in both public-sector and private-sector management and/or leadership development programs.

(B) Plans for the program shall be completed in time for the first cohort of participants to be selected by June 30, ~~2017~~ 2018.

93.29 DELETE (Competitive Grants Review Committee) **WMC:** ADD new proviso to create the Competitive Grants Review Committee within DOA to award community grants, that benefit South Carolina citizens, to political subdivisions and nonprofit organizations in the areas of health, environmental, travel, tourism, economic development and parks and recreation. Direct that the Governor, President Pro Tempore of the Senate, Speaker of the House of Representatives, and Chairmen of the Senate Finance and House Ways and Means Committees each appoint one member. Require the committee to meet at least twice a year to review grant applications. Direct that staff is to be provided by DOA. Direct the committee, in consultation with Senate Finance and House Ways and Means Committees staff, to establish guidelines. Direct grant funding shall come from the Litigation Recovery Account as provided in this act.

HOU: DELETE new proviso. Sponsor: Rep. White.

93.29. (DOA: Competitive Grants Review Committee) DELETED

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

SECTION 95 - E040 - OFFICE OF THE LIEUTENANT GOVERNOR

95.5 **AMEND** (Home and Community-Based Services) Provides for the use, allocation, and carry forward of Home and Community-Based Services funds.

WMC: AMEND proviso to change technical references to allowable services. Authorize the Lieutenant Governor's Office on Aging to retain ¼ of 1% of the funds to monitor and oversee the program. Reduce from 5% to 3% the amount of funds which the Lt. Governor's Office on Aging may retain for allocation in case of a recognized emergency and/or natural disaster recognized by the Governor. Delete the requirement that funds be allocated based on the Intrastate Funding Formula methodology and instead direct that the formula be used as a guideline and direct the Lt. Governor's Office on Aging develop and implement a structured methodology to allocate the funding. *Reduction from 5% to 3% would provide more funds for core services to seniors.* Fiscal Impact: Agency states based on current appropriations 3% would provide \$329,160 for emergencies or natural disasters and ¼ of 1% would provide \$27,430 for monitoring. Requested by Lieutenant Governor's Office.

HOU: ADOPT proviso as amended.

95.5. (LTG: Home and Community-Based Services) State funds appropriated for Home and Community-Based Services shall be used to fund those services that most directly meet the goal of allowing seniors to live *safely and* independently at home. Allowable services *as defined in the Lieutenant Governor's State Plan* include: group dining, home delivered meals, transportation to group dining sites, transportation for essential trips, ~~Home Care Level I and II~~ *personal care (formerly Home Care Level I), homemaker (formerly Home Care Level II),* Home Chore, Home Modification, Legal Assistance, *and* Assessments, ~~and~~. Area Agencies on Aging (AAAs) may expend no more than ten percent for administrative services *and one-quarter of one percent shall be retained by the Lieutenant Governor's Office on Aging to provide monitoring and oversight of the program.* ~~All state funds appropriated for Home and Community Based Services are to be allocated to the AAAs based on the methodology of the Intrastate Funding Formula.~~ However, up to ~~five~~ *three* percent of the annual state appropriation for Home and Community-Based Services may be retained at the ~~state office~~ *Lieutenant Governor's Office on Aging* to be allocated *by the Lieutenant Governor's Office on Aging* to the affected regions in cases of a ~~recognized~~ *an* emergency and/or natural disaster *recognized by the Governor*. If these funds are not utilized in the fiscal year allocated, they are to be treated as carry forward funds and reallocated to the AAAs. *The Interstate Funding Formula shall be used as a guideline for the allocation of state funds appropriated for Home and Community-Based Services. The Lieutenant Governor's Office on Aging shall develop and implement a structured methodology to allocate the state Home and Community-Based Services funding. The methodology shall include flexibility to reallocate funds amongst the AAAs, and be composed of, at a minimum, the following factors: a minimum base amount, the fiscal year's federally allocated funds, federal and state carry forwards funds, and an appropriate weighted proportion that will achieve the mission of the Lieutenant Governor's Office on Aging to provide as many services as possible to the citizens of South Carolina.* ~~The AAAs are to~~ *Each AAA shall* submit a budget for approval by the Lieutenant Governor's Office on Aging indicating the services to be provided. Any unexpended *Home and Community-Base Services* funds in this program shall be carried forward *by the Lieutenant Governor's Office on Aging* and used for the same purposes. Funds may not be transferred from the Home and Community-Based special line item for any other purpose.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

95.7 DELETE (Referring Agency) Designates the Lieutenant Governor's Office on Aging as a "referring agency" to the 14 Community Action Agencies in the state and to OEPP, Office of Economic Opportunity for services for the elderly. Requires OEPP provide a report by September 1st to the Chairmen of the Senate Finance and House Ways and Means Committees on the status of all referrals received from the Lt. Governor's Office on Aging in the prior fiscal year.

WMC: DELETE proviso. *The agency states that the objective has been met.* Requested by Lieutenant Governor's Office.

HOU: ADOPT deletion of proviso.

~~**95.7.** (LTG: Referring Agency) The Lieutenant Governor's Office on Aging shall serve as a "referring agency" to the fourteen Community Action Agencies (CAAs) in South Carolina and to the Governor's Office of Executive Policy and Programs, Office of Economic Opportunity for services for the elderly population. The Governor's Office of Executive Policy and Programs shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by September first on all referrals received from the Lieutenant Governor's Office on Aging in the prior fiscal year and on the status of the referrals.~~

SECTION 99 - E190 - RETIREMENT SYSTEM INVESTMENT COMMISSION

99.1 AMEND (Retirement Investment Commission Audit) Suspends, for FY 2016-17, the requirement that the Inspector General employ a private audit firm to perform the fiduciary audit on the Retirement System Investment Commission and directs any savings from not conducting the audit be used to conduct the required PEBA audit.

WMC: AMEND proviso to update fiscal year reference to "2017-18."

HOU: ADOPT proviso as amended.

~~**99.1.** (RSIC: Retirement Investment Commission Audit) For Fiscal Year 2016-17 2017-18, the provisions of Section 9-16-380 requiring the Inspector General to employ a private audit firm to perform the fiduciary audit on the Retirement System Investment Commission as required by Section 9-16-380 of the 1976 Code shall be suspended. Any savings generated by not conducting the audit shall be used to conduct audits required by Section 9-4-40 of the 1976 Code.~~

99.2 DELETE (Semi-Annual Meetings) Requires the Retirement System Investment Commission appear semi-annually before the Ways and Means Committee's Legislative, Executive, and Local Government Subcommittee, at the subcommittee's request, in order to review quarterly investment reports and agency operations.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~**99.2.** (RSIC: Semi-Annual Meetings) The Retirement System Investment Commission shall be required to appear before House Ways and Means Committee's, Legislative, Executive and Local Government Subcommittee on a semi-annual basis at the request of the subcommittee. The purpose of the meeting shall include, but not be limited to, the review of quarterly investment reports and agency operations.~~

99.3 DELETE (Administrator Retention) Directs the Retirement System Investment Commission to retain 25% of the annual amount invoiced for its 3rd party administrator system to ensure the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

system's performance. Requires the funds be held in a retainage account and directs that they can only be distributed after satisfactory performance has been verified by the Investment Commission and Procurement Services. Authorizes undistributed funds to be carried forward and used for the same purpose.

WMC: DELETE proviso. *The 3rd party administrator's performance has been verified and the retained amount has been paid. The proviso is no longer necessary.* Requested by Retirement System Investment Commission.

HOU: ADOPT deletion of proviso.

~~**99.3.** (RSIC: Administrator Retention) The Retirement System Investment Commission shall retain twenty five percent of the annual amount invoiced for its third party administrator system for the purpose of ensuring the performance of the third party administrator. The funds must be held in a retainage account and may only be distributed after verification of satisfactory performance by the Investment Commission and Procurement Services pursuant to the service agreement with the third party administrator. All undistributed funds in the retainage account may be carried forward from the prior fiscal year and used for the same purpose.~~

99.4 **ADD** (Commissioner Salaries) **HOU:** ADD new proviso to direct that Retirement System Investment Commissioners annual salary shall be \$1 if they have served for more than 2 years. Sponsors: Reps. Taylor and Bradley.

99.4. (RSIC: Commissioner Salaries) For Fiscal Year 2017-18, any Retirement System Investment Commissioner who has served as a commissioner for longer than two years shall receive an annual salary of one dollar.

SECTION 100 - E240 - OFFICE OF ADJUTANT GENERAL

100.9 **AMEND** (Billeting and Dining Facility Operations) Authorizes Billeting and Dining Facility Operations revenue to be retained and expended in their budgeted operations or to support SCMD operations, including use for matching federal funds, and armory maintenance and operations.

WMC: AMEND proviso to delete the authorization to expend billeting and dining facility revenue to support SCMD operations and armory maintenance and operations. *Audit findings from US Property and Fiscal Accounting Office have determined that use of the funds for that purpose is not authorized.* Requested by Office of Adjutant General.

HOU: ADOPT proviso as amended.

~~**100.9.** (ADJ: Billeting and Dining Facility Operations) All revenues collected by the Billeting and Dining Facility operations at the R.L. McCrady Training Center shall be retained and expended in their budgeted operations or be expended in support of SCMD operations, including use for matching federal funds, and armory maintenance and operations. Expenditures from these funds shall be determined by the Billeting Committee for Billeting operations and the Deputy Adjutant General for state operations for the Dining Facility operation.~~

100.19 **AMEND** (2015 Flood Expenditure Status Report) Requires the Emergency Management Division to prepare a quarterly report on the status of the expenditure of "FEMA State and Local Match for 2015 Flooding" funds appropriated by proviso 118.16 and submit the report to the Chairmen of the Senate Finance and House Ways and Means Committees beginning September 30, 2016.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

WMC: AMEND proviso to direct that the quarterly expenditure report be for funds appropriated “in the current fiscal year or in a previous fiscal year.” Amend to also include reporting on funds expended for Hurricane Matthew and the Pinnacle Mountain Fire. Direct that the quarterly reports are to begin September 30, 2017.

HOU: ADOPT proviso as amended.

100.19. (ADJ: ~~2015 Flood Disasters~~ Expenditure Status Report) The Emergency Management Division of the Office of the Adjutant General shall prepare a quarterly report on the status of the expenditure of the funds appropriated by ~~proviso 118.16 of the Fiscal Year 2016-17 Appropriation Act~~ in the current fiscal year or in a previous fiscal year for FEMA State and Local Match for the 2015 Flooding, for Hurricane Matthew, and for the Pinnacle Mountain Fire. The quarterly report must include, but is not limited to, expenditure by category of work by state/local and by county and shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee beginning September 30, ~~2016~~ 2017.

SECTION 101 - E280 - ELECTION COMMISSION

101.1 **AMEND** (County Boards of Voter Registration and Elections Compensation) Authorizes compensation for each County Boards of Voter Registration Elections Commissioners at the rate of \$1,500 annually and limits each county to \$12,500 per year. Exempts funds appropriated for this purpose from budget reductions.

WMC: AMEND proviso to change “Commissioners” to “board members.” *All county boards of voter registration and election commissions were combined per Act 196 of 2014 and there are no longer any separate county election commissioners.* Requested by Election Commission.

HOU: ADOPT proviso as amended.

101.1. (ELECT: County Boards of Voter Registration and Elections Compensation) The amounts appropriated in this section for “County Boards of Voter Registration and Elections ~~Commissioners~~ Board Members,” shall be disbursed annually to the County Treasurer at the rate of \$1,500 for each member, not to exceed \$12,500 per county. The County Treasurer shall use these funds only for the compensation of County Boards of Voter Registration and Elections ~~Commissioners~~ Board Members. Any funds not used for this purpose shall be returned to the State Treasurer. These funds are exempted from mandated budget reductions. In addition, in the calculation of any across the board agency base reductions mandated by the Executive Budget Office or the General Assembly, the amount of funds appropriated for compensation of County Boards of Voter Registration and Elections ~~Commissioners~~ Board Members shall be excluded from the agency’s base budget.

101.9 **DELETE** (Help America Vote Act) Authorizes the Election Commission to use funds appropriated for primary and general elections to match the Help America Vote Act program to the greatest extent possible and ensure compliance with Uniformed and Overseas Citizens Absentee Voting Act.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

101.9. (ELECT: Help America Vote Act) ~~Of funds appropriated to the commission for primary and general elections, the commission shall utilize any excess funds to match the Help~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~America Vote Act program to the greatest extent possible, and also ensure compliance with the Uniformed and Overseas Citizens Absentee Voting Act of 1986.~~

- 101.11 DELETE** (HAVA Match Funds) Directs that funds appropriated from the General Fund for matching federal Help America Vote Act funds must be placed in a restricted account so that interest accrues to that account.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~**101.11. (ELECT: HAVA Match Funds)** Funds appropriated through the General Fund for the purpose of providing a match for federal funds received through the Help America Vote Act (HAVA) shall be moved to a restricted account in order that the funds may accrue interest as per Section 254 (b) (1) of the Help America Vote Act.~~

SECTION 102 - E500 - REVENUE AND FISCAL AFFAIRS OFFICE

- 102.3 DELETE** (SC Boundary Commission) Establishes the SC Boundary Commission which is directed to work with NC Boundary Commission to re-establish the boundaries between the two states. Directs RFA to submit a progress report to the Senate Finance and House Ways and Means Committees within 60 days of the close of each fiscal year until the boundaries have been re-established.

WMC: DELETE proviso. *Re-establishment is completed.* Requested by Revenue and Fiscal Affairs Office.

HOU: ADOPT deletion of proviso.

~~**102.3. (RFAO: SC Boundary Commission)** There is hereby created the South Carolina Boundary Commission to be composed of seven members as follows: one member appointed by the President Pro Tempore of the Senate; one member appointed by the Speaker of the House of Representatives; one member appointed by the Chairman of the Senate Finance Committee; one member appointed by the Chairman of the House Ways and Means Committee; the Executive Director, or his designee, of the Revenue and Fiscal Affairs Office; the Director of the Department of Natural Resources, or his designee; and the technical advisor of the Geodetic and Mapping Survey Program appointed by the Executive Director of the Revenue and Fiscal Affairs Office who shall serve as the coordinator and chairman of the commission. The purpose of the commission is to work with the North Carolina Boundary Commission to oversee and approve work re-establishing the boundary between South Carolina and North Carolina.~~

~~The Executive Director of the Revenue and Fiscal Affairs Office is directed to submit a report to the Senate Finance Committee and the House Ways and Means Committee regarding the progress of re-establishing the South Carolina North Carolina boundary within sixty days of the close of each fiscal year until such re-establishment is completed.~~

- 102.8 ADD** (NG9-1-1 Strategic Plan) **WMC:** ADD new proviso to authorize RFA to use wireless 9-1-1 fund compliance cost monies to further plan, develop and implement the comprehensive statewide NG9-1-1 system as outlined in the strategic plan; and define associated costs. Requested by Revenue and Fiscal Affairs Office.

HOU: ADOPT new proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

102.8. (RFAO: NG9-1-1 Strategic Plan) The Revenue and Fiscal Affairs Office shall be authorized to use funds from the 58.2 percent compliance cost portion of the wireless 9-1-1 fund for costs associated with the further planning, development, and implementation of the comprehensive statewide NG9-1-1 system as outlined in the South Carolina NG9-1-1 strategic plan. Associated costs include, but are not limited to, the hiring of consultants, technical experts, or other professionals for assistance in defining, developing, or implementing the operating model and standards, system or technical requirements, or other elements of the system as outlined in the strategic plan.

SECTION 104 - E550 - STATE FISCAL ACCOUNTABILITY AUTHORITY

104.2 DELETE (Vacant Positions) Authorizes SF AA to delete positions that have been vacant more than 12 months.

WMC: DELETE proviso. *See proviso 117.14 for FTE management.* Requested by Department of Administration.

HOU: ADOPT deletion of proviso.

~~104.2. (SF AA: Vacant Positions) In the event that any permanent position in an agency remains vacant for more than twelve months the position may be deleted by the State Fiscal Accountability Authority.~~

104.5 AMEND (Insurance Coverage for Aging Entity Authorized) Authorizes the Insurance Reserve Fund to provide insurance coverage for certain local aging entities. Directs that the IRF and the State shall not be liable for any coverage insufficiencies.

WMC: AMEND proviso to update fiscal year references to "2017-18."

HOU: ADOPT proviso as amended.

104.5. (SF AA: Insurance Coverage for Aging Entity Authorized) The State Fiscal Accountability Authority, through the Insurance Reserve Fund, for Fiscal Year ~~2016-17~~ 2017-18, is also authorized to offer insurance coverage to an aging entity and its employees serving clients countywide which previously obtained its tort liability insurance coverage through the board. The Insurance Reserve Fund and the State of South Carolina shall not be liable to any person or entity, including an insured, for any insufficiencies of coverage provided hereunder.

SECTION 108 - F500 - PUBLIC EMPLOYEE BENEFIT AUTHORITY

108.1 DELETE (Lottery, Infrastructure Bank, and Magistrates Health Insurance) Allows Lottery Commissioners, Transportation Infrastructure Bank Board members, magistrates, if the magistrate's county participates in the plan, and eligible dependents, to participate in the State Health and Dental Plan upon payment of full premium costs.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~108.1. (PEBA: Lottery, Infrastructure Bank, and Magistrates Health Insurance) South Carolina Lottery Commissioners and South Carolina Transportation Infrastructure Bank Board members and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon paying the full premium costs as determined by the Public Employee Benefit Authority. If a county is participating in the State Health and Dental Insurance Plan,~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

~~magistrates and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon the magistrate paying the full premium costs as determined by the Public Employee Benefit Authority.~~

108.6 **AMEND** (State Health Plan) Directs that for the 2017 State Health Plan, employer premiums will increase 0.8%; subscriber premiums and co-payments will not increase. Authorizes PEBA to adjust the plan, benefits, or contributions during Plan Year 2017 to ensure the plan remains fiscally stable.

WMC: AMEND proviso update employer premium increase from "0.8" to "3.3" and update fiscal year references from "2017" to "2018."

HOU: ADOPT proviso as amended.

108.6. (PEBA: State Health Plan) Of the funds authorized for the State Health Plan pursuant to Section 1-11-710(A)(2) of the 1976 Code, an employer premium increase of ~~0.8~~ 3.3 percent and a subscriber premium increase of zero percent for each tier (subscriber, subscriber/spouse, subscriber/children, full family) will result for the standard State Health Plan in Plan Year ~~2017~~ 2018. Copayments for participants of the State Health Plan in Plan Year ~~2017~~ 2018 shall not be increased. Notwithstanding the foregoing, pursuant to Section 1-11-710(A)(3), the Public Employee Benefit Authority may adjust the plan, benefits, or contributions of the State Health Plan during Plan Year ~~2017~~ 2018 to ensure the fiscal stability of the Plan.

108.11 **ADD** (Former Spouses on the State Health Plan) **WMC:** ADD new proviso to require the State Health Plan of Benefits, effective January 1, 2018, to cover a subscriber's former spouse, who is eligible to be covered pursuant to a court order, on the former spouse's individual policy at the full amount of the premium for the elected coverage. Direct that the former spouse may only elect such health, dental and vision coverage as required by the court order and may continue coverage as long as the subscriber remains a participant in the State Health Plan. Direct that this proviso does not affect a subscriber's ability to cover a current spouse on a policy when the subscriber's former spouse is covered on a separate policy.

HOU: ADOPT new proviso.

108.11. (PEBA: Former Spouses on the State Health Plan) In its Plan of Benefits effective January 1, 2018, the State Health Plan shall cover a subscriber's former spouse, who is eligible to be covered pursuant to a court order, on the former spouse's own individual policy and at the full amount of the premium for the coverage elected, with such rates, billing, and other administrative policies to be determined by the Public Employee Benefit Authority. The former spouses may only elect such health, dental, and vision coverage as required by the court order. The former spouse's individual coverage may continue under the State Health Plan as long as authorized under the court order and the subscriber remains a participant in the State Health Plan. This proviso does not affect a subscriber's ability to cover a current spouse on an employee/retiree and spouse or full family policy when the subscriber's former spouse is covered on a separate policy.

SECTION 109 - R440 - DEPARTMENT OF REVENUE

109.11 **AMEND** (Educational Credit for Exceptional Needs Children) Creates the Educational Credit for Exceptional Needs Children Fund and provides for scholarship funding organizations and

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

individual tax credits for the amount a person contributes for an exceptional needs child within specific parameters.

WMC: AMEND proviso definition of “Eligible school” in (A)(1)(f) to require a school to also be in good standing with the “Palmetto Association of Independent Schools.” Amend definition of “Exceptional needs child” by adding (A)(2)(c) to include a child who has been identified by DSS as having special educational or developmental needs. Amend definition of “resident public school district” in (A)(6) to add “or in the case of dependents of active duty military personnel, the public school district which the student may attend.” Amend (E)(1) to provide guidelines to reapply and apply to the EOC in order to participate in the program in the current fiscal year; provide for removal from the program if certain information is not received by specific deadlines; provide for verification that a school is a member in good standing with certain associations and with the Diocese of Charleston and that the school continues to serve exceptional needs children. Amend (E)(1)(c) to direct that the application must contain a copy of a compilation, review, or compliance audit of the organization’s financial statement “as relating to the grants received” conducted by a CPA firm. Amend (E)(3)(a)(ii) to require an independent school’s compliance audit be posted on the EOC website. Delete (J) which required scholarship funding organizations organized for the purpose of providing grants to qualifying students with exceptional needs to attend an independent school, to deposit all remaining funds into the Educational Credit for Exceptional Needs Children Fund by August 1, 2016 and direct that these organizations shall cease to exist on August 1, 2016.

HOU: ADOPT proviso as amended.

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

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

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

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

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

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

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

(2) “Exceptional needs child” means a child:

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

~~(4)~~ (3) 'Independent school' means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

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

~~(6)~~ (5) 'Qualifying student' means a student who is an exceptional needs child, a South Carolina resident, and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the applicable school year.

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

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

~~(9)~~ (8) 'Tuition' means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school, textbook fees, and school-related transportation.

~~(10)~~ (9) 'Department' means the Department of Revenue.

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

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

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

(4) In concert with the fund directors, the Department of Revenue shall administer the fund, including, but not limited to, the keeping of records, the management of accounts, and disbursement of the grants awarded pursuant to this proviso. The ~~department~~ fund may expend up to two percent of the fund for administration and related costs. The department may not expend public funds to administer the program.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

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

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

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

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

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

(3) In the event that the qualifying student leaves or withdraws from the school for any reason before the end of the semester or school year and does not reenroll within thirty days, then the eligible school must return a prorated amount of the grant to the fund based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student's departure.

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

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

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

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

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

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

(2) (a) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department shall determine priority for the credit. Subject to the provisions of subitem (e), contributions must be made annually on or before June thirtieth, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

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

(3) A corporation or entity entitled to a credit under subsection (H)(1) and subsection (I) may not convey, assign, or transfer the credit authorized by this proviso to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(E) (1) ~~On or before August 1, 2016 of the current fiscal year an independent schools may apply to the Education Oversight Committee to be certified as an eligible institution~~ school who participated in the program in the prior fiscal year and who desires to participate in the program in the current fiscal year must reapply to the Education Oversight Committee. The independent school must certify to the Education Oversight Committee that it continues to meet all program requirements and must provide to the committee student test score data from the prior school year by December 31. If student test score data are not submitted by December 31, then the Education Oversight Committee must remove the school from the program. The Education Oversight Committee must consult with the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools, the South Carolina Independent Schools Association, Palmetto Association of Independent Schools, or the Diocese of Charleston to verify that the school is still a member in good standing and that the school continues to serve exceptional needs children. An independent school who did not participate in the program in the prior fiscal year but desires to participate in the program in the current fiscal year must apply to the Education Oversight Committee. The Education Oversight Committee shall develop an application to be completed by the independent schools which must contain at least:

(a) the number and total amount of grants received in the preceding fiscal year;

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

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

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

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

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

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

(i) the institution's name, addresses, telephone numbers, and, if available, website addresses; and

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(ii) the score reports and compliance audits received by the committee pursuant to subsection (E)(1)(b) and (c).

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

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

(5) An independent school that is denied certification pursuant to this section may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

(F) (1) The Education Oversight Committee shall establish an advisory committee made up of not more than nine members, including parents, and representatives of independent schools and independent school associations.

(2) The advisory committee shall:

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

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

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

(H) (1) A taxpayer is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12 for the amount of cash and the monetary value of any publicly traded securities the taxpayer contributes to the Educational Credit for Exceptional Needs Children Fund up to the limits contained in subsection (D)(1)(a) of this proviso if:

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

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

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

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

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

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

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

SECTION 112 - V040 - DEBT SERVICE

112.1 AMEND (Excess Debt Service) Provides for the expenditure of excess FY 2015-16 debt service funds in FY 2016-17.

WMC: AMEND proviso to update fiscal year references.

HOU: ADOPT proviso as amended.

112.1. (DS: Excess Debt Service) Excess debt service funds from Fiscal Year ~~2015-16 2016-17~~ 2017-18 must be carried forward and expended in Fiscal Year ~~2016-17~~ 2017-18 to pay down general obligation bond debt for which the State (1) is paying the highest rate of interest, (2) will achieve relief in constrained debt capacity, or (3) reduce the amount of debt issued.

SECTION 113 - X220 - AID TO SUBDIVISIONS, STATE TREASURER

113.2 AMEND (Quarterly Distributions) Provides for the quarterly distribution of Aid to Subdivisions Local Government Fund.

WMC: AMEND proviso to update fiscal year references to "2017-18."

HOU: ADOPT proviso as amended.

113.2. (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2016-17~~ 2017-18, one quarter of the amount appropriated in Part IA for Aid to Subdivisions-Local Government Fund shall be distributed as soon after the beginning of each quarter as practical with the four distributions together totaling the Fiscal Year ~~2016-17~~ 2017-18 Part IA appropriation for the Local Government Fund.

113.5 AMEND (LGF) Suspends Sections 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] and 6-27-50 [RESTRICTIONS ON AMENDMENT OR REPEAL OF CHAPTER] for Fiscal Year 2016-17.

WMC: AMEND proviso to update fiscal year reference to "2017-18."

HOU: ADOPT proviso as amended.

113.5. (AS-TREAS: LGF) For Fiscal Year ~~2016-17~~ 2017-18, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.

113.7 AMEND (Political Subdivision Flexibility) Authorizes political subdivisions that receive Local Government Fund monies to reduce the amount of support they provide to any state mandated program or requirement up to the percentage their Local Government Fund appropriation has

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

been reduced compared to the amount required to be funded by law, but excludes the court system from the reductions.

WMC: AMEND proviso to update fiscal year reference to “2017-18.” Amend the list of entities for which political subdivisions may not reduce support to include “assessment for indigent medical care pursuant to Section 44-6-146” [COUNTY ASSESSMENTS FOR INDIGENT MEDICAL CARE; PENALTIES FOR FAILURE TO PAY ASSESSMENTS IN TIMELY MANNER]. *The department states that counties are using the current proviso to reduce their indigent medical care payments, however the department is obligated to continue covering MIAP beneficiaries and is not permitted to reduce the cost of the program.* Fiscal Impact: The department states they currently absorb up to \$4,000,000 in lost revenue from counties MIAP assessment reductions. Requested by Department of Health and Human Services.

HOU: ADOPT proviso as amended.

113.7. (AS-TREAS: Political Subdivision Flexibility) For Fiscal Year ~~2016-17~~ 2017-18, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the amount required to be appropriated pursuant to Section 6-27-30. Excluded from said reductions are Administrative Law Judges and their offices, Court of Appeals and their offices, Circuit and Family Courts and their offices, Magistrates and their offices, Masters-in-Equity and their offices, Probate Courts and their offices, Public Defenders and their offices, Solicitors and their offices, and the Supreme Court and their offices, and assessment for indigent medical care pursuant to Section 44-6-146 of the 1976 Code.

SECTION 117 - X900 - GENERAL PROVISIONS

117.2 **AMEND** (Appropriations From Funds) Directs that funds appropriated from the General Fund, EIA Fund, Highways and Public Transportation Fund and other applicable funds are to meet the ordinary expenses of the State for FY 2016-17.

WMC: AMEND proviso to update fiscal year reference to “2017-18.” *Technical.*

HOU: ADOPT proviso as amended.

117.2. (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2016-17~~ 2017-18, and for other purposes specifically designated.

117.3 **AMEND** (Fiscal Year Definitions) Defines current and prior fiscal year time frames.

WMC: AMEND proviso to update fiscal year references from “2016” to “2017;” “2017” to “2018;” and “2015” to “2016.” *Technical.*

HOU: ADOPT proviso as amended.

117.3. (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2016~~ 2017, and ending June 30, ~~2017~~ 2018, and “prior fiscal year” means the fiscal year beginning July 1, ~~2015~~ 2016, and ending June 30, ~~2016~~ 2017.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

117.14 AMEND (~~Personal Service Reconciliation, FTEs~~ *FTE Management*) Provides guidelines for the Executive Budget Office to monitor full-time equivalent (FTE) positions and directs that no agency may exceed the total FTEs authorized in the Appropriation Act except upon majority vote of the State Fiscal Accountability Authority. Directs that personal services funds in the Governor's budget recommendations must be at least 97% funded.

WMC: AMEND proviso to delete the requirement in item (2)(a) that non-established positions be deleted and the directive that no positions be established in excess of the total number of authorized FTE positions. Amend item (2)(b) to change "personal service" analysis to "FTE" analysis and require the analysis be completed for the current and last two fiscal years. Delete item (2)(c) which allows SFAA to direct that unfunded or significantly underfunded positions be deleted. Amend item (5) to delete current directive to annually reconcile personal service funds with full-time employee count and instead permit the number of authorized positions in this act to be increased if an agency determines that the duties of Temporary, Time-Limited, and Temporary Grant positions created before July 1, 2017 will continue indefinitely and merit being classified as a FTE; exempt these newly created FTEs from the posting process; and direct that affected Temporary Grant and Time-Limited employees unused annual and sick leave shall transfer to their FTE position. Direct the Division of State Human Resources, in consultation with EBO, to formulate guidelines for administering this item and provide for certain information to be included in any request to convert a position. Direct DOA to review, approve, deny, or modify the request, as appropriate; ensure that FTE Constitutional limits are observed; and to submit a report on FTEs issued through this item to the Chairmen of the Senate Finance and House Ways and Means Committees by January 6.

HOU: ADOPT proviso as amended.

117.14. (GP: ~~Personal Service Reconciliation, FTEs~~ *FTE Management*) In order to provide the necessary control over the number of employees, the Executive Budget Office is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

(1) That no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the State Fiscal Accountability Authority.

(2) That the Executive Budget Office shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.

(a) That within thirty days of the passage of the Appropriation Act or by August first, whichever comes later, each agency of the State must have established on the Executive Budget Office records all positions authorized in the Act. ~~After that date, the office shall delete any non-established positions immediately from the official record of authorized full-time equivalent positions. No positions shall be established by the office in excess of the total number of authorized full-time equivalent positions.~~ Each agency may, upon notification to the Executive Budget Office, change the funding source of state FTE positions established on the Executive Budget Office records as necessary to expend federal and other sources of personal service funds to conserve or stay within the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTEs between programs as needed to accomplish the agency mission.

(b) That by September thirtieth, the office shall prepare a ~~personal service~~ *FTE* analysis, by agency, which shows the number of ~~established~~ *authorized, filled, and vacant*

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

positions *by source of funds* for the *current and two previously completed fiscal year years* and the amount of funds required, by source of funds, to support the FTEs for the fiscal year at a funding level of one hundred percent. ~~The office shall then reconcile each agency's personal service detail with the agency's personal service appropriation as contained in the Act adjusted for any pay increases and any other factors necessary to reflect the agency's personal service funding level. The office shall provide a copy of each agency's personal service reconciliation~~ *FTE analysis* to the Senate Finance and House Ways and Means Committees.

~~(e) That any position which is shown by the reconciliation to be unfunded or significantly underfunded may be deleted at the direction of the State Fiscal Accountability Authority.~~

(3) That full-time equivalent (FTE) positions shall be determined under the following guidelines:

(a) The annual work hours for each FTE shall be the agency's full-time standard annual work hours.

(b) The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.

(c) All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine months.

The FTE method of accounting shall be utilized for all authorized positions.

(4) That the number of positions authorized in this act shall be reduced in the following circumstances:

(a) Upon request by an agency.

(b) When anticipated federal funds are not made available.

(c) When the Executive Budget Office, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.

~~(5) That the Executive Budget Office shall annually reconcile personal service funds with full time employee count. Unfunded positions will be eliminated no later than January fifteenth of the current fiscal year unless specifically exempted elsewhere in this act or by the Executive Budget Office. The Executive Budget Office must report the full time employee count and unfunded position status to the Senate Finance Committee and the Ways and Means Committee by February first of the current fiscal year. *That the number of positions authorized in this act shall be increased for the sole purpose of classifying Temporary, Time-Limited and Temporary Grant positions created prior to July 1, 2017, that merit such classification as FTEs because the agency has determined that the duties will continue indefinitely. The new FTEs created through this process and filled by existing non-FTE staff shall be exempt from the posting process. Additionally, affected Temporary Grant and Time-Limited employees shall transfer any unused annual and sick leave to their FTE positions.*~~

The Division of State Human Resources, in consultation with the Executive Budget Office, shall formulate guidelines for the administration of this item. The request by the agency must include a justification for changing the position, justification of an insufficient vacancy pool, identification of sufficient funds with current appropriations, identification of source of funds to be utilized, and assurance that the FTEs are not being used to create new jobs. The guidelines shall also include a process for submitting requests including a deadline for submission of requests.

The Department of Administration shall review the request and approve, deny, or modify it as appropriate. The department shall further ensure that the FTE Constitutional limits are observed. This item in no way requires agencies to submit requests, and does not guarantee any employment status to staff. A report on FTE issuance through this item shall be submitted to the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 6 of the current fiscal year.

(6) That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded.

(7) That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least ninety-seven percent of the funds required to meet one hundred percent of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions).

117.58 AMEND (Year-End Financial Statements - Penalties) Provides timeframes for submission of annual audited financial statements by agencies, institutions, and other reporting entities to the Comptroller General for inclusion in the State's CAFR. Requires the Comptroller General to provide a report to SFFA by November 30th on each noncompliant agency, institution, or other reporting entity.

WMC: AMEND proviso to change the date by which agencies whose fiscal year ends on June 30th must submit their final audited financial statements to the Comptroller General from "October first" to "October fifteenth."

HOU: ADOPT proviso as amended.

117.58. (GP: Year-End Financial Statements - Penalties) Agencies, institutions, and other reporting entities required to submit annual audited financial statements for inclusion in the State's Comprehensive Annual Financial Report must submit final audited financial statements to the Comptroller General not later than October ~~first~~ fifteenth for those with fiscal year-end June thirtieth. For institutions and reporting entities with fiscal year-ends other than June thirtieth, final audited financial statements must be submitted to the Comptroller General within 120 days of that fiscal year-end. The Comptroller General shall provide a written report of each agency, institution, or other reporting entity not in compliance with this provision to the State Fiscal Accountability Authority by November thirtieth.

117.72 AMEND (Printed Report Requirements) Directs that for Fiscal Year 2016-17, certain state agencies and higher education institutions shall not be required to submit printed reports and shall only submit the reports electronically and waives the submission of certain reports. Authorizes DOT to combine their Annual Report and Mass Transit Report into their Annual Accountability Report.

WMC: AMEND proviso to update fiscal year references to "2017-18."

HOU: ADOPT proviso as amended.

117.72. (GP: Printed Report Requirements) (A) For Fiscal Year ~~2016-17~~ 2017-18, state supported institutions of higher learning shall not be required to submit printed reports mandated by Sections 2-47-40, 2-47-50, and 59-103-110 of the 1976 Code, and shall instead only submit the documents electronically.

Submission of the plans or reports required by Sections 59-101-350, 59-103-30, 59-103-45(4), and 59-103-160(D) shall be waived for the current fiscal year, except institutions of higher learning must continue to report student pass rates on professional examinations, and data elements otherwise required for the Commission on Higher Education Management Information

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

System. The commission, in consultation with institutions, shall take further action to reduce data reporting burdens as possible.

(B) For Fiscal Year ~~2016-17~~ 2017-18, the Department of Agriculture shall not be required to submit printed reports mandated by Section 46-49-10 of the 1976 Code. The department shall provide these reports electronically and shall use any monetary savings for K5-12 agricultural education programs.

(C) For Fiscal Year ~~2016-17~~ 2017-18, the Department of Health and Human Services shall not be required to provide printed copies of the Medicaid Annual Report required pursuant to Section 44-6-80 of the 1976 Code and shall instead only submit the documents electronically.

(D) For Fiscal Year ~~2016-17~~ 2017-18, the Department of Transportation shall not be required to submit printed reports or publications mandated by Sections 1-11-58, 2-47-55, and 58-17-1450 of the 1976 Code.

The Department of Transportation may combine their Annual Report and Mass Transit Report into their Annual Accountability Report.

- 117.73 AMEND** (IMD Operations) Directs that funds received by State child placing agencies (SDE, DJJ, DDSN, DMH, DSS, and OEPP-Continuum of Care) for the Institution for Mental Diseases Transition Plan (IMD) be applied only for out of home placement in providers which operate DSS or DHEC licensed institutional, residential, or treatment programs. Requires an annual IMD transition funds expenditure report. Directs DHHS to review the numbers of out of home placements by type and agency each year and make recommendations to the General Assembly. **WMC:** AMEND proviso to delete the requirement that all funds received for IMD be applied only for out-of-home placement in providers which operate DSS or DHEC programs. Delete the requirement that "each state child placing agency" submit an IMD expenditure report on IMD transition funds and instead direct DHHS to produce an annual report on "Medicaid-funded out-of-home placements and associated" expenditures. Delete the requirement that DHHS review the numbers of out of home placements by type and agency each year and make recommendations to the General Assembly. *The department proposes to update the language to focus on providing information on out-of-town home placements as this information has represented the volume of the reports in recent years.* Requested by Department of Health and Human Services.
HOU: ADOPT proviso as amended.

~~**117.73.** (GP: IMD Operations) All funds received by the Department of Education, the Department of Juvenile Justice, the Department of Disabilities and Special Needs, the Department of Mental Health, the Department of Social Services, and the Department of Administration, Office of Executive Policy and Programs Continuum of Care as State child placing agencies for the Institution for Mental Diseases Transition Plan (IMD) of the discontinued behavioral health services in group homes and child caring institutions, as described in the Children's Behavioral Health Services Manual Section 2, dated 7/01/06, shall be applied only for out of home placement in providers which operate Department of Social Services or Department of Health and Environmental Control licensed institutional, residential, or treatment programs. An *The Department of Health and Human Services shall produce an* annual report by each state child placing agency shall be made on the on Medicaid-funded out-of-home placements and associated expenditures of all IMD transition funds and which shall be provided to the Chairman of the Senate Finance Committee, Chairman of the House Ways and Means Committee, and the Governor no later than November first each year. ~~The Department of Health and Human Services shall review the numbers of out of home placements by type and by agency each year and make recommendations to the General Assembly.~~~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

- 117.75 AMEND** (Mandatory Furlough) Provides for circumstances under which an agency head may institute a mandatory furlough. Directs that agency heads should consider furloughing contract employees, post-TERI employees, and TERI employees before furloughing other employees. Provides for who is responsible for employer and employee contributions during a furlough. Directs that if a reduction is due solely to the General Assembly transferring or deleting a program this provision does not apply.
HOU: AMEND proviso to direct that employees whose salary is less than \$40,000 shall not be furloughed. Sponsor: Rep. Cobb-Hunter.

117.75. (GP: Mandatory Furlough) In a fiscal year in which the general funds appropriated for a state agency are less than the general funds appropriated for that agency in the prior fiscal year, or whenever the General Assembly or the Executive Budget Office implements a midyear across-the-board budget reduction, and agency heads institute a mandatory employee furlough program, in determining which employees must participate in the program, agency heads should give consideration to furloughs for contract employees, post-TERI employees, and TERI employees before other employees. *Employees which make a salary of under \$40,000 shall not be furloughed.* During this mandatory furlough, the state employees shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits which require employer and employee contributions, the state agencies, institutions, and departments will be responsible for making both employer and employee contributions if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the employee remains solely responsible for making those contributions. In the event an agency's reduction is due solely to the General Assembly transferring or deleting a program, this provision does not apply.

- 117.89 AMEND** (Funds Transfer to ETV) Requires funds appropriated to DOA for Legislative & Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council for City and Council municipal training to be transferred to ETV during July of 2016 for services as they were provided in the prior fiscal year.
WMC: AMEND proviso to update "2016" to "2017." Requested by Educational Television Commission.
HOU: ADOPT proviso as amended.

117.89. (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Department of Administration Section 93 for Legislative and Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council in Section 64 for State and Local Training of Law Enforcement, City and County municipal training services must be transferred to the Educational Television Commission (ETV) during July ~~2016~~ 2017 for the continuation of services as provided in the prior fiscal year.

- 117.90 DELETE** (Opt Out of Federal Patient Protection and Affordable Care Act) Directs that if federal law permits, the state opts out of specific provisions of the federal Patient Protection and Affordable Care Act (PL 111-148).
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

117.90. (GP: Opt Out of Federal Patient Protection and Affordable Care Act) ~~If federal law permits, the State of South Carolina opts out of the following provisions in the federal Patient Protection and Affordable Care Act (Public Law 111-148):~~

~~(1) Subtitles A through C of Title I (and the amendments made by such subtitles), except for Sections 1253 and 1254;~~

~~(2) Parts I, II, III, and V of subtitle D of Title I (and the amendments made by such parts);~~

~~(3) Part I of subtitle E of Title I (and the amendments made by such part);~~

~~(4) Subtitle F of Title I (and the amendments made by such subtitle);~~

~~(5) Sections 2001 through 2006 (and the amendments made by such sections); and~~

~~(6) Sections 10101 through 10107 (and the amendments made by such sections).~~

117.93 AMEND (WIA Service Advertising) Establishes Workforce Investment Act advertising guidelines.

WMC: AMEND proviso to update fiscal year reference to "2017-18."

HOU: ADOPT proviso as amended.

117.93. (GP: WIA Service Advertising) For Fiscal Year ~~2016-17~~ 2017-18, the Workforce Investment Boards may promote outreach for their services via billboard, bus placard, newspapers, or radio in all workforce investment areas. This outreach may not be limited to e-mail, online, or other internet-based outreach, publicity, or other promotions. Workforce investment boards must adhere to all state procurement policies and procedures when utilizing outreach for the services provided by the Workforce Investment Act.

117.94 AMEND (WIA Training Marketability Evaluation) Directs the department to submit a report to the chairmen of various legislative committees on how funds were spent to provide marketable work skills training; on any restructuring or realignment of agency functions as well as changes in staffing levels or service; and to describe efforts the agency made to reassign or retrain employees who were terminated if the agency hired new employees for that position.

WMC: AMEND proviso to update fiscal year reference to "2017-18."

HOU: ADOPT proviso as amended.

117.94. (GP: WIA Training Marketability Evaluation) (A) For Fiscal Year ~~2016-17~~ 2017-18, the Department of Employment and Workforce shall submit a report that demonstrates how funds were expended in the prior fiscal year to provide marketable work skills training. The report shall include, but not be limited to the total number of local training recipients, a description of the training area in which each recipient participated, and the number and percentage of participants in each training area that, upon completion of training, have become employed in the field in which they were trained. The report shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the Senate Labor, Commerce and Industry Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Labor, Commerce and Industry Committee on or before November sixteenth.

(B) Also, the report must specifically describe any restructuring or realignment of agency functions, and any changes in staffing levels or service. The report must detail information on employees terminated, hired, re-hired, reassigned, or reclassified by program area and location. Further, the report must describe efforts made by the agency to reassign or retrain employees who were terminated for positions for which the department hired new employees.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

- 117.98** **AMEND** (~~First Steps~~-BabyNet *Quarterly Report*) Requires the First Steps Board of Trustees to ensure compliance with Part C of the Individuals with Disabilities Act and to fully implement the LAC's BabyNet Program recommendations contained in the 2011 audit report. Directs First Steps to submit necessary statutory changes to appropriate Senate and House Education Committees and to submit budget recommendations to the Governor in their agency's budget request. Requires certain quarterly and monthly reports be submitted and directs First Steps to collaborate with the School for the Deaf and Blind, DDSN, DHHS, DMH, and DSS to develop a common reporting format.
WMC: AMEND proviso to delete the BabyNet responsibilities specifically associated with First Steps as the lead agency. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by SC First Steps to School Readiness.
HOU: ADOPT proviso as amended.

~~**117.98.** (GP: ~~First Steps~~-BabyNet *Quarterly Reports*) In addition to the statutory duties assigned to South Carolina First Steps to School Readiness Board of Trustees; the board shall ensure the state's compliance with the Individuals with Disabilities Act, Part C and the First Steps' full implementation of recommendations contained in the 2011 audit report of the LAC regarding the BabyNet Program. First Steps shall submit any necessary statutory changes to the Chairman of the House Education and Public Works Committee and the Chairman of the Senate Education Committee and any budget recommendations in the agency's budget request as submitted to the Governor. Until completion, First Steps shall post on its' website a quarterly report on the timelines of its progress in implementing the recommendations of the LAC. The Board of Trustees will be kept informed monthly of all activities related to this requirement and those progress reports must be recorded in the minutes for each meeting of the Board of Trustees. When First Steps has implemented all of the recommendations enumerated above, a final report shall be submitted to the Board of Trustees for its' adoption. Upon approval by the Board of Trustees, the final report shall be published on First Steps' homepage. First Steps to School Readiness, the School for the Deaf and Blind, the Department of Disabilities and Special Needs, the Department of Health and Human Services, the Department of Mental Health and the Department of Social Services shall each provide on a common template developed by the agencies, a quarterly report to the Chairman of the House Ways and Means Committee and the Chairman of Senate Finance outlining all programs provided by them for BabyNet; all federal funds received and expended on BabyNet and all state funds expended on BabyNet. Each entity and agency shall report on its share of the state's ongoing maintenance of effort as defined by the US Department of Education under IDEA Part C.~~

- 117.107** **AMEND** (State Ports Authority Property) Directs that if the Authority has not sold its real property on Daniel and Thomas Islands, with certain exceptions, by June 30, 2017, it must transfer the property to the Department of Administration.
WMC: AMEND proviso to change "2017" to "2018." Requested by State Ports Authority.
HOU: ADOPT proviso as amended.

117.107. (GP: State Ports Authority Property) If the State Ports Authority has not completed the sale of its real property on Daniel Island and Thomas (St. Thomas) Island, except for the dredge disposal cells that are needed in connection with the construction of the North Charleston terminal on the Charleston Naval Complex and for harbor deepening and for channel and berth maintenance, by June 30, ~~2017~~ 2018, the authority must transfer the property to the Department

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

of Administration. The authority shall sell the real property under terms and conditions it considers most advantageous to the authority and the State of South Carolina.

- 117.110 AMEND** (South Carolina Welcome Centers) Directs the PRT and DOT maintain a MOU that provides that PRT control operations of all SC Welcome Centers and specifies control of certain responsibilities. Directs DOT to transfer \$3,313,560, less any state funds appropriated by the General Assembly for Welcome Centers, to PRT. Directs that these funds be placed in a separate and distinct fund and authorizes these funds to be carried forward and used for the same purposes.
WMC: AMEND proviso to delete the requirement that DOT transfer \$3,313,560 to PRT.
HOU: ADOPT proviso as amended.

~~**117.110.** (GP: South Carolina Welcome Centers) The Department of Parks, Recreation and Tourism and the Department of Transportation shall maintain a Memorandum of Understanding (MOU) that provides that the Department of Parks, Recreation and Tourism shall control operations of all South Carolina Welcome Centers. The MOU shall include replacement, renovation and maintenance of the facilities, daily operations, and grounds maintenance and upkeep and shall clearly define responsibility for additional portions of Welcome Centers to include paving and sidewalks. The Department of Transportation shall transfer to the Department of Parks, Recreation and Tourism the amount of \$3,313,560 less any state funds appropriated by the General Assembly for the same purpose. The Department of Parks, Recreation and Tourism assumes responsibility for this amount and the timing of the transfer of these funds shall be defined as part of the MOU. The funds transferred to the Department of Parks, Recreation and Tourism shall be placed in a separate and distinct fund and these funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purposes.~~

- 117.113 AMEND** (Information Technology and Information Security Plans) Requires all state agencies to submit an information technology plan and an information security plan for FY 2016-17 to the Department of Administration by October 1, 2016; to submit updates to the plan if changes are made after initial submission; and specifies information required to be included in the plans. Excludes the Judicial and Legislative Departments, public institutions of higher learning, technical colleges, political subdivisions, and quasi-governmental bodies from the requirements of this provision.
WMC: AMEND proviso to change "October 1, 2016" to "August 1 of the current fiscal year" and to delete reference to "for Fiscal Year 2016-17." Requested by Department of Administration.
HOU: ADOPT proviso as amended.

~~**117.113.** (GP: Information Technology and Information Security Plans) (A) By ~~October 1, 2016~~ August 1 of the current fiscal year, all state agencies must submit an information technology plan and an information security plan for ~~Fiscal Year 2016-17~~ to the Department of Administration. State agencies must submit updates to their plans if there are changes following initial submission. Changes that would necessitate an updated plan include, but are not limited to, changes in response to technological advancements, changes in legislation, regulation or compliance requirements, newly identified funding sources, or new issues relating to information technology management or business requirements.~~

The information technology plans required by this section shall be in the form and level of detail required by the department and shall include at least: (1) the information technology objectives of the state agency; (2) an inventory of the state agency's information technology; (3)

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

any performance measures used by the state agency for implementing its information technology objectives; (4) how the state agency's development of information technology coordinates with other governmental entities; (5) the state agency's budget plans for information technology for the coming fiscal year which must include: (a) all fixed, recurring information technology costs, regardless of funding sources; (b) new information technology expenditures for services, hardware upgrades/replacements and software purchases, regardless of funding sources; (c) new information technology projects, regardless of funding sources; and (d) FTE counts, temporary personnel counts, and salary information and position descriptions for all information technology personnel, regardless of funding sources; and (6) the state agency's need for appropriations for information technology.

The information security plans required by this section shall be in the form and level of detail required by the division and shall include at least: (1) the information security objectives of the state agency; (2) an inventory of the state agency's information security technology; (3) a profile of the state agency's compliance with security policies established by the division; (4) a profile of the state agency's sensitive data and a description of applicable state and federal privacy requirements; (5) a profile of risk management and other measures taken by the state agency to protect its data from unauthorized access and disclosure; (6) the state agency's budget plans for information security for the coming fiscal year which must include: (a) all fixed, recurring information security technology costs, regardless of funding sources; (b) new information security expenditures for services hardware upgrades/replacements and software purchases, regardless of funding sources; (c) new information security projects, regardless of funding sources; and (d) FTE counts, temporary personnel counts, and salary information and position descriptions for all information security personnel, regardless of funding sources; and (7) the state agency's need for appropriations for information security.

(B) The director of the Department of Administration should seek advice from private and public sector resources on the efficient use of information technology and best practices.

(C) The Judicial Department, Legislative Department, public institutions of higher learning, technical colleges, political subdivisions and quasi-governmental bodies are specifically exempt from the requirements as provided in this proviso.

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

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

HOU: ADOPT proviso as amended.

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

117.116 AMEND (Employee Compensation) Provides a plan to distribute employee pay increases for FY 16-17 in the amount of 3.25%. Directs allocations associated with the increases for retirement employer contributions be based on the rate of the retirement system in which employees participate. Authorizes the use of funding for statewide employer contributions for other statewide purposes and allow carry forward of those funds.

WMC: AMEND proviso to change employee compensation increase from "3.25" to "zero" percent.

HOU: ADOPT proviso as amended.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

117.116. (GP: Employee Compensation) The amounts appropriated to F300-Statewide Employee Benefits for Employee Pay Increases must be allocated by the Department of Administration, Executive Budget Office to the various state agencies to provide for employee pay increases in accordance with the following plan:

(1) With respect to classified and non-judge judicial classified employees, effective on the first pay date that occurs on or after July first of the current fiscal year, the compensation of all classified employees shall be increased by ~~3.25%~~ zero percent.

(2) With respect to unclassified and non-judge judicial unclassified employees or unclassified executive compensation system employees not elsewhere covered in this act, effective on the first pay date that occurs on or after July first of the current fiscal year the compensation of all unclassified employees shall be increased by ~~3.25%~~ zero percent. Any employee subject to the provisions of this paragraph shall not be eligible for compensation increases provided in paragraphs 1, 3, 4, 5, or 6.

(3) Effective on the first pay date that occurs on or after July first of the current fiscal year, agency heads not covered by the Agency Head Salary Commission, shall receive an annualized base pay increase of ~~3.25%~~ zero percent.

(4) With respect to local health care providers compensation increases shall be ~~3.25%~~ zero percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to Area Agencies on Aging funded by the Lieutenant Governor's Office on Aging, compensation shall be increased by ~~3.25%~~ zero percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to local councils on aging or local providers of services funded by the Lieutenant Governor's Office on Aging through Area Agencies on Aging, no pay increases will be allowed. School Bus Driver salary and fringe funding to school districts shall be increased by ~~3.25%~~ zero percent.

(5) Effective on the first pay date that occurs on or after July first of the current fiscal year, the Chief Justice and other judicial officers shall receive an annualized base pay increase of ~~3.25%~~ zero percent.

(6) Effective on the first pay date that occurs on or after July first of the current fiscal year, county auditors and county treasurers shall receive an annualized base pay increase of ~~3.25%~~ zero percent.

(7) For Fiscal Year 2016-17, the Executive Budget Office is directed to review Executive Branch agencies to determine whether their budgets warrant an other fund authorization increase due to the ~~3.25%~~ zero percent compensation increase for all full-time employees. If so warranted, the Executive Budget Office shall work with the Office of the Comptroller General to increase such authorization for the affected agencies.

The Department of Administration shall allocate associated compensation increases for retirement employer contributions based on the retirement rate of the retirement system in which individual employees participate.

The Executive Director of the State Fiscal Accountability Authority is authorized to use excess appropriations for the current fiscal year designated for statewide employer contributions for other statewide purposes. At the discretion of the Executive Director of the State Fiscal Accountability Authority, such action may be considered a permanent transfer into the receiving agency's base budget.

Funds appropriated in Part IA, F300, Section 106, Statewide Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.

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

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

HOU: ADOPT proviso as amended.

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

117.122 DELETE (County Transportation Committee Road Program Supplement) Directs the Transportation Infrastructure Bank to transfer the \$50,000,000 appropriated by Act 92 of 2015 to DOT. Directs DOT to distribute these funds to the County Transportation Committee Road Program and directs County Transportation Committees to use the funds solely for paving, rehabilitation, resurfacing, and/or reconstruction, and bridge repair, replacement or reconstruction. Prohibits these funds from being used on any road, bridge, or highway that is not part of the state owned system. Authorizes these funds to be carried forward and be spent for the same purpose.

WMC: DELETE proviso. *The transfer was completed in FY 2016-17.* Requested by Department of Transportation.

HOU: ADOPT deletion of proviso.

117.122. (GP: County Transportation Committee Road Program Supplement) ~~The South Carolina Transportation Infrastructure Bank shall transfer the \$50,000,000 appropriated by Act 92 of 2015 to the Department of Transportation. The department shall distribute these funds to the County Transportation Committee Road Program pursuant to Section 12-28-2740 of the 1976 Code. County Transportation Committees shall utilize the funds distributed pursuant to this proviso solely for use on the state owned highway system for paving, rehabilitation, resurfacing, and/or reconstruction, and bridge repair, replacement, or reconstruction. No funds from this allocation shall be used for any road, bridge, or highway that is not part of the state owned system.~~

~~Unexpended funds appropriated pursuant to this provision may be carried forward and expended for the same purposes.~~

117.123 AMEND (Sentencing Reform Oversight Committee Reauthorization) Reauthorizes the Sentencing Reform Oversight Committee for FY 2016-17 and adds four members to the committee: two members of the House, one appointed by the Speaker of the House and one appointed by the Ways and Means Committee Chairman, and two members of the Senate, one appointed by the President Pro Tempore and one appointed by the Senate Finance Committee Chairman.

WMC: AMEND proviso to change “Fiscal Year 2016-17” to “the current fiscal year.”

HOU: ADOPT proviso as amended.

117.123. (GP: Sentencing Reform Oversight Committee Reauthorization) The Sentencing Reform Oversight Committee established by Chapter 28 of Title 24 of the 1976 Code is reauthorized for ~~Fiscal Year 2016-17~~ the current fiscal year, notwithstanding the provisions of Section 24-28-20(c). Four members shall be added to the Sentencing Reform Oversight Committee. Two shall be members of the House of Representatives, one appointed by the Speaker of the House and one appointed by the Chairman of the Ways and Means Committee. Two shall be members of the Senate, one appointed by the President Pro Tempore of the Senate and one appointed by the Chairman of the Senate Finance Committee.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

117.125 DELETE (Endowed Chairs Funding) Directs CHE to transfer the Endowed Chairs Program funds set aside for "Commerce Awards" to the Department of Commerce's Applied Research Centers by August 1, 2016.

WMC: DELETE proviso. *Funds were transferred in FY 2016-17.* Requested by Department of Commerce.

HOU: ADOPT deletion of proviso.

~~**117.125.** (GP: Endowed Chairs Funding) The Endowed Chairs Program funds that have been set aside for "Commerce Awards" shall be transferred by the Commission on Higher Education to the Department of Commerce's Applied Research Centers by August 1, 2016.~~

117.127 DELETE (South Carolina State University Debt Fund Balance) Directs SFAA Executive Director, by July 31, 2016, to transfer to SC State University any remaining fund balance, not to exceed \$145,000, related to the debt incurred by the university from the April 30, 2014 loan. Directs that the university can only spend these funds on one-time projects necessary to meet accreditation standards and/or on critical repair and related maintenance.

WMC: DELETE proviso. *Funds were returned to the South Carolina State University in FY 2016.* Requested by State Fiscal Accountability Authority

HOU: ADOPT deletion of proviso.

~~**117.127.** (GP: South Carolina State University Debt Fund Balance) On or before July 31, 2016, the Executive Director of the State Fiscal Accountability Authority shall transfer to South Carolina State University any remaining fund balance related to the debt incurred by the university from the April 30, 2014 loan to the university by the Budget and Control Board, succeeded in interest by the State Fiscal Accountability Authority, not to exceed \$145,000. The university shall only expend these funds on one-time projects necessary to meet accreditation standards and/or on critical repair and related maintenance projects that are necessary for the safe and efficient operation of the university's physical plant in its support of its educational purpose.~~

117.128 DELETE (Retail Facilities Revitalization Act Repeal Suspension) Suspends the repeal of Chapter 34 of Title 6 [RETAIL FACILITIES REVITALIZATION ACT] as specified in Act 285 of 2006 for sites that have provided DOR written notification of election of mode of credit before 7/1/16 and for which a building permit has been issued prior to 7/1/16.

WMC: DELETE proviso. Fiscal Impact: RFAO states there would be no fiscal impact on state general fund income tax revenue and/or license tax revenue in FY 2017-18.

HOU: ADOPT deletion of proviso.

~~**117.128.** (GP: Retail Facilities Revitalization Act Repeal Suspension) The repeal of Chapter 34 of Title 6 of the 1976 Code as specified in Act 285 of 2006 as to sites for which written notification of election of mode of credit has been provided to the Department of Revenue prior to July 1, 2016 and for which a building permit has been issued prior to July 1, 2016, is suspended for Fiscal Year 2016-17.~~

117.132 AMEND (Funds Exempt from Budget Reduction Calculations) Excludes specific funds from the calculation of any across the board base reductions mandated by the Executive Budget Office or the General Assembly as follows: the General Reserve Fund, the Capital Reserve Fund, Debt Service, the Local Government Fund, and the Tax Relief Trust Fund.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

WMC: AMEND proviso to change F310 reference to “Capital and General Reserve Funds.”
HOU: ADOPT proviso as amended.

117.132. (GP: Funds Exempt from Budget Reduction Calculations) The ~~General Reserve Fund~~, funds designated in F310, Section 107, Capital *and General* Reserve ~~Fund Funds~~, funds designated in V040, Section 112, Debt service, funds designated in X220, Section 113, Aid to Subdivisions - State Treasurer for the Local Government Fund, and funds designated in X500, Section 115, Tax Relief Trust Fund shall be excluded from the calculation of any across-the-board base reduction mandated by the Department of Administration, Executive Budget Office or the General Assembly and shall not be subject to any such reduction.

117.133 ADD (BabyNet) WMC: ADD new proviso to direct EBO to conduct an inventory of all BabyNet related spending and submit it to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by July 15, 2017. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.*
HOU: ADOPT new proviso.

117.133. (GP: BabyNet) From funds available in the current fiscal year for budgetary analysis and oversight, the Executive Budget Office shall conduct an inventory of all BabyNet-related spending, which shall be submitted to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later than July 15, 2017. All affected agencies shall support the Executive Budget Office in this effort by providing information upon request, so that the first recommendation of the Legislative Audit Council's 2011 report on BabyNet may be implemented.

117.134 ADD (Equestrian Center Therapy Program) WMC: ADD new proviso to direct Voc Rehab to transfer \$500,000 to Lander University for the Lander Equestrian Center and direct Lander to use these funds to operate the center and to create a Herd 2 Human pilot program to provide equine assisted psychotherapy geared towards the treatment of PTSD and other similar disorders for members of the military. Direct that the funds must be used for the center and may not be transferred and used for other purposes.
HOU: ADOPT new proviso.

117.134. (GP: Equestrian Center Therapy Program) The Department of Vocational Rehabilitation shall transfer \$500,000 to Lander University for the Lander Equestrian Center. These funds shall be used for the operation of the Equestrian Center and to create a Herd 2 Human pilot program to provide equine assisted psychotherapy geared towards military members as a method of treating post-traumatic stress disorder (PTSD) and other similar disorders. These funds shall be used solely for the Equestrian Center and shall not be transferred and used for any other purpose.

117.135 ADD (South Carolina Telemedicine Network) WMC: ADD new proviso to direct that Telemedicine funds appropriated to MUSC for the MUSC Hospital Authority must be used to continue development of the SC Statewide Telemedicine Network. Direct the SC Telehealth Alliance to submit a proposal to the authority and the Department of Health and Human Services to determine which entities are best suited for Telemedicine partnerships. Direct DHHS to develop or continue a program to leverage the use of teaching hospitals to provide rural physician coverage by expanding use of telemedicine. Direct DHHS to use \$9,000,000 to contract with the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

MUSC Hospital Authority to lead the statewide, open access, South Carolina Telemedicine Network. Direct that no less than \$1,000,000 be allocated toward Palmetto Care Connections and other hospitals in the state. Direct the authority provide DHHS with quarterly reports on the allocation of funds and the progress of telemedicine transformation efforts and networks. Direct the MUSC Hospital Authority to publish a summary progress report on the telemedicine transformation and submit it to the Governor and General Assembly by March 1, 2018.

HOU: ADOPT new proviso.

117.135. (GP: South Carolina Telemedicine Network) From the funds appropriated to the Medical University of South Carolina for the MUSC Hospital Authority for Telemedicine and the funds appropriated and authorized for the Department of Health and Human Services, the agencies must continue the development of the South Carolina Statewide Telemedicine Network. The South Carolina Telehealth Alliance shall submit a proposal to the MUSC Hospital Authority and the Department of Health and Human Services to determine which hospitals, clinics, schools or other entities are best suited for Telemedicine partnerships.

(A) The Department of Health and Human Services shall develop or continue a program to leverage the use of teaching hospitals to provide rural physician coverage by expanding the use of Telemedicine, to include new applications such as School Based Telehealth, and Tele-ICU.

(B) During the current fiscal year the Department of Health and Human Services shall contract with the MUSC Hospital Authority in the amount of \$9,000,000 to lead the development and operation of statewide open access to the South Carolina Telemedicine Network. Institutions and other entities participating in the network must be afforded the opportunity to meaningfully participate in the development of any annual refining to the initiative's strategic plan. Working with the department, the MUSC Hospital Authority shall collaborate with Palmetto Care Connections to pursue this goal. No less than \$1,000,000 of these funds shall be allocated toward support of Palmetto Care Connections and other hospitals in South Carolina. The MUSC Hospital Authority must provide the department with quarterly reports regarding the funds allocation and progress of telemedicine transformation efforts and networks. These reports must include an itemization of the ultimate recipients of these funds, whether vendors, grantees, specific participating institutions, or the Medical University of South Carolina, and must distinguish between funds allocation to the university as a participating institution as opposed to those retained and used by the university in its capacity as the administering entity for the network.

(C) The MUSC Hospital Authority shall publish a summary report to the Governor and the General Assembly indicating the overall progress of the state's telemedicine transformation by March 1, 2018.

117.136 ADD (Adult Protective Services Coordination Teams) **WMC:** ADD new proviso to direct the Department of Social Services Adult Protective Services Program to develop county level multi-agency interdisciplinary Adult Protective Services Coordination Teams to develop and implement strategies to ensure appropriate services are available to vulnerable adults during the investigation and adjudication of the report of alleged abuse, neglect and exploitation. Require DHHS, DDSN, and DMH, or their designed local entity, and with advice and resources from the Lt. Governor's Office on Aging to serve on the teams to address abuse and neglect and prevent or delay institutionalization. Direct DSS to submit a progress report on implementation and any necessary funding requests to the Governor and Chairmen of the House Ways and Means and Senate Finance Committees by January 1, 2018.

HOU: ADOPT new proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

117.136. (GP: Adult Protective Services Coordination Teams) In order to best coordinate services for the South Carolina vulnerable adult population, the Adult Protective Services Program at the Department of Social Services shall develop county level multi-agency inter-disciplinary Adult Protective Services Coordination Teams. These teams must develop and implement strategies to ensure appropriate services are available and provided to vulnerable adults during the investigation and adjudication of the report of alleged abuse, neglect, and exploitation of vulnerable adults.

The following agencies are required to participate and/or designate a local entity to serve on the Adult Protective Services Coordination Teams to address abuse and neglect and to prevent or delay institutionalization: Department of Health and Human Services, Department of Disabilities and Special Needs, Department of Mental Health, and with advice and resources from the Lt. Governor's Office on Aging. Participating agencies may expend necessary funds as authorized and/or appropriated in the current fiscal year, to develop the APS Coordination Teams. The teams must give priority for services for assessment of mental and physical conditions, eligibility for services, home and community based services waivers, home health, hospice, targeted case management, Optional State Supplementation & OSCAP, service coordination, Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), behavioral health programs such as community mental health programs, inpatients psychiatric services, nursing facility care, and other home and community based services such as home-delivered meals and transportation.

The Department of Social Services shall submit a report on the progress of the implementation and any necessary funding requests to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by January 1, 2018.

117.137 ADD (Distribution Facility) WMC: ADD new proviso to direct the State Ports Authority to be considered a distribution facility for the purpose of sales tax exemptions for equipment and construction materials purchases.

HOU: ADOPT new proviso.

117.137. (GP: Distribution Facility) The State Ports Authority shall be considered a distribution facility for the purpose of sales tax exemptions associated with the purchase of equipment and construction materials.

117.138 ADD (Catastrophic Weather Event) WMC: ADD new proviso to direct (A) that improvements to real or personal property used as a residence, such as a mobile home or manufactured housing unit, as a result of damage from the catastrophic weather event in October 2015, made after the event and before July 1, 2018, is not considered an improvement and does not require an appraisal if it was funded through the US HUD Block Grant Disaster Recovery Program, or if at the discretion of individual counties, improvements were made with the assistance of volunteer organizations; and (B) direct property tax assessors to conform the values of eligible parcels which were improved before July 1, 2017, to the property tax value as that value may have been adjusted to reflect the provisions contained in (A). Fiscal Impact: RFAO states this provision is not expected to have an expenditure or revenue impact on the General Fund.

HOU: ADOPT new proviso.

117.138. (GP: Catastrophic Weather Event) (A) Any improvements made to real property or personal property used as a residence, such as a mobile home or manufactured housing unit,

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

damaged during the catastrophic weather event in October 2015, after the event and before July 1, 2018, is not considered an improvement and does not require an appraisal. This provision only applies if as a result of the catastrophic weather event, the improvements made to the property were funded by the United States Department of Housing and Urban Development Block Grant - Disaster Recovery program. This provision also applies if, at the discretion of the county and using qualifications determined by the county, the improvements were made with the assistance of a volunteer organization active in disaster, or a similar volunteer organization.

(B) Property tax assessors shall conform the values of eligible parcels of property which were improved before July 1, 2017, to the property tax value of these parcels as that value may have been adjusted to reflect the above provisions of section (A). No refund is allowed on account of values adjusted as provided in this provision.

- 117.139 ADD** (Statehouse Security Body Cameras) **WMC:** ADD new proviso to require all law enforcement officers assigned to the Statehouse grounds and complex to be equipped with a body worn camera while performing their duties.
HOU: ADOPT new proviso.

117.139. (GP: Statehouse Security Body Cameras) All law enforcement officers assigned to the Statehouse grounds and complex must be equipped with a body worn camera at all times while performing their duties.

- 117.140 ADD** (Land Management) **WMC:** ADD new proviso to prohibit DNR, the Forestry Commission and PRT from accepting additional properties until adequate resources have been provided to manage currently owned lands. Excludes properties whose transfer to a state agency was in process prior to July 1, 2017.
HOU: ADOPT new proviso.

117.140. (GP: Land Management) The Department of Natural Resources, Forestry Commission, and Department of Parks, Recreation and Tourism may not accept additional properties for management, donated or otherwise, until adequate resources have been provided to manage the lands currently owned. This provision shall not apply to properties whose transfer to a state agency was in process prior to July 1, 2017.

- 117.141 ADD** (Study Committee on Electronic Recording of Custodial Interrogations) **WMC:** ADD new proviso to direct the Judicial Department, Court Administration Program to establish a committee to study statewide implementation of electronic recording of custodial interrogations in their entirety. Provide for the composition of the study committee; direct that Court Administration shall provide staff support; and require the committee submit its findings by March 1, 2018, to the House, Senate and Governor's Office.
HOU: ADOPT new proviso.

117.141. (GP: Study Committee on Electronic Recording of Custodial Interrogations) From the funds appropriated to and/or authorized for the Judicial Department, Court Administration Program, the department shall establish a study committee to study statewide implementation of electronic recording of custodial interrogations in their entirety. The committee shall review current written policies, practices and equipment in place at state and local law enforcement agencies for electronically recording custodial interrogations; guidelines for a state model policy on electronically recording custodial interrogations in their entirety,

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

including definition of the term custodial interrogations, the crime categories for which custodial interrogations shall be recorded, exigent circumstances that would exempt an officer from recording an interrogation in its entirety; recommendations for how law enforcement agencies can obtain or access audiovisual or audio-only equipment to record custodial interrogations, anticipating the differences in resources available to large and small agencies; and remedies that the court may consider if a custodial interrogation is not recorded.

The study committee shall be comprised of the following:

(1) Two members of the Senate appointed by the President Pro Tempore of the Senate;

(2) Two members of the House of Representatives appointed by the Speaker of the House;

(3) A representative appointed by the Attorney General;

(4) Chief of the State Law Enforcement Division;

(5) A representative of the South Carolina Sheriffs' Association;

(6) A representative from the South Carolina Commission on Prosecution Coordination;

(7) A representative of the South Carolina Association for Justice;

(8) A representative of the South Carolina Association of Criminal Defense Lawyers,

and

(9) A representative of the Commission on Indigent Defense.

Staff support shall be provided by Court Administration. The committee shall submit a written report of its findings and recommendations to the House of Representatives, the Senate and the Governor's Office no later than March 1, 2018.

117.142 ADD (Indigent Defense Screening Review) WMC: ADD new proviso to direct the Commission on Indigent Defense and the Judicial Department Court Administration Program to consult with the Summary Court Judges' Association and Clerks of Court Association on screening indigent defense applications. Direct the Commission on Indigent Defense and Court Administration to make recommendations to the Chairmen of the House Ways and Means, House Judiciary, Senate Finance and Senate Judiciary Committees no later than December 1, 2017, regarding the applicant screening process.

HOU: ADOPT new proviso.

117.142. (GP: Indigent Defense Screening Review) The Commission on Indigent Defense and the Judicial Department Court Administration Program shall consult with the Summary Court Judges' Association and Clerks of Court Association on issues regarding the screening of applicants for indigent defense representation. The Commission on Indigent Defense and Court Administration shall make recommendations to the Chairman of the House Ways and Means Committee, the Chairman of the House Judiciary Committee, the Chairman of the Senate Finance Committee, and the Chairman of the Senate Judiciary Committee no later than December 1, 2017 regarding: requirements for applicants to verify their financial status, supporting documentation that should be required of all applicants; who should conduct the screening, what resources are necessary to properly screen applicants and any other recommendations that will assist in ensuring only those applicants that are truly indigent qualify for the services of a public defender or other appointed counsel.

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

HOU: ADOPT new proviso.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

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

- 117.144 ADD (Pilot Workforce Development Centers of Excellence) WMC:** ADD new proviso to direct the State Board for Technical and Comprehensive Education to establish Workforce Development Centers of Excellence as pilot programs to assist students in underserved communities with training, employment, and apprenticeship opportunities. Direct the centers to create a model to assist students in engaging in experiences and activities. Direct a center to enhance student engagement in the areas of Mechatronics and to establish curriculum development to provide students in bridge/transfer programs with course requirements needed to provide a seamless transition to a 4 year institution. Direct that curriculum must diversify Science, Technology, Engineering, Arts and Math modules to provide value-added academic preparation. Direct centers to provide students who successfully complete the curriculum with an industry-recognized certification. Direct that Centers of Excellence staff shall be employees of the State Board for Tech and Comp Ed.
HOU: ADOPT new proviso.

117.144. (GP: Pilot Workforce Development Centers of Excellence) The State Board for Technical and Comprehensive Education shall establish Workforce Development Centers of Excellence as pilot programs to assist in training, employment, and apprenticeship opportunities for students in underserved communities. The centers shall create a model to assist students in engaging in experiences and activities. The Workforce Development Centers of Excellence shall enhance student engagement in the area of Mechatronics, which will provide students with training in electronics and mechanical engineering with a focus on sustainable energy resources and shall offer hands on training, mentors from industry representatives, and career placement assistance. The Workforce Development Centers of Excellence shall also enhance the effectiveness of a seamless transition for students and establish curriculum development in order to provide students in bridge/transfer programs with the course requirements needed to transfer to a four year institution. Curriculum must diversify Science, Technology, Engineering, Arts, and Math modules by expanding to include other modules to provide value-added academic preparation. The center, in cooperation with the Department of Employment and Workforce, shall also provide assistance through client placement, case management, and identification of industries for potential employment referrals. The Centers of Excellence shall provide students who successfully complete the curriculum with an industry-recognized certification. Positions associated with the centers shall be employees of the State Board for Technical and Comprehensive Education.

- 117.145 ADD (Fuel Pump Inspection) WMC:** ADD new proviso to suspend Section 12-28-2355(C) [INSPECTION AND ENVIRONMENTAL IMPACT FEE CHARGED ON PETROLEUM PRODUCTS] and direct all affected revenues to be credited to the State Highway Fund to be used exclusively for repair, maintenance and improvement of the existing transportation system.
HOU: ADOPT new proviso.

117.145. (GP: Fuel Pump Inspection) For the current fiscal year, Section 12-28-2355(C) of the 1976 Code shall be suspended. All affected revenues must be credited to the State Highway Fund at the Department of Transportation to be used exclusively for repair, maintenance and improvement of the existing transportation system.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

- 117.146 ADD (SCRS & PORS Rates) WMC:** ADD new proviso to direct that for FY 2017-18 the contribution rate for SCRS shall be 12.56% for employers and 9% for employees and for PORS shall be 15.24% for employers and 9.75% for employees. Direct that these funds are in lieu of an additional employer contribution increase and is equivalent to a 1% increase for state, local and school district employers that participate in the systems.
HOU: ADOPT new proviso.

117.146. (GP: SCRS & PORS Rates) For Fiscal Year 2017-18, the contribution rate for the South Carolina Retirement System shall be 12.56 percent for employers and 9 percent for employees and the contribution rate for the Police Officer Retirement System shall be 15.24 percent for employers and 9.75 percent for employees.

The funds appropriated to the Public Employee Benefit Authority for the South Carolina Retirement System Trust Fund and the Police Officer Retirement System Trust Fund in Part IA, Section 108 of this act is in lieu of an additional contribution increase for employers. This supplemental appropriation is equivalent to a one percent increase for all state, local, and school district employers participating in the two systems.

- 117.147 ADD (Prohibited Funding for Aborted Fetus Research) HOU:** ADD new proviso to prohibit general funds from being used to purchase fetal tissue from an abortion in order to perform research on the tissue. Sponsor: Rep. Long.

117.147. (GP: Prohibited Funding for Aborted Fetus Research) Notwithstanding any other provision of this act, general funds appropriated in this act may not be used to purchase fetal tissue obtained from an abortion to perform scientific or laboratory research or other kinds of investigation conducted on fetal tissue.

- 117.148 ADD (Statewide Contract Usage and Administrative Fees) HOU:** ADD new proviso to direct SFAA to provide and release via the agency's website, a report of all aggregate amounts of contract usage and administrative fees due and collected in the prior fiscal year. Provide for report requirements. Direct the report be submitted to Chairman of the Senate Finance Committee and to members of the House Ways and Means Committee by September 1st. Sponsor: Rep. Cobb-Hunter.

117.148. (GP: Statewide Contract Usage and Administration Fees) In order to promote accountability and transparency, the State Fiscal Accountability Authority must provide and release to the public via the agency's website, a report of all aggregate amounts of contract usage and administrative fees that were due and collected by the authority in the prior fiscal year. The report shall include, but not be limited to: (1) contract name; (2) solicitation number; (3) vendor name and address; (4) vendor number; (5) total sales reported per vendor; (6) total administrative fee due per vendor; (7) total administrative fee collected per vendor; (8) total administrative fee outstanding per vendor; and (9) purchasing agency name and address. This report shall include any state contract for which usage/administrative fees are required from vendors or agencies. The report must be posted online and be submitted to the Chairman of the Senate Finance Committee and to members of the House Ways and Means Committee by September 1st. Funds appropriated to and/or authorized for use by the State Fiscal Accountability Authority shall be used to accomplish this directive.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

SECTION 118 - X910 - STATEWIDE REVENUE

- 118.1 AMEND** (Year End Cutoff) Directs year-end expenditure deadlines.
WMC: AMEND proviso to update calendar year references to “2018.” Requested by Office of Comptroller General.
HOU: ADOPT proviso as amended.

118.1. (SR: Year End Cutoff) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2017~~ 2018. State agencies are required to submit all current fiscal year input documents and all electronic workflow for accounts payable transactions to the Office of Comptroller General by July ~~14, 2017~~ 13, 2018. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Fiscal Accountability Authority and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Fiscal Accountability Authority, toward the accomplishment of the purposes for which the appropriations were provided.

- 118.9 AMEND** (Tax Relief Reserve Fund) Creates the Tax Relief Reserve Fund; directs that accrued interest remain in the fund; and directs the State Treasurer, on December 31, 2016, to transfer from the General Fund any funds identified in this act designated for the Tax Relief Reserve Fund. Directs that the fund may only be used to provide tax relief to businesses and individuals as provided by law and authorizes these funds to be retained, carried forward, and used for the same purpose.
WMC: AMEND proviso to update calendar year reference from “2016” to “2017.”
HOU: ADOPT proviso as amended.

118.9. (SR: Tax Relief Reserve Fund) There is created the Tax Relief Reserve Fund, which shall be separate and distinct from the General Fund. Interest accrued by the fund must remain in the fund. Notwithstanding any other provision of law, on December 31, ~~2016~~ 2017, the State Treasurer shall transfer funds identified in this act from the General Fund to the Tax Relief Reserve Fund. These funds may only be used to provide tax relief to businesses and individuals as provided by law. Funds within the Tax Relief Reserve Fund shall be retained and carried forward to be used for the same purpose.

- 118.11 AMEND** (Tobacco Settlement) Directs expenditure of Tobacco Master Settlement Agreement (MSA) funds for Fiscal Year 2016-17. Suspends the requirements of Section 11-11-170 [USE OF REVENUES PAYABLE PURSUANT TO MASTER SETTLEMENT AGREEMENT] for Fiscal Year 2016-17.
WMC: AMEND proviso to fiscal year references from “2016-17” to “2017-18.”
HOU: ADOPT proviso as amended.

118.11. (SR: Tobacco Settlement) (A) To the extent funds are available from payments received on behalf of the State by the Tobacco Settlement Revenue Management Authority from the Tobacco Master Settlement Agreement (“MSA”) during Fiscal Year ~~2016-17~~ 2017-18, the

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

State Treasurer is authorized and directed, after transferring funds sufficient to cover the operating expenses of the Authority, to transfer the remaining funds as follows:

(1) \$1,253,000 to the Attorney General's Office for Diligent Enforcement and Arbitration Litigation; \$450,000 to the State Law Enforcement Division for Diligent Enforcement; and \$325,000 to the Department of Revenue for Diligent Enforcement, all to enforce Chapter 47 of Title 11, the Tobacco Escrow Fund Act; and

(2) The remaining balance shall be transferred to the Department of Health and Human Services for the Medicaid program.

(B) The requirements of Section 11-11-170 of the 1976 Code shall be suspended for Fiscal Year ~~2016-17~~ 2017-18.

118.12 DELETE (Nonrecurring Revenue) Appropriates non-recurring revenue to various agencies for Fiscal Year 2016-17, generated from specific sources.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~118.12. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:~~

~~(1) \$46,750,797 from Fiscal Year 2014-15 Contingency Reserve Fund;~~

~~(2) \$239,798,000 from Fiscal Year 2015-16 unobligated general fund revenue as certified by the Board of Economic Advisors;~~

~~(3) \$139,260,007 from the Litigation Recovery Account;~~

~~(4) \$14,426,041 from Fiscal Year 2015-16 (V040) Excess Debt Service;~~

~~(5) \$11,885,511 from Fiscal Year 2015-16 (X440) Excess Homestead Exemption;~~

~~(6) \$5,494,506 from Fiscal Year 2015-16 F30 Carry Forward and Bonus Lapse; and~~

~~(7) \$400,000 from the Department of Revenue Identity Theft Reimbursement Fund Lapse.~~

~~Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year. The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2015-16 and shall be available for use in Fiscal Year 2016-17.~~

~~This revenue is deemed to have occurred and is available for use in Fiscal Year 2016-17 after September 1, 2016, following the Comptroller General's close of the state's books on Fiscal Year 2015-16.~~

~~(B) The appropriations in this provision are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.~~

~~The State Treasurer shall disburse the following appropriations by September 30, 2016, for the purposes stated:~~

~~(1) General Reserve Fund Contribution\$ 20,399,981~~

~~(2) U120 Department of Transportation~~

~~(a) Non Federal Aid Highway Fund\$ 50,000,000~~

~~(b) 2015 Flood Road Repair Cost\$ 37,300,000~~

~~(3) E240 Office of Adjutant General~~

~~EMD FEMA State and Local Match for 2015 Flooding\$ 72,000,000~~

~~(4) H630 Department of Education~~

~~(a) School Bus Lease or Purchase\$ 3,225,424~~

~~(b) Hazardous Transportation\$ 3,000,000~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(e) Technology Technical Assistance	\$ 13,977,209
(d) Education Outreach/State Museum	\$ 15,000
(e) Onsite Educational Programming/State Museum.....	\$ 10,000
(f) Teacher Recruitment and Retention for Plaintiff Districts and Districts with a Poverty Index of Eighty Percent or Higher.....	\$ 9,058,672
(g) Babynet Autism Therapy.....	\$ 1,200,000

(4.1) ~~The Department of Education shall allocate the \$9,058,672 appropriated above in item (4)(f) for any school district that is a plaintiff in the Abbeville law suit or districts with a poverty index of eighty percent or higher based on the poverty index utilized the prior fiscal year that was student eligibility for the free or reduced lunch program and Medicaid to provide for Teacher Recruitment and Retention. The funds shall be allocated on a per pupil basis to each district based on the districts 45 day student enrollment count.~~

(5) H670 Educational Television Commission	
Capital Needs.....	\$ 1,750,000
(6) H790 Department of Archives and History	
(a) Digital Access and Storage Initiative	\$ 439,000
(b) Architectural Heritage Preservation	\$ 2,300,000
(c) Driving Tours Historic African American Sites	\$ 100,000
(7) H870 State Library	
Colleton County Bookmobile	\$ 200,000
(8) H910 Arts Commission	
SC Artisans Center	\$ 500,000
(9) H950 State Museum Commission	
(a) Collections Database and Management System	\$ 125,000
(b) Collections and Content.....	\$ 5,000
(10) H030 Commission on Higher Education	
(a) SREB Program and Assessments	\$ 1
(b) Legal Staffing	\$ 1
(c) Out of State Veteran Tuition Reimbursement Colleges.....	\$ 1
(d) Greenwood Promise Scholarship Program.....	\$ 50,000
(11) H090 The Citadel Educational and General	
Operating	\$ 1
(12) H120 Clemson University E&G	
Outdoor Lab Facilities	\$ 2,400,000
(13) H150 University of Charleston	
(a) Computer Science Program.....	\$ 650,000
(b) Gibbs Museum of Art.....	\$ 350,000
(c) Maintenance: Critical Care and Repair (1:1 Match).....	\$ 1
(d) Avery Center	\$ 250,000
(14) H170 Coastal Carolina University	
(a) Maintenance: Critical Care and Repair (1:1 Match).....	\$ 1
(b) Atmospheric and Soil Moisture Weather Stations (10).....	\$ 150,000
(c) Brooks Stadium Engineering.....	\$ 100,000

(14.1) ~~Coastal Carolina University shall use the funds appropriated for Brooks Stadium Engineering to offset costs associated with expansion of the football stadium. Once the university has developed a plan for stadium expansion pursuant to any National Collegiate Athletic Association, conference, or contractual requirements, the university shall submit the plan for~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

approval to the Joint Bond Review Committee and the State Fiscal Accountability Authority. Any other statutory requirements for state approval of this project are hereby suspended for the fiscal year.

(15) H180 Francis Marion University		
(a) Maintenance: Critical Care and Repair (1:1 Match)	\$ 1
(b) Honors College	\$ 200,000
(16) H210 Lander University		
Nursing and STEM Equipment	\$ 550,000
(17) H240 South Carolina State University		
(a) Maintenance: Critical Care and Repair (1:1 Match)	\$ 150,000
(b) Rural Conference Center	\$ 1
(18) H270 University of South Carolina - Columbia		
Law School Taylor Renovations (1:1 Match)	\$ 1
(19) H340 University of South Carolina - Upstate		
(a) Maintenance: Critical Care and Repair (1:1 Match)	\$ 1
(b) Manufacturing Management Technology Training	\$ 1
(20) H380 University of South Carolina - Salkehatchie		
(a) HVAC and Physical Plant Repairs	\$ 100,000
(b) Science Building Maintenance	\$ 250,000
(21) H390 University of South Carolina - Sumter		
Physical Plant Repairs	\$ 100,000
(22) H510 Medical University of South Carolina		
(a) Palmetto Palace	\$ 1
(b) MUSC Shawn Jenkins Children's Hospital	\$ 10,000,000
(23) H590 State Board for Technical and Comprehensive Education		
(a) ReadySC Direct Training	\$ 13,554,507
(b) Central Carolina Technical College - Critical Training		
Equipment	\$ 1,320,670
(c) Critical Training Equipment	\$ 1
(d) Greenville Technical College - CMI Equipment	\$ 7,000,000
(e) Greenville Technical College - Critical Training Equipment	\$ 778,496
(f) Aiken Technical College - Life Science Building	\$ 650,000
(g) Aiken Technical College - Critical Training Equipment	\$ 784,216
(h) Denmark Technical College - Barnwell Workforce Center	\$ 950,000
(i) Denmark Technical College - Critical Training Equipment	\$ 415,484
(j) Florence-Darlington Technical College - Academic Building	\$ 3,500,000
(k) Florence-Darlington Technical College - Critical Training		
Equipment	\$ 858,078
(l) Horry-Georgetown Technical College - Critical Training		
Equipment	\$ 1,063,730
(m) Midlands Technical College - Critical Training Equipment	\$ 1,107,743
(n) Northeastern Technical College - Instructional Building	\$ 3,500,000
(o) Northeastern Technical College - Critical Training		
Equipment	\$ 642,679
(p) Orangeburg-Calhoun Technical College - Critical		
Training Equipment	\$ 801,512
(q) Orangeburg-Calhoun Technical College - Nursing		
Cooperative Program with Claflin University	\$ 400,000

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(r)	Piedmont Technical College—Upstate Center for Manufacturing	\$ 3,750,000
(s)	Piedmont Technical College—Critical Training Equipment	\$ 989,767
(t)	Spartanburg Community College—Critical Training Equipment	\$ 2,012,265
(u)	Technical College of the Lowcountry—New River Workforce Development Center	\$ 150,000
(v)	Technical College of the Lowcountry—Mobile Welding Lab	\$ 1,200,000
(w)	Technical College of the Lowcountry—Critical Training Equipment	\$ 717,171
(x)	Tri-County Technical College—Critical Training Equipment	\$ 992,641
(y)	Trident Technical College—Aeronautical Training Center	\$ 700,000
(z)	Trident Technical College—Critical Training Equipment	\$ 1,624,725
(aa)	Williamsburg Technical College—Critical Training Equipment	\$ 606,872
(bb)	York Technical College—Health and Human Services Building	\$ 900,000
(cc)	York Technical College—Critical Training Equipment	\$ 1,309,614
(dd)	York Technical College—Western York Campus	\$ 100,000
(24)	J020—Department of Health and Human Services	
(a)	Medicaid Management and Information System	\$ 8,474,579
(b)	Rural Health Initiative	\$ 3,000,000
(c)	Medical Contracts	\$ 4,484,000
(d)	Osprey Village	\$ 200,000
(25)	J040—Department of Health and Environmental Control	
(a)	Data Center/Infrastructure	\$ 3,700,000
(b)	Electronic Medical Records	\$ 2,000,000
(c)	Cancer Screenings	\$ 1,500,000
(d)	Donate Life—Organ Donor Registry	\$ 100,000
(e)	Water Quality Infrastructure	\$ 2,750,000
(f)	Real MAD	\$ 200,000
(g)	North Myrtle Ocean Outfall	\$ 700,000
(h)	Air Quality Improvements	\$ 300,000
(25.1)	Of the funds appropriated above to the Department of Health and Environmental Control for Cancer Screenings, the department shall utilize \$1,000,000 of the funds for the Best Chance Network and \$500,000 as matching funds for the Colon Cancer Prevention Network.	
(26)	J160—Department of Disabilities and Special Needs	
	Lander Equestrian Center	\$ 300,000
(27)	L040—Department of Social Services	
(a)	Child Support System Development	\$ 1,000,000
(b)	Antioch Senior Center	\$ 100,000
(c)	After School and Summer Reading Programs	\$ 500,000
(d)	CR Neal Dream Center	\$ 100,000
(e)	Criminal Domestic Violence—SCCADVASA	\$ 800,000

~~(27.1) The funds appropriated above for After School and Summer Reading Programs must be used by the Department of Social Services to leverage any available matching funds for after school and summer childcare programs for Low Income children.~~

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(28) E040	Office of the Lieutenant Governor	
	Family Caregivers.....	\$ 1
(29) P320	Department of Commerce	
	(a) Closing Fund.....	\$ 10,000,000
	(b) Existing Industries – U.S. DOD Bus. Diversification	
	Grant Match.....	\$ 300,000
	(c) IT ology Coursepower.....	\$ 400,000
	(d) LocateSC.....	\$ 6,000,000
	(e) Office of Innovation.....	\$ 2,000,000
	(f) Research Initiatives.....	\$ 3,000,000
	(g) Applied Research Centers.....	\$ 1,000,000
	(h) Community Development Corporations.....	\$ 100,000
	(i) Economic Development.....	\$ 100,000
	(j) Workforce Coordinating Council Operations.....	\$ 100,000
(30) C050	Administrative Law Court	
	Rent Increase/Upfit.....	\$ 5,000
(31) D100	State Law Enforcement Division	
	(a) Forensic Building.....	\$ 17,800,000
	(b) Vehicle Rotation.....	\$ 2,000,000
	(c) First Responder PTSD Treatment.....	\$ 500,000
(32) N040	Department of Corrections	
	Agency Wide Paving.....	\$ 2,360,580
(33) N080	Department of Probation, Parole and Pardon Services	
	(a) Offender Education and Reentry Initiative.....	\$ 150,000
	(b) Job Training and Preparation Education.....	\$ 105,000
(34) N120	Department of Juvenile Justice	
	AMI Kids.....	\$ 200,000
(35) R440	Department of Revenue	
	(a) CSID – Identity and Credit Protection Services.....	\$ 1,000,000
	(b) Tax Processing System (COTS).....	\$ 1,145,202
(36) P160	Department of Agriculture	
	(a) Agricultural Marketing (Certified SC).....	\$ 500,000
	(b) Agribusiness Development.....	\$ 2,500,000
(37) P200	Clemson University PSA	
	(a) Agriculture and Natural Resources Program.....	\$ 500,000
	(b) Agriculture and Natural Resources Facilities.....	\$ 1,700,000
(38) P240	Department of Natural Resources	
	(a) Fort Johnson Roof Replacement.....	\$ 1,515,132
	(b) Law Enforcement Communication Center Upgrade.....	\$ 800,000
	(c) Springs Stevens Hatchery – Harvest Kettle Renovation.....	\$ 800,000
	(d) Waddell Center Infrastructure.....	\$ 100,000
	(e) Wildlife Management Areas.....	\$ 3,000,000
	(f) Heavy Equipment – Road and Dike Maintenance.....	\$ 210,000
	(g) Upper Coastal Waterfowl Project Maintenance and Repair....	\$ 1,600,000
	(h) Boat Slip Renovation – Fort Johnson.....	\$ 1,000,000
	(i) Outreach Education.....	\$ 1,600,000
	(j) Equipment.....	\$ 1,000,000

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(39) P280 Department of Parks, Recreation and Tourism	
(a) Agency Operations	\$ 1
(b) Statewide Coastal Beach Renourishment	\$ 30,000,000
(c) Information Technology Security Audit and PCI	
 Compliance Audit	\$ 300,000
(d) State Park Piers Repair	\$ 2,200,000
(e) Oconee Spillway Repair	\$ 100,000
(f) Sports Development Marketing Program	\$ 3,000,000
(g) Medal of Honor Museum	\$ 3,000,000
(h) Sumter Environmental Center	\$ 300,000
(i) African American Museum	\$ 4,000,000
(j) Children's Museum of the Upstate	\$ 1,000,000
(k) Parks and Recreation Development Fund.....	\$ 5,000,000

~~(39.1) The Department of Parks, Recreation and Tourism shall allocate the funds appropriated above in item (39)(b) for Statewide Coastal Beach Renourishment to local governments and state agencies for beach renourishment activities to repair damage caused by storm activity in 2015 and to accelerate routine renourishment activities on beaches damaged by the storms. Local governments and state agencies shall make application for renourishment funds on a form and in the manner prescribed by the department and funds shall be allocated using a prioritization process developed by the department. The department shall report to the Governor, the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee on applications received and the process for prioritizing renourishment funding no later than September 1, 2016.~~

(40) R200 Department of Insurance	
 Wind Studies.....	\$ 20,000
(41) R360 Department of Labor, Licensing and Regulation	
 Fire Suppression	\$ 25,000
(42) Y140 State Ports Authority	
(a) Jasper Ocean Terminal Permitting	\$ 2,500,000
(b) Port of Georgetown	\$ 500,000
(43) A150 Codification of Laws and Legislative Council	
 Dues.....	\$ 187,738
(44) A170 Legislative Services Disaster Recovery	\$ 500,000
(45) X220 Aid to Subdivisions State Treasurer	
 Local Government Fund.....	\$ 10,600,000
(46) D500 Department of Administration	
(a) New Statewide Voting System	\$ 1
(b) Office of Economic Opportunity Wateree Community	
 Action Agency.....	\$ 200,000
(c) State Human Resources Leadership South Carolina.....	\$ 150,000
(d) Pendleton Street Safety Upgrades	\$ 2,400,000

~~(46.1) The Department of Administration shall utilize the \$2,400,000 appropriated above for Pendleton Street Safety Upgrades to improve pedestrian safety and visibility on Pendleton Street for those traveling on the State House grounds and entering and exiting the McEachern Parking Facility.~~

(47) E240 Office of Adjutant General	
(a) Force Protection.....	\$ 1
(b) Post Challenge.....	\$ 1

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

(e) EMD Continuity of Operations and Government Plan	\$ 250,000
(d) Emergency Commodities	\$ 100,000
(e) Transitional Workforce Educational Assistance Collaborative	\$ 200,000
(f) Shaw Encroachment Zone	\$ 200,000
(g) SC Military Museum	\$ 380,000
(48) R520 State Ethics Commission New Auditors Equipment	\$ 10,000
(49) U300 Division of Aeronautics (a) Airport Facilities Security System Replacement	\$ 100,000
(b) State Aviation Fund	\$ 7,000,000
(c) Capital Improvements	\$ 200,000
(d) Airline Recruitment and Retention	\$ 150,000
(50) E160 Office of State Treasurer ABLE Savings Program	\$ 100,000

~~(C) Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.~~

118.14 AMEND NEW PROVISO (Nonrecurring Revenue) **WMC:** ADD new proviso to (A) appropriate non-recurring revenue for FY 2017-18 generated from FY 2016-17 unobligated general fund revenue certified by the BEA, the Litigation Recovery Account, the S.C. Farm Aid Fund Lapse, FY 2016-17 Excess Homestead Exemption, and FY 2016-17 Conservation Bank Subfund 45D7 Carry Forward; (B) appropriate funds to various agencies for specific purposes; add item (1.1) to direct PRT to allocate the \$5,000,000 appropriated for Statewide Coastal Beach Renourishment to local governments and state agencies for beach renourishment to repair damage caused by 2015 and 2016 storms; provide for an application process; and require PRT report to the Governor and the Chairmen of the House Ways and Means and Senate Finance Committees by September 1, 2017 on the applications received and the funding prioritization; add item (4.1) to direct that the \$4,000,000 to HHS for the Rural Hospital Transformation Plan may only be used for site improvements associated with a HHS approved hospital transformation plan; and (C) authorize unexpended funds to be carried forward and spent for the same purpose. **HOU:** AMEND new proviso to combine Litigation Recovery Account revenue items (A)(2) and (3) into (A)(2); amend allocations under item (B)(1) PRT to add \$6,000,000 for PARD Fund; and delete item (B)(12) \$6,000,000 to DOA for Competitive Grants. Sponsor: Rep. White.

118.14. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:

(1) \$28,496,108 from Fiscal Year 2016-17 unobligated general fund revenue as certified by the Board of Economic Advisors;

(2) \$16,183,789 from the Litigation Recovery Account;

(3) \$ 4,526,031 from the South Carolina Farm Aid Fund Lapse;

(4) \$ 7,879,103 from Fiscal Year 2016-17 (X440) Excess Homestead Exemption; and

(5) \$ 6,640,817 from Fiscal Year 2016-17 (P400) S.C. Conservation Bank, Subfund 45D7 Carry Forward.

Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year. The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2016-17 and shall be available for use in Fiscal Year 2017-18.

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

This revenue is deemed to have occurred and is available for use in Fiscal Year 2017-18 after September 1, 2017, following the Comptroller General's close of the state's books on Fiscal Year 2016-17.

(B) The appropriations in this provision are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.

The State Treasurer shall disburse the following appropriations by September 30, 2017, for the purposes stated:

- (1) P280 - Department of Parks, Recreation and Tourism
 - (a) Statewide Coastal Beach Renourishment.....\$ 5,000,000
 - (b) Hurricane Matthew Revenue Loss\$ 2,238,206
 - (c) Parks, Recreational and Tourism Revitalizations.....\$ 1,000,000
 - (d) Parks, Recreation Development Fund.....\$ 6,000,000

(1.1)The Department of Parks, Recreation and Tourism shall allocate the funds appropriated in item (1)(a) for Statewide Coastal Beach Renourishment to local governments and state agencies for beach renourishment activities to repair damage caused by storm activity in 2015 and 2016 and to accelerate routine renourishment activities on beaches damaged by the storms. Local governments and state agencies shall make application for renourishment funds on a form and in the manner prescribed by the department and funds shall be allocated using a prioritization process developed by the department. The department shall report to the Governor, the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee on applications received and the process for prioritizing renourishment funding no later than September 1, 2017.

- (2) P320 - Department of Commerce
 - (a) Closing Fund.....\$ 20,000,000
 - (b) 2015 Flood - Non-CDBG - Disaster Recovery\$ 250,000
 - (c) LocateSC\$ 5,455,179
 - (d) Applied Research Centers\$ 2,000,000
 - (e) Military Base Task Force.....\$ 300,000
 - (f) IT-ology/Coursepower\$ 200,000

- (3) P400 - S.C. Conservation Bank
 - Conservation Bank Trust.....\$ 5,000,000

- (4) J020 - Department of Health and Human Services
 - (a) Rural Hospital Transformation Plan\$ 4,000,000
 - (b) Medical Contracts\$ 3,000,000

(4.1)The funds appropriated to the Department of Health and Human Services in item (4)(a) for the Rural Hospital Transformation Plan may only be utilized for site improvements associated with a hospital transformation plan approved by the Department of Health and Human Services.

- (5) J040 - Department of Health and Environmental Control
 - (a) Water Quality.....\$ 2,000,000
 - (b) Pinewood Site Leachate Recovery\$ 1,848,000

- (6) P120 - Forestry Commission
 - Firefighter Safety and Public Protection - Equipment\$ 1,000,000

- (7) D100 - State Law Enforcement Division
 - Counter Terrorism/Arson Operating Expenses\$ 448,000

**SUMMARY OF PROVISO CHANGES FOR FY 2017-18
AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

<u>(8) P160 - Department of Agriculture</u>	
<u>Consumer Protection and Safety Equipment</u>	<u>\$ 500,000</u>
<u>(9) L040 - Department of Social Services</u>	
<u>Group Home Transition.....</u>	<u>\$ 500,000</u>
<u>(10) R400 - Department of Motor Vehicles</u>	
<u>(a) Annual Leave Payouts.....</u>	<u>\$ 140,000</u>
<u>(b) Disaster Recovery Integration.....</u>	<u>\$ 500,000</u>
<u>(11) E240 Office of Adjutant General</u>	
<u>Youth Challenge - POST Challenge</u>	<u>\$ 500,000</u>
<u>(12) E200 - Office of the Attorney General</u>	
<u>ICAC Equipment, Training, and Operations</u>	<u>\$ 150,000</u>
<u>(13) U300 - Division of Aeronautics</u>	
<u>(a) Security System.....</u>	<u>\$ 100,000</u>
<u>(b) Airline Recruitment and Retention</u>	<u>\$ 150,000</u>
<u>(14) H750 - School for the Deaf and the Blind</u>	
<u>Campus Facility Plan</u>	<u>\$ 150,000</u>
<u>(15) H710 - Wil Lou Gray Opportunity School</u>	
<u>(a) Underground Utilities</u>	<u>\$ 100,000</u>
<u>(b) HVAC</u>	<u>\$ 80,000</u>
<u>(16) A170 Legislative Services</u>	
<u>IT Disaster Recovery</u>	<u>\$ 500,000</u>
<u>(17) R080 - Workers' Compensation Commission</u>	
<u>IT Division - Legacy System Modernization.....</u>	<u>\$ 189,488</u>
<u>(18) H790 - Department of Archives and History</u>	
<u>Conservation of South Carolina's Constitutions</u>	<u>\$ 200,000</u>
<u>(19) N200 - Law Enforcement Training Council</u>	
<u>Criminal Justice Academy</u>	
<u>Dining Hall Furniture</u>	<u>\$ 51,975</u>
<u>(20) H870 - State Library</u>	
<u>Building Maintenance.....</u>	<u>\$ 90,000</u>
<u>(21) H630 - Department of Education</u>	
<u>GSAH - Core Switch Replacement.....</u>	<u>\$ 60,000</u>
<u>(22) R520 - State Ethics Commission</u>	
<u>(a) Additional Office Space/Rent Increase.....</u>	<u>\$ 15,000</u>
<u>(b) New Administrative Assistants Operating Expenses</u>	<u>\$ 10,000</u>
<u>(C) Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.</u>	