

**H. 3701 CONFERENCE COMMITTEE
SUMMARY OF PROVISO CHANGES FOR FY 2015-16
DIFFERENCES FOR DISCUSSION**

SECTION 1 - H63-DEPARTMENT OF EDUCATION

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

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

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

HOU2: AMEND House version to delete the directive that after the 2014-15 school year a local match will be required to conform with the EFA. Delete reference to "Accelerated" students and reinsert "Gifted and talented" students. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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

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

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

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

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

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

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

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

- (4) Additional weights for personalized instruction:

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

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

- (C) Limited English Proficiency..... 0.20

- (D) Pupils in Poverty..... 0.20

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

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

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

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

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

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

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For the ~~2014-15~~ 2015-16 school year, students in poverty will continue to be defined as students eligible for free/reduced lunch and/or Medicaid. The Department of Education will continue to use counts from the 2013-14 school year to determine poverty funding for the add-on weighting. The department shall report on the effects USDA community certification have had on the ability for individual districts no later than October 1, 2015, and shall provide recommendations on using poverty data from the United States Census Bureau to calculate a district's poverty allocation in lieu of direct certification to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.

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

SFC: AMEND FURTHER to specify that no local match is required for additional weighting for personalized instruction in school year 2015-16. Delete the directive that after the 2014-15 school year a match will be required. Delete reference to "Accelerated" students and reinsert "Gifted and talented" students and restore original definition of "gifted and talented" students.

SEN: 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 ~~\$2,120~~ \$2,220. For the current fiscal year, the total pupil count is projected to be ~~708,231~~ 714,394. The average per pupil funding is projected to be ~~\$5,290~~ \$5,536 state, ~~\$1,154~~ \$1,185 federal, and ~~\$4,996~~ \$5,371 local. This is an average total funding level of ~~\$11,440~~ \$12,092 excluding revenues of local bond issues. For the current fiscal year the South Carolina Public Charter School District and any institution of higher education sponsoring a public charter school shall receive and distribute state EFA funds to the charter school as determined by one hundred percent of the current year's base student cost, as funded by the General Assembly multiplied by the weighted students pupils enrolled in the charter school, which must be subject to adjustment for student attendance.

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

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

- (1) K-12 pupils or base students including homebound students..... 1.00
Students served in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code shall receive a weighting of 2.10.
- (2) Weights for students with disabilities as prescribed in Section 59-20-40(1)(c) Special Programs
- (3) Precareer and Career Technology..... 1.29
- (4) Additional weights for personalized instruction:
 - (A) Gifted and Talented..... 0.15
 - (B) Academic Assistance..... 0.15
 - (C) Limited English Proficiency 0.20
 - (D) Pupils in Poverty 0.20

No local match is required for the additional weightings for personalized instruction in school year ~~2014-15~~ 2015-16. ~~After the 2014-15 school year, a local match to conform with the Education Finance Act will be required.~~ Charter school per pupil calculations for locally sponsored charters will continue to be calculated according to Section 59-40-140 of the 1976 Code. Students may receive multiple weights for personalized instruction; however, within each weight, students should only be counted once. These weights are defined below:

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

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

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

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

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final district allocation adjustments by June 30, ~~2015~~ 2016. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

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

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

HOU: ADOPT proviso as amended.

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

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

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

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

WMC: AMEND proviso to prohibit a school district from transferring funds provided for the EEDA or for Career and Technology Education. Change the reference to students with “exceptional needs” to “disabilities who have Individualized Education Programs.” *Within the realm of education, the phrase “students with exceptional needs” includes students with*

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disabilities as well as students who are in gifted and talented programs. Since the intent of this particular language is to have staffing ratios remain intact for students with disabilities, the language should be updated. Requested by Department of Education. Companion to EIA proviso 1A.15.

HOU: ADOPT proviso as amended.

HOU2: AMEND House version to direct that nothing in this provision shall prohibit the State Board of Education from exercising its authority to grant waivers under Reg. 43-261. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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

In order for a school district to take advantage of the flexibility provisions, at least seventy-five percent of the school district’s per pupil expenditures must be utilized within the InSite categories of instruction, instructional support, and non-instruction pupil services. No portion of the seventy-five percent may be used for business services, debt service, capital outlay, program management, and leadership services, as defined by 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 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

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Committee. Additionally, the certification must be presented publicly at a regularly called school board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

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

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

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

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

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

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

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

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

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

SFC: ADOPT proviso as amended.

SEN: ADOPT proviso as amended.

1.28. (SDE: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, *funds provided for the Education and*

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Economic Development Act, funds provided for Career and Technology Education, nor required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for four-year old programs and programs serving students with ~~exceptional needs~~ *disabilities who have Individualized Education Programs*.

In order for a school district to take advantage of the flexibility provisions, at least seventy-five percent of the school district's per pupil expenditures must be utilized within the InSite categories of instruction, instructional support, and non-instruction pupil services. No portion of the seventy-five percent may be used for business services, debt service, capital outlay, program management, and leadership services, as defined by 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 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 board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

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

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

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

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

The register must not include an entry for salary, wages, or other compensation paid to individual employees. The register must not include any information that can be used to identify

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an individual employee. The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure. The register must be searchable and updated at least once a month.

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

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

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

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

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

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

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

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proficiency by the end of the school year must be offered the opportunity to attend a summer reading camp at no cost to the parent or guardian. The purpose of the reading camp is to provide students who are significantly below third-grade reading proficiency with the opportunity to receive quality, intensive instructional services and support. A district may also include in the summer reading camps students who are not exhibiting reading proficiency at any grade and may charge fees for these students to attend the summer reading camps based on a sliding scale pursuant to Section 59-19-90, except where a child is found to be reading below grade level in the first, second or third grade. A parent or guardian of a student who does not substantially demonstrate proficiency in comprehending texts appropriate for his grade level must make the final decision regarding the student's participation in the summer reading camp.

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

SEN: ADOPT proviso as amended.

1.67. (SDE: Summer Reading Camps) For the current fiscal year, funds appropriated for summer reading camps must be allocated as follows: (1) up to twenty percent to the Department of Education to provide bus transportation for students attending the camps; (2) \$700,000 allocated to the department to provide grants to support community partnerships whereby community organizations would collaborate with local school districts to provide after school programs or summer reading camps that utilize volunteers, mentors or tutors to provide instructional support to struggling readers in elementary schools that have a poverty index of fifty percent or greater. The Education Oversight Committee will document and evaluate the partnerships and the impact of the partnerships on student academic success and make recommendations on the characteristics of effective partnerships and on methods of duplicating effective partnerships throughout the state; and (3) the remainder on a per pupil allocation to each school district based on the number of students who ~~scored Not Met 1 on the third grade reading and research assessment of the prior year's Palmetto Assessment of State Standards administration~~ substantially failed to demonstrate third-grade reading proficiency as indicated on the prior year's state assessment as defined by Section 59-155-120 (10) of the 1976 Code. Summer reading camps must be at least six weeks in duration with a minimum of four days of instruction per week and four hours of instruction per day, or the equivalent minimum hours of instruction in the summer. School transportation shall be provided. The camps must be taught by compensated teachers who have at least an add-on literacy endorsement or who have documented and demonstrated substantial success in helping students comprehend grade-level texts. The Department of Education shall assist districts that cannot find qualified teachers to work in the summer camps. Districts may also choose to contract for the services of qualified instructors or collaborate with one or more districts to provide a summer reading camp. Schools and school districts are encouraged to partner with county or school libraries, institutions of higher learning, community organizations, faith-based institutions, businesses, pediatric and family practice medical personnel, and other groups to provide volunteers, mentors, tutors, space, or other support to assist with the provision of the summer reading camps. In the current school year, any student in third grade who substantially fails to demonstrate third-grade reading proficiency by the end of the school year must be offered the opportunity to attend a summer reading camp at no cost to the parent or guardian. The purpose of the reading camp is to provide students who are significantly below third-grade reading proficiency with the opportunity to receive quality, intensive instructional services and support. A district may also include in the summer reading camps students who are not exhibiting reading proficiency at any grade and may charge fees for these students to attend the summer reading camps based on a sliding scale

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pursuant to Section 59-19-90, except where a child is found to be reading below grade level in the first, second or third grade. A parent or guardian of a student who does not substantially demonstrate proficiency in comprehending texts appropriate for his grade level must make the final decision regarding the student's participation in the summer reading camp.

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

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

HOU: ADOPT proviso as amended.

HOU2: AMEND House version to adopt Senate version except include in the definition of "exceptional needs child" a child who is or was a resident at a Child Caring Facility, Foster Home or Residential Group Care Home as defined in Section 63-1-40 [SOUTH CAROLINA CHILDREN'S CODE DEFINITIONS] and under (4)(b) to specify that a nonprofit scholarship funding organization is also one who allocates at least 97%, "but not more than \$200,000" of its annual contributions and gross revenue during a particular year after its first year of operation. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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

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

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

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

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

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

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

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

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

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

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

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

~~and~~

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

~~(7) 'Nonprofit scholarship funding organization' means a charitable organization that:~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(3) The Department of Revenue shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method~~

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of informing taxpayers if either of the credit limits are met at any time during the current fiscal year.

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

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

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

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

~~(2) (a) By the first day of August for the current fiscal year, the Education Oversight Committee, on its website available to the general public, shall provide a list with addresses and telephone numbers of nonprofit scholarship funding organizations in good standing which provide grants under this proviso, and a list of approved independent schools which accept grants for eligible students and which in its determination are in compliance with the requirements of subsection (A)(6).~~

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

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

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

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

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

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

(A) As used in this paragraph:

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

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

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

(c) is located in this State;

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

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

and

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

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

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

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

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

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

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

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

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

(b) allocates, after its first year of operation, at least ninety-seven percent, but not more than \$200,000 of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this paragraph, and incurs administrative expenses annually, after its first year of operation, of not more than three percent of its annual contributions and revenue for a particular year;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for qualifying students with exceptional needs to attend an independent school. Before awarding any grant, a scholarship funding organization must receive written documentation from the parent documenting that the qualifying student is an exceptional needs child. Upon approving the

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application, the scholarship funding organization must issue a check to the eligible school in the name of the qualifying student. In the event that the qualifying student leaves or withdraws from the school for any reason before the end of the semester or school year and does not reenroll within thirty days, then the eligible school must return a prorated amount of the grant to the scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student's departure.

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

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

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

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

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

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

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

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

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

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specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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(3) The department has authority to disclose the names of qualifying nonprofit scholarship funding organizations to the Education Oversight Committee. The department also may disclose to the Education Oversight Committee the names of organizations that applied but were not qualified by the department and those organizations whose eligibility has been revoked in accordance with subsection (1)(2), as well as the reason the application of the organization was not accepted or the reason its qualification was revoked.

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

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

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

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

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

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

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

(iii) If the administrative law judge determines that immediate revocation is not reasonable, the revocation shall be lifted and the organization may resume accepting donations

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and award scholarships hereunder. The department may still issue a department determination in accordance with Section 12-60-450(E)(2).

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

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

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

SFC: AMEND FURTHER to reformat the entire proviso to move all definitions to the beginning of the proviso; delete expansion of the definition of exceptional needs child; amend nonprofit scholarship funding organization definition to direct that a charitable organization is one who after its first year of operation, allocates at least 97% rather than 95% of its annual contributions and gross revenue to provide grants and incurs not more than 3% rather than 5% for administrative expenses annually; delete requirement that a nonprofit scholarship funding organization cannot have a person who has declared bankruptcy within the last seven year as a member of its governing board, employee, volunteer, contractor, consultant, or fundraiser; change “money” and the monetary value of any publically securities reference to “cash” and the monetary value of any publically securities; add requirement that taxpayers add back any income deducted from Federal Taxes that is claimed as a credit on South Carolina Income taxes; and delete reference to deductions; direct that cumulative maximum total for tax credits allowed in (B)(1) and (2) may not exceed \$4,000,000 each. Direct that independent schools must make an annual application to the EOC to be considered an eligible institution and require the application contain specific information. Direct DOR to notify the EOC if they conduct an audit and determine a school or organization is not meeting eligibility guidelines; direct the EOC to immediately remove the school or organization from the approved list; provide for the revoked organization to request a contested hearing before the Administrative Law Court.

SEN: ADOPT proviso as amended.

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

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

~~(2) ‘Parent’ means the natural or adoptive parent or legal guardian of a child.~~

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

~~(4) ‘Resident public school district’ means the public school district in which a student resides.~~

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

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

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

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

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

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

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

~~and~~

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

~~(7) 'Nonprofit scholarship funding organization' means a charitable organization that:~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(2) (a) By the first day of August for the current fiscal year, the Education Oversight Committee, on its website available to the general public, shall provide a list with addresses and telephone numbers of nonprofit scholarship funding organizations in good standing which provide grants under this proviso, and a list of approved independent schools which accept grants for eligible students and which in its determination are in compliance with the requirements of subsection (A)(6).~~

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

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

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

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

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

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

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(A) As used in this paragraph:

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

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

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

(c) is located in this State;

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

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

and

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

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

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

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

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

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

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

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

(b) allocates, after its first year of operation, at least ninety-seven percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this paragraph, and incurs administrative expenses annually, after its first year of operation, of not more than three percent of its annual contributions and revenue for a particular year;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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the department, to include their names, addresses, telephone numbers, and if available, website addresses. Also, the results of the audit required by item (1)(e) must be published with the list.

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

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

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

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

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

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

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

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

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

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

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

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

HOU: ADOPT proviso as amended.

HOU2: AMEND House version to adopt Senate version and AMEND FURTHER to specify that school districts will not use these funds to supplant existing expenditures unless the districts are currently paying “or were paying in the prior fiscal year” for reading coaches with local funds. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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

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

(2) for each elementary school in which fewer than twenty percent of the students scored Not Met on the reading and research test during the same period, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading coach. A school district must provide local support for state 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 coaches with local funds.* A district may, however, assign a reading coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

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

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

(2) facilitate study groups;

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

(4) coaching and mentoring colleagues;

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

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

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

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

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

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

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

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

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

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

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

(G) The Department of Education shall require:

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

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

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

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

(J) For Fiscal Year 2015-16, if increased funding for reading coaches is not sufficient to provide additional reading coaches at each elementary school then the funding must be targeted

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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.

SFC: AMEND FURTHER to prohibit reading coaches from serving as an administrator and direct that minimum reading coach qualifications must be published for "Fiscal Year 2015-16" rather than for "school year 2016-17" by February 1, 2016. Add subitem (J) to direct that if the increased funds are not enough to provide additional coaches at each elementary school, then the funding must be targeted to areas with the greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment. *See proviso 1A.75 for EIA companion proviso.*

SEN: AMEND FURTHER to specify that school districts will not use these funds to supplant existing expenditures unless the districts are currently paying for reading coaches with local funds.

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

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

(2) for each elementary school in which fewer than twenty percent of the students scored Not Met on the reading and research test during the same period, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading coach. A school district must provide local support for state 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 are currently paying for reading coaches with local funds. A district may, however, assign a reading coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

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

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

(2) facilitate study groups;

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

(4) coaching and mentoring colleagues;

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

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

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

(8) The reading coach must not be assigned a regular classroom teaching assignment, must not serve as an administrator, must not perform administrative functions that deter from the

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flow of improving reading instruction and reading performance of students and must not devote a significant portion of his or her time to administering or coordinating assessments.

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

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

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

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

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

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

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

(G) The Department of Education shall require:

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

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

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

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

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

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

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

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

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

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

SEN: ADOPT proviso as amended.

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

1.78 **AMEND** (South Carolina Community Block Grants for Education Pilot Program) Creates the S.C. Community Block Grants for Education Pilot Program to encourage and sustain partnerships between communities and local public school districts or schools to implement innovative, state-of-the-art education initiatives and models to improve student learning.

SFC: AMEND proviso to direct that the funds for this program must be used to provide or expand high-quality early childhood program for at-risk 4 year olds; define high-quality; direct that priority be given to applications that involve public-private partnerships between school districts, schools, Head Start, and private child care providers who collaborate on certain programs.

SEN: ADOPT proviso as amended.

1.78. (SDE: South Carolina Community Block Grants for Education Pilot Program) There is created the South Carolina Community Block Grants for Education Pilot Program. The purpose of this matching grants program is to encourage and sustain partnerships between a community and its local public school district or school for the implementation of innovative, state-of-the-art education initiatives and models to improve student learning. The initiatives and

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models funded by the grant must be well designed, based on strong evidence of effectiveness, and have a history of improved student performance.

The General Assembly finds that the success offered by these initiatives and programs is assured best when vigorous community support is integral to their development and implementation. It is the intent of this proviso to encourage public school and district communities and their entrepreneurial public educators to undertake state-of-the-art initiatives to improve student learning and to share the results of these efforts with the state's public education community.

As used in this proviso:

(1) "Community" is defined as a group of parents, educators, and individuals from business, faith groups, elected officials, nonprofit organizations and others who support the public school district or school in its efforts to provide an outstanding education for each child. As applied to the schools impacted within a district or an individual school, "community" includes the school faculty and the School Improvement Council as established in Section 59-20-60 of the 1976 Code;

(2) "Poverty" is defined as the percent of students eligible in the prior year for the free and reduced price lunch program and or Medicaid; and

(3) "Achievement" is as established by the Education Oversight Committee for the report card ratings developed pursuant to Section 59-18-900 of the 1976 Code.

The executive director of the Education Oversight Committee is directed to appoint an independent grants committee to develop the process for awarding the grants including the application procedure, selection process, and matching grant formula. The grants committee will be comprised of seven members, three members selected from the education community and four members from the business community. The chairman of the committee will be selected by the committee members at the first meeting of the grants committee. The grants committee will review and select the recipients of the Community Block Grants for Education.

The criteria for awarding the grants must include, but are not limited to:

(1) the establishment and continuation of a robust community advisory committee to leverage funding, expertise, and other resources to assist the district or school throughout the implementation of the initiatives funded through the Block Grant Program;

(2) a demonstrated ability to meet the match throughout the granting period;

(3) a demonstrated ability to implement the initiative or model as set forth in the application; and

(4) an explanation of the manner in which the initiative supports the district's or school's strategic plan required by Section 59-18-1310 of the 1976 Code.

In addition, the district or school, with input from the community advisory committee, must include:

(1) a comprehensive plan to examine delivery implementation and measure impact of the model;

(2) a report on implementation problems and successes and impact of the innovation or model; and

(3) evidence of support for the project from the school district administration when an individual school applies for a grant.

The match required from a grant recipient is based on the poverty of the district or school. No matching amount will exceed more than seventy percent of the grant request or be less than ten percent of the request. The required match may be met by funds or by in-kind donations, such as technology, to be further defined by the grants committee. Public school districts and schools that have high poverty and low achievement will receive priority for grants when their applications are judged to meet the criteria established for the grant program.

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However, no grant may exceed \$250,000 annually unless the grants committee finds that exceptional circumstances warrant exceeding this amount.

The Education Oversight Committee will review the grantee reports and examine the implementation of the initiatives and models to understand the delivery of services and any contextual factors. The Oversight Committee will then highlight the accomplishments and common challenges of the initiatives and models funded by the Community Block Grant for Education Pilot Program to share the lessons learned with the state's public education community.

For the current fiscal year, funds allocated to the Community Block Grant for Education Pilot Program must be used to provide or expand high-quality early childhood programs for a targeted population of at-risk four-year-olds. High-quality is defined as meeting the minimum program requirements of the Child Early Reading Development and Education Program and providing measurable high-quality child-teacher interactions, curricula and instruction. Priority will be given to applications that involve public-private partnerships between school districts, schools, Head Start, and private child care providers who collaborate to: (1) provide high-quality programs to four-year-olds to maximize the return on investment; (2) assist in making the transition to kindergarten; (3) improve the early literacy and numeracy readiness of children; and (4) engage families in improving their children's readiness.

- 1.79 DELETE** (EOC Efficiency Review) Directs School District Efficiency Review Pilot Program funds be used to review three school districts' central operations with a focus on non-instructional expenditures to identify ways to improve school district operating efficiencies and ways to reduce costs. Directs that the review be completed by June 30, 2015 and that the findings, estimated savings, how the savings could be achieved, and the districts' plan for implementing the recommendations be submitted to designated legislative committees and the Governor. Authorizes unexpended funds to be carried forward and used for the same purpose.
SFC: DELETE proviso.
SEN: ADOPT deletion of proviso.

~~1.79. (SDE: EOC Efficiency Review) Funds appropriated to the Education Oversight Committee for the School District Efficiency Review Pilot Program shall be used to review certain school districts' central operations with a focus on non-instructional expenditures so as to identify opportunities to improve operational efficiencies and reduce costs for the district. The Education Oversight Committee shall make the school districts aware of the pilot program and accept applications to participate in the program. In the current fiscal year, the Education Oversight Committee shall select at least three applicant school districts to participate. The Education Oversight Committee may contract with an independent entity to perform the review. The review shall include, but not be limited to, examinations of: (1) overhead; (2) human resources; (3) procurement, (4) facilities use and management, (5) financial management; (6) transportation; (7) technology planning; and (8) energy management. The review shall not address the effectiveness of the educational services being delivered by the district. The review shall be completed no later than June 30, 2015. Upon completion, the Education Oversight Committee shall submit a report to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee; the Chairman of the House Ways and Means Committee, the Chairman of the House Education and Public Works Committee; and the Governor detailing the findings of the review, including the estimated savings that could be achieved, the manner in which the savings could be achieved, and the districts' plan for implementation of the recommendations.~~

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

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

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

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

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

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

SEN: ADOPT new proviso as amended.

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

(A) Districts eligible for transition payments in the prior fiscal year are eligible to receive one-half of the transition payment received in Fiscal Year 2014-15, subject to the limitations of item (B) of this section.

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

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

- 1.84 AMEND NEW PROVISO (First Steps 4K Technology) WMC:** ADD new proviso to authorize First Steps to use up to \$300,000 of funds carried forward from the 4-year-old kindergarten program to provide needs-based IT grants to 4K providers participating in the

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mandatory school readiness assessment program. Direct that First Steps shall own any computer hardware purchased for this purpose. Direct First Steps to provide a report that documents technology and materials expenditures to the Chairmen of the Senate Finance and House Ways and Means Committees by January 15, 2016.

HOU: ADOPT new proviso.

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

SFC: AMEND new proviso to authorize First Steps to expend up to \$75,000 of 4K carry forward funds to purchase electronic devices for administering early literacy and language development assessments to children enrolled in the full-day 4K program in private centers. Authorize First Steps to purchase one device for every ten centers and direct that the device would be the property of First Steps. Require regional coordinators who provide support to the centers to coordinate the use of the devices among the centers.

SEN: ADOPT new proviso as amended.

1.84. (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 early literacy and language development 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, 2016.

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

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

SFC: AMEND new proviso to change “at the middle grades level” to “in grades seven through twelve.”

SEN: ADOPT new proviso as amended.

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

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

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

SFC: AMEND new proviso to delete the statement that “Digital Instructional Materials shall include the digital equivalent of materials and devices.” See proviso *IA.im* for *EIA* companion proviso.

SEN: ADOPT new proviso as amended.

1.89. (SDE: Instructional Materials) The Department of Education shall create an instructional materials list composed of those items (print and/or digital) that have received State Board of Education approval through the normal adoption process. The department shall continue to work with the publishers of instructional materials to ensure that districts who wish to receive both the digital version and class sets of textbooks may be awarded that option. Funds appropriated for the purchase of textbooks and other instructional materials may be used for reimbursing school districts to offset the costs of refurbishing science kits on the state-adopted textbook inventory, purchasing new kits from the central textbook depository, or a combination of refurbishment and purchase. The refurbishing cost of kits may not exceed the cost of the state-adopted refurbishing kits plus a reasonable amount for shipping and handling. Costs for staff

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development, personnel costs, equipment, or other costs associated with refurbishing kits on state inventory are not allowable costs. Funds provided for Instructional Materials may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools. These funds are not subject to flexibility.

- 1.92 AMEND NEW PROVISO (CDEPP Unexpended Funds) HOU:** ADD new proviso to direct First Steps, by August 1st, to allocate unexpended prior fiscal year CDEPP funds and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account: \$376,872 to First Steps for Baby Net Early Intervention Autism Therapy; \$150,000 to EOC for S.C. Autism Society; \$1,500,000 to EOC for Reach out and Read; and \$4,250,000 to SDE for full-day 4K. Direct that the allocations are to be reduced on a pro rata basis if carry forward funds are less than the amounts appropriated; and if funds are more than appropriated, direct First Steps to retain, carry forward, and expend the funds for the full-day 4K program in private centers. Sponsor: Rep. Bingham.

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

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

If carry forward funds are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis. If carry forward funds are more than the amounts appropriated, the Office of First Steps will retain and carry forward the balance and is authorized to expend the funds for the full-day 4K program in private centers.

SFC: AMEND proviso to direct First Steps to retain the first \$2,000,000 of unexpended prior year CDEPP funds to enhance the quality of the full-day 4K program in private centers and to provide professional development opportunities. Require First Steps, by April 1, 2016, to report to the Chairmen of the Senate Finance and House Ways and Means Committees on how these funds were expended. Direct First Steps, by August 1st, to allocate carried forward CDEPP funds: \$4,250,000 to SDE for full day 4K; and \$2,000,000 to EOC for S.C. Community Block Grant for Education Pilot Program. Direct that any remaining funds be transferred to the SDE for full-day 4K.

SEN: ADOPT new proviso as amended.

1.92. (SDE: CDEPP Unexpended Funds) For Fiscal Year 2015-16, the Office of First Steps to School Readiness is directed to retain the first \$2,000,000 of any unexpended CDEPP funds from 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. No later than April 1, 2016, the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

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By August 1, the Office of First Steps is directed to allocate any unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the purposes:

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

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

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

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

- 1.93 ADD (Literacy Initiatives) SFC:** ADD new proviso to direct the department to evaluate the several state literacy initiatives to ensure they are working together to ensure students are best served. Direct that the evaluation include early childhood through high school and professional development initiatives.
SEN: ADOPT new proviso.

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

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

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

- 1.95 ADD (First Steps Study Committee) SFC:** ADD new proviso to direct that the Office of First Steps Study Committee that was created to review the structure, responsibilities, governance, and administration of the Office of First Steps is to complete its review and present recommendations to the General Assembly by January 1, 2016.
SEN: ADOPT new proviso.

1.95. (SDE: First Steps Study Committee) The Office of First Steps Study Committee created to review the structure, responsibilities, governance, and administration of the Office of First Steps shall complete its review and present its recommendation to the General Assembly by January 1, 2016.

- 1.96 ADD (First Steps Accountability) SEN:** ADD new proviso to require First Steps to meet federal compliance for Part C of the Individuals with Disabilities Education Act and to report to the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor on the specific steps, timeline, and progress made in improving meeting compliance standards for indicators the office was scored as being low performing and on whether the additional employees authorized by this act are sufficient for compliance. Require the report be submitted by 12/31/15. Authorize funds appropriated for BabyNet to be used by First Steps to meet these requirements. Sponsor: Sen. Setzler.

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1.96. (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, 2015. 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.

- 1.97** **ADD** (Health Education Materials) **SEN:** ADD new proviso to require each school district to publish on its website the title and publisher of all health education materials the district has approved, adopted, and used in the classroom. Direct the department to withhold 1% of a districts Student Health and Fitness Act funds if they determine the district is not in compliance with mandated health education until the district is in compliance. Sponsors: Sens. Sheheen, Lourie, O'Dell, and Davis.

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

- 1.98** **ADD** (Data Maintenance and Collection) **HOU2:** AMEND House version to ADD new proviso to direct that personally identifiable information for teacher candidates and teachers that is collected and maintained by the department shall be treated as personnel records and not be subject to public disclosure. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 1.93 in House2 version.*

1.98. (SDE: Data Maintenance and Collection) For the current fiscal year and from the funds appropriated to the department for the collection and maintenance of data, personally identifiable information of teacher candidates and teachers collected and maintained by the Department of Education shall be treated as personnel records and shall not be subject to public disclosure.

- 1.99** **ADD** (Teacher Employment) **HOU2:** AMEND House version to ADD new proviso to require local school district superintendents or their designees to provide a teacher with a notice of dismissal and the opportunity for a hearing before the local board or its designee. Allow the local board to authorize a South Carolina licensed, practicing attorney to serve as a hearing officer to conduct a hearing and report recommendation to the board; establish guidelines for the hearing and appeal process. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 1.94 in House2 version.*

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1.99. (SDE: Teacher Employment) Of the funds appropriated in the current fiscal year, a local school district superintendent or his designee shall provide a teacher with notice of dismissal and an opportunity for a hearing before the local board or its designee. Further, a local board may authorize a South Carolina licensed, practicing attorney to serve as hearing officer to conduct a hearing on the matter and make a report of its recommendations to the board within 45 days after receipt of notice of appeal. A hearing officer may not be a member of the board or an employee of the district. If the board designates a hearing officer, the report and recommendations of the hearing officer must be presented to the board in the form of a written order. In considering the report and recommendations, the board must have available to it the exhibits presented at the hearing and shall permit limited oral argument on behalf of the district and the teacher, allowing each party thirty minutes to present its respective argument. The board shall uphold the decision of the hearing officer if the evidence shows good and just cause for dismissal. The board shall issue a decision affirming or withdrawing the notice of suspension or dismissal within thirty days. The decision of the board may be appealed to the circuit court.

SECTION 1A - H63-DEPARTMENT OF EDUCATION-EIA

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

SFC: DELETE proviso. *See new proviso 1A.77.*

SEN: ADOPT deletion of proviso.

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

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

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

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

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

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

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

SFC: AMEND FURTHER to delete "certified career specialists."

SEN: ADOPT proviso as amended.

1A.10. (SDE-EIA: XII.C.2-Teacher Supplies) All certified public school teachers, certified special school classroom teachers, certified media specialists, and certified guidance counselors who are employed by a school district or a charter school as of November thirtieth of the current fiscal year, based on the public decision of the school board may receive reimbursement of up to two hundred seventy-five dollars each school year to offset expenses incurred by them for teaching supplies and materials. Funds shall be disbursed by the department to School districts by July fifteenth based on the last reconciled Professional Certified Staff (PCS) listing from the previous year. With remaining funds for this program, any deviation in the PCS and actual teacher count will be reconciled by December thirty-first or as soon as practicable thereafter. Based on the public decision of the school district these funds shall be disbursed in a manner separate and distinct from their payroll check on the first day teachers, by contract, are required to be in attendance at school for the current contract year. This reimbursement shall not be considered by the state as taxable income. Special schools include the Governor's School for Science and Math, the Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice, and Palmetto Unified School District. Funds distributed to

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school districts or allocated to schools must not supplant existing supply money paid to teachers from other sources. If a school district requires receipts for tax purposes the receipts may not be required before December thirty-first. Districts that do not wish to require receipts may have teachers retain the receipts and certify for the district they have received the allocation for purchase of teaching supplies and/or materials and that they have purchased or will purchase supplies and/or materials during the fiscal year for the amount of the allocation. Districts shall not have an audit exception related to non-retention of receipts in any instances where a similar instrument is utilized. Any district requiring receipts must notify any teacher from whom receipts have not been submitted between November twenty-fifth and December sixth that receipts must be submitted to the district. Districts may not add any additional requirement not listed herein related to this reimbursement.

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

- 1A.15 AMEND FURTHER** (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments.
- WMC:** AMEND proviso to prohibit a school district from transferring funds provided for the EEDA or for Career and Technology Education. Change the reference to students with "exceptional needs" to "disabilities who have Individualized Education Programs." *Within the realm of education, the phrase "students with exceptional needs" includes students with disabilities as well as students who are in gifted and talented programs. Since the intent of this particular language is to have staffing ratios remain intact for students with disabilities, the language should be updated.* Requested by Department of Education. *Companion to 1.28.*
- HOU:** ADOPT proviso as amended.
- HOU2:** AMEND House version to direct that nothing in this provision shall prohibit the State Board of Education from exercising its authority to grant waivers under Reg. 43-261. Sponsors: Reps. White, Bingham, Herbkerman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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

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sub-function and service area level, except for four-year old programs and programs serving students with ~~exceptional needs~~ *disabilities who have Individualized Education Programs*.

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

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

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

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

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

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

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

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

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

- (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.

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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.*

SFC: ADOPT proviso as amended.

SEN: ADOPT proviso as amended.

1A.15. (SDE-EIA: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, *funds provided for the Education and Economic Development Act, funds provided for Career and Technology Education, nor* required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for four-year old programs and programs serving students with ~~exceptional needs~~ *disabilities who have Individualized Education Programs.*

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

"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.

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

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

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

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

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

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

- (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.

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1A.18 AMEND FURTHER (Assessment) Authorizes assessment funds to be carried forward to pay for state assessment activities and for scoring of the spring statewide accountability assessment. Directs that PSAT reimbursements shall resume in the current fiscal year.

WMC: AMEND proviso to specify that the funds shall also be used to pay for AP exams administered in the prior fiscal year and to pay for the administration of assessments specifically due to increased enrollment. *AP exams are administered late in the year.* Requested by Department of Education.

HOU: ADOPT proviso as amended.

1A.18. (SDE-EIA: Assessment) The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the purpose of paying for AP examinations administered in the prior fiscal year, paying for administration of assessments specifically due to increased enrollment, and paying for state assessment activities not completed by the end of the fiscal year including the scoring of the spring statewide accountability assessment. Reimbursements shall resume in the current fiscal year for PSAT.

SFC: AMEND FURTHER to direct that the funds be used for the same purpose.

SEN: ADOPT proviso as amended.

1A.18. (SDE-EIA: Assessment) The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the same purpose ~~of paying for state assessment activities not completed by the end of the fiscal year including the scoring of the spring statewide accountability assessment.~~ Reimbursements shall resume in the current fiscal year for PSAT.

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

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

HOU: ADOPT proviso as amended.

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

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

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

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

SFC: AMEND FURTHER to specify that the funds carried forward are EIA “surplus.” Change the amount for Modernize Vocational Equipment from “\$1,296,407” to “\$1,501,307” delete the allocation of \$204,900 for District Technology, Devices and Content; and add up to \$625,000 for Digital Music Materials as provided in FY 2014-15.

SEN: ADOPT proviso as amended.

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

1. EOC - Partnerships for Innovation - \$900,000;
2. Allendale County School District - \$150,000;
- ~~3. \$5,929,553 must be used by the department for school bus transportation costs; and~~
- 3. Modernize Vocational Equipment - \$1,501,307;*
- 4. Assessment/Testing - \$7,300,000; and*
- 5. Digital Music Materials as provided in FY 2014-15 - up to \$625,000.*

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

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

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

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

HOU: ADOPT proviso as amended.

1A.67. (SDE-EIA: Prekindergarten and Kindergarten Assessments) For the current fiscal year, all publicly funded students entering a publicly funded prekindergarten or public kindergarten must be administered a readiness assessment approved by the State Board of Education that shall focus on early language and literacy development no later than the forty fifth

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day of the school year. ~~The readiness assessment must be approved by the State Board of Education. The approved readiness assessment must be aligned with kindergarten and first grade standards for English/language arts and mathematics. The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must be provided, in writing, to the parent or guardian. The readiness assessment may not be used to deny a student admission or to progress to kindergarten or first grade.~~

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

SFC: DELETE proviso. *See new proviso 1A.77.*

SEN: ADOPT deletion of proviso.

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

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

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- 1A.70 DELETE NEW PROVISO** (Interactive Online Music Program RFP) **WMC:** ADD new proviso to direct the department to use instructional materials funds to work with the Information and Technology Management Office to issue a RFP to seek proposals from qualified private providers for an interactive online music program and access site license to all elementary schools; direct that the annual cost not exceed \$800,000; direct for the program to connect learning of music with other content areas, including reading, math, science and history. Require the program to meet state and national standards and include appropriate teacher training. *Separated out from proviso 117.27.* Requested by Education Oversight Committee.
HOU: ADOPT new proviso.

1A.70. (SDE-EIA: Interactive Online Music Program RFP) With the funds appropriated for instructional materials, the Department of Education shall work with the Information and Technology Management Office to issue a Request for Proposals (RFP). The purpose of the RFP shall be to seek proposals from qualified private providers to provide an interactive online music program that provides lesson plans, songs, videos, music lessons, on-line virtual world, auto-assessments, and access site license to all elementary schools at an annual cost not to exceed \$800,000 and that connects the learning of music with other content areas including reading, mathematics, science and history. The chosen program shall meet state and national standards and include appropriate teacher training.

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

1A.70. (SDE-EIA: Interactive Online Music Program RFP) DELETED

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

1A.72. (SDE: Technology/Device Pilot Project) For the current fiscal year, the Department of Education is authorized to utilize up to \$4,500,000 of available carry forward funds for the purchase of electronic devices and digital content. For purposes of this pilot, digital content is not defined as the digital equivalent of printed instructional material. Districts receiving approval from the State Board of Education may purchase devices and digital content directly from a state approved vendor.

In order to best serve schools and students within the school district, the school district must develop an implementation plan listing the devices and digital content by grade level and subject

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and the implementation plan must be presented to the local school board in a public meeting for approval and be made available to the public on the school district website prior to the public school board meeting.

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

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

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

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

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

SFC: AMEND new proviso to specify that available carry forward funds does not include CDEPP or 4K funds. Allow the department to select up to 6 school districts to participate in the pilot project.

SEN: ADOPT new proviso as amended.

IA.72. (SDE-EIA: Technology/Device Pilot Project) For the current fiscal year, the Department of Education is authorized to utilize up to \$4,500,000 of available carry forward funds, not including CDEPP or 4K funds, for the purchase of electronic devices and digital content. The Department of Education may select up to six school districts to participate in this pilot project. For purposes of this pilot, digital content is not defined as the digital equivalent of printed instructional material. Districts receiving approval from the State Board of Education may purchase devices and digital content directly from a state approved vendor.

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

The department must provide a certification form for a local school board on behalf of the school district to approve in a public meeting, have signed by the board chairman and district superintendent requesting approval for funding based on the number of students in the schools

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participating in the pilot. The department must develop the certification form with the intent of assisting school districts with meeting State Board of Education approval.

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

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

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

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

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

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

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

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

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

(3) Institutions of higher education eligible to receive education funding as a component of recruiting incentives created pursuant to item (C) of this section shall not be

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excluded from participation in Teaching Fellows Program in accordance with proviso 1A.66 of this Act. However, an institution of higher education cannot concurrently receive funding on behalf of an eligible individual from both the Teaching Fellows Program and incentives developed pursuant to item (C) of this section.

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

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

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

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

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

SEN: ADOPT new proviso as amended.

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

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

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

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

(3) Institutions of higher education eligible to receive education funding as a component of recruiting incentives created pursuant to item (C) of this section shall not be excluded from participation in Teaching Fellows Program in accordance with proviso 1A.58 of this Act.

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

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

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

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

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

HOU2: AMEND House version to authorize the department to set accountability guidelines to ensure the funds are spent according to the proviso. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

1A.74. (SDE-EIA: Project Read) Of the funds appropriated in Section 1A. XII.A.3 for Reading, \$500,000 must be used for teacher in-service training and professional development related to Project Read. The department may set accountability guidelines to ensure that funds are spent in accordance with the proviso.

SFC: ADOPT new proviso.

SEN: ADOPT new proviso

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

1A.75 AMEND NEW PROVISO FURTHER (Reading Coaches) HOU2: AMEND House version to adopt Senate version and AMEND FURTHER to specify that school districts will not use these funds to supplant existing expenditures unless the districts are currently paying “or were paying in the prior fiscal year” for reading coaches with local funds. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

1A.75. (SDE-EIA: Reading Coaches) (A) Funds appropriated for Reading Coaches must be allocated to school districts by the Department of Education as follows:

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

(2) for each elementary school in which fewer than twenty percent of the students scored Not Met on the reading and research test during the same period, the school district shall be

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eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

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

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

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

(2) facilitate study groups;

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

(4) coaching and mentoring colleagues;

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

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

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

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

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

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

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

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

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

(E) The Department of Education must develop procedures for monitoring the use of funds appropriated for Reading Coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the

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funds appropriated for Reading Coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.

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

(G) The Department of Education shall require:

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

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

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

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

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

SFC: ADD new proviso to provide for the allocation of funds appropriated for Reading Coaches to school districts. *See proviso 1.74 for general education companion proviso.*

SEN: AMEND new proviso to specify that school districts will not use these funds to supplant existing expenditures unless the districts are currently paying for reading coaches with local funds. Sponsor: Sen. Shane Martin.

1A.75. (SDE-EIA: Reading Coaches) (A) Funds appropriated for Reading Coaches must be allocated to school districts by the Department of Education as follows:

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

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

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

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

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

(2) facilitate study groups;

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

(4) coaching and mentoring colleagues;

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

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

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

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

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

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

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

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

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

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

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

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(G) The Department of Education shall require:

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

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

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

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

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

1A.76 AMEND NEW PROVISO (Digital Instructional Materials) **HOU2:** AMEND House version to ADD Senate version and amend title to specify “Digital” Instructional Materials and amend further to direct that digital instructional materials shall include the digital equivalent of materials and devices. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

1A.76. (SDE-EIA: Digital Instructional Materials) The Department of Education shall create an instructional materials list composed of those items (print and/or digital) that have received State Board of Education approval through the normal adoption process. The department shall continue to work with the publishers of instructional materials to ensure that districts who wish to receive both the digital version and class sets of textbooks may be awarded that option. Funds appropriated for the purchase of textbooks and other instructional materials may be used for reimbursing school districts to offset the costs of refurbishing science kits on the state-adopted textbook inventory, purchasing new kits from the central textbook depository, or a combination of refurbishment and purchase. The refurbishing cost of kits may not exceed the cost of the state-adopted refurbishing kits plus a reasonable amount for shipping and handling. Costs for staff development, personnel costs, equipment, or other costs associated with refurbishing kits on state inventory are not allowable costs. Funds provided for Instructional Materials may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools. These funds are not subject to flexibility. Digital Instructional Materials shall include the digital equivalent of materials and devices.

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

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SEN: ADOPT new proviso.

1A.76. (SDE-EIA: Instructional Materials) The Department of Education shall create an instructional materials list composed of those items (print and/or digital) that have received State Board of Education approval through the normal adoption process. The department shall continue to work with the publishers of instructional materials to ensure that districts who wish to receive both the digital version and class sets of textbooks may be awarded that option. Funds appropriated for the purchase of textbooks and other instructional materials may be used for reimbursing school districts to offset the costs of refurbishing science kits on the state-adopted textbook inventory, purchasing new kits from the central textbook depository, or a combination of refurbishment and purchase. The refurbishing cost of kits may not exceed the cost of the state-adopted refurbishing kits plus a reasonable amount for shipping and handling. Costs for staff development, personnel costs, equipment, or other costs associated with refurbishing kits on state inventory are not allowable costs. Funds provided for Instructional Materials may be carried forward from the prior fiscal year into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools. These funds are not subject to flexibility.

1A.77 ADD (4K Early Literacy Competencies Assessments) **SFC:** ADD new proviso to authorize the department to spend up to \$800,000 of full-day 4K program carry forward funds on assessments and professional development to analyze early literacy competencies of children in publicly funded preK. Direct the department, in consultation with First Steps, to choose up to three formative assessments to measure early literacy. Direct that districts and private providers be allocated \$15 per child to cover the cost of the assessment. Require districts and private providers report the results of each individual assessment to the department electronically and direct the department provide the assessment data to the EOC. Also require the results be provided in writing to the parent or guardian. Direct that \$2,000,000 of fund appropriated for 4K half-day programs and funds carried forward from assessments be used to administer the Developmental Reading Assessment 2nd Edition PLUS to implement the progress monitoring system required by Read to Succeed and to evaluate early literacy and language competencies of children entering kindergarten in public schools. Require assessment results and recommended developmental intervention strategies be provided in writing to parents and guardians. Require the department provide the assessment results to the EOC. Direct the department provide or secure training for administering the assessment. Allow the department to pilot other comprehensive readiness assessments in kindergarten classes

SEN: ADOPT new proviso.

1A.77. (SDE-EIA: 4K Early Literacy Competencies Assessments) Of the funds carried forward from the full-day 4K program from the previous fiscal year, the Department of Education is authorized to expend up to \$800,000 on assessments and professional development to analyze the early literacy competencies of children in publicly funded prekindergarten. The department, in consultation with the Office of First Steps, will select up to three formative assessments that analyze the early literacy and language development of children in publicly funded prekindergarten. Each school district and private provider participating in a publicly funded prekindergarten program will administer one of the formative assessments selected by the department to each child eligible for and enrolled in a publicly funded prekindergarten program during the first forty-five days of the school year and during the last forty-five days of the school year. School districts and private providers will be allocated \$15 per child assessed to cover the cost of the formative assessment. School districts and private providers are required to report electronically the results of each individual assessment to the department using a form that must

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include the unique student identifier and any other information prescribed by the department. In turn, the department will provide the assessment data to the Education Oversight Committee. The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student to admission to prekindergarten.

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

- 1A.78** **ADD** (Teacher Supply Study) **SFC:** ADD new proviso to direct CERRA, CHE, the department, and the EOC to collaborate on a study to project the number of K5-12 teachers needed for school years 2017 through 2027 and to obtain information to develop a plan to meet those needs.
SEN: ADOPT new proviso.

1A.78. (SDE-EIA: Teacher Supply Study) With funds appropriated to the Center for Educator Recruitment, Retention, and Advancement (CERRA), in concert with the Commission on Higher Education, the Department of Education, and the Education Oversight Committee, CERRA shall initiate and conduct a study to identify and project the number of additional teachers needed annually in public school classrooms for grades K5 through 12, for school years beginning 2017 through 2027. The purpose of the study shall be to: (1) provide specific data and projections on the number of teachers expected to be needed as compared to the number available, by Subject Areas Taught as indicated in CERRA's annual Supply and Demand Report, and with a focus on critical need subject areas; (2) determine whether, individually and collectively, teaching programs at applicable institutions of higher learning in South Carolina have the capacity and infrastructure to fulfill projected needs in item (1); and (3) provide data for general use in estimating the fiscal impact of any new or revised programs being considered to incent more talented individuals to enter teacher training programs and more highly qualified teachers to remain in the profession for longer periods of time.

- 1A.79** **ADD** (Statewide Assessment Procurement) **SFC:** ADD new proviso to direct the department, in consultation with the State Board of Education and the EOC to use assessment funds to issue a procurement for a statewide assessment to students in grades 3-8 in English/language arts and

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math the meet EAA requirements. Require the assessment be a rigorous achievement assessment that measures student mastery of the SC College and Career-Ready Standards.

SEN: ADOPT new proviso.

1A.79. (SDE-EIA: Statewide Assessment Procurement) With the funds appropriated and carried forward for assessment, the Department of Education, in consultation with the State Board of Education and the Education Oversight Committee pursuant to Section 59-18-320 of the 1976 Code, is directed to issue a procurement for a statewide assessment to students in grades 3 through 8 in English/language arts and mathematics that meet the requirements of the Education Accountability Act as amended by Act 200 of 2014. The assessment must be a rigorous, achievement assessment that measures student mastery of the SC College- and Career-Ready Standards, that provides timely reporting of results to educators, parents, and students, and that measures each student's progress toward college and career readiness.

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

1A.80 ADD (CDEPP Unexpended Funds) SFC: ADD new proviso to direct First Steps to retain the first \$2,000,000 of unexpended prior year CDEPP funds to enhance the quality of the full-day 4K program in private centers and to provide professional development opportunities. Require First Steps, by April 1, 2016, to report to the Chairmen of the Senate Finance and House Ways and Means Committees on how these funds were expended. Direct First Steps, by August 1st, to allocate carried forward CDEPP funds: \$4,250,000 to SDE for full day 4K and \$2,000,000 to EOC for S.C. Community Block Grant for Education Pilot Program. Direct that any remaining funds be transferred to the SDE for full-day 4K. Companion to proviso 1.92.

SEN: ADOPT new proviso.

1A.80. (SDE-EIA: CDEPP Unexpended Funds) For Fiscal Year 2015-16, the Office of First Steps to School Readiness is directed to retain the first \$2,000,000 of any unexpended CDEPP funds from 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. No later than April 1, 2016, the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

By August 1, the Office of First Steps is directed to allocate any unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the purposes:

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

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

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

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

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SECTION 3 - H66-LOTTERY EXPENDITURE ACCOUNT

3.1 AMEND FURTHER (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 State Auditor to ensure that these state agencies have effective monitoring procedures in place.

WMC: AMEND proviso to direct institutions of higher learning to report the procedures they have adopted to monitor the expenditure of lottery funds to CHE and the Executive Budget Office by August 1, 2015 and state that these expenditures are subject to annual verification and audit by the commission on a rotating basis, not to exceed three years. Direct CHE to provide a report to the EBO and the Chairmen of the Senate Finance and House Ways and Means Committees on how each institution spent prior year lottery funds. Direct the Department of Education to report adopted procedures and guidelines to monitor expenditures of lottery funds allocated to school districts and other recipient institutions to the EBO by August 1, 2015. Direct SDE report to the EBO and the Chairmen of the Senate Finance and House Ways and Means Committees on the amount of lottery funds distributed to each entity in the prior fiscal year. Require all other state agencies submit their adopted procedures to monitor lottery funds expenditure to the EBO by August 1, 2015. Change responsibility for ensuring state agencies have effective procedures in place to monitor lottery expenditures from the Office of the State Auditor to the Executive Budget Office.

HOU: ADOPT proviso as amended.

HOU2: AMEND House version to include Senate amendments, but specify that the annual verification and audit must be funded from the funds appropriated to or authorized for CHE and prohibit CHE from assessing a fee or charging an institution for performing this function. Require CHE to also summarize by institution, how lottery funds were expended in the prior fiscal year. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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, 2015, 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 Committee, and the Chairman of the House Ways and Means Committee by October 1 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. In addition, by January 15, 2016, the commission shall provide the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee a detailed estimate of the cost for the commission to establish a statewide state scholarship and grant tracking system for students.

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

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according to law and Department of Education guidelines shall be reported to the Executive Budget Office by October 1, 2015. 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, 2015.

The ~~Office of the State Auditor~~ 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.

SFC: AMEND FURTHER to change reporting dates from “August” to “October.” Delete the requirement that CHE report on how each institution spent their prior fiscal year lottery funds and instead direct they provide a report that summarizes by institution, each institutions issues and concerns along with their responses, if any were discovered as a result of the commission’s verification and/or audit activity during the prior fiscal year. Require the commission, by January 15, 2016, to provide a detailed estimate of the cost to establish a statewide state scholarship and grant tracking system for students to the Chairmen of the Senate Finance and House Ways and Means Committees.

SEN: 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, 2015, 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. In addition, the Commission on Higher 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 by October 1 each year summarizing, by institution, 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. In addition, by January 15, 2016, the commission shall provide the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee a detailed estimate of the cost for the commission to establish a statewide state scholarship and grant tracking system for students.

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, 2015. 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, 2015.

The ~~Office of the State Auditor~~ 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.

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- 3.5 DELETE NEW PROVISO** (Higher Education Allocations) **WMC:** ADD new proviso to direct that lottery funds shall only be spent by and/or allocated to higher education institutions that are domiciled in this state.
HOU: ADOPT new proviso.

3.5. (LEA: Higher Education Allocations) Education Lottery Account funds provided to institutions of higher learning shall only be expended by and/or allocated to higher education institutions domiciled in this state.

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

3.5. (LEA: Higher Education Allocations) DELETED

- 3.6 AMEND NEW PROVISO FURTHER** (FY 2015-16 Lottery Funding) **WMC:** ADD new proviso to direct expenditure of lottery funds certified by the BEA for FY 15-16 as follows: \$47,400,000 to CHE and State Board for Tec and Comp Ed for Tuition Assistance; \$171,896,844 to CHE for LIFE Scholarships; \$8,565,373 to CHE for HOPE Scholarships; \$38,691,990 to CHE for Palmetto Fellows Scholarships; \$13,000,000 to CHE for Need-Based Grants; \$1,053,764 to Tuition Grants Commission for Tuition Grants; \$1,028,053 to CHE for Higher Education Excellence Enhancement Program; and \$29,288,976 to Dept. of Education for K12 Technology Initiative. Require Tuition Assistance funds appropriated to CHE be distributed to technical colleges and 2-year institutions as required by Section 59-150-360 and require the State Board for Tec and Comp Ed and CHE to annually develop how the funds are to be distributed. 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. Authorize CHE to temporarily transfer funds between line items to ensure scholarships and tuition are received in a timely manner. State that the goal is to fund the Tuition Assistance program at a level to support at least \$996 per student per term for full-time students. 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 15-16. 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 award process. Provide for the distribution of K-12 Technology Initiative funds. Direct that these funds may not be used to supplant existing school district technology expenditures. Direct expenditure of certified unclaimed prize funds certified by the BEA for FY 15-16 as follows: \$7,205,000 to Higher Education Tuition Grants for Tuition Grants; \$4,545,000 to CHE for National Guard Tuition Repayment Program; \$50,000 to DAODAS for Gambling Addiction Services; and \$200,000 to the School for the Deaf and the Blind for Technology. Direct that if revenue received is less than these appropriations, the items shall be reduced on a pro rata basis. Direct that any unclaimed prize funds in excess of the amount certified by the BEA is appropriated as follows: \$6,000,000 to SDE for School Buses; and \$6,000,000 to SDE for Instructional Materials. Direct that net lottery proceeds and investment earnings realized in the prior fiscal year that are above the amount needed to fund appropriations in this provision are appropriated as follows on a pro rata basis: \$4,000,000 to SDE for School Buses; \$2,000,000 to State Library for Aid to County Libraries; and \$4,000,000 to St Board for Tec and Comp Ed for STEM Curriculum and Equipment.
HOU: AMEND new proviso to change certified unclaimed prizes to add item (5) to provide \$2,950,000 to CHE for HEEP. Sponsor: Rep. Cobb-Hunter.

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HOU2: AMEND House version to amend expenditure of lottery funds certified by the BEA for FY 15-16 by deleting \$1,053,764 to Tuition Grants Commission for Tuition Grants and \$1,028,053 to CHE for Higher Education Excellence Enhancement Program; change SDE K-12 Technology Initiative from “\$29,288,976” to “\$18,870,793” and add \$2,500,000 for S.C. State University. Direct that the funds appropriated for S.C. State University shall be used by the Interim Board of Trustees for administrative functions of the board and for other purposes the interim board deems necessary. Authorize CHE to use up to \$260,000 of LIFE, HOPE, and Palmetto Fellows scholarship funds to support the awarding process and to fund a Scholarship Compliance Auditor. Amend expenditure of certified unclaimed prize funds to change HETG-Tuition Grants from “\$7,205,000” to “\$7,255,000.” Direct that net lottery funds realized in the prior fiscal year above the amount needed to fund this provision are to fund the following in priority order: \$3,700,000 to CHE and St. Bd. for Tec. and Comp. Ed. for Tuition Assistance; \$1,003,764 to Tuition Grants Commission for Tuition Grants; \$5,000,000 to St. Bd. for Tec. and Comp. Ed. for Workforce Scholarships and Grants; \$10,418,183 to SDE for K-12 Technology Initiative; \$9,850,000 to SDE for School Buses; \$1,028,053 to CHE for HEEEP; and \$5,000,000 to CHE for Technology-Public 4-Year and 2-Year Institutions and Technical Colleges. Direct that the funds appropriated for Technology are to be used only for technology repair and related technology maintenance necessary to support the institution’s educational purpose and require the institutions prior to using these funds, to certify to CHE the extent to which they have met this requirement. Require CHE report to the Chairmen of the Senate Finance and House Ways and Means Committees on the use of this provision. Amend expenditures to be funded on a pro rata basis from prior year net lottery proceeds and investment earnings realized above that which is needed to fund the previous items in this provision by deleting \$4,000,000 for St. Bd. for Tec. and Comp. Ed.-STEM Curriculum and Equipment and adding \$3,000,000 for CHE Maintenance Critical Care and Replacement (1:1 Match). Direct how the institutions are to use the Maintenance Critical Care and Replacement 1:1 Match funds and require CHE to report on how these funds were used. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

3.6. (LEA: FY 2015-16 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 2015-16 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:

- (1) Commission on Higher Education and State Board for Technical and Comprehensive Education--Tuition Assistance \$ 47,400,000;
- (2) Commission on Higher Education--LIFE Scholarships as provided in Chapter 149, Title 59..... \$171,896,844;
- (3) Commission on Higher Education--HOPE Scholarships as provided in Section 59-150-370..... \$ 8,565,373;
- (4) Commission on Higher Education--Palmetto Fellows Scholarships as provided in Section 59-104-20..... \$ 38,691,990;
- (5) Commission on Higher Education--Need-Based Grants..... \$ 13,000,000;

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- (6) Department of Education--K12 Technology Initiative \$ 18,870,793. and
(7) South Carolina State University \$ 2,500,000;

Fiscal Year 2015-16 funds appropriated to the Commission on Higher 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 appropriated.

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 and for any other purpose deemed necessary by the interim board.

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 2015-16 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 2015-16 are fully funded.

If the lottery revenue received for Fiscal Year 2015-16 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 \$260,000 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.

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 135-day average daily membership, according to the below calculations: (1) For a school district with a poverty index of less than 75: \$35 per ADM; (2) For a school district with a poverty index of at least 75 but no more than 85: \$50 per ADM; or (3) For a school district with a poverty index of greater than 85 or a special school with no defined poverty index: \$70 per ADM.

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

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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, 2016, each school district that receives funding through the K-12 Technology Initiative during Fiscal Year 2015-16 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.

For Fiscal Year 2015-16, funds certified from unclaimed prizes are appropriated as follows:

- (1) Department of Alcohol and Other Drug Abuse Services--
Gambling Addiction Services..... \$ 50,000;
- (2) School for the Deaf and the Blind--Technology..... \$ 200,000;
- (3) Higher Education Tuition Grants Commission--Tuition Grants \$ 7,255,000;
- (4) Commission on Higher Education--National Guard Tuition
Repayment Program as provided in Section 59-111-75 \$ 4,545,000; and
- (5) Commission on Higher Education--Higher Education
Excellence Enhancement Program..... \$ 2,950,000.

If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2015-16 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) Department of Education--School Buses..... \$ 6,000,000; and
- (2) Department of Education--Instructional Materials..... \$ 6,000,000.

For Fiscal Year 2015-16, net lottery proceeds and investment earnings realized in the prior fiscal year above the amount needed to fund the appropriations in this provision are appropriated as follows in priority order:

- (1) Commission on Higher Education and State Board for
Technical and Comprehensive Education--Tuition Assistance ... \$ 3,700,000;
- (2) Tuitions Grants Commission--Tuition Grants \$ 1,003,764;
- (3) State Board for Technical and Comprehensive Education--
Workforce Scholarships and Grants..... \$ 5,000,000;
- (4) Department of Education--K-12 Technology Initiative..... \$ 10,418,183;
- (5) Department of Education--School Buses..... \$ 9,850,000;
- (6) Commission on Higher Education--Higher Education
Excellence Enhancement Program..... \$ 1,028,053; and
- (7) Commission on Higher Education--Technology-Public
Four-Year Institutions, Two-Year Institutions, and
State Technical Colleges \$ 5,000,000.

Of the funds appropriated to institutions of higher learning entitled "Technology-Public Four Year Institutions, Two Year Institutions, and State Technical Colleges," each institution shall use the amount appropriated only for technology repair and related technology maintenance that is 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.

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Not later than 120 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.

For Fiscal Year 2015-16, net lottery proceeds and investment earnings realized in the prior fiscal year above the amount needed to fund the appropriations in this provision are appropriated as follows on a pro-rata basis:

- (1) Department of Education--School Buses..... \$ 4,000,000;
- (2) Commission on Higher Education--Maintenance-Critical Care and Replacement (1:1 Match)..... \$ 3,000,000; and
- (3) State Library--Aid to County Libraries \$ 2,000,000.

Of the funds appropriated in sub item (2) above for the Commission on Higher Education--Maintenance-Critical Care and Replacement (1:1 Match), each institution shall use the amount appropriated only for critical repair and related maintenance and/or other critical equipment and systems repair and maintenance that are necessary for the safe and efficient operation of an institution's physical plant in its support of the institution's educational purpose.

Funds must not be used for new construction and may only be utilized by an institution to the extent the funds are matched by the institution for necessary repair and maintenance projects generally.

Matching funds exclude supplemental, capital reserve, lottery, or non-recurring state funds appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair and maintenance or deferred maintenance projects.

Prior to the distribution 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, including the sources of funds utilized to meet this requirement.

Not later than 120 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 the matching requirement.

SFC: AMEND new proviso further from certified proceeds to delete \$1,035,764 for Tuition Grants and \$1,028,053 for CHE HEEEP and instead provide \$2,500,000 to S.C. State University, and \$2,558,670 to CHE for Technology-Public 4 year universities, 2 year institutions, and state technical colleges. Change SDE K-12 Technology Initiative from “\$29,288,976” to “\$16,312,123.” Authorize CHE to use up to \$345,000 of LIFE, HOPE, and Palmetto Fellows scholarship funds to support the awarding process. Amend certified unclaimed prizes to change Tuition Grants from “\$7,205,000” to “\$6,660,000” and provide \$595,000 to SDE for School Buses. Amend lottery funds realized in the prior fiscal year above the amount needed to fund this provision in priority order by changing SDE-School Buses from “\$4,000,000” to “\$3,000,000.” Delete \$2,000,000 to State Library for Aid to County Libraries and \$4,000,000 to St Bd for Tec and Comp Ed for STEM Curriculum and Equipment and provide \$12,976,853 to SDE for K-12 Technology Initiative, \$1,598,764 to Tuition Grants, and \$1,028,053 to CHE for HEEEP. Direct that if prior year net lottery proceeds and investment earnings are realized in amounts above that which is needed to fund the previous items in this provision, the following items will be funded on a pro rata basis: \$1,500,000 to SDE for School Buses; \$1,700,000 to State Library for Aid to County Libraries; \$2,500,000 to CHE for Technology-Public 4 Year Universities, 2 Year Institutions, and State Technical Colleges; \$50,000 to CHE for Non-Profit

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Institution Established in 1894 for Maintenance and Improvement in Classroom, Library, Laboratory, or Other Institutional Facilities; \$658,084 to CHE for HEEEP; \$1,500,000 to CHE for PASCAL Program; \$50,000 to CHE for Non-Profit Institution Established in 1908 for Support for Memorial Professorships to Recruit and Retain Faculty Members Whose Research, Teaching and Service Uniquely Contribute to the Mission of the College; and \$3,000,000 to CHE for Maintenance-Critical Care and Replacement - 1:1 Match. Direct how 4 year universities, 2 year branch campuses and technical colleges are to use the Maintenance Critical Care and Replacement 1:1 Match funds and require CHE to report on how these funds were used.
SEN: ADOPT new proviso as amended.

3.6. (LEA: FY 2015-16 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 2015-16 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:

- (1) Commission on Higher Education and State Board for Technical and Comprehensive Education--Tuition Assistance \$ 47,400,000;
- (2) Commission on Higher Education--LIFE Scholarships as provided in Chapter 149, Title 59..... \$171,896,844;
- (3) Commission on Higher Education--HOPE Scholarships as provided in Section 59-150-370..... \$ 8,565,373;
- (4) Commission on Higher Education--Palmetto Fellows Scholarships as provided in Section 59-104-20..... \$ 38,691,990;
- (5) Commission on Higher Education--Need-Based Grants \$ 13,000,000;
- (6) South Carolina State University \$ 2,500,000;
- (7) Commission on Higher Education--Technology-Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges \$ 2,558,670; and
- (8) Department of Education--K12 Technology Initiative \$ 16,312,123.

Fiscal Year 2015-16 funds appropriated to the Commission on Higher 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 appropriated.

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 2015-16 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

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ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2015-16 are fully funded.

If the lottery revenue received for Fiscal Year 2015-16 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.

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 135-day average daily membership, according to the below calculations: (1) For a school district with a poverty index of less than 75: \$35 per ADM; (2) For a school district with a poverty index of at least 75 but no more than 85: \$50 per ADM; or (3) For a school district with a poverty index of greater than 85 or a special school with no defined poverty index: \$70 per ADM.

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, 2016, each school district that receives funding through the K-12 Technology Initiative during Fiscal Year 2015-16 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.

For Fiscal Year 2015-16, funds certified from unclaimed prizes are appropriated as follows:

- (1) Higher Education Tuition Grants Commission--Tuition Grants..... \$ 6,660,000;
- (2) Commission on Higher Education--National Guard Tuition
Repayment Program as provided in Section 59-111-75 \$ 4,545,000;
- (3) Department of Alcohol and Other Drug Abuse Services--
Gambling Addiction Services..... \$ 50,000;
- (4) School for the Deaf and the Blind--Technology \$ 200,000;
- (5) Commission on Higher Education--Higher Education
Excellence Enhancement Program..... \$ 2,950,000; and

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(6) Department of Education--School Buses..... \$ 595,000.

If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2015-16 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) Department of Education--School Buses..... \$ 6,000,000; and

(2) Department of Education--Instructional Materials..... \$ 6,000,000.

For Fiscal Year 2015-16, net lottery proceeds and investment earnings realized in the prior fiscal year above the amount needed to fund the appropriations in this provision are appropriated as follows in priority order:

(1) Department of Education--K-12 Technology Initiative..... \$ 12,976,853;

(2) Higher Education Tuition Grants Commission--Tuition Grants..... \$ 1,598,764;

(3) Commission on Higher Education--Higher Education

Excellence Enhancement Program..... \$ 1,028,053; and

(4) Department of Education--School Buses..... \$ 3,000,000.

For Fiscal Year 2015-16, if net lottery proceeds and investment earnings realized in the prior fiscal year are above both the amount needed to fund the appropriations in this provision as well as the amount needed to fully fund the priority order above, the following items are appropriated on a pro rata basis:

(1) Department of Education--School Buses..... \$ 1,500,000;

(2) State Library--Aid to County Libraries..... \$ 1,700,000;

(3) Commission on Higher Education--Technology-Public

Four-Year Universities, Two-Year Institutions, and State

Technical Colleges..... \$ 2,500,000;

(4) Commission on Higher Education--Non-Profit, Bachelors

Level Institution of Higher Learning, Established in 1894,

is a Member of TRACS, with Sixty Percent or More

Low-Income Students - Maintenance and Improvement

in Classroom, Library, Laboratory, or Other

Institutional Facilities..... \$ 50,000;

(5) Commission on Higher Education--Higher Education

Excellence Enhancement Program..... \$ 658,084;

(6) Commission on Higher Education--PASCAL Program..... \$ 1,500,000;

(7) Commission on Higher Education--Non-Profit, Four-Year

Comprehensive Institution of Higher Learning, First

Established as a College in 1908, is SACS Accredited,

with forty percent or More Minority Enrollment-

Support for Memorial Professorships for the

Purpose of Helping the College Recruit and Retain

Faculty Members Whose Research, Teaching

and Service Uniquely Contribute to the Mission

of the College..... \$ 50,000; and

(8) Commission on Higher Education--Maintenance-Critical Care

and Replacement-1 to 1 Match..... \$ 3,000,000.

Of the funds appropriated in sub item (8) above for the Commission on Higher Education--Maintenance-Critical Care and Replacement-1 to 1 Match, each public four-year university, two-year branch campus and state technical college shall use the amount appropriated only for critical repair and related maintenance and/or other critical equipment and systems repair and

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maintenance that are necessary for the safe and efficient operation of an institution's physical plant in its support of the institution's educational purpose.

Funds must not be used for new construction and may only be utilized by an institution to the extent the funds are matched by the institution for necessary repair and maintenance projects generally.

Matching funds exclude supplemental, capital reserve, lottery, or non-recurring state funds appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair and maintenance or deferred maintenance projects.

Prior to the distribution 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, including the sources of funds utilized to meet this requirement.

Upon certification, the funds shall be distributed to institutions based on the distribution methodology described below provided that the distribution does not exceed an institution's pro rata share or the amount matched by the institution if less than that share. The distribution methodology to be used by the commission shall be based on each institution's or agency's proportion of general fund appropriation in Part IA of Act 286 of 2014 as compared to the total general fund appropriation in that Act for all public four-year universities, two-year branch campuses and state technical colleges. Distribution of the share allocated to the state technical colleges is to be made by a formula to be developed by the State Board for Technical and Comprehensive Education in consultation with the colleges Chief Business Officers for approval by the State Board's Presidents Council.

Not later than 120 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.

- 3.7 DELETE NEW PROVISO** (Higher Education Excellence Enhancement Program Eligibility)
HOU: ADD new proviso to direct that Converse and Columbia Colleges are eligible to receive lottery funds under the Higher Education Excellence Enhancement Program. Sponsor: Rep. White.

3.7. (LEA: Higher Education Excellence Enhancement Program Eligibility) Converse College and Columbia College shall be eligible to receive lottery funds under the Higher Education Excellence Enhancement Program.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

3.7. (LEA: Higher Education Excellence Enhancement Program Additions) DELETED

SECTION 7 - L12-JOHN DE LA HOWE SCHOOL

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

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ensure the school successfully fulfills its mission and to require quarterly progress reports be submits thereafter.

SFC: DELETE proviso.

SEN: ADOPT deletion of proviso.

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

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

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

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

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

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

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

7.6 AMEND NEW PROVISO FURTHER (Educational, Therapeutic Progress, and Other Financial Information) **WMC:** ADD new proviso to direct the John de la Howe School to provide certain information and data to the EOC, as required, for all programs and services the school offers to document student enrollment; educational therapeutic needs and interventions, student's district of residence; staff employed that provide direct and indirect services to students;

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other financial expenses of the school; and other data as identified by the EOC. Require unique student identifiers be used to protect the identify of each student. Require the EOC set the reporting measures and report to the Governor, and the Senate Finance and House Ways and Means Committees by January 15, 2016 on recommendations to improve services to students.

HOU: ADOPT new proviso.

HOU2: AMEND House version to direct that information be provided to the EOC, the Inspector General, and the Department of Education on a quarterly basis. Specify that student count information be broken out by day students and by overnight students that require and receive supervision 24/7 and to report the cost per student using this data. Direct that reported enrollment data include a calculation showing the average length of stay of students that require and receive supervision 24/7 and the average enrollment per month. Direct the EOC, Inspector General, and Department of Education to prescribe the reporting measures for the school to follow and to report recommendations to the Governor and the Senate Finance and House Ways and Means Committees by January 15, 2016. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

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

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

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

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

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

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

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

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

(6) other financial expenses of the school; and

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

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

SFC: AMEND new proviso to direct that information be provided to the Office of Inspector General rather than the EOC on a quarterly basis. Specify that student count information be broken out by day students and by overnight students that require and receive supervision 24/7 and to report the cost per student using this data. Direct that reported enrollment data include a calculation showing the average length of stay of students that require and receive supervision

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24/7 and the average enrollment per month. Direct the Inspector General to prescribe the reporting measures for the school to follow rather than the EOC and direct the OIG to report quarterly to the Governor, and the Senate Finance and House Ways and Means Committees.
SEN: ADOPT new proviso as amended.

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

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

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

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

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

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

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

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

(6) other financial expenses of the school; and

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

To protect the identity of each student, unique student identifiers and not personally identifiable information must be provided. The Office of the Inspector General shall prescribe the reporting measures to be followed by the school and shall report to the Governor, to the Senate Finance Committee, and to the House Ways and Means Committee.

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

HOU: ADOPT new proviso.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

7.7. (JDLH: Programmatic Benchmarks) DELETED

SECTION 8 - H67-EDUCATIONAL TELEVISION COMMISSION

8.4 AMEND NEW PROVISO (Spectrum Auction) WMC: ADD new proviso to authorize ETV, if they choose to enter the FCC TV Spectrum Auction and receive any proceeds, to retain the proceeds for the development of a capital reserve declining balance fund. Direct that the proceeds be used to fund critical capital needs, including an expected broadcast industry standards change, and to also be used for equipment repair, maintenance and replacement needs and for operational costs. Authorize unexpended funds to be carried forward and used for the same purpose. Direct ETV to report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees on their intent to enter the auction; auction dates; estimated potential revenue; and actual revenue received from the auction. Requested by Educational Television Commission.

HOU: ADOPT new proviso.

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

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purpose. The commission shall report to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the intent to enter the auction; dates of the auction; potential revenue estimates; and actual received revenue.

SFC: AMEND new proviso to specify that “up to \$40,000,000” of the proceeds be used to fund ETV critical capital needs and require that proceeds received above \$40,000,000 be placed into a segregated account that will require General Assembly approval prior to expenditure.

SEN: ADOPT new proviso as amended.

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

SECTION 11 - H03-COMMISSION ON HIGHER EDUCATION

11.1 RESTORE ORIGINAL PROVISO (Contract for Services Program Fees) Provides for South Carolina’s participation in the Southern Regional Education (SREB) program and services and to ensure that appropriated funds are available for and dedicated to that purpose.

HOU: AMEND proviso to specify that the funds are from carry forward funds authorized to CHE or funds appropriated to its successor entity. Sponsor: Rep. Merrill.

11.1. (CHE: Contract for Services Program Fees) ~~The~~ From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, the amounts appropriated in this section for “Southern Regional Education Board Contract Programs” and “Southern Regional Education Board Dues” are to be used by the commission to pay to the Southern Regional Education Board the required contract fees for South Carolina students enrolled under the Contract for Services program of the Southern Regional Education Board, in specific degree programs in specified institutions and the Southern Regional Education Board membership dues. The funds appropriated may not be reduced to cover any budget reductions or be transferred for other purposes.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.1. (CHE: Contract for Services Program Fees) The amounts appropriated in this section for “Southern Regional Education Board Contract Programs” and “Southern Regional Education Board Dues” are to be used by the commission to pay to the Southern Regional Education Board the required contract fees for South Carolina students enrolled under the Contract for Services program of the Southern Regional Education Board, in specific degree programs in specified

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institutions and the Southern Regional Education Board membership dues. The funds appropriated may not be reduced to cover any budget reductions or be transferred for other purposes.

- 11.2 REINSERT/AMEND** (Out-of-State School of the Arts) Directs that Out-of-State School of the Arts funds must be spent for a SREB Contract Program that will offset the difference between out-of-state and in-state costs for artistically talented high school students at the North Carolina School of the Arts.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~11.2. (CHE: Out-of-State School of the Arts) The funds appropriated herein for Out-of-State School of the Arts must be expended for an SREB Contract Program, administered by the Commission, which will offset the difference between the out-of-state cost and in-state cost for artistically talented high school students at the North Carolina School of the Arts.~~

SFC: REINSERT original proviso and amend to insert "For Fiscal Year 2015-16."

SEN: ADOPT proviso as amended.

11.2. (CHE: Out-of-State School of the Arts) ~~The~~ *For Fiscal Year 2015-16, the* funds appropriated herein for Out-of-State School of the Arts must be expended for an SREB Contract Program, administered by the Commission, which will offset the difference between the out-of-state cost and in-state cost for artistically talented high school students at the North Carolina School of the Arts.

- 11.3 RESTORE ORIGINAL PROVISO** (African-American Loan Program) Provides for distribution of funds appropriated to CHE for the African American Loan Program: 73.7% to SC State University and 26.3% to Benedict College and directs that no more than 10% may be used for administrative purposes.

HOU: AMEND proviso to specify that the funds are from carry forward funds authorized to CHE or funds appropriated to its successor entity. Sponsor: Rep. Merrill.

~~11.3. (CHE: African-American Loan Program) Of the funds appropriated~~ *From the carry forward funds authorized* to the Commission on Higher Education *or funds appropriated to its successor entity* for the African-American Loan Program, 73.7 percent shall be distributed to South Carolina State University and 26.3 percent shall be distributed to Benedict College, and must be used for a loan program with the major focus of attracting African-American males to the teaching profession. The Commission of Higher Education, *or its successor entity*, shall act as the monitoring and reporting agency for the African-American Loan Program. Of the funds allocated according to this proviso, no more than ten percent shall be used for administrative purposes.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.3. (CHE: African-American Loan Program) Of the funds appropriated to the Commission on Higher Education for the African-American Loan Program, 73.7 percent shall be distributed to South Carolina State University and 26.3 percent shall be distributed to Benedict College, and must be used for a loan program with the major focus of attracting African-American males to the teaching profession. The Commission of Higher Education shall act as

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the monitoring and reporting agency for the African-American Loan Program. Of the funds allocated according to this proviso, no more than ten percent shall be used for administrative purposes.

- 11.4 RESTORE ORIGINAL PROVISO** (GEAR-UP) Directs that funds appropriated for GEAR-UP be used for state grant program to reach disadvantaged middle school students to improve college preparation.

HOU: AMEND proviso to specify that the funds are from carry forward funds authorized to CHE or funds appropriated to its successor entity. Sponsor: Rep. Merrill.

11.4. (CHE: GEAR-UP) ~~Funds~~ *From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, funds* appropriated for GEAR-UP shall be used for state grants programs to reach disadvantaged middle school students to improve their preparation for college. Eligible South Carolina public schools and public institutions of higher education shall cooperate with the Commission on Higher Education, *or its successor entity*, in the provision of services under the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP) grant.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.4. (CHE: GEAR-UP) Funds appropriated for GEAR-UP shall be used for state grants programs to reach disadvantaged middle school students to improve their preparation for college. Eligible South Carolina public schools and public institutions of higher education shall cooperate with the Commission on Higher Education in the provision of services under the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP) grant.

- 11.5 RESTORE ORIGINAL PROVISO** (EPSCoR Committee Representation) States the intent that 4-year teaching institutions receive a portion of the Experimental Program to Stimulate Cooperative Research (EPSCoR) program funding and that the EPSCoR executive committee consist of one representative from each of the research institutions and one representative from the 4-year teaching university sector.

HOU: AMEND proviso to specify that the funds are from carry forward funds authorized to CHE or funds appropriated to its successor entity. Sponsor: Rep. Merrill.

11.5. (CHE: EPSCoR Committee Representation) ~~With~~ *From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, it is* the intent that the four-year teaching institutions receive a portion of EPSCoR funding, the State EPSCoR Committee shall have an executive committee consisting of one representative from each of the research institutions and one representative from the four-year teaching university sector.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.5. (CHE: EPSCoR Committee Representation) With the intent that the four-year teaching institutions receive a portion of EPSCoR funding, the State EPSCoR Committee shall have an executive committee consisting of one representative from each of the research institutions and one representative from the four-year teaching university sector.

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- 11.8 RESTORE ORIGINAL PROVISO** (Troop-to-Teachers) Directs that members of the Armed Forces either active-duty, retired, or separated who are admitted to and enrolled in the S.C Troop-to-Teachers Alternative Route to Certification program are entitled to pay in-state rates at participating state institutions for required program work.

HOU: AMEND proviso to specify that the funds are from carry forward funds authorized to CHE or funds appropriated to its successor entity. Sponsor: Rep. Merrill.

11.8. (CHE: Troop-to-Teachers) ~~Members~~ From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, is directed to ensure that members of the Armed Forces either active-duty, retired, or separated who are admitted to and enrolled in the South Carolina Troop-to-Teachers Alternative Route to Certification program are entitled to pay in-state rates at participating state institutions for requisite program work.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.8. (CHE: Troop-to-Teachers) Members of the Armed Forces either active-duty, retired, or separated who are admitted to and enrolled in the South Carolina Troop-to-Teachers Alternative Route to Certification program are entitled to pay in-state rates at participating state institutions for requisite program work.

- 11.9 RESTORE ORIGINAL PROVISO** (Need-Based Grants for Foster Youth) Provides for the distribution of up to \$100,000 of available need based grants funds to foster youth in the custody of DSS who are attending a higher education institutions in the state.

HOU: AMEND proviso to specify CHE or “its successor entity.” Sponsor: Rep. Merrill.

11.9. (CHE: Need-Based Grants for Foster Youth) For the current academic year, youth in the custody of the Department of Social Services and attending a higher education institution in South Carolina are eligible for additional need-based grants funding of up to \$2,000 above the \$2,500 maximum. Foster youth must apply for these funds no later than May first, of the preceding year. All other grants, both state and federal, for which these foster youth are eligible must be applied first to the cost of attendance prior to using the additional need-based grant funding. If the cost of attendance for a foster youth is met with other grants and scholarships, then no additional need-based grant may be used. The Department of Social Services, in cooperation with the Commission on Higher Education, or its successor entity, will track the numbers of recipients of this additional need-based grant to determine its effectiveness in encouraging more foster youth to pursue a secondary education. No more than \$100,000 may be expended from currently appropriated need-based grants funding for this additional assistance.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.9. (CHE: Need-Based Grants for Foster Youth) For the current academic year, youth in the custody of the Department of Social Services and attending a higher education institution in South Carolina are eligible for additional need-based grants funding of up to \$2,000 above the \$2,500 maximum. Foster youth must apply for these funds no later than May first, of the preceding year. All other grants, both state and federal, for which these foster youth are eligible must be applied first to the cost of attendance prior to using the additional need-based grant funding. If the cost of attendance for a foster youth is met with other grants and scholarships,

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then no additional need-based grant may be used. The Department of Social Services, in cooperation with the Commission on Higher Education will track the numbers of recipients of this additional need-based grant to determine its effectiveness in encouraging more foster youth to pursue a secondary education. No more than \$100,000 may be expended from currently appropriated need-based grants funding for this additional assistance.

- 11.10 RESTORE ORIGINAL PROVISO (Tuition Age)** Suspends the age limitation for free tuition at state supported institutions of higher learning for children of certain war veterans that successfully appeal the Division of Veterans Affairs on the grounds of a serious extenuating health condition.

HOU: AMEND proviso to specify that the funds are from carry forward funds authorized to CHE or funds appropriated to its successor entity. Sponsor: Rep. Merrill.

11.10. (CHE: Tuition Age) ~~For~~ *From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, for* the current fiscal year, the age limitation for those children of certain war veterans who may be admitted to any state-supported college, university, or post high school technical education institution free of tuition is suspended for eligible children that successfully appeal the Division of Veterans Affairs on the grounds of a serious extenuating health condition.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.10. (CHE: Tuition Age) For the current fiscal year, the age limitation for those children of certain war veterans who may be admitted to any state-supported college, university, or post high school technical education institution free of tuition is suspended for eligible children that successfully appeal the Division of Veterans Affairs on the grounds of a serious extenuating health condition.

- 11.11 RESTORE ORIGINAL PROVISO (LIFE and Palmetto Fellows Enhancement Stipends)** Provides for a verifiable procedure to confirm that students receiving the enhanced stipends for LIFE and Palmetto Fellows are fulfilling the requirements of the major and are demonstrating intent to graduate in the major.

HOU: AMEND proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

11.11. (CHE: LIFE and Palmetto Fellows Enhancement Stipends) In the current fiscal year before fall awards are made, to continue eligibility for LIFE and Palmetto Fellows Enhancement Stipends, students shall certify and the institutions shall verify that the student is meeting all requirements as stipulated by the policies established by the institution and the academic department to be enrolled as a declared major in an eligible program and is making academic progress toward completion of the student’s declared eligible major. These determinations are subject to the verification and audit of the Commission on Higher Education, *or its successor entity*. Institutions shall return funds determined to have been awarded to ineligible students.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.11. (CHE: LIFE and Palmetto Fellows Enhancement Stipends) In the current fiscal year before fall awards are made, to continue eligibility for LIFE and Palmetto Fellows Enhancement Stipends, students shall certify and the institutions shall verify that the student is meeting all

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requirements as stipulated by the policies established by the institution and the academic department to be enrolled as a declared major in an eligible program and is making academic progress toward completion of the student's declared eligible major. These determinations are subject to the verification and audit of the Commission on Higher Education. Institutions shall return funds determined to have been awarded to ineligible students.

- 11.13 REINSERT** (Higher Education Excellence Enhancement Program Additions) Directs that Converse and Columbia Colleges shall be eligible to receive funds under HEEP.
HOU: DELETE proviso. *Moved to Lottery section proviso 3.7.* Sponsor: Rep. Merrill.

~~11.13. (CHE: Higher Education Excellence Enhancement Program Additions) Converse College and Columbia College shall be eligible to receive funds under the Higher Education Excellence Enhancement Program.~~

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

11.13. (CHE: Higher Education Excellence Enhancement Program Additions) Converse College and Columbia College shall be eligible to receive funds under the Higher Education Excellence Enhancement Program.

- 11.15 RESTORE ORIGINAL PROVISO** (College Transition Need-Based Grants) Directs that no more than \$179,178 of need-based grants funding be used to provide need-based grants at an established college transition program that serves students with intellectual disabilities. Provides guidelines for awarding and allocating the funds and requires the number of grant recipients be tracked to evaluate the effectiveness of the program.
HOU: AMEND proviso to specify CHE "or its successor entity." Sponsor: Rep. Merrill.

11.15. (CHE: College Transition Need-Based Grants) Of the currently appropriated need-based grants funding, no more than \$179,178 shall be used to provide need-based grants to South Carolina resident students enrolled at a public institution of higher education in an established college transition program that serves students with intellectual disabilities. The Commission on Higher Education, *or its successor entity*, shall allocate the available funds to eligible institutions on the basis of student need and enrollment in the established college transition programs. All other grants and gift aid for which these students are eligible must be applied first to the cost of attendance prior to using the need-based grant funding. If the cost of attendance for an eligible student is met with all other grants and gift aid, the need-based grant shall not be used. The participating institutions, in cooperation with the Commission on Higher Education, *or its successor entity*, shall track the number of grant recipients and other information determined necessary to evaluate the effectiveness of these grants in assisting students with intellectual disabilities in college transition programs.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

11.15. (CHE: College Transition Need-Based Grants) Of the currently appropriated need-based grants funding, no more than \$179,178 shall be used to provide need-based grants to South Carolina resident students enrolled at a public institution of higher education in an established college transition program that serves students with intellectual disabilities. The Commission on Higher Education shall allocate the available funds to eligible institutions on the basis of student

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need and enrollment in the established college transition programs. All other grants and gift aid for which these students are eligible must be applied first to the cost of attendance prior to using the need-based grant funding. If the cost of attendance for an eligible student is met with all other grants and gift aid, the need-based grant shall not be used. The participating institutions, in cooperation with the Commission on Higher Education, shall track the number of grant recipients and other information determined necessary to evaluate the effectiveness of these grants in assisting students with intellectual disabilities in college transition programs.

- 11.19 AMEND NEW PROVISO** (Scholarship Awards) **WMC:** ADD new proviso to provide guidelines for a student to receive a Palmetto Fellows or LIFE scholarship award during the summer in addition to fall and spring semesters. Direct that the student must continue to meet eligibility requirements and be enrolled full-time, which for summer requires 12 hours. Direct that the total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if the student does not complete at least 12 hours of academic credit during the summer sessions. Direct that if a summer award is made, the student's total award during their enrollment may not exceed the amount provided under current semester limits. *Moved from the lottery proviso.*
HOU: AMEND new proviso to specify CHE "or its successor entity." Sponsor: Rep. Merrill.

11.19. (CHE: Scholarship Awards) A student may receive a Palmetto Fellows or LIFE scholarship award during the summer, in addition to fall and spring semesters of an academic year, provided continued eligibility requirements are met as of the end of the spring semester. Students must enroll full-time, which for purposes of the summer award will require enrollment in at least twelve hours over the course of the summer. The summer is defined as the period between the end of the spring term and prior to the opening of the fall term. The total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if less than twelve hours for academic credit are not completed by the student during summer sessions. If awarded in the summer, a student's total award during his or her enrollment may not exceed the amount that would otherwise be provided under current semester limits applied for the scholarship awards. The Commission on Higher Education, or its successor entity, may provide additional guidelines necessary to ensure uniform implementation.

SFC: AMEND new proviso to direct that the summer award must be reimbursed if less than 12 hours of academic credit are not "attempted" rather than "completed" during summer sessions.
SEN: ADOPT new proviso as amended.

11.19. (CHE: Scholarship Awards) A student may receive a Palmetto Fellows or LIFE scholarship award during the summer, in addition to fall and spring semesters of an academic year, provided continued eligibility requirements are met as of the end of the spring semester. Students must enroll full-time, which for purposes of the summer award will require enrollment in at least twelve hours over the course of the summer. The summer is defined as the period between the end of the spring term and prior to the opening of the fall term. The total summer award per student may not exceed half of the allowable academic year award up to the cost of attendance and must be reimbursed if less than twelve hours for academic credit are not attempted by the student during summer sessions. If awarded in the summer, a student's total award during his or her enrollment may not exceed the amount that would otherwise be provided under current semester limits applied for the scholarship awards. The Commission on Higher Education may provide additional guidelines necessary to ensure uniform implementation.

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- 11.21 DELETE NEW PROVISO** (Other Funds Expenditure Authorization) **WMC:** ADD new proviso to prohibit state institutions of higher learning, including technical schools from spending more other funds than they are authorized in this act and/or by the Other Funds Oversight Committee to spend. Require each institution and school to prepare quarterly other fund expenditure reports that includes both quarterly and year to date expenditures and submit the reports no later than 15 days after the end of each quarter to the Senate Finance and House Ways and Means Committees, to the Executive Budget Office and to the Revenue and Fiscal Affairs Office. Direct the EOB Executive Director, upon finding that other funds authorization has been breached, to notify the Comptroller General of the amount of unauthorized spending and direct the Comptroller General to reduce an equal amount of general fund appropriations from that institution or school.
HOU: AMEND new proviso to direct that quarterly reports also be submitted to CHE or its successor entity. Sponsor: Rep. Merrill.

11.21. (CHE: Other Funds Expenditure Authorization) State institutions of higher learning, including technical schools, shall not expend an amount of other funds in excess of the total authorized by this act and any amount approved by the Other Funds Oversight Committee. Each institution and school shall prepare a quarterly report, which includes quarterly and fiscal year-to-date other funds appropriations expenditure amounts, and provide the reports, no later than fifteen days after the end of the quarter, to the Senate Finance Committee, the House Ways and Means Committee, the Executive Budget Office, the Commission on Higher Education, or its successor entity, and the Revenue and Fiscal Affairs Office. Upon a finding by the Executive Budget Office that an institution or school has breached its other fund authorization, the executive director shall send a letter notifying the Comptroller General as to the amount of unauthorized spending and the Comptroller General shall reduce an equal amount from that institution or school's general fund appropriation.

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

11.21. (CHE: Other Funds Expenditure Authorization) DELETED

- 11.22 DELETE NEW PROVISO** (Graduation Data) **WMC:** ADD new proviso to require institutions of higher learning to annually report graduation data in terms of a true freshman cohort who starts their college career as a freshman at the institution and graduates from that same institution. Direct that graduation data also be reported in terms of the Voluntary System of Accountability. Direct that both calculations be submitted to CHE by December 1st.
HOU: AMEND new proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

11.22. (CHE: Graduation Data) Institutions of higher learning must annually report graduation data in terms of true freshman cohort; a student who starts their college career as a freshman at the institution and graduates from that institution. Institutions must also report graduation data in terms of the Voluntary System of Accountability (VSA). Both calculations must be submitted to the Commission on Higher Education, or its successor entity, on or before December 1st.

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

11.22. (CHE: Graduation Data) DELETED

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- 11.23 DELETE NEW PROVISO (Equalizing In-State Tuition) WMC:** ADD new proviso to direct CHE to study the feasibility of equalizing in-state tuition rates at all state institutions of higher learning and to report their findings to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by December 1, 2015.
HOU: AMEND new proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

11.23. (CHE: Equalizing In-State Tuition) The Commission on Higher Education, or its successor entity, shall study in-state tuition rates at all state institutions of higher learning to determine the feasibility of equalizing in-state tuition rates. The commission shall report the findings of the study to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by December 1, 2015.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.23. (CHE: Equalizing In-State Tuition) DELETED

- 11.24 DELETE NEW PROVISO (Student Debt) WMC:** ADD new proviso to direct CHE, in collaboration with the Student Loan Corporation, to determine the amount of outstanding student loan debt and default rates as of July 1, 2015 for each higher education institution and to report the results annually by October 1st to the Chairmen of the Senate Finance and House Ways and Means Committees.
HOU: AMEND new proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

11.24. (CHE: Student Debt) The Commission on Higher Education, or its successor entity, in collaboration with the Student Loan Corporation, shall determine outstanding student loan debt numbers and default rates as of July 1, 2015, for each public institution of higher learning. Results shall be reported annually to the Chairman of the Senate Finance Committee and Chairman of the House Ways and Means Committee by October 1st.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.24. (CHE: Student Debt) DELETED

- 11.25 DELETE NEW PROVISO (Other Funded FTE Revenue) WMC:** ADD new proviso require higher education institutions to ensure that sufficient revenue exists to fund the salary and fringe benefits of any new other funded full-time positions they request. Direct the institutions to also ensure that when they calculate the revenue required for the positions they take into consideration any possible future pay increases and health insurance adjustments that may be mandated by the General Assembly.
HOU: AMEND new proviso require each institution ensure to CHE or its successor entity that they have sufficient funds for salary and fringe benefits of the requested ftes. Sponsor: Rep. Merrill.

11.25. (CHE: Other Funded FTE Revenue) Each institution of higher learning, when requesting additional other funded full-time equivalent positions shall ensure to the Commission on Higher Education, or its successor entity, that sufficient revenues exist to fund the salary and fringe benefits for the positions. In addition, the institution shall also ensure that in the calculation of the revenue required for the positions, future pay increases and future health

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insurance adjustments as may be mandated by the General Assembly are taken into consideration.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.25. (CHE: Other Funded FTE Revenue) DELETED

- 11.26 DELETE NEW PROVISO** (Federal and Other Fund Compensation Increase Exemption) **WMC:** ADD new proviso to exempt higher education institutions from having to provide state imposed pay raises to other and federal funded full-time positions.
HOU: ADOPT new proviso.

11.26. (CHE: Federal and Other Fund Compensation Increase Exemption) Notwithstanding the requirements of proviso 117.125 (Employee Compensation), institutions of higher learning shall be exempt from having to provide state imposed pay raises to other and federal funded full-time equivalent positions.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.26. (CHE: Federal and Other Fund Compensation Increase Exemption) DELETED

- 11.27 DELETE NEW PROVISO** (Remit Endowed Chairs Commerce Awards Funds) **WMC:** ADD new proviso to direct that the \$2,900,000 of Endowed Chairs Program funds that have been set aside for "Commerce Awards" are to be remitted to the general fund by August 1, 2015.
HOU: AMEND new proviso to specify that the funds shall be remitted by CHE or its successor entity. Sponsor: Rep. Merrill.

11.27. (CHE: Remit Endowed Chairs Commerce Awards Funds) The \$2,900,000 of the Endowed Chairs Program funds that have been set aside for "Commerce Awards" shall be remitted by the Commission on Higher Education, or its successor entity, to the general fund by August 1, 2015.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.27. (CHE: Remit Endowed Chairs Commerce Awards Funds) DELETED

- 11.28 DELETE NEW PROVISO** (4% Waivers) **WMC:** ADD new proviso to establish a formula for institutions to use across the board for fee waivers: "Total Waiver Allotment per Statute=Unduplicated headcount (full annual in-state geo tuition) x 4 percent." Direct to qualify for a fee waiver a student must be in-state based on geo-origin, be enrolled in at least 12 hours, and must maintain a 3.0 GPA per semester. Direct that formula calculation and award data be annually submitted to CHE by October 1st and require institutions identify all other financial awards the student is receiving, if the student is an athlete, and how many semesters the students has received the waiver. Direct CHE to notify the Chairmen of the Senate Finance and House Ways and Means Committees if the information is not received by October 1st and direct that those institutions shall have their general fund appropriations reduced by their total waiver allotment. Exempt state technical schools from these requirements.

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HOU: AMEND new proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

11.28. (CHE: 4% Waivers) When each institution of higher learning establishes the allotted amount of money to be used as a fee waiver, the formula to be used across the board shall be defined as "Total Waiver Allotment per Statute=Unduplicated headcount (full annual in-state geo tuition) x 4 percent." In order to qualify for a fee waiver a student must be in-state (based on geo-origin); must be an undergraduate; must be enrolled in at least 12 hours; and must maintain a 3.0 grade point average per semester. Formula calculation and award data must be submitted to the Commission on Higher Education, or its successor entity, by October 1 of each year. When reporting data, the institution must identify all other financial awards the student is receiving as well as if the student is an athlete and how many semesters the student has received the waiver. If the information is not provided to the Commission on Higher Education, or its successor entity, by October 1, the commission must notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and those institutions shall have their general fund appropriations reduced by the total waiver allotment per the respective institution. State technical schools shall be exempt from the requirements of this provision.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.28. (CHE: 4% Waivers) **DELETED**

11.29 **AMEND NEW PROVISO FURTHER** (Abatements ~~and Waivers~~) **WMC:** ADD new proviso to direct that abatement calculations for out-of-state students be submitted annually to CHE by October 1st and require the reporting data identify the student’s geo-origin, class, all other financial awards the student is receiving, whether the student is an athlete, and how many semesters the student has received the waiver.

HOU: AMEND new proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

HOU2: AMEND House version to direct that that institutions submit to CHE or its successor entity, the number of out-of-state students that received abatement of rates during the prior fiscal year and require the report include the student’s geo-origin, class, comprehensive list of all financial awards the student received, how many semesters the student received the abatement, the athletic status of the student, and the calculation method used to determine the abatement amount awarded. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

11.29. (CHE: Abatements) By October 1st of each year, state supported institutions of higher learning must submit to the Commission on Higher Education, or its successor entity, the number of out-of-state students during the prior fiscal year that received abatement of rates pursuant to Section 59-112-70 of the 1976 Code. 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.

SFC: AMEND FURTHER to delete the data required to be reported and instead direct the commission report the number of students that received abatement of rates pursuant to Section 59-112-70 [ABATEMENT OF RATES FOR NONRESIDENTS ON SCHOLARSHIP. WAIVER FOR STUDENTS PARTICIPATING IN INTERNATIONAL SISTER-STATE AGREEMENT OR STUDENT EXCHANGE PROGRAMS] and the

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number of students that received educational fee waivers pursuant to Section 59-101-620 [EDUCATIONAL FEE WAIVERS].

SEN: ADOPT new proviso as amended.

11.29. (CHE: Abatements and Waivers) By October 1 each year, state supported institutions of higher learning shall report to the commission the number of 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 number of students that received educational fee waivers pursuant to Section 59-101-620.

- 11.30 DELETE NEW PROVISO** (Outstanding Institutional Debt) **WMC:** ADD new proviso to require higher education institutions to submit data on their outstanding institutional debt by November 1st to the Chairmen of the House Ways and Means and Senate Finance Committees and require the data include, but not be limited to amount of the initial debt, year the debt was incurred, year the debt will be satisfied, repayment schedule, and purpose for which the debt was incurred.

HOU: AMEND new proviso to specify CHE “or its successor entity.” Sponsor: Rep. Merrill.

11.30. (CHE: Outstanding Institutional Debt) By November 1st, institutions of higher learning must submit to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Commission on Higher Education, or its successor entity, data on all outstanding institutional debt for their respective institution. Data shall include, but not be limited to, the amount of the initial debt, year in which the debt was incurred, the year in which the debt will be satisfied, the repayment schedule, and the purpose for which the debt was incurred.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.30. (CHE: Outstanding Institutional Debt) DELETED

- 11.31 DELETE NEW PROVISO** (Personal Finances Curriculum) **WMC:** ADD new proviso to direct each higher education institution, excluding technical schools, to include information about personal finances in an institution’s general education freshman curriculum, by either offering a course on the subject or by including the information in an existing course. Direct state technical schools to include personal finances information in freshman orientation.

HOU: AMEND new proviso to specify CHE or its successor entity. Sponsor: Rep. Merrill.

11.31. (CHE: Personal Finances Curriculum) The Commission on Higher Education, or its successor entity shall ensure that each institution of higher learning, excluding technical schools, shall offer a course or include in an existing course designed for first-year students, information regarding personal finances which must be included in an institution’s general education freshman curriculum. State technical schools shall include information regarding personal finances in freshman orientation.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.31. (CHE: Personal Finances Curriculum) DELETED

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- 11.35 AMEND NEW PROVISO (Transferability) HOU:** ADD new proviso to direct that students who transfer from a 2-year public institution of higher learning with an Associate of Arts or Science degree and are accepted at a public research institution or 4-year college or university are guaranteed the award of at least 60 credit hours of transfer coursework and will have all general education requirements waived. Direct that course prerequisites and minimum credit requirements for awarding degrees shall still apply. Direct CHE, or its successor entity, in consultation with the State Board for Tec and Comp Ed and public institutions of higher learning to develop policies by May, 2, 2016 for implementing these provisions effective beginning in the fall of 2016. Sponsor: Rep. Merrill.

11.35. (CHE: Transferability) Transfer students from two-year public institutions of higher learning accepted to public research institutions and four-year colleges and universities with an earned Associate of Arts or Associate of Science degree are guaranteed the award of at least sixty credit hours of transfer coursework and will have all general education requirements waived. Course prerequisites and minimum credit requirements for the awarding of degrees shall still apply. From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, the commission or successor entity, in consultation with the State Board for Technical and Comprehensive Education and the public institutions of higher learning, will develop policies by May 2, 2016, for implementation of the provisions herein effective beginning in fall 2016.

SFC: AMEND new proviso to delete the previous requirements and instead direct CHE's Council of Presidents or its designees, in consultation with the State Board for Tec and Comp Ed, or its designees, to make recommendations by May 2, 2016, to the Chairmen of the Senate Education and House Education and Public Works Committees on policy options concerning the development of a more seamless transition for students with Associate Degrees from public 2-year institutions who wish to transfer to public research institutions and 4-year institutions. Require recommendations consider both costs and opportunities of the option(s) including, but not limited to, impacts on institutional core requirements and accreditation standards. Direct that this provision does not supersede current agreements, MOU, or letters of intent between institutions regarding transferability of students.

SEN: ADOPT new proviso as amended.

11.35. (CHE: Transferability) No later than May 2, 2016, the Commission on Higher Education's Council of Presidents, or the council's designees, in consultation with the State Board for Technical and Comprehensive Education, or its designees, shall make a recommendation(s) to the Chairman of the Senate Education Committee and the Chairman of the House Education and Public Works Committee concerning policy options for the state to consider with regards to the development of a more seamless transition for students with Associate Degrees from public two-year institutions of higher learning wishing to transfer to public research institutions and four-year colleges and universities. Recommendations must consider both the costs and opportunities of the option(s) presented including, but not limited to, impacts on institutional core requirements and accreditation standards. Nothing herein shall be construed as superseding any agreements, memorandums of understanding, or letters of intent that are in effect in the current fiscal year between or on behalf of one or more public institutions of higher learning in this state with another public institution or institutions of higher learning in this state regarding the transferability of students between institutions as described herein.

- 11.36 DELETE NEW PROVISO (Uniform Acceptance Letter Deadline) HOU:** ADD new proviso to direct CHE, or its successor entity, to work with all higher education institutions to establish a

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uniform deadline for fall semester acceptance letters for incoming freshmen. Sponsor: Rep. Merrill.

11.36. (CHE: Uniform Acceptance Letter Deadline) From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, the commission or successor entity, shall work with all institutions of higher learning to establish a uniform deadline for acceptance letters for the fall semester for incoming freshmen.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.36. (CHE: Uniform Acceptance Letter Deadline) DELETED

11.37 DELETE NEW PROVISO (Comprehensive Academic Program Evaluation) **HOU:** ADD new proviso to prohibit CHE, or its successor entity, from granting a new academic program at a higher education institution until a comprehensive evaluation has been conducted on all academic programs at that institution. Direct CHE, or its successor entity, to develop criteria to evaluate existing academic programs to determine whether they are essential and valuable to the institution and students. Direct CHE, or its successor entity, to submit the evaluation criteria to the Chairmen of the Senate Finance and House Ways and Means Committees. Sponsor: Rep. Merrill.

11.37. (CHE: Comprehensive Academic Program Evaluation) From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor entity, the commission or successor entity shall not grant a new academic program at an institution of higher learning until a comprehensive evaluation has been conducted on all the academic programs at that institution. The commission or its successor entity, shall develop criteria to evaluate whether existing academic programs are essential and valuable to the institution and to the students enrolled in the institution. The commission or its successor entity, shall submit the evaluation criteria to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.37. (CHE: Comprehensive Academic Program Evaluation) DELETED

11.38 DELETE NEW PROVISO (Higher Education Continuous Improvement Goals) **HOU:** ADD new proviso to direct that attainment of certain goals will be considered by CHE, or its successor entity, with appropriation requests in order to encourage improvements in higher education. Direct Clemson, the Citadel, and USC-Columbia to improve their percentage of full-time in-state undergrads by 2% of total enrollment in the 2015 fall class and by 5% by 2020. Direct MUSC increase graduate percentage of in-state students by 2%. Direct Coastal Carolina, Charleston, Francis Marion, Lander, USC Aiken, USC Beaufort, USC Upstate and Winthrop Universities to increase retention by 2% over two years and increase the 4-year graduation rate by 3% over 4 years. Direct technical schools to increase job placement by 2% over two years. Sponsor: Rep. Merrill.

11.38. (CHE: Higher Education Continuous Improvement Goals) From the carry forward funds authorized to the Commission on Higher Education or funds appropriated to its successor

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entity, in an effort to encourage improvements in higher education, attainment of the following goals will be considered with appropriation requests. Clemson University, the Citadel, and the University of South Carolina Columbia Campus shall improve their percentage of full-time in-state undergraduate students by 2% of total enrollment in the fall class of 2015 and by 5% by 2020. The Medical University of South Carolina shall increase graduate percentage of in-state students by 2%. Coastal Carolina University, the University of Charleston, Francis Marion University, Lander University, USC Aiken, USC Beaufort, USC Upstate, and Winthrop University shall increase retention by 2% over two years and shall increase the four-year graduation rate by 3% over 4 years. The state's technical schools shall increase job placement by 2% over two years.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

11.38. (CHE: Higher Education Continuous Improvement Goals) DELETED

- 11.39** **ADD** (SmartState Drawn Down) **SFC:** ADD new proviso to authorize CHE to drawn down previously appropriated lottery funds for a SmartState “South Carolina Center of Economic Excellence” that have been held in trust awaiting matching funds, after they receive the dollar-for-dollar non-state match and upon Executive Budget Office approval. Direct that the required documentation along with proof that the required match is on hand must be submitted to the Executive Budget Office for approval and direct the Executive Budget Office to notify the Other Funds Oversight Committee of such approval. Direct that the requirements of proviso 91.21 (Other Funds Oversight Committee) do not apply under these circumstances.
SEN: ADOPT new proviso.

11.39. (CHE: SmartState Draw Down) The Commission on Higher Education, upon receipt of the dollar-for-dollar non-state match for a SmartState “South Carolina Center of Economic Excellence” as required by Section 2-75-50 of the 1976 Code, and after Executive Budget Office approval, shall be authorized to draw down previously appropriated lottery funds that had been held in trust until matching funds were on hand. The commission shall submit required documentation to the Executive Budget Office for approval of such draw downs, including proof that the required match is on hand, and the Executive Budget Office shall notify the Other Funds Oversight Committee of an authorization approved for this purpose. The requirements of proviso 91.20 contained in this act shall not apply to circumstances described in this proviso.

- 11.40** **AMEND NEW PROVISO** (Higher Education Safe Campus Task Force) **SFC:** ADD new proviso to create the Higher Education Safe Campus and College Experience Task Force to examine the following issues on college campuses: substance abuse; alcohol-related medical emergencies; discrimination; student behavior or misconduct indicative of beliefs based on race, religion, ethnicity, and sexual orientation; hazing; sexual misconduct, particularly sexual assault; domestic violence; occurrences of these issues that take place on campus vs off campus; and the degree to which association with fraternal social organizations interplays with these issues. Direct the task force examine campus crisis response protocols; harm-reduction approaches to address certain issues; the degree to which the campus environment encourages or discourages a student exercising their First Amendment rights; and how the school and other task force participants can address these issues. Require task force recommendation to be revenue neutral. Provide for the composition of the 15 member task force to be appointed by CHE. Direct that members serve without compensation, mileage or per diem. Direct that staffing be provided by the House Education and Public Works and Senate Education Committees. Require the task

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force report its findings and recommendations to the General Assembly before January 1, 2016, after which the task force will be dissolved.

SEN: AMEND new proviso to delete the requirement that issues involving student behavior or misconduct indicative of beliefs that might be construed to lead to discrimination based on race, religion, ethnicity, and sexual orientation be examined. Sponsor: Sen. Bright.

11.40. (CHE: Higher Education Safe Campus Task Force) There is created the Higher Education Safe Campus and College Experience Task Force to:

(1) examine issues involving:

(a) substance abuse among college students, including illicit alcohol use and abuse and illicit drug and prescription drug use and abuse;

(b) alcohol-related medical emergencies, including the frequency and cost of such emergencies, and the impact on class attendance;

(c) discrimination based on race, religion, ethnicity, and sexual orientation;

(d) the frequency and severity of hazing, and a review of the existing statute concerning hazing;

(e) sexual misconduct, particularly sexual assault;

(f) domestic violence;

(g) occurrences of issues in this provision that take place on campus as compared to off campus, unregulated sites; and

(h) the degree to which association with fraternal social organizations for men and women interplays with issues in this provision;

(2) examine protocols for responding to a campus crisis, such as a shooting or other violent harm on or near campus, acts of racial, ethnic, and sexual violence, and so forth;

(3) examine harm-reduction approaches, such as peer education, to address issues like binge drinking, underage drinking, suicide, illegal discrimination, and illicit and prescription drug use and abuse;

(4) examine the degree to which the campus environment encourages or discourages the exercise of the rights of a student under the First Amendment to the United States Constitution; and

(5) examine how the school and other participants in the task force can address the issues in this provision to create a safer, inclusive, and nurturing culture for students.

Any recommendations made by the task force must be revenue neutral. The task force shall report its findings and make recommendation concerning proposed changes to the General Assembly.

The task force must be composed of fifteen members appointed by the Commission on Higher Education. In selecting members for appointment to the task force, the commission must include student and staff representatives of public and private universities in this State, the South Carolina Campus Law Enforcement Association, the State Law Enforcement Division, local law enforcement agencies with jurisdiction over a college or university, the Department of Alcohol and Other Drug Abuse Services, the Department of Mental Health, and any other entities with the appropriate knowledge and experience in mental illness identification and treatment, substance abuse identification and treatment, diversity and multiculturalism, crisis management and public safety, and harm-reduction. College and university staff representatives should include individuals who work in multicultural affairs and individuals who work in student affairs. Vacancies in the membership of the task force must be filled for the remainder of the unexpired term in the manner of original appointment. Members of the task force shall serve without compensation and may not receive mileage or per diem.

The staffing for the task force must be provided by the staff of the House Education and Public Works Committee and the Senate Education Committee. The task force shall make a

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report of its recommendations to the General Assembly before January 1, 2016, at which time the task force must be dissolved.

- 11.41** **ADD** (Technical College Study) **SEN:** ADD new proviso to direct CHE to examine whether a program that allows a student who graduated from a South Carolina high school or who attained the equivalency of a high school diploma to attend a state technical college without paying tuition and fees for a specified time is viable. Direct certain parameters for CHE to identify and consider; require CHE propose program criteria; and direct that a report be submitted to the General Assembly by January 31, 2016 that summarizes the findings and allow for recommendations to be included in the report. Sponsors: Sens. Hutto, Setzler, Nicholson, Sabb, Pinckney, and Williams.

11.41. (CHE: Technical College Study) (A) The Commission on Higher Education shall examine the viability of a program that allows a student who graduated from a high school in this state or who attained the state educational equivalency of a high school diploma to attend a state technical college without paying tuition and fees at the institution for a specified period. When conducting the examination, the commission shall identify and consider:

- (1) The anticipated number of students who will participate in the program;*
- (2) The anticipated annual cost of the program and federal, state and other sources of funding that could be used to pay the costs of the program;*
- (3) Current capacity available at state technical colleges to enroll additional students;*
- (4) The ability of the program to increase the state's pool of skilled workers and meet projected workforce demands;*
- (5) The impact of the program to increase educational attainment in the state;*
- (6) The regions of the state the program would likely significantly increase educational attainment and workforce readiness;*
- (7) Potential eligibility criteria for students participating in the program; and*
- (8) The possibility of requiring students to first use financial aid available to the students, including federal funding provided to low-income students for the purpose of paying for post-secondary education.*

(B) The commission shall propose criteria for the program.

(C) The commission shall submit a report that summarizes the findings to the General Assembly no later than January 31, 2016. The report may include recommendations for legislation.

- 11.42** **ADD** (College and University Out of State Veteran Tuition Differential Reimbursement Fund) **HOU2:** AMEND House version to ADD new proviso to direct the State Treasurer to establish a separate and distinct College and University Out of State Veteran Tuition Differential Reimbursement Fund from funds appropriated or authorized to CHE for that purpose and direct that those monies be deposited into the fund and that accrued interest remain in the fund. Direct that the purpose of the fund is to reimburse higher education institutions for revenue lost as a result of the provisions of Section 59-112-50(C) [TUITION RATES FOR MILITARY PERSONNEL AND THEIR DEPENDENTS]. Provide guidelines for the reimbursement process. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 11.39 in House2 version.*

11.42. (CHE: College and University Out of State Veteran Tuition Differential Reimbursement Fund) Of the funds appropriated to and/or authorized for the Commission on Higher Education for the Out of State Veteran Tuition Reimbursement, the Office of State Treasurer is directed to establish a fund, separate and distinct from the general fund and all

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other funds, entitled the College and University Out of State Veteran Tuition Differential Reimbursement Fund. Any funds appropriated and/or authorized in the current fiscal year for this purpose must be deposited into the fund and interest accrued by the fund must remain in the fund.

The purpose of the fund is to reimburse public institutions of higher learning, as defined in Section 59-103-5 of the 1976 Code, for revenue loss resulting from the provisions of Section 59-112-50(C). By March 1, 2016, a public institution of higher learning seeking a reimbursement from this fund must submit an application to the Commission on Higher Education to receive a reimbursement from the fund. The total reimbursement to a public institution may not exceed the difference between the amounts the institution would have charged but for Section 59-112-50(C), and the amounts the institution actually charged. The Commission on Higher Education may require any proof it determines necessary to verify the veracity of the application.

By June 15, 2016, the Commission on Higher Education must distribute the funds to those institutions that have applied pursuant to this provision. In the event that the total requested and verified reimbursements exceed the amount in the fund, the distribution to each public institution shall be reduced pro rata based on the institution's amount of verified reimbursements compared to the total amount of verified reimbursements of all institutions.

SECTION 19 - H24-SOUTH CAROLINA STATE UNIVERSITY

- 19.4** **ADD (Loan Funds) SFC:** ADD new proviso to allow S.C. State University to repay the loan, approved by the B&C Board at its April 2014 meeting, on or before June 30, 2016 without penalty. Provide for any loan funds not disbursed pursuant to proviso 19.2 to be carried forward. Direct the State Treasurer, upon EBO certification to disburse up to \$8,500,000 to the university pursuant to this provision and direct that the loan funds consists of the carry forward funds and the \$4,000,000 approved for FY 15-16 by JBRC. Allow undisbursed funds to be carried forward. Provide for conditions which must be met for disbursement of funds. Direct that if the conditions are not met, scheduled installment payments must be suspended until EBO certifies the university has taken corrective actions.
SEN: ADOPT new proviso.

19.4. (SCSU: Loan Funds) (A) With regards to the loan to South Carolina State University approved by the Budget and Control Board at its April 2014 meeting, the repayment date of the loan notwithstanding, the university shall be permitted to repay the loan on or before June 30, 2016, without penalty.

(B) (1) Pursuant to Proviso 19.2, Part IB, of Act 286 of 2014, South Carolina State University was approved for a loan to be disbursed through a series of scheduled installments. Any funds not disbursed to the university pursuant to the schedule during Fiscal Year 2014-15 shall be carried forward to Fiscal Year 2015-16. In Fiscal Year 2015-16, the State Treasurer, upon certification of the Executive Budget Office, shall disburse up to \$8,500,000 to the university pursuant to the provisions contained in this proviso. The loan amount consists of (1) funds carried forward pursuant to this proviso and (2) the \$4,000,000 approved for Fiscal Year 2015-16 by the Joint Bond Review Committee pursuant to Paragraph 19.2, Part IB, of Act 286 of 2014. Any funds approved pursuant Paragraph 19.2, Part IB, of Act 286 of 2014 that remain undisbursed at the end of Fiscal Year 2015-16 shall be carried forward. The loan must be at an interest rate established by the State Treasurer pursuant to Section 11-9-250 of 1976.

(2) To compel disbursements, the Executive Budget Office must certify that:

(a) for the initial scheduled quarterly installment, the Board of Trustees of the university, based on reasonable enrollment and other realistic budgetary assumptions, has

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adopted a balanced budget, whereby operating expenditures do not exceed operating revenue and that the university is not projected by the Executive Budget Office, based upon a cash flow analysis, to fall out of balance for the quarter; and

(b) for each remaining quarterly installment, the Executive Budget Office, certifies that the university's budget for the fiscal year in which the loan is made remains in balance based on a cash flow analysis at the time of the installment payment and that the university is not projected, by the Executive Budget Office, based on a cash flow analysis, to fall out of balance during the quarter.

(3) If the provisions contained in item (2) are not met, then installment payments scheduled but not yet made must be suspended until the Executive Budget Office certifies that the university has taken necessary corrective action to meet the provisions of this proviso.

SECTION 20 - H45-UNIVERSITY OF SOUTH CAROLINA

- 20.5 DELETE NEW PROVISO (Palmetto College - Operating) WMC:** ADD new proviso to direct USC to allocate \$373,010 additional, recurring state appropriations to the USC campuses at Lancaster, Salkehatchie, Sumter, and Union to reduce the per-student funding disparity that exists between each of these campuses. Direct 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.

HOU: ADOPT new proviso.

20.5. (USC: Palmetto College - Operating) The University of South Carolina is directed to allocate additional, recurring state appropriations totaling \$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 & Means Committee.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

20.5. (USC: Palmetto College - Operating) DELETED

SECTION 25 - H59-STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

- 25.7 DELETE NEW PROVISO (Governance) HOU:** ADD new proviso to direct that the State Board for Tec and Comp Ed is vested with governance of state-supported technical institutions, including exclusive approval or disapproval authority for all post-secondary vocational, technical and occupational diplomas and certificates. Direct that for the current fiscal year, jurisdiction of the State Board and technical schools shall be removed from CHE. Sponsors: Reps. Merrill, White, and Thayer.

25.7. (TEC: Governance) All governance of state-supported technical institutions including exclusive approval or disapproval authority over all post-secondary vocational, technical, and occupational diplomas and certificates shall be vested in the State Board for Technical and Comprehensive Education. The State Board must utilize their appropriated and/or authorized

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funds to administer the functions associated with this vestment. Jurisdiction of the State Board for Technical and Comprehensive Education and the technical schools under its purview shall be removed from the Commission on Higher Education for the current fiscal year.

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

25.7. (TEC: Governance) DELETED

SECTION 33 - J02-DEPARTMENT OF HEALTH AND HUMAN SERVICES

33.22 AMEND FURTHER (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) Provider Eligibility Data; and (G) Publish Quarterly Progress Reports.

WMC: AMEND proviso subsection (D) to require the department develop a process for obtaining encounter-level data that may be used to assess the cost and impact of services provided through the proviso. Amend subsection (E)(3) to change the amount used to contract with the MUSC Hospital Authority for the Telemedicine Network from "\$14,000,000" to "\$10,000,000" and change the amount required to be allocated to support Palmetto Care Connections and other SC hospitals from "\$2,000,000" to "\$1,000,000." Amend to add subsection (E)(4) to direct the department to partner with USC School of Medicine to develop a statewide Rural Health Initiative to identify strategies to significantly improve health care access, to support physicians, and to reduce health inequities in rural communities. Amend to add new subsection (G) to direct the department to pilot an all-inclusive health intervention program for wrap-around care to vulnerable mental health patients who use the emergency room in hotspots and in underserved areas of the state. Require reports be provided that detail progress on the target population and health outcomes achieved. Allow for program expansion.

HOU: AMEND FURTHER to insert a new (F) to require the department allocate funds for obesity education for patients, reimbursement payments for providers, and continuing education for all providers through partnerships with the department. Sponsor: Rep. G.M. Smith.

HOU2: AMEND House version to update June 30, "2015" to "2016" and require the department to contract with the USC School of Medicine in the amount of \$2,000,000. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

33.22. (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.

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(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 and shall not exceed \$25,000,000 total funds. 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 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, entities receiving funding under Section 330 of the Public Health Services Act, and FQHC Look-A-Likes), 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 at least \$5,000,000 for innovative care strategies for qualifying safety net providers. The department shall formulate a separate methodology and allocate ~~at least~~ \$8,000,000 of funding to FQHCs at least \$4,000,000 for documented capital needs for FQHCs, at least \$2,000,000 for of funding for Free Clinics, and at least \$2,000,000 of funding for local alcohol and drug abuse authorities created under Act 301 of 1973. The department shall develop a process for obtaining encounter-level data that may be used to assess the cost and impact of services provided through this proviso.

(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 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, ~~2015~~ 2016; and

(3) during the current fiscal year the department shall contract with the MUSC Hospital Authority in the amount of ~~\$14,000,000~~ \$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 ~~\$2,000,000~~ \$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, 2015. 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.

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(F) 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.

~~(F)~~ (G) 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) The department shall pilot an all-inclusive 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.

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

SFC: AMEND FURTHER to update June 30, "2015" to "2016."

SEN: ADOPT proviso as amended.

33.22. (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 and shall not exceed \$25,000,000 total funds. 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 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, entities receiving funding under Section 330 of the Public Health Services Act, and FQHC Look-A-Likes), 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 at least \$5,000,000 for innovative care strategies for qualifying safety net providers. The department shall formulate a separate methodology and allocate ~~at least~~

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\$8,000,000 of funding to FQHCs at least \$4,000,000 for documented capital needs for FQHCs , at least \$2,000,000 for of funding for Free Clinics, and at least \$2,000,000 of funding for local alcohol and drug abuse authorities created under Act 301 of 1973. The department shall develop a process for obtaining encounter-level data that may be used to assess the cost and impact of services provided through this proviso.

(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 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, ~~2015~~ 2016; and

(3) during the current fiscal year the department shall contract with the MUSC Hospital Authority in the amount of ~~\$14,000,000~~ \$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 ~~\$2,000,000~~ \$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, 2015. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000 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.

(F) 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.

~~(F.G)~~ 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) The department shall pilot an all-inclusive 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.

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

33.32 AMEND NEW PROVISO (Healthy Connections Prime Participation) HOU2: Amend House version to ADD Senate version and amend to specify that as April 1, 2016 the department may begin passively enrolling participants. Sponsors: Reps. White, Bingham, Herbkersman,

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Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 33.31 in House2 version.*

33.32. (DHHS: Healthy Connections Prime Participation) In the current fiscal year participation in Healthy Connections Prime shall be limited to individuals who affirmatively elect to participate until April 1, 2016, at which time the department may begin passively enrolling participants.

SEN: ADD new proviso to direct that Healthy Connections Prime is limited to individuals who affirmatively elect to participate. Sponsors: Sens. Alexander and O'Dell.

33.32. (DHHS: Healthy Connections Prime Participation) In the current fiscal year participation in Healthy Connections Prime shall be limited to individuals who affirmatively elect to participate.

33.33 **ADD** (Coordinated and Integrated Care Organizations) **HOU2:** AMEND House version to ADD new proviso to allow Coordinated and Integrated Care Organizations, that the department chooses to participate in the S.C. Healthy Connections Prime Program Dually Eligible Demonstration Project, to contract with licensed and certified nursing homes that do not have a Medicaid nursing home permit to care for Medicaid patients enrolled in the project. Establish a limitation on the number of beds and/or Medicaid patients and provide for the calculation of the number of beds. Require the department monitor program compliance and provide for 70% of the daily payment to be withheld if the facility exceeds the allowable number or percentage of patients. Sponsor: Rep. G.M. Smith. *Note: Proviso 33.32 in House2 version.*

33.33. (DHHS: Coordinated and Integrated Care Organizations) Coordinated and Integrated Care Organizations (CICO) chosen by the Department of Health and Human Services to participate in the South Carolina Healthy Connections Prime Program Dually Eligible Demonstration Project may contract with licensed and certified nursing homes for the care of Medicaid patients enrolled in the demonstration project in facilities who do not hold a Medicaid nursing home permit as defined in Section 44-7-80 of the 1976 Code. As a condition for participation, the CICO and the facility shall at no time contract for more than five percent of their licensed bed capacity or five Medicaid patients, whichever is greater, the provisions of Section 44-7-82 notwithstanding. The percentage calculation shall be based annually on the number of licensed beds beginning on the date of the first admission of duals eligible project participants to the facility. The department shall on a monthly basis monitor each non-Medicaid permit facility participating in the program for compliance. Should a facility exceed the allowable number or percentage of patients, seventy percent of the daily payment for excess Medicaid patient days made to the facility shall be withheld. The exception to Article 2, Chapter 7, Title 44 of the 1976 Code expires at the end of the demonstration project but no later than February 1, 2019. For purposes of the demonstration project the facilities that do not currently hold a Medicaid Permit shall have a base Medicaid rate of the most current average Medicaid rate of all nursing homes participating in the Medicaid program as developed by the department.

SECTION 34 - J04-DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

34.43 **REINSERT/AMEND** (Residential Treatment Facilities Swing Beds) Allows residential treatment facilities to swing/convert up to 18 beds to acute psychiatric beds. Includes stipulation the conversion would have to comply with federal CMS rules and regulations.

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WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~34.43. (DHEC: Residential Treatment Facilities Swing Beds) For Fiscal Year 2014-15 in coordination with the South Carolina Health Plan and to improve access for acute psychiatric beds as patient populations demand, Residential Treatment Facilities (RTF) may swing up to eighteen beds per qualifying facility to accommodate patients with a diagnosis of an acute psychiatric disorder. In order to qualify to utilize swing beds a facility must meet the following criteria: the facility must currently have both licensed acute psychiatric and residential treatment facility beds, the RTF beds must meet the same licensure requirements as the existing licensed acute psychiatric beds, and any facility utilizing swing beds must keep the acute and RTF patient populations separate and distinct. The utilization of swing beds must also comply with all federal Centers for Medicare and Medicaid Services rules and regulations.~~

SFC: REINSERT original proviso and update fiscal year reference to "2015-16."

SEN: ADOPT proviso as amended.

~~34.43. (DHEC: Residential Treatment Facilities Swing Beds) For Fiscal Year 2014-15~~ 2015-16 in coordination with the South Carolina Health Plan and to improve access for acute psychiatric beds as patient populations demand, Residential Treatment Facilities (RTF) may swing up to eighteen beds per qualifying facility to accommodate patients with a diagnosis of an acute psychiatric disorder. In order to qualify to utilize swing beds a facility must meet the following criteria: the facility must currently have both licensed acute psychiatric and residential treatment facility beds, the RTF beds must meet the same licensure requirements as the existing licensed acute psychiatric beds, and any facility utilizing swing beds must keep the acute and RTF patient populations separate and distinct. The utilization of swing beds must also comply with all federal Centers for Medicare and Medicaid Services rules and regulations.

34.45 REINSERT (Tuberculosis Outbreak) Allows the department, upon discovering a TB outbreak, to expend any available funds for related surveillance, investigation, containment, and treatment. Stipulates procedures for DHEC to follow for notifying the community or specific individuals regarding any tuberculosis contact investigation.

WMC: DELETE proviso. *Agency stated that this is their current policy and the proviso is no longer necessary..*

HOU: ADOPT deletion of proviso.

~~34.45. (DHEC: Tuberculosis Outbreak) (A) Upon discovery of a tuberculosis outbreak, the Department of Health and Environmental Control may expend any funds available to the agency, for the purpose of surveillance, investigation, containment, and treatment activities related thereto.~~

~~(B) During an investigation of an index tuberculosis patient, the Department of Health and Environmental Control, through the South Carolina Health Alert Network, must notify the patient's community that a tuberculosis contact investigation is being conducted into the possible exposure to tuberculosis. This subsection only applies if the investigation of the patient has met all of the following criteria:~~

~~(B) During an investigation of an index tuberculosis patient, the Department of Health and Environmental Control, through the South Carolina Health Alert Network, must notify the patient's community that a tuberculosis contact investigation is being conducted into the possible exposure to tuberculosis. This subsection only applies if the investigation of the patient has met all of the following criteria:~~

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~~(1) abnormal chest x-rays;
(2) positive Acid Fast Bacilli (AFB) sputum results; and
(3) first round of contact investigation completed with results of individuals testing positive outside of the index patient's family.~~

~~(C) Upon being informed of or having reason to suspect a case of tuberculosis that is capable of transmitting tubercle bacilli at a school or child care center involving a student, teacher, employee, volunteer, or an individual working at the school or child care center for an employer providing services to the school or child care center, the department immediately shall notify:~~

~~(1) if the case is at a school, the principal, and the Superintendent of the school district if the school is a public school; and~~

~~(2) if the case is at a child care center, the director of the child care center; and~~

~~(D) When informing the principal of a school or the director of a child care center about a known or suspected case of tuberculosis that is capable of transmitting tubercle bacilli as provided for in subsection (C), the department shall provide:~~

~~(1) an update addressing the:~~

~~(a) status of the investigation, including the steps the department is taking to identify the source and extent of the exposure and the risks of additional exposure; and~~

~~(b) steps the school or child care center must take to assist the department in controlling the spread of the tuberculosis infection; and~~

~~(2) information and other resources to distribute to parents and guardians that discuss how to assist the department in identifying and managing the tuberculosis infection.~~

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

34.45. (DHEC: Tuberculosis Outbreak) (A) Upon discovery of a tuberculosis outbreak, the Department of Health and Environmental Control may expend any funds available to the agency, for the purpose of surveillance, investigation, containment, and treatment activities related thereto.

(B) During an investigation of an index tuberculosis patient, the Department of Health and Environmental Control, through the South Carolina Health Alert Network, must notify the patient's community that a tuberculosis contact investigation is being conducted into the possible exposure to tuberculosis. This subsection only applies if the investigation of the patient has met all of the following criteria:

(1) abnormal chest x-rays;

(2) positive Acid Fast Bacilli (AFB) sputum results; and

(3) first round of contact investigation completed with results of individuals testing positive outside of the index patient's family.

(C) Upon being informed of or having reason to suspect a case of tuberculosis that is capable of transmitting tubercle bacilli at a school or child care center involving a student, teacher, employee, volunteer, or an individual working at the school or child care center for an employer providing services to the school or child care center, the department immediately shall notify:

(1) if the case is at a school, the principal, and the Superintendent of the school district if the school is a public school; and

(2) if the case is at a child care center, the director of the child care center; and

(D) When informing the principal of a school or the director of a child care center about a known or suspected case of tuberculosis that is capable of transmitting tubercle bacilli as provided for in subsection (C), the department shall provide:

(1) an update addressing the:

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(a) status of the investigation, including the steps the department is taking to identify the source and extent of the exposure and the risks of additional exposure; and

(b) steps the school or child care center must take to assist the department in controlling the spread of the tuberculosis infection; and

(2) information and other resources to distribute to parents and guardians that discuss how to assist the department in identifying and managing the tuberculosis infection.

34.46 AMEND FURTHER (Abstinence-Until-Marriage Emerging Programs) Directs the department to use the “Abstinence-Until Marriage Emerging Programs” special item to award a 12 month grant for abstinence-until marriage emerging. Requires the award only be made through a competitive bidding process to non-profit 501(c)(3) agencies that meet specific requirements to demonstrate an emerging program/curricula that meets the A-H Title V, Section 510 definition of Abstinence Education.

WMC: AMEND proviso to delete most eligibility requirements except for the competitive bidding process; the requirement that applicants provide a budget and budget narrative to DHEC to explain how the funds will be used; certification by the National Abstinence Education Association; and the requirement that programs not violate the S.C. Comprehensive Health Education Act. Direct the department to determine and develop the application for awards. Require grant recipients to also provide quarterly expenditure and participation reports to DHEC as well as DSS within 15 days of the end of each quarter.

HOU: ADOPT proviso as amended.

HOU2: AMEND House version to specify that this funding shall only be awarded to nonprofits that meet “all” the A-H Title V, Section 510 definitions of Abstinence Education. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

34.46. (DHEC: Abstinence-Until-Marriage Emerging Programs) (A) From the funds appropriated to DHEC in this act as a Special Item and titled “Abstinence-Until Marriage Emerging Programs” the department shall award a twelve month grant for abstinence-until-marriage emerging programs. This funding shall be awarded by the department only to nonprofit 501(c)(3) agencies meeting ~~the following requirements through a competitive bid process to demonstrate an emerging program/curricula that meets~~ all the A-H Title V, Section 510 ~~definition~~ definitions of Abstinence Education.

(B) Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code.

~~(C) Applicants will be given priority that have, for at least two years prior to application, effectively implemented in South Carolina the program/curricula for which funding is being applied.~~

~~(D) Applicants must provide a current third party audit that indicates the applicant has the infrastructure and experience to efficiently and effectively manage the funding applied for.~~

~~(E)~~ C Applicants must provide a budget and budget narrative to the department that explains how the funds will be used.

~~(F) Applications must allocate a minimum of fifteen percent of the budget for a qualified third party evaluator to assess both process outputs and behavioral outcomes of the program.~~

~~(G) Prior to application, proposed programs/curricula must be certified as medically accurate by a government or private agency that has the capacity to provide a quality review of materials for medical accuracy.~~

~~(H)~~ D Prior to application, proposed programs/curricula must be certified by the National Abstinence Education Association (NAEA) as meeting and being in compliance with all of the Title V, Section 510 A-H requirements for abstinence-until-marriage education programs.

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~~(I)~~ Applicants must provide proof of an agreement with a federally certified IRB for review of program and evaluation processes and protocol and must provide proof of the IRB's approval prior to program implementation.

~~(E)~~ The department shall determine and develop the necessary application for awards.

~~(J E)~~ The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed. Applications must include at an minimum, the following:

~~(1)~~ Proposed one year budget with the following detail for the twelve month grant period. The applicant must agree to submit quarterly reports to the department detailing the expenditure of funds and the accomplishments of the project including:

~~(a)~~ Personnel costs and fringe by position for each of the following areas: administration, training, education, and other positions identified;

~~(b)~~ Operational cost identified in the application;

~~(c)~~ Onetime costs over \$500 such as supplies;

~~(d)~~ Administration cost may not exceed ten percent of total project budget.

Administration is defined expenses other than educational.

~~(2)~~ Description of program and curriculum to be used;

~~(3)~~ Description of training;

~~(4)~~ Schedule and brief description of project activities for each quarter;

~~(5)~~ Participation Reports at the end of every three months on the following:

~~(a)~~ Number of persons who participated;

~~(b)~~ Total number of hours provided;

~~(c)~~ Number of train the trainer events;

~~(d)~~ Other data regarding the activities of the project;

~~(6)~~ A description of the project evaluation to be used;

~~(7)~~ Copy of latest completed independent financial audit and agency's response to any audit exceptions;

~~(8)~~ Qualifications of project personnel;

~~(9)~~ Best Practices to be used; and

~~(10)~~ Evidence Based Curriculum to be used.

Organizations or individuals awarded grants must provide quarterly reports on expenditures and participation to ~~DSS~~ the Department of Health and Environmental Control and the Department of Social Services within fifteen days of the end of each quarter.

~~(K G)~~ Grantees failing to submit reports within thirty days of the end of each quarter will be terminated.

SFC: ADOPT proviso as amended.

SEN: ADOPT proviso as amended.

34.46. (DHEC: Abstinence-Until-Marriage Emerging Programs) (A) From the funds appropriated to DHEC in this act as a Special Item and titled "Abstinence-Until Marriage Emerging Programs" the department shall award a twelve month grant for abstinence-until-marriage emerging programs. This funding shall be awarded by the department only to nonprofit 501(c)(3) agencies meeting the following requirements through a competitive bid process to demonstrate an emerging program/curricula that meets the A-H Title V, Section 510 definition of Abstinence Education.

(B) Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code.

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~~(C) Applicants will be given priority that have, for at least two years prior to application, effectively implemented in South Carolina the program/curricula for which funding is being applied.~~

~~(D) Applicants must provide a current third party audit that indicates the applicant has the infrastructure and experience to efficiently and effectively manage the funding applied for.~~

~~(E C) Applicants must provide a budget and budget narrative to the department that explains how the funds will be used.~~

~~(F) Applications must allocate a minimum of fifteen percent of the budget for a qualified third party evaluator to assess both process outputs and behavioral outcomes of the program.~~

~~(G) Prior to application, proposed programs/curricula must be certified as medically accurate by a government or private agency that has the capacity to provide a quality review of materials for medical accuracy.~~

~~(H D) Prior to application, proposed programs/curricula must be certified by the National Abstinence Education Association (NAEA) as meeting and being in compliance with all of the Title V, Section 510 A-H requirements for abstinence-until-marriage education programs.~~

~~(I) Applicants must provide proof of an agreement with a federally certified IRB for review of program and evaluation processes and protocol and must provide proof of the IRB's approval prior to program implementation.~~

~~(E) The department shall determine and develop the necessary application for awards.~~

~~(J E) The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed. Applications must include at an minimum, the following:~~

~~(1) Proposed one year budget with the following detail for the twelve month grant period. The applicant must agree to submit quarterly reports to the department detailing the expenditure of funds and the accomplishments of the project including:~~

~~(a) Personnel costs and fringe by position for each of the following areas: administration, training, education, and other positions identified;~~

~~(b) Operational cost identified in the application;~~

~~(c) Onetime costs over \$500 such as supplies;~~

~~(d) Administration cost may not exceed ten percent of total project budget.~~

~~Administration is defined expenses other than educational.~~

~~(2) Description of program and curriculum to be used;~~

~~(3) Description of training;~~

~~(4) Schedule and brief description of project activities for each quarter;~~

~~(5) Participation Reports at the end of every three months on the following:~~

~~(a) Number of persons who participated;~~

~~(b) Total number of hours provided;~~

~~(c) Number of train the trainer events;~~

~~(d) Other data regarding the activities of the project;~~

~~(6) A description of the project evaluation to be used;~~

~~(7) Copy of latest completed independent financial audit and agency's response to any audit exceptions;~~

~~(8) Qualifications of project personnel;~~

~~(9) Best Practices to be used; and~~

~~(10) Evidence Based Curriculum to be used.~~

Organizations or individuals awarded grants must provide quarterly reports on expenditures and participation to ~~DSS~~ the Department of Health and Environmental Control and the Department of Social Services within fifteen days of the end of each quarter.

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(~~K~~ G) Grantees failing to submit reports within thirty days of the end of each quarter will be terminated.

34.47 AMEND FURTHER (Abstinence Until Marriage Evidence-Based Programs Funding) Directs the department to use “Continuation of Teen Pregnancy Prevention” funds to award contracts to separate private, non-profit 501(c)(3) entities to provide Abstinence Until Marriage teen pregnancy prevention programs and services that use a proven effective program that meets the A-H Title V, Section 510 definition of Abstinence Education and requires a competitive bidding process be used.

WMC: AMEND proviso to delete most eligibility requirements except for the requirement that the programs and services meet the A-H Title V, Section 510 definition of Abstinence Education; the requirement that a competitive bidding process be used; the requirement that a budget be submitted for the proposed project; and the requirement that programs not violate the S.C. Comprehensive Health Education Act when implemented in a school setting.

HOU: ADOPT proviso as amended.

HOU2: AMEND House version to specify that this funding shall only be awarded to nonprofits that meet “all” the A-H Title V, Section 510 definitions of Abstinence Education. Sponsors: Reps. White, Bingham, Herbkerman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

34.47. (DHEC: Abstinence Until Marriage Evidence-Based Programs Funding) From the monies appropriated for the Continuation of Teen Pregnancy Prevention, contracts must be awarded to separate private, nonprofit 501(c)(3) entities to provide Abstinence Until Marriage teen pregnancy prevention programs and services within the State ~~using a proven effective program/curricula that meets~~ *meet all of* the A-H Title V, Section 510 ~~definition~~ *definitions* of Abstinence Education. Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code. ~~Applicants will be given priority that have, for at least two years prior to application, effectively implemented in South Carolina the program/curricula for which funding is being applied. Applicants contracted to provide SC Title V, Section 510 funding will be given priority in order to meet the State’s Title V, Section 510 federal match requirement. Proposed programs/curricula must be certified as medically accurate by a government or private agency that has the capacity to provide a quality review of materials for medical accuracy. Proposed programs/curricula must be certified by the National Abstinence Education Association (NAEA) as meeting and being in compliance with all of the Title V, Section 510 A-H requirement for abstinence until marriage education programs. Applicants must provide proof of an agreement with a federally certified IRB for review of program and evaluation processes and protocol and must provide proof of the IRB’s approval prior to program implementation. Applicants must provide a budget for the proposed project and a recent third party audit indicating the applicant has sufficient experience and capacity for properly managing the level of funding for which the application is being made. Monies will be paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department’s contractual agreement. The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed.~~

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SFC: ADOPT proviso as amended.

SEN: AMEND FURTHER to reinsert the requirement that proposed programs/curricula must be certified by NAEA as meeting and being in compliance with Title V requirements for abstinence-until marriage education programs. Sponsor: Sen. Grooms.

34.47. (DHEC: Abstinence Until Marriage Evidence-Based Programs Funding) From the monies appropriated for the Continuation of Teen Pregnancy Prevention, contracts must be awarded to separate private, nonprofit 501(c)(3) entities to provide Abstinence Until Marriage teen pregnancy prevention programs and services within the State ~~using a proven effective program/curricula that meets *meet* the A-H Title V, Section 510 definition of Abstinence Education. Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code. Applicants will be given priority that have, for at least two years prior to application, effectively implemented in South Carolina the program/curricula for which funding is being applied. Applicants contracted to provide SC Title V, Section 510 funding will be given priority in order to meet the State's Title V, Section 510 federal match requirement. Proposed programs/curricula must be certified as medically accurate by a government of private agency that has the capacity to provide a quality review of materials for medical accuracy.~~ Proposed programs/curricula must be certified by the National Abstinence Education Association (NAEA) as meeting and being in compliance with all of the Title V, Section 510 A-H requirement for abstinence-until-marriage education programs. Applicants must provide proof of an agreement with a federally certified IRB for review of program and evaluation processes and protocol and must provide proof of the IRB's approval prior to program implementation. Applicants must provide a budget for the proposed project and a recent third party audit indicating the applicant has sufficient experience and capacity for properly managing the level of funding for which the application is being made. Monies will be paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department's contractual agreement. The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed.

34.48 **AMEND** (Wave Dissipation Device) Allows the initiation of a Wave Dissipation Device pilot program and directs that deployment of a qualified wave dissipation device is not construction and meets specific permitting exceptions. Requires a fee of 10 cents per linear foot be paid to the department before deploying or expanding a qualified wave dissipation device. Authorizes the department to order the device to be removed if it determines the device causes material harm, to flora, fauna, physical, or aesthetic resources. Provides a definition for a "qualified wave dissipation device."

SFC: AMEND proviso to delete the requirement that a wave dissipation device must be able to be deployed and removed within 72 hours or less and instead require horizontal panels designed to dissipate wave energy be able to be deployed and removed within 120 hours or less.

SEN: ADOPT proviso as amended.

34.48. (DHEC: Wave Dissipation Device) From funds appropriated to the department for the Coastal Resource Improvement program, the department shall permit a Wave Dissipation Device pilot program to be initiated.

The deployment of a qualified wave dissipation device seaward of the setback line or baseline pursuant to a study conducted by the Citadel or a research university is not construction and meets the permitting exception contained in Section 48-39-130(D)(2). Prior to deploying or expanding

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a qualified wave dissipation device, a person proposing to deploy or expand the device must pay the department a fee of ten cents per linear foot of the proposed deployment or expansion. The department may order the removal of all or any portion of a qualified wave dissipation device that the department determines causes material harm to the flora, fauna, physical or aesthetic resources of the area under Section 48-39-130(D)(2) of the 1976 Code.

A 'qualified wave dissipation device' is a device that:

- (1) is placed mostly parallel to the shoreline;
- (2) is designed to dissipate wave energy;
- (3) is designed to minimize scouring seaward of and adjacent to the device by permitting sand to move landward and seaward through the device;
- (4) ~~can be deployed within seventy two hours or less and can be removed within seventy two hours or less;~~ the horizontal panels designed to dissipate wave energy can be deployed within one-hundred twenty hours or less and can be removed within one-hundred twenty hours or less;
- (5) does not negatively impact or inhibit sea turtle nesting or other fauna;
- (6) can be adjusted after initial deployment in response to fluctuations in beach elevations; and
- (7) otherwise prevents down-coast erosion, protects property, and limits negative impacts to public safety and welfare, beach access, and the health of the beach dune system.

- 34.52** **ADD** (Seawall Reconstruction/Repair) **SEN:** ADD new proviso to authorize DHEC to issue a special permit for reconstruction and repair of an existing erosion control device within specific parameters. Require the permit only be issued if the reconstruction or repair of the seawall will be made with like material and if the replacement footprint is no more than two feet from the original. Authorize DHEC to charge a permit fee equal to the actual cost of issuing the permit. Sponsor: Sen. Cleary.

34.52. (DHEC: Seawall Reconstruction/Repair) In the current fiscal year, the Department of Health and Environmental Control may issue a special permit for the reconstruction or repair of an existing erosion control device of at least four thousand contiguous linear feet that is located landward of an area which the department has granted a permit authorizing a renourishment project that does not qualify for public funding and the permit is active as of July 1, 2014. The department may only issue the permit if the seawall will be reconstructed or repaired with like material and the footprint of the replacement is no more than two feet from the footprint of the original. The department may charge a permit fee equal to the actual cost of issuing the permit.

- 34.53** **ADD** (Maternal Morbidity and Mortality Review Committee) **HOU2:** AMEND House version to ADD new proviso to direct the department to establish a Maternal Morbidity and Mortality Review Committee to review maternal deaths and develop prevention strategies. Authorize the committee to also review severe maternal morbidity and to contract with an external organization to assist in the review. Require health care providers and licensed pharmacies to provide the committee with reasonable access to all relevant medical records associated with a case under review and direct that they, along with health care facilities, are not liable for civil damages or subject to criminal or disciplinary action for good faith efforts in providing the records. Direct that information and data collected are not admissible as evidence in any action of any kind and are considered confidential. Direct that committee members must not be questioned in civil or criminal proceedings regarding the information gathered. Require reports of aggregated non-individually identifiable data for the previous calendar year be compiled and distributed by January 31st of the following year to the General Assembly, the Director of DHEC, health care

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providers and facilities, and key governmental agencies. Direct that members serve without compensation and are not eligible for the usual mileage, subsistence and per diem allowed by law. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 34.52 in House2 version.*

34.53. (DHEC: Maternal Morbidity and Mortality Review Committee) (A) From the funds appropriated to or authorized for the Department of Health and Environmental Control in Fiscal Year 2015-16, the department shall establish a Maternal Morbidity and Mortality Review Committee to review maternal deaths and to develop strategies for the prevention of maternal deaths. The committee must be multidisciplinary and composed of members deemed appropriate by the department. The committee also may review severe maternal morbidity. The department may contract with an external organization to assist in collecting, analyzing, and disseminating maternal mortality information, organizing and convening meetings of the committee, and performing other tasks as may be incident to these activities, including providing the necessary data, information, and resources to ensure successful completion of the ongoing review required by this provision.

(B) The committee shall:

(1) identify maternal death cases, as defined as a death within one year of pregnancy with a direct or indirect causation related to the pregnancy or postpartum period;

(2) review medical records and other relevant data;

(3) contact family members and other affected or involved persons to collect additional data;

(4) consult with relevant experts to evaluate the records and data;

(5) make determinations regarding the preventability of maternal deaths;

(6) develop recommendations for the prevention of maternal deaths; and

(7) disseminate findings and recommendations pursuant to subsection (F).

(C) (1) Health care providers and pharmacies licensed pursuant to Title 40 shall provide reasonable access to the committee to all relevant medical records associated with a case under review by the committee.

(2) A health care provider, health care facility, or pharmacy providing access to medical records pursuant to subsection (C) are not liable for civil damages or subject to criminal or disciplinary action for good faith efforts in providing the records.

(D) (1) Information, records, reports, statements, notes, memoranda, or other data collected pursuant to this section are not admissible as evidence in any action of any kind in any court or before another tribunal, board, agency, or person. The information, records, reports, statements, notes, memoranda, or other data must not be exhibited nor their contents disclosed, in whole or in part, by an officer or a representative of the department or another person, except as necessary for the purpose of furthering the review of the committee of the case to which they relate. A person participating in a review may not disclose the information obtained except in strict conformity with the review project.

(2) All information, records of interviews, written reports, statements, notes, memoranda, or other data obtained by the department, the committee, and other persons, agencies, or organizations authorized by the department pursuant to this provision are confidential.

(E) (1) All proceedings and activities of the committee, opinions of members of the committee formed as a result of the proceedings and activities, and records obtained, created, or maintained pursuant to this provision, including records of interviews, written reports, and statements procured by the department or another person, agency, or organization acting jointly or under contract with the department in connection with the requirements of this provision, are confidential and are not subject to the provisions of Chapter 4, Title 30 relating to open meetings

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or public records, or subject to subpoena, discovery or introduction into evidence in any civil or criminal proceeding. However, this provision must not be construed to limit or restrict the right to discover or use in any civil or criminal proceeding anything that is available from another source and entirely independent of the committee's proceedings.

(2) Members of the committee must not be questioned in a civil or criminal proceeding regarding the information presented in or opinions formed as a result of a meeting or communication of the committee. However, this provision must not be construed to prevent a member of the committee from testifying to information obtained independently of the committee or which is public information.

(F) Reports of aggregated non-individually identifiable data for the previous calendar year must be compiled and disseminated by January thirty first of the following year in an effort to further study the causes and problems associated with maternal deaths. Reports must be distributed to the General Assembly, the Director of the Department of Health and Environmental Control, health care providers and facilities, key governmental agencies, and others necessary to reduce the maternal death rate.

(G) Members shall serve without compensation, and are ineligible for the usual mileage, subsistence, and per diem allowed by law for members of state boards, committees, and commissions.

SECTION 36 - J16-DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS

- 36.13** **ADD** (Medicaid Direct Billing) **SFC:** ADD new proviso to direct the department to facilitate Medicaid direct billing for all providers, including local disabilities and special needs boards, who choose to initiate the direct billing process whether or not the facility has received capital grant funds from the department. Require all entities that receive capital grant funds to use the funds as originally specified in the award and require the amount awarded to be repaid to the department if the purpose or use of a facility built or purchased with these funds is altered without department approval. Direct that the use of direct billing is not to be interpreted as a change in the purpose or use of a facility.
SEN: ADOPT new proviso.

36.13. (DDSN: Medicaid Direct Billing) The department shall facilitate Medicaid direct billing for all providers, including local disabilities and special needs boards, who choose to initiate the direct billing process regardless of the receipt of capital grant funds from the department for the specific facility involved. All entities receiving capital grant funds must use the funds as originally specified in the award. If the purpose or use of a facility constructed or purchased with departmental grant funds is altered without the department's approval, the entity must repay the department the amount of the funds awarded. The use of direct billing shall not be construed as a change in the purpose or use of a facility.

- 36.14** **ADD** (Carry Forward Authorization) **SFC:** ADD new proviso to authorize general funds appropriated to reduce waiting lists to be carried forward and used for the same purpose. Require the department report the amount carried forward to the Chairmen of the Senate Finance and House Ways and Means Committees within 30 days after the close of the fiscal year.
SEN: ADOPT new proviso.

36.14. (DDSN: Carry Forward Authorization) For the current fiscal year, the department is authorized to carry forward any balance of General Funds appropriated for the reduction of the department's waiting lists in the prior fiscal year and must utilize these funds for the same

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purpose in the current fiscal year. 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.

- 36.15** **ADD** (Service Providers Expenditure Requirement) **SFC:** ADD new proviso to authorize service providers, including local disabilities and special needs boards, to carry forward unexpended funds based on a 90% expenditure requirement for capitated services in order to accommodate service provider infrastructure needs that resulted from reduced waiting lists. Prohibit service providers from withholding services in order to generate carry forward funds. Direct that the expenditure requirement shall not affect the department's 3 month reserve limitation policy.

SEN: ADOPT new proviso.

36.15. (DDSN: Service Providers Expenditure Requirement) For the current fiscal year, in order to accommodate service provider infrastructure needs resulting from the reductions in the department's waiting lists, service providers including local disabilities and special needs boards are authorized to carry forward from the prior fiscal year unexpended funds based on a ninety percent expenditure requirement for capitated services. Service providers shall not withhold services in order to generate funds to be carried forward. The expenditure requirement shall not affect the department's three month reserve limitation policy.

- 36.16** **ADD** (LAC Audit Recommendations Report) **SFC:** ADD new proviso to require the department provide a status report on the implementation of recommendations contained in a specific LAC report on the department. Require the status report include, but not be limited to, a delineation of each LAC recommendation, the status of the department's action, and if no action was taken, an explanation as to the reason. Direct that the status report be provided to the Chairmen of the Senate Finance and House Ways and Means Committees and be prominently posted on the department's website by December 31, 2015.

SEN: ADOPT new proviso.

36.16. (DDSN: LAC Audit Recommendations Report) The department shall provide a status report on the implementation of the recommendations contained in the Legislative Audit Council's report 'S.C. Department of Disabilities and Special Needs' Process to Protect Consumers from Abuse, Neglect, and Exploitation, Administrative Issues, and a Follow Up to Our 2008 Audit'. The report shall include, but not be limited to, a delineation of each Legislative Audit Council recommendation and the status of the department's actions regarding each recommendation. If no action was taken on a recommendation, an explanation as to the reason shall be included in the report. The report shall be provided to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and shall be prominently posted on the department's website no later than December 31, 2015.

SECTION 38 - L04-DEPARTMENT OF SOCIAL SERVICES

- 38.23** **REINSERT/AMEND** (SNAP Coupons) Directs the department to establish a program to provide coupons to allow SNAP recipients to purchase additional fresh fruits and vegetables.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

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38.23. (DSS: SNAP Coupons) ~~The Department of Social Services shall establish a program to provide coupons that will allow Supplemental Nutrition Assistance Program (SNAP) recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmers markets with SNAP benefits through their EBT cards. Each coupon shall allow the beneficiary to double the amount of produce purchased, up to five dollars. The agency shall utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the program.~~

SFC: REINSERT original proviso and AMEND to specify that the department shall continue the “Healthy Bucks” program rather than establish a program. Allow each coupon to be doubled up to \$10 rather than \$5 per month. Direct the agency to work to identify and use funds as matching dollars to continue the success of the program and to report the status of the program to the General Assembly semi-annually. Direct that the status report include the number of recipients, counties served, and cumulative expenditure data.

SEN: ADOPT proviso as amended.

38.23. (DSS: SNAP Coupons) The Department of Social Services shall ~~establish a~~ *continue the “Healthy Bucks” program established* to provide coupons that ~~will~~ allow Supplemental Nutrition Assistance Program (SNAP) recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmers markets with SNAP benefits through their EBT cards. Each coupon shall allow the beneficiary to double the amount of produce purchased, up to ~~five~~ *ten* dollars *per month*. The agency shall utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the program. *The agency shall work to identify and utilize funds as matching dollars for the continued success of the “Healthy Bucks” program and shall report semi-annually to the General Assembly on the status of the program. The report shall include, at a minimum, the number of recipients, counties served, and cumulative expenditure data for the program.*

38.27 **DELETE NEW PROVISO** (Special Compensation Increase) **WMC:** ADD new proviso to direct DSS, from the new funds appropriated for classified positions, to increase the compensation of child protective services caseworkers by 20% and adult protective services caseworkers by 10% to promote caseworker retention.

HOU: ADOPT new proviso.

38.27. (DSS: Special Compensation Increase) The Department of Social Services, from the new funds appropriated for classified positions, shall increase the compensation of child protective services caseworkers by 20% and the compensation of adult protective services caseworkers by 10% to promote the retention of such caseworkers.

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

38.27. (DSS: Special Compensation Increase) DELETED

38.28 **ADD** (Child Care Facilities Floor Beds) **SFC:** ADD new proviso to allow a child care facility to use floor beds instead of cribs if they provide child care services using the practice of a documented educational curriculum that includes the least restrictive environment for infants.

SEN: ADOPT new proviso.

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38.28. (DSS: Child Care Facilities Floor Beds) From funds appropriated to the department, a child care facility that provides child care services utilizing the practice of a documented educational curriculum including the least restrictive environment for infants may use floor beds in the facility instead of cribs.

- 38.29** **ADD** (Local Child Fatality Review Committees) **HOU2:** AMEND House version to ADD new proviso to direct the DSS director to create and fund Local Child Fatality Review Committees pursuant to the authority granted in Sections 43-1-60(3) [STATE ADVISORY COUNCIL AND COMMITTEES], 43-1-80 [POWERS, DUTIES AND PURPOSE OF STATE DEPARTMENT], and 63-7-910(E) [DUTIES OF THE DEPARTMENT] to allow for prompt review of reported child fatalities that come within the department's investigative authority. Provide for the composition of local committees and authorize the department to provide reasonable compensation for board-certified child abuse pediatricians that serve on local committees. Provide for a local committee to have access to certain information and records concerning a child whose death is being reviewed by the committee. Direct that the local committee shall have the same authority to obtain information as the State Child Fatality Advisory Committee. Direct that meetings, information obtained, reports prepared, and testimony before the local committees are confidential and protected from FOIA, criminal and civil proceedings and subpoenas to the same extent as the State Child Fatality Advisory Committee. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 38.28 in House2 version.*

38.29. (DSS: Local Child Fatality Review Committees) For Fiscal Year 2015-16, the Director of the Department of Social Services shall create and fund Local Child Fatality Review Committees (local committees) pursuant to the authority granted in Sections 43-1-60(3), 43-1-80, and 63-7-910(E) of the 1976 Code to allow for the rapid and expeditious review of reported child fatalities which come within the investigative authority of the department. Each local committee shall be composed of a board-certified child abuse pediatrician and representatives from law enforcement, the coroner's office, the Department of Social Services, public health, the solicitor's office and, as necessary, healthcare workers, mental health providers, educators, and the Children's Advocacy Centers. The department is authorized to provide reasonable compensation for board-certified child abuse pediatricians serving on a Local Child Fatality Review Committee. Local committees shall have access to information and records maintained by a provider of medical care regarding a child whose death is being reviewed by the local committee, including information on prenatal care; all information and records maintained by any state, county, or local government agency, including, but not limited to, birth certificates, law enforcement investigation data, county coroner or medical examiner investigation data, parole and probation information and records, and information and records of health agencies that provided services to the child or family; and unfounded reports of abuse or neglect made strictly confidential and whose disclosure is otherwise prohibited by statute. Further, local committees shall have the same authority as the State Child Fatality Advisory Committee to obtain information as set forth in Section 63-11-1970. The meetings, information obtained by, reports prepared by, and testimony before the local committees are confidential and protected from the Freedom of Information Act, criminal and civil proceedings, and subpoenas to the same extent as the State Child Fatality Advisory Committee as set forth in Sections 63-11-1980 and 63-11-1990.

- 38.30** **ADD** (Out-of-Home Child Placement Data) **HOU2:** AMEND House version to ADD new proviso to direct DSS to submit quarterly reports to the House and Senate Judiciary Committees on monthly totals of reported suspected child abuse or neglect cases that resulted in a safety plan being executed where DSS placed the child outside the home without taking legal custody of the

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child as well as reports of other monthly totals concerning child abuse or neglect cases. Sponsor: Rep. McEachern. *Note: Proviso 39.29 in House2 version.*

38.30. (DSS: Out-of-Home Child Placement Data) From the funds appropriated to the Department of Social Services (DSS), DSS shall submit reports to the House Judiciary Committee and Senate Judiciary Committee detailing:

(A) (1) the monthly total number of reports of suspected child abuse or neglect resulting in execution of a safety plan (safety plan cases) as part of which DSS places the child with a relative or another person pursuant to Section 63-7-690 or otherwise outside of the home without taking legal custody of the child;

(2) the monthly total number of child abuse or neglect determinations made as provided for in Section 63-7-920:

(a) within forty-five days after receipt of the report;

(b) between forty-six and sixty days after receipt of the report; and

(c) more than sixty days after receipt of the report;

(3) the monthly total number of reports of suspected child abuse or neglect in which a determination has not been made within sixty days of receipt of the report;

(4) the monthly total number of children residing with a relative or another person for more than sixty days as part of a safety plan;

(5) the monthly total number of safety plan cases in which DSS:

(a) returns the child to the home with services;

(b) returns the child to the home without services;

(c) removes custody of the child from the relative or another person with whom the child has been placed;

(d) files a removal petition pursuant to Section 63-7-1660; or

(e) files an intervention petition pursuant to Section 63-7-1650;

(6) the monthly total number of safety plan cases in which DSS executes a family preservation treatment plan within thirty days after indicating a report of child abuse or neglect;

(7) the monthly total number of safety plan cases in which DSS executes a family preservation treatment plan within ninety days after placement of a child with a relative or another person outside of the home as part of the safety plan;

(8) the monthly total number of family preservation cases that have undergone a status review after nine months pursuant to DSS policy;

(9) the monthly total number of family preservation cases that have not undergone a status review after nine months pursuant to DSS policy;

(10) the monthly total number of family preservation cases in which DSS files an intervention petition pursuant to Section 63-7-1650; and

(11) the monthly total number of family preservation cases in which DSS files a removal petition pursuant to Section 63-7-1660.

(B) DSS shall provide the reports pursuant to the following schedule:

(1) July 31, 2015, for the quarter ending June 30, 2015;

(2) October 31, 2015, for the quarter ending September 30, 2015;

(3) January 31, 2016, for the quarter ending December 31, 2015; and

(4) April 30, 2016, for the quarter ending March 31, 2016.

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SECTION 39 - L24-COMMISSION FOR THE BLIND

- 39.2** **ADD** (Cypress Gardens) **SEN:** ADD new proviso to direct the Commission for the Blind to exempt Cypress Gardens from its vending and food service requirements. Sponsor: Sen. Grooms.

39.2. (BLIND: Cypress Gardens) In the current fiscal year, the Commission for the Blind shall exempt Cypress Gardens from its vending and food service requirements.

SECTION 47 - P24-DEPARTMENT OF NATURAL RESOURCES

- 47.8** **DELETE** (Cormorant Control) Directs the department to continue to coordinate a public Cormorant control program with the US Fish and Wildlife Service for Lake Marion and Lake Moultrie and to try to coordinate with the other specified entities to include waters above and below each spillway, Wildlife Management Areas, and National refuges. Directs the department to assess the need and implement a plan to expand the program to other public waters if necessary. Directs the department to establish online permitting if the USFWS allows the Cormorant control program to continue.
SFC: DELETE proviso.
SEN: ADOPT deletion of proviso.

~~*47.8. (DNR: Cormorant Control) The Department of Natural Resources shall continue to coordinate a public Cormorant control program with the US Fish and Wildlife Service for Lake Marion and Moultrie. The department shall try to coordinate with the Army Corp of Engineers, Santee Cooper, and the USFWS to include waters above and below each spillway, Wildlife Management Areas, and national refuges. The department shall assess the need to expand the program to other public waters and implement a plan if warranted. If the USFWS allows continuation of the control program, the department shall establish an online method of permitting.*~~

- 47.10** **DELETE NEW PROVISO** (Coyote Tagging Program) **WMC:** ADD new proviso to direct DNR to develop and implement a coyote tagging program.
HOU: ADOPT new proviso.

47.10. (DNR: Coyote Tagging Program) Of the funds authorized and appropriated in this act, the Department of Natural Resources is directed to develop and implement a coyote tagging program within this state.

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

47.10. (DNR: Coyote Tagging Program) DELETED

SECTION 49 - P28-DEPARTMENT OF PARKS, RECREATION, AND TOURISM

- 49.3** **AMEND** (Advertising Funds *Use and* Carry Forward) Authorizes PRT to carry forward funds appropriated for Advertising and expend those funds for the same purpose to include the Tourism Partnership Fund, Destination Specific Marketing Grants, and the agency advertising fund.

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SFC: AMEND proviso to direct the department to provide \$250,000 of Advertising funds from within the Tourism Sales and Marketing Program to the Charleston Area Convention & Visitors Bureau for special event promotion.

SEN: ADOPT proviso as amended.

49.3. (PRT: Advertising Funds *Use and Carry Forward*) The Department of Parks, Recreation and Tourism may carry forward any unexpended funds appropriated on the Advertising line within Program II. A. Tourism Sales and Marketing from the prior fiscal year into the current fiscal year to be used for the same purposes which include the Tourism Partnership Fund, Destination Specific Marketing Grants and the agency advertising fund. *\$250,000 of the funds appropriated for the Advertising line within Program II. A. Tourism Sales and Marketing shall be provided to the Charleston Area Convention & Visitors Bureau for special event promotion.*

49.8 **AMEND FURTHER** (~~Destination Specific, Tourism and Marketing Transfer~~ *Wage and Supplier Rebate Funds*) Provides for Motion Picture Incentive Wage Rebate set-aside funds to be transferred to PRT for the Destination Specific Tourism Program and specifies how the funds are to be used. Limits the amount of funds used for the Destination Specific program from all sources to \$12,000,000. Provides for Motion Picture Incentive Supplier Rebate set-aside funds to be transferred to PRT and specifies how the funds are to be used. Authorizes PRT to carry forward these funds.

WMC: AMEND proviso to change the proviso name to “Wage and Supplier Rebate Funds; delete specific references to Wage and Supplier Rebates and instead refer to the “Motion Picture Incentive Act;” specify that funds committed to film projects be carried forward and used for the same purpose and uncommitted funds be carried forward and used for deferred maintenance and capital projects at state parks, Welcome Centers and for Marketing/Advertising. Delete the requirement that unexpended Motion Picture Incentive Wage and Supplier Rebate funds be carried forward and transferred to PRT for specific uses and delete the authorization for the funds to be used for the Destination Specific program. Requested by Department of Parks, Recreation, and Tourism.

HOU: ADOPT proviso as amended.

49.8. (PRT: ~~Destination Specific, Tourism and Marketing Transfer~~ *Wage and Supplier Rebate Funds*) From the funds set aside pursuant to the Motion Picture Incentive ~~Wage Rebate Act, for Fiscal Year 2014-15 unexpended~~ *any funds committed to film projects shall be carried forward from the prior fiscal year and used for the same purpose. Any uncommitted funds shall be carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and may be utilized for the Destination Specific Tourism Program. The Destination Specific program shall not exceed twelve million dollars when combining all source of funds. Any unexpended wage rebate carry forward funds not used for the Destination Specific program and* must be used by the department for deferred maintenance and capital projects at state *parks, Welcome Centers,* and for Marketing/Advertising. ~~From the funds set aside pursuant to the Motion Picture Incentive Supplier Rebate, for Fiscal Year 2014-15 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and must be used by the department for capital improvements and deferred maintenance to the state’s Welcome Centers. Prior to the funds being utilized for the state’s Welcome Centers the funds shall be placed in a separate and distinct fund prior to July thirtieth of the current fiscal year and the interest accrued by the fund must remain in the fund. Of the funds placed into the separate and distinct fund in the current fiscal year, up to ten percent may~~

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be utilized for operating costs directly related to the Welcome Centers. These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.

SFC: AMEND FURTHER to specify that uncommitted funds “may” rather than “must” be used by the department for “the same purpose,” deferred maintenance and capital projects at state parks “and” Welcome Centers” and for Marketing/Advertising.

SEN: ADOPT proviso as amended.

~~49.8. (PRT: Destination Specific, Tourism and Marketing Transfer *Wage and Supplier Rebate Funds*) From the funds set aside pursuant to the Motion Picture Incentive ~~Wage Rebate Act~~, for Fiscal Year 2014-15 unexpended *any funds committed to film projects shall be carried forward from the prior fiscal year and used for the same purpose. Any uncommitted funds shall be* carried forward from the prior fiscal year ~~shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and may be utilized for the Destination Specific Tourism Program. The Destination Specific program shall not exceed twelve million dollars when combining all source of funds. Any unexpended wage rebate carry forward funds not used for the Destination Specific program~~ *and must may* be used by the department for *the same purpose*, deferred maintenance and capital projects at state *parks and Welcome Centers*, and for Marketing/Advertising. ~~From the funds set aside pursuant to the Motion Picture Incentive Supplier Rebate, for Fiscal Year 2014-15 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and must be used by the department for capital improvements and deferred maintenance to the state’s Welcome Centers. Prior to the funds being utilized for the state’s Welcome Centers the funds shall be placed in a separate and distinct fund prior to July thirtieth of the current fiscal year and the interest accrued by the fund must remain in the fund. Of the funds placed into the separate and distinct fund in the current fiscal year, up to ten percent may be utilized for operating costs directly related to the Welcome Centers. These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.~~~~

49.13 DELETE NEW PROVISO (Motion Picture Definition) **WMC:** ADD new proviso to include digital animation film production in the definition of a “Motion Picture” for purposes of the Motion Picture Incentive Program.

HOU: ADOPT new proviso.

~~*49.13. (PRT: Motion Picture Definition) For the purposes of the Motion Picture Incentive Program, the definition of a “Motion Picture” shall include digital animation film production.*~~

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

~~*49.13. (PRT: Motion Picture Definition) DELETED*~~

49.14 ADD (Football Exhibition Funding) **SEN:** ADD new proviso to direct that the funds appropriated to PRT for Football Exhibition Games and carried forward be made available to the Medal of Honor Bowl by September 1, 2015. Sponsor: Sen. Fair.

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49.14. (PRT: Football Exhibition Funding) The funds appropriated to the Department of Parks, Recreation and Tourism for Football Exhibition Games and carried forward into FY 15-16 shall be made available to the Medal of Honor Bowl by September 1, 2015.

SECTION 50 - P32-DEPARTMENT OF COMMERCE

50.13 AMEND FURTHER (Regional Economic Development Organizations) Directs the department to use the \$5,000,000 appropriated for Regional Economic Development Organizations to provide funds to the designated organizations and counties and provides a mechanism by which the funds should be distributed. Requires a 1:1 private fund match and requires the receiving organization to certify that the private funds match are new dollars specifically designated for this purpose. Directs the organizations provide an annual expenditure report and outcome measures to the Chairmen of the Senate Finance and House Ways and Means Committees and the Secretary of Commerce by November 1st. Directs unexpended or undistributed funds from prior fiscal years be transferred to the Rural Infrastructure Fund at the Department of Commerce.

WMC: AMEND proviso to update fiscal year reference to 2015-16 and amend allocations distributed to alliances and counties.

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 ~~2014-15~~ 2015-16 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) ~~\$675,000;~~ \$710,000;
- (4) Charleston Regional Development Alliance..... ~~\$675,000;~~ \$670,000;
- (5) I-77 Alliance ~~\$675,000;~~ \$600,000;
- (6) Economic Development Partnership ~~\$500,000;~~ \$450,000;
- (7) Southern Carolina Alliance..... ~~\$475,000;~~ \$450,000; and
- (8) TheLINK Economic Alliance..... ~~\$350,000;~~ \$395,000.

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 ~~\$150,000~~ \$225,000 shall be provided to ~~Beaufort County~~ counties as follows, provided ~~it meets~~ they meet the requirements established above:

- (1) Beaufort County..... \$150,000; and
- (2) Lancaster County..... \$ 75,000.

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 be transferred to the Rural Infrastructure Fund at the Department of Commerce.

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SFC: AMEND FURTHER to change funding for NESAs from “\$710,000” to “\$750,000;” Charleston Regional Development Alliance from “\$670,000” to “\$660,000;” Southern Carolina Alliance from “\$450,000” to “\$475,000;” and TheLINK Economic Alliance from “\$395,000” to “\$385,000.” Direct that the remaining \$180,000 be provided as follows: \$60,000 each to Beaufort, Lancaster and Pickens Counties.

SEN: AMEND FURTHER to direct that prior years REDO funds that are unexpended, unallocated, or undistributed must first be made available to the organizations and any remainder be transferred to the Rural Infrastructure Fund. Direct that the funds be distributed pro rata if more than one alliance applies for the same funds. Sponsor: Sen. Bennett.

50.13. (CMRC: Regional Economic Development Organizations) The Department of Commerce shall utilize \$5,000,000 appropriated in Fiscal Year ~~2014-15~~ 2015-16 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 (NESAs) ~~\$675,000;~~ \$750,000;
- (4) Charleston Regional Development Alliance..... ~~\$675,000;~~ \$660,000;
- (5) I-77 Alliance ~~\$675,000;~~ \$600,000;
- (6) Economic Development Partnership ~~\$500,000;~~ \$450,000;
- (7) Southern Carolina Alliance..... \$475,000; and
- (8) TheLINK Economic Alliance..... ~~\$350,000;~~ \$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 ~~\$150,000~~ \$180,000 shall be provided to ~~Beaufort County~~ counties as follows, provided ~~it meets~~ they meet the requirements established above:

- (1) Beaufort County..... \$ 60,000;
- (2) Lancaster County..... \$ 60,000; and
- (3) Pickens County..... \$ 60,000.

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 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.

50.17 **DELETE NEW PROVISO** (Council on Competitiveness) **WMC:** ADD new proviso to direct the department to use funds appropriated for the S.C. Council on Competitiveness to provide funds for existing business economic development activities. Require a 1:1 match with non-state appropriated funds and before the funds are disbursed, require the Council certify that the match funds are new dollars designated for match purposes and have not been previously allocated or designated for economic development. Require the Council provide a report on expenditures and

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outcome measures to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee and the Secretary of Commerce by January 1st.

HOU: ADOPT new proviso.

50.17. (CMRC: Council on Competitiveness) The Department of Commerce shall utilize the funds appropriated in the current fiscal year for the South Carolina Council on Competitiveness to provide funds for existing business economic development activities. Each dollar of state funds disbursed must be matched equally with non-state appropriated funds and prior to the disbursement of funds, the Council on Competitiveness must certify that these funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development. The Council on Competitiveness shall provide a report on the expenditure of the funds and on the outcome measures by January first, to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee and the Secretary of Commerce.

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

50.17. (CMRC: Council on Competitiveness) DELETED

50.18 ADD (Community Development Act Extension) **SFC:** ADD new proviso to extend the provisions of Act 314 of 2000, as last amended by Act 248 of 2010 [SC COMMUNITY ECONOMIC DEVELOPMENT ACT AND TAX CREDITS] until June 30, 2016.

SEN: ADOPT new proviso.

50.18. (CMRC: Community Development Act Extension) The provisions contained in Act 314 of 2000, as last amended by Act 248 of 2010 shall be extended until June 30, 2016.

SECTION 53 - P40-S.C. CONSERVATION BANK

53.2 ADD (Conservation Bank Trust Fund Use) **SEN:** ADD new proviso to authorize Conservation Bank Trust Fund monies to be used for conservation of isolated wetlands and Carolina Bays if established criteria in Chapter 59 of Title 48 is met. Direct that not more than 8.33% of the funds designated to the Trust Fund for the current fiscal year may be used to acquire, reclaim, or improve wetlands and their associated dikes, canals, water control structures and devices on DNR owned and managed Wildlife Management Areas unless the monies are used to acquire interests in land and substantially satisfy other established criteria. Sponsors: Sens. Campsen, Setzler, Campbell, and Sheheen.

53.2. (CB: Conservation Bank Trust Fund Use) Monies designated for the South Carolina Conservation Bank Trust Fund may be utilized for the conservation of isolated wetlands and Carolina Bays if established criteria are met as set forth in Chapter 59 of Title 48. Not more than eight and thirty-three one hundredths percent of the revenue designated for the South Carolina Conservation Bank Trust Fund in the current fiscal year may be utilized for the acquisition, reclamation, or improvements of wetlands and their associated dikes, canals, water control structures, and water control devices on Wildlife Management Areas owned and managed by the Department of Natural Resources. No other monies in the trust fund may be utilized for the acquisition, reclamation, or improvement of wetlands and their associated dikes, canals, water control structures and water control devices on Wildlife Management Areas owned

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and managed by the Department of Natural Resources, unless the monies are used for the acquisition of interests in land and satisfy other established criteria as set forth in Chapter 59 of Title 48 in a substantial way.

SECTION 54 - P45 - RURAL INFRASTRUCTURE AUTHORITY

- 54.2 DELETE** (Grant Award Calendar) Directs the Rural Infrastructure Authority to establish a schedule for FY 14-15 that includes a spring and fall award period for qualified projects.
WMC: AMEND proviso to change "Fiscal Year 2014-15" to "the current fiscal year."
HOU: ADOPT proviso as amended.

54.2. (RIA: Grant Award Calendar) For ~~Fiscal Year 2014-15~~ *the current fiscal year*, the Rural Infrastructure Authority shall establish a schedule that includes, at a minimum, a spring and fall award period for qualified projects.

SFC: DELETE proviso.
SEN: ADOPT deletion of proviso.

54.2. (RIA: Grant Award Calendar) ~~For Fiscal Year 2014-15, the Rural Infrastructure Authority shall establish a schedule that includes, at a minimum, a spring and fall award period for qualified projects.~~

SECTION 57 - B04-JUDICIAL DEPARTMENT

- 57.19 ADD** (Active Retired Judges) **SFC:** ADD new proviso to authorize the Judicial Department to reimburse retired justices and judges who serve as acting associate justices or judges for actual expenses and to pay them an amount equal to that of active judge based on the number of hours worked less retirement pay.
SEN: ADOPT new proviso.

57.19. *(JUD: Active Retired Judges) In the current fiscal year, from the funds appropriated to and/or authorized for the Judicial Department, the department may reimburse retired justices and judges serving as acting associate justices or judges for actual expenses while serving and to pay an amount equal to that of active pay based on the number of hours worked less retirement pay received and attributable to the same working period.*

SECTION 59 - E20-OFFICE OF THE ATTORNEY GENERAL

- 59.9 AMEND NEW PROVISO** (Public Official Attorney Fees) **WMC:** ADD new proviso to require the General Assembly to pay court ordered attorney's fees and costs when the Attorney General defends one or more public officers in their official capacity in the litigation. Fiscal Impact: RFAO indicates this proviso will increase General Fund expenditures by \$98,000 for FY 2015-16. There will be no impact on federal or other funds. The Attorney General's Office states the fiscal impact would vary and likely be zero in most years. The expenditure impact of \$98,000 is based on a current judgment awarding fees and costs against the state, but there is no appropriation for payment. Requested by Office of the Attorney General.
HOU: ADOPT new proviso.

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59.9. (AG: Public Official Attorney Fees) The General Assembly shall pay the attorney's fees and costs ordered by the court in those cases in which the Attorney General defends one or more public officers in their official capacities in the litigation.

SFC: AMEND new proviso to delete the previous version and instead direct the SFAA Executive Director to pay, from the Insurance Reserve Fund, up to \$50,000 of any court ordered opposing attorney's fees and court costs in cases where the Attorney General defends public officers in their official capacities. Require the Attorney General certify the amount the court ordered to be paid and submit the certification to the SFAA Executive Director for payment of up to \$50,000. Require the Attorney General report to the Senate President Pro Tempore, the Speaker of the House, and the Chairmen of the Senate Finance and House Ways and Means Committees any court ordered attorney fees and court costs that exceed \$50,000 for the General Assembly to consider.

SEN: ADOPT new proviso as amended.

59.9. (AG: Public Official Attorney Fees) The Executive Director of the State Fiscal Accountability Authority shall pay from the Insurance Reserve Fund, up to \$50,000 of opposing attorney's fees and court costs as ordered by the court in those cases in which the Attorney General defends one or more public officers in their official capacities.

The Attorney General must certify to the Executive Director the amount the court has ordered the Attorney General to pay for opposing attorney's fees and court costs and upon receipt of the certification, the Executive Director shall pay up to \$50,000 of the amount certified to the appropriate individual or entity. The Attorney General must report any court ordered payment of attorney's fees and court costs that exceed \$50,000 to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee for consideration by the General Assembly.

SECTION 60 - E21-PROSECUTION COORDINATION COMMISSION

60.11 DELETE NEW PROVISO (Caseload Equalization Fund Distribution) **WMC:** ADD new proviso to direct that the first \$710,378 of caseload equalization funds be distributed \$15,443 per county and the remaining \$889,622 be distributed based on the average incoming caseload for each county as reported by the Judicial Department for the prior two fiscal years. Fiscal Impact: Agency requested \$7,764,929 for this purpose. Requested by Commission on Prosecution Coordination.

HOU: ADOPT new proviso.

HOU2: AMEND House version to DELETE new proviso. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

60.11. (PCC: Caseload Equalization Fund Distribution) **DELETED**

SFC: AMEND new proviso to change "\$710,378" to "\$3,450,000;" "\$15,443" to "\$75,000;" and "\$889,622" to "\$4,314,929."

SEN: ADOPT proviso as amended.

60.11. (PCC: Caseload Equalization Fund Distribution) The first \$3,450,000 of caseload equalization funds shall be distributed at \$75,000 per county. The remaining \$4,314,929 shall

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be distributed based upon the average incoming caseload for each county as reported by the Judicial Department for the prior two fiscal years.

SECTION 63 - K05-DEPARTMENT OF PUBLIC SAFETY

- 63.7** **ADD** (Coastal Crisis Chaplaincy) **SEN:** ADD new proviso to direct DPS to continue its partnership with the Coastal Crisis Chaplaincy as it existed prior to 2014 and to develop a MOU to govern the partnership. Sponsors: Sens. Grooms and Fair.

63.7. (DPS: Coastal Crisis Chaplaincy) From the funds appropriated to the Department of Public Safety, the department shall continue its partnership with the Coastal Crisis Chaplaincy as it existed prior to 2014 and shall develop a memorandum of understanding to govern this partnership.

- 63.8** **ADD** (Hours of Service Rest Requirements) **SEN:** ADD new proviso to direct 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. Direct that the policy be printed and distributed to the Senate Transportation and House Education and Public Works Committees and also be provided to any motor carrier who requests a copy. Direct DPS to allow the Motor Carrier Advisory Committee to review options that may facilitate adoption of allowable variances from state and federal law as well as relief for interstate border-zone operations. Sponsor: Sen. Grooms.

63.8. (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 30-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.

SECTION 65 - N04-DEPARTMENT OF CORRECTIONS

- 65.25** **AMEND** (Cell Phone Interdiction) Authorized the Department of Corrections Director to add a surcharge to all inmate phone calls to offset the cost of equipment and operations of cell phone interdiction and to retain and carry forward the funds for the same purpose.
SEN: AMEND proviso to also allow the funds to be retained for equipment to enact cell phone retrieval. Sponsor: Sen. Fair.

65.25. (CORR: Cell Phone Interdiction) The Director of the Department of Corrections is granted the right to add a surcharge to all inmate pay phone calls to offset the cost of equipment and operations of cell phone interdiction measures. The surcharge will be added to the cost per call, collected by chosen telephone vendor and paid to the department on a monthly basis. The department is authorized to retain the funds to pay, either directly or through the State lease program, for equipment required to enact cell phone interdiction or retrieval. When the equipment has been paid in full, the surcharge amount will be reviewed and adjusted to cover the

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cost of ongoing operational expenses of the interdiction equipment. Any unexpended balance may be carried forward from the prior fiscal year into the current fiscal year and be used for the same purpose.

SECTION 81 - R36-DEPARTMENT OF LABOR, LICENSING, AND REGULATION

- 81.14** **ADD** (Wind and Structural Engineering Research Lab) **SFC:** ADD new proviso to direct the department to use \$40,000 to contract with the Citadel to establish a research project to determine whether the wind and seismic residential building requirements for the state as prescribed in the 2015 International Residential Code are valid. Direct that a preliminary report be submitted to the SC Building Council by June 30, 2016.
SEN: ADOPT new proviso.

81.14. (LLR: Wind and Structural Engineering Research Lab) The Department of Labor, Licensing, and Regulation is directed to utilize \$40,000 of the funds appropriated to the department to contract with the Citadel to establish a research project to determine the validity of wind and seismic residential building requirements for South Carolina, as prescribed in the 2015 International Residential Code (IRC). A preliminary report on the findings must be submitted to the SC Building Codes Council by June 30, 2016.

SECTION 82 - R40-DEPARTMENT OF MOTOR VEHICLES

- 82.3** **REINSERT AND AMEND** (Publish County DMV Local Telephone Number) Directs DMV to publish the telephone number of the local field office in each county.
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.

~~82.3. (DMV: Publish County DMV Local 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 a local telephone number that is published.~~

SFC: REINSERT original proviso and amend to direct that each county should publish the telephone number for the Headquarters Call Center.
SEN: ADOPT proviso as amended.

~~82.3. (DMV: Publish County DMV Local 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 a local the Headquarters Call Center telephone number that is published.~~

- 82.10** **ADD** (Study of Motorcycle Usage and Safety) **SFC:** ADD new proviso to direct that a committee be established using DMV appropriations to study available data related to motorcycle usage, safety, applicable laws, and regulations. Provide for the composition of the study committee and direct that findings and recommendations be issued to the Governor and the General Assembly before December 15, 2015.
SEN: ADOPT new proviso.

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82.10.(DMV: Study of Motorcycle Usage and Safety) From the funds appropriated to the Department of Motor Vehicles, a committee shall be established to study motorcycle usage and safety in South Carolina.

The composition of the study committee shall be as follows: one member appointed by the governor; two members appointed by the Chairman of the Senate Transportation Committee, one of whom must be a member of A Brotherhood Against Totalitarian Enactments (ABATE) of South Carolina; two members appointed by the Chairman of the House Education and Public Works Committee, one of whom must be a member of ABATE of South Carolina; the Secretary of Transportation or his designee who shall have expertise in motorcycle safety issues; the Director of the Department of Public Safety or his designee who shall have expertise in motorcycle safety issues; and the Director of the Department of Motor Vehicles or his designee who shall have expertise in motorcycle safety issues.

The committee shall study available data related to motorcycle usage and applicable laws and regulations. Before December 15, 2015, the committee shall issue its findings and recommendations to the Governor and to the members of the General Assembly.

SECTION 83 - R60-DEPARTMENT OF EMPLOYMENT AND WORKFORCE

83.6 **AMEND FURTHER** (Negotiation of Interest) Requires DEW to develop and implement a plan by October 1, 2014 to seek a waiver of interest on the FUA Loan debt so that the impact of the interest payments is mitigated on SC employers.

WMC: AMEND proviso to update year to “2015.” Requested by Department of Employment and Workforce.

HOU: ADOPT proviso as amended.

83.6. (DEW: Negotiation of Interest) By October 1, ~~2014~~ 2015, the Department of Employment and Workforce must develop and implement a plan to seek a waiver of interest on the state’s FUA loan debt in order to mitigate the impact of the interest payments on South Carolina employers.

SFC: AMEND FURTHER to direct that upon final repayment of all Title XII advances from the Federal Unemployment Account, any funds remaining in the DEW Interest Assessment Fund are to be transferred to the Unemployment Compensation Fund.

SEN: ADOPT proviso as amended.

83.6. (DEW: Negotiation of Interest) By October 1, ~~2014~~ 2015, the Department of Employment and Workforce must develop and implement a plan to seek a waiver of interest on the state’s FUA loan debt in order to mitigate the impact of the interest payments on South Carolina employers. For the current fiscal year and upon final repayment of all Title XII advances from the Federal Unemployment Account received by the state beginning in December of 2008, any funds remaining in the Department of Employment and Workforce Interest Assessment Fund authorized by Section 41-33-810 of the 1976 Code shall be transferred to the Unemployment Compensation Fund.

83.7 **DELETE NEW PROVISIO** (Oral Fluids Test) **WMC:** ADD new proviso to require DEW implement a plan that allows employers to use oral fluids for conducting drug tests and direct that the results of the test shall have the same effect as other lawful tests if the employer meets all other test requirements of law.

HOU: ADOPT new proviso.

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83.7. (DEW: Oral Fluids Test) From the funds appropriated to the Department of Employment and Workforce, the department must implement a plan that allows employers to use oral fluids as a means of conducting a drug test. If an employer uses oral fluids and meets all other test requirements of law, the results of the test shall have the same effect as other lawful means.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

83.7. (DEW: Oral Fluids Test) DELETED

83.8 **ADD** (UI Tax System Modernization) **SFC:** ADD new proviso to authorize the department to expend up to \$300,000 of funds made available to the State under Section 903 of the U.S. Social Security Act [AMOUNTS TRANSFERRED TO STATE ACCOUNTS FROM UNEMPLOYMENT COMPENSATION ACCOUNTS]. Direct the department to use the funds to acquire software, equipment and necessary services to replace the agency's unemployment tax information system with a modern technology solution. Prohibit the funds from being obligated after a 2-year period beginning July 1, 2015 and direct that the amount obligated not exceed the amount by which the combined amounts transferred to South Carolina's accounts exceeds the total of the amounts obligated and paid for administration and paid out for benefits and required by law to be charged against the amounts transferred to this State.

SEN: ADOPT new proviso.

83.8. (DEW: UI Tax System Modernization) The Department of Employment and Workforce is authorized to expend up to \$300,000 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. 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.

83.9 **ADD** (Late Fees) **HOU2:** AMEND House version to ADD new proviso to prohibit the department from charging a late fee for any quarterly forms that are filed 10 days or less late if there is a zero balance due. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 83.8 in House2 version.*

83.9. (DEW: Late Fees) The Department of Employment and Workforce shall not charge a late fee for any quarterly forms filed not more than 10 days late for which there is a zero balance due.

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SECTION 84 - U12-DEPARTMENT OF TRANSPORTATION

84.10 AMEND FURTHER (Hanahan Permit Application) Directs DOT to coordinate and facilitate negotiations between the City of Hanahan, the US Army Corps of Engineers, CSX Railroad, and other entities for the necessary permit required to complete the Railroad Avenue Extension Project. Require DOT to submit the necessary applications on behalf of the entities by September 30, 2014.

WMC: AMEND proviso to delete “no later than September 30, 2014.”

HOU: ADOPT proviso as amended.

84.10. (DOT: Hanahan Permit Application) With the funds authorized for the Department of Transportation, the department shall coordinate and facilitate negotiations between the City of Hanahan, the United States Army Corps of Engineers, CSX Railroad, and other applicable entities for the necessary permit required to complete the Railroad Avenue Extension project in the City of Hanahan. The department shall submit any and all necessary applications for the required permit on behalf of the applicable entities ~~no later than September 30, 2014.~~

SFC: AMEND proviso to require the applications be submitted by June 30, 2016.

SEN: ADOPT proviso as amended.

84.10. (DOT: Hanahan Permit Application) With the funds authorized for the Department of Transportation, the department shall coordinate and facilitate negotiations between the City of Hanahan, the United States Army Corps of Engineers, CSX Railroad, and other applicable entities for the necessary permit required to complete the Railroad Avenue Extension project in the City of Hanahan. The department shall submit any and all necessary applications for the required permit on behalf of the applicable entities ~~no later than September 30, 2014~~ June 30, 2016.

84.15 ADD (Safety Enhancements) **SEN:** ADD new proviso to direct DOT to implement safety enhancements at the intersection of the Septima P. Clark Parkway and Coming Street in Charleston which may include directional signage and other measures to ensure pedestrian safety. Sponsor: Sen. Grooms.

84.15. (DOT: Safety Enhancements) The Department of Transportation is directed to implement safety enhancements at the intersection of the Septima P. Clark Parkway and Coming Street in the City of Charleston. These enhancements may include, but are not limited to, directional signage and other safety enhancement measures designed to ensure pedestrian safety.

84.16 ADD (Project Priority List) **HOU2:** AMEND House version to ADD new proviso to direct DOT to publish project priority lists in a conspicuous place on the DOT website that is easily accessible to the public and to accompany the lists by the associated engineering directives that explain the ranking process and methodology for applying the commissions approved criteria. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 84.15 in House2 version.*

84.16. (DOT: Project Priority List) From the funds appropriated to the department, the Department of Transportation Commission project priority lists, as required under Act 114 of 2007, shall be published in a conspicuous place on the department’s website in a manner easily accessible to the public. The priority lists shall be accompanied by the associated engineering

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directives explaining the ranking process and methodology for applying the commission approved criteria.

SEN: ADD new proviso to require DOT to maintain a list of at least 100 projects in each program category ranked in order of statewide priority; to include each project's estimated cost and all relevant information; and to publish the list in a conspicuous place on its website. Sponsor: Sen. Grooms.

84.16. (DOT: Project Priority List) In each program category, the Department of Transportation Commission shall maintain a list of at least one hundred projects ranked in order of statewide priority. Every project listed shall include its estimated cost and all relevant information. Each list shall be published in a conspicuous place on the department's website in a manner easily accessible to the public.

84.17 **ADD** (Contracts) **SEN:** ADD new proviso to prohibit DOT from using any appropriated or authorized funds to award a contract to a firm that hires a former DOT engineer unless the engineer has not been employed by DOT for one year. Sponsor: Sen. Coleman.

84.17. (DOT: Contracts) In the current fiscal year, the Department of Transportation shall not use any funds appropriated or authorized in this act to award a contract to a firm that hires a former Department of Transportation engineer unless the engineer has not been employed by the department for one year.

SECTION 86 - U20-COUNTY TRANSPORTATION FUND

86.1 **ADD** (Fire Station Paving) **SFC:** ADD new proviso to allow the use of C Fund monies to pave parking areas at county, city, and non-profit fire stations.
SEN: ADOPT new proviso.

86.1. (CTF: Fire Station Paving) From the 75% portion of the County Transportation Fund authorized by Section 12-28-2740(C) of the 1976 Code to be used for local paving, a portion of such funds may be used for the paving of parking areas at county, city, and non-profit fire stations.

SECTION 87 - U30 - DIVISION OF AERONAUTICS

87.7 **ADD** (Elected Officials Flight Cost) **SFC:** ADD new proviso to require elected officials to reimburse the Division of Aeronautics on an at-cost basis for all flight hours associated with their usage of division aircraft.
SEN: ADOPT new proviso.

87.7. (AERO: Elected Officials Flight Cost) All elected official who utilize Division of Aeronautics aircraft shall be required to reimburse the division for all flight hours associated with the trip on an at-cost basis.

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SECTION 88 - Y14-STATE PORTS AUTHORITY

- 88.4 DELETE** (Shore Electrical Power) Directs the State Ports Authority to include shore electrical power capability when designing and constructing any new terminal or facility that serves passenger cruise ships in Charleston County.
SFC: DELETE proviso.
SEN: ADOPT deletion of proviso.

~~**88.4.** (SPA: Shore Electrical Power) The State Ports Authority shall include shore electrical power capability in the design and construction of any new terminal or facility serving passenger cruise ships in Charleston County.~~

- 88.6 DELETE NEW PROVISO** (Charleston Harbor Downdrift Mitigation) **WMC:** ADD new proviso to direct the State Ports Authority to use \$300,000 of their authorized funds for Charleston Harbor downdrift mitigation.
HOU: ADOPT new proviso.

~~**88.6.** (SPA: Charleston Harbor Downdrift Mitigation) Of the funds authorized for the State Ports Authority for Fiscal Year 2015-16, \$300,000 shall be used for Charleston Harbor downdrift mitigation.~~

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

~~**88.6.** (SPA: Charleston Harbor Downdrift Mitigation) DELETED~~

SECTION 91 - A99-LEGISLATIVE DEPARTMENT

- 91.1 AMEND** (Legislative Employee Designations) Provides for the designation of permanent, temporary, interim, part-time temporary, and permanent part-time legislative employees.
HOU2: AMEND House version to delete the requirement that the House maintain an internal record denoting these employees. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

~~**91.1.** (LEG: Legislative Employee Designations) The positions included in this section designated (P) shall denote a permanent employee and the salary is an annual rate. The positions designated (T) shall denote a temporary employee and the salary is for a period of six months to be paid at that rate only while the General Assembly is in session. The positions designated as (Interim) shall denote a temporary employee and the salary is for a period of six months to be paid at that rate while the General Assembly is not in session. The positions designated (PTT) shall denote part-time temporary employees on a twelve-months basis. The positions designated (PPT) shall denote permanent part-time employees retained for full-time work for a period of months or the duration of the legislative session. The House of Representatives shall maintain an internal record denoting permanent, temporary, interim, part-time temporary, and permanent part-time employees.~~

- 91.14 AMEND** (Additional House Support Personnel) Directs the House to dedicate \$287,500 to administer and operate the Legislative Aide program pursuant to the policies and procedures as determined by the House O&M Committee.

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HOU2: AMEND House version to delete the previous version and instead direct the House O&M Committee to determine the procedures and policies for administering and operating the Legislative Aide program and direct the committee to manage the program. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

91.14. (LEG: Additional House Support Personnel) ~~From the funds appropriated to the House of Representatives in Part IA, \$287,500 shall be dedicated for the administration and operation of the Legislative Aide program pursuant to the policies and procedures as determined by the House Operations and Management Committee. The House Operations and Management Committee shall determine procedures and policies for the administration and operation of the Legislative Aide program and the House Operations and Management Committee shall manage the program. Appropriations to the House of Representatives in Part IA shall fund the program.~~

91.20 **AMEND** (Other Funds Oversight Committee) Establishes the Other Funds Oversight Committee to review and make recommendations regarding receipt, appropriation, expenditure and reporting of other funds. Directs the committee to review and make recommendation on each agency request for increase in interim budget authorization resulting from other funds collections. Directs the committee to review the level of other funds authorization in each state agency, department, board, or commission to determine whether the levels need to be increased or decreased for the next fiscal year and to submit recommendations by January 30, 2015 to the Chairmen of the Senate Finance and House Ways and Means Committees on the appropriate authorization level for each agency.

WMC: AMEND proviso to require all designees appointed to the committee to be members of the Senate Finance or House Ways and Means Committees. Delete the requirement that the committee review the level of other funds authorization in each state agency and submit recommendations by 1/30/15.

HOU: ADOPT proviso as amended.

91.20. (LEG: Other Funds Oversight Committee) There is created a joint committee of the Senate and of the House of Representatives entitled the Other Funds Oversight Committee. The committee shall consist of eight members as follows: the Chairman of the Senate Finance Committee, or his designee; one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee; the Chairman of the House of Representatives Ways and Means Committee, or his designee; one member of the House Ways and Means Committee appointed by the Chairman of the House Ways and Means Committee; the Senate Majority Leader, or his designee; the Senate Minority Leader, or his designee; the House Majority Leader, or his designee; and the House Minority Leader, or his designee. All designees must be members of the Senate Finance Committee or the House Ways and Means Committee.

The committee shall review and examine the source of other funds in this State and recommend to the General Assembly the appropriate policy for the receipt, appropriation, expenditure, and reporting of other funds. In making its determination, the committee shall solicit and receive testimony from state agencies, departments, boards or commissions regarding the status of the receipt of other funds, the conditions of receipt, the expenditure of other funds, and any relevant statistic or measurement. The committee shall make recommendations to the General Assembly regarding any necessary action.

~~The committee shall review the level of other funds authorization in each agency, department, board, or commission to determine whether the levels authorized in this act should be increased or decreased for the next fiscal year. By January 30, 2015 the committee shall submit recommendations on the appropriate level of authorization for each agency, department, board,~~

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~~or commission to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.~~

~~Each state agency, department, board, or commission shall cooperate with the committee and provide any information the committee determines is necessary.~~

The Executive Budget Office must notify the committee of any request for an increase in interim budget authorization resulting from other funds collections that is made by any state agency, department, board, or commission. The committee shall review each request and recommend appropriate action.

Members of the committee shall serve without compensation, but are allowed the usual per diem and mileage as provided by law for members of boards, commissions, and committees while on official business.

For purposes of the proviso, 'other funds' means any revenues received by an agency which are not federal funds and are not general funds appropriated by the General Assembly in the appropriations act.

SFC: ADOPT proviso as amended.

SEN: AMEND FURTHER to delete the requirement that all designees appointed to the committee to be members of the Senate Finance or House Ways and Means Committees.
Sponsor: Sen. Massey.

91.20. (LEG: Other Funds Oversight Committee) There is created a joint committee of the Senate and of the House of Representatives entitled the Other Funds Oversight Committee. The committee shall consist of eight members as follows: the Chairman of the Senate Finance Committee, or his designee; one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee; the Chairman of the House of Representatives Ways and Means Committee, or his designee; one member of the House Ways and Means Committee appointed by the Chairman of the House Ways and Means Committee; the Senate Majority Leader, or his designee; the Senate Minority Leader, or his designee; the House Majority Leader, or his designee; and the House Minority Leader, or his designee.

The committee shall review and examine the source of other funds in this State and recommend to the General Assembly the appropriate policy for the receipt, appropriation, expenditure, and reporting of other funds. In making its determination, the committee shall solicit and receive testimony from state agencies, departments, boards or commissions regarding the status of the receipt of other funds, the conditions of receipt, the expenditure of other funds, and any relevant statistic or measurement. The committee shall make recommendations to the General Assembly regarding any necessary action.

~~The committee shall review the level of other funds authorization in each agency, department, board, or commission to determine whether the levels authorized in this act should be increased or decreased for the next fiscal year. By January 30, 2015 the committee shall submit recommendations on the appropriate level of authorization for each agency, department, board, or commission to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.~~

~~Each state agency, department, board, or commission shall cooperate with the committee and provide any information the committee determines is necessary.~~

The Executive Budget Office must notify the committee of any request for an increase in interim budget authorization resulting from other funds collections that is made by any state agency, department, board, or commission. The committee shall review each request and recommend appropriate action.

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Members of the committee shall serve without compensation, but are allowed the usual per diem and mileage as provided by law for members of boards, commissions, and committees while on official business.

For purposes of the proviso, 'other funds' means any revenues received by an agency which are not federal funds and are not general funds appropriated by the General Assembly in the appropriations act.

- 91.26 DELETE NEW PROVISO** (Appropriations Bill) **HOU:** ADD new proviso to direct that the House may expend funds to ensure that the general appropriations bill for the upcoming fiscal year is laid on members' desks at least six legislative days prior to second reading. Sponsor: Rep. Toole.
HOU2: AMEND House version to DELETE new proviso. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

91.26. (LEG: Appropriations Bill) DELETED

SFC: ADOPT new proviso.

SEN: ADOPT new proviso.

91.26. (LEG: Appropriations Bill) Of the funds appropriated to the House of Representatives, in the current fiscal year the House of Representatives may expend funds to ensure the general appropriations bill for the upcoming fiscal year is laid on the members' desks not less than six legislative days prior to second reading.

- 91.27 ADD** (Act 388 Study Committee) **SFC:** ADD new proviso to establish a Senate study committee to review and study the effects of Act 388 of 2006 on various classes of property and require findings and recommendations be submitted to the General Assembly by June 30, 2016.
SEN: ADOPT new proviso.

91.27. (LEG: Act 388 Study Committee) Of the funds appropriated to the Senate, a study committee shall be established to review and study the effects of Act 388 of 2006 on the various classes of property.

Membership of the committee shall be comprised of five members as follows:

(1) one member of the Senate appointed by the President Pro Tempore of the Senate;

(2) one member of the Senate appointed by the Chairman of the Senate Finance Committee;

(3) one member of the Senate appointed by the Chairman of the Senate Judiciary Committee;

(4) one member of the Senate appointed by the Senate Majority Leader; and

(5) one member of the Senate appointed by the Senate Minority Leader.

The study committee shall provide a report with findings and recommendations to the General Assembly by June 30, 2016, at which time the study committee shall be dissolved.

- 91.28 ADD** (Alternative Health Care Study Committee) **SFC:** ADD new proviso to establish an 8 member Alternative Health Care Study Committee to study potential costs and benefits, including development of an alternative plan, of providing alternative health care to individuals under 65 with incomes at or below 138% of the federal poverty level, based on modified adjusted gross income. Require a report of findings and recommendations, including proposed legislation, be submitted to the General Assembly by January 1, 2016.
SEN: ADOPT new proviso.

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SEN: ADOPT new proviso.

91.28. (LEG: Alternative Health Care Study Committee) (A) From the funds appropriated to the Senate and the House of Representatives, there is established the Alternative Health Care Study Committee. The committee shall be composed of:

(1) three members of the Senate appointed by the President Pro Tempore, with one member upon the recommendation of the Senate Majority Leader, and one member upon the recommendation of the Senate Minority Leader;

(2) three members of the House of Representatives appointed by the Speaker of the House, with one member upon the recommendation of the House Majority Leader, and one member upon the recommendation of the House Minority Leader;

(3) the director of the Department of Health and Human Services; and

(4) the director of the Department of Insurance.

The committee must be staffed by the staff of the Senate and the House of Representatives. Upon request of the committee, the staffs of the Department of Health and Human Services and the Department of Insurance must be made available to assist the committee. Members of the General Assembly serving on the committee shall receive mileage, subsistence, and per diem at the rate provided by law.

The committee may elect a chairperson and other appropriate officers from its membership. The committee shall meet as soon as possible to accomplish the goals set forth in this paragraph.

(B) The committee shall study the potential costs and benefits, including the development of an alternative plan, of providing alternative health care to individuals under sixty-five years of age with incomes at or below one hundred thirty-eight percent of the federal poverty level, based on modified adjusted gross income. The committee's study, on which the alternative plan is based, shall include, but is not limited to:

(1) potential use of federal dollars;

(2) the purchase of private health insurance for such individuals;

(3) utilizing insurance exchanges for such individuals, thus ensuring that limited resources are focused on those most in need;

(4) use of authorized co-payments, other quality of care incentives, or changes in benefits levels;

(5) other innovative approaches, including those used by other states, to tailor eligibility of the alternative plan;

(6) receiving a federal block grant for the alternative program;

(7) other related subjects that may serve to inform the General Assembly as determined by the committee;

(8) the availability of providers to care for South Carolina's covered population, including those newly eligible under the alternative plan; and

(9) the impact the alternative plan could have on cost shifting.

(C) The committee may solicit information from any person or entity it deems relevant to its study. The committee must make a report of its findings and recommendations, including proposed legislation, to the General Assembly no later than January 1, 2016.

91.29 ADD (Requested Information) SFC: ADD new proviso to require all state entities to immediately furnish the President Pro Tem of the Senate or the Speaker of the House with any information they request in relation to the state entity's affairs or activities.

SEN: ADOPT new proviso.

91.29. (LEG: Requested Information) The departments, bureaus, officers, commissions, institutions, and other agencies or undertakings of the State, upon request, shall immediately

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furnish to President Pro Tempore of the Senate or the Speaker of the House of Representatives in such form as he may require, any information requested in relation to their respective affairs or activities.

91.30 AMEND NEW PROVISO (Voting System Research Committee) **HOU2:** AMEND House version to ADD Senate version and amend to also require the evaluation of each form of voting system include the ability to conduct random audits of election results. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note:* Proviso 91.27 in House2 version.

91.30. (LEG: Voting System Research Committee) There is created a joint legislative committee, entitled the "Joint Voting System Research Committee." This committee shall be comprised of ten members of the General Assembly, as follows:

- (1) the President Pro Tempore of the Senate, or his designee;
- (2) the Speaker of the House of Representatives, or his designee;
- (3) the Chairman of the Senate Finance Committee, or his designee;
- (4) the Chairman of the House Ways and Means Committee, or his designee;
- (5) the Chairman of the Senate Judiciary Committee, or his designee;
- (6) the Chairman of the House Judiciary Committee, or his designee;
- (7) the Majority Leader of the Senate, or his designee;
- (8) the Majority Leader of the House of Representatives or his designee;
- (9) the Minority Leader of the Senate, or his designee; and
- (10) the Minority Leader of the House of Representatives or his designee.

In the event a designee is appointed they must be selected from the membership of the General Assembly.

The committee shall identify and evaluate current voting system technologies that meet the standards established by Title 7 of the 1976 Code. The committee shall issue a report which shall include, but is not limited to, the following:

(1) an evaluation of each form of voting system technology considered by the committee, including costs, usability, reliability, accessibility, ability to conduct random audits of election results, and security matters related to each, as well as any possible solutions to address any concerns raised;

(2) consideration of best practices established by the United State Election Assistance Commission; and

(3) an analysis as to which technology should be implemented in South Carolina. This analysis shall include costs to acquire and fully implement the recommended technology for a statewide uniform voting system. The analysis must include proposed milestones and success measures for implementation.

The report shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Judiciary Committee, and the Chairman of the House Judiciary Committee no later than January 30, 2016, after which the committee shall be dissolved.

Staff for the joint committee shall be provided by the Senate Finance Committee, the House Ways and Means Committee, the Senate Judiciary Committee, and the House Judiciary Committee. Members of the study committee shall serve without compensation for per diem, mileage, and subsistence.

SFC: ADD new proviso to establish a ten legislative member Joint Voting System Research Committee to identify, evaluate and make an analysis regarding voting systems to be implemented state-wide. Direct the committee to determine the level of funding required to

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acquire and fully implement the system. Direct the committee to submit a report by January 30, 2016, to the Chairmen of the Senate Finance and Judiciary Committees and the Chairman of the House Ways and Means and Judiciary Committees.

SEN: ADOPT new proviso.

91.30. (LEG: Voting System Research Committee) There is created a joint legislative committee, entitled the "Joint Voting System Research Committee." This committee shall be comprised of ten members of the General Assembly, as follows:

- (1) the President Pro Tempore of the Senate, or his designee;
- (2) the Speaker of the House of Representatives, or his designee;
- (3) the Chairman of the Senate Finance Committee, or his designee;
- (4) the Chairman of the House Ways and Means Committee, or his designee;
- (5) the Chairman of the Senate Judiciary Committee, or his designee;
- (6) the Chairman of the House Judiciary Committee, or his designee;
- (7) the Majority Leader of the Senate, or his designee;
- (8) the Majority Leader of the House of Representatives or his designee;
- (9) the Minority Leader of the Senate, or his designee; and
- (10) the Minority Leader of the House of Representatives or his designee.

In the event a designee is appointed they must be selected from the membership of the General Assembly.

The committee shall identify and evaluate current voting system technologies that meet the standards established by Title 7 of the 1976 Code. The committee shall issue a report which shall include, but is not limited to, the following:

(1) an evaluation of each form of voting system technology considered by the committee, including costs, usability, reliability, accessibility and security matters related to each, as well as any possible solutions to address any concerns raised;

(2) consideration of best practices established by the United State Election Assistance Commission; and

(3) an analysis as to which technology should be implemented in South Carolina. This analysis shall include costs to acquire and fully implement the recommended technology for a statewide uniform voting system. The analysis must include proposed milestones and success measures for implementation.

The report shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Judiciary Committee, and the Chairman of the House Judiciary Committee no later than January 30, 2016, after which the committee shall be dissolved.

Staff for the joint committee shall be provided by the Senate Finance Committee, the House Ways and Means Committee, the Senate Judiciary Committee, and the House Judiciary Committee. Members of the study committee shall serve without compensation for per diem, mileage, and subsistence.

DEPARTMENT OF ADMINISTRATION

93.18 AMEND FURTHER (Compensation - Reporting of Supplemental Salaries) Prohibits salary supplements unless approved by the agency head or designated official. Directs that any compensation, excluding travel reimbursement, that was received in the prior fiscal year from any public or private source that is supplemental to the amount appropriated for a state employee must be reported to the DOA by the employing agency by August 31. Directs the DOA to establish procedures related to the reporting requirement.

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WMC: AMEND proviso to specifically include college and university presidents in the reporting requirement and require the report include the “employees base salary” as well as the amount and source of the supplement. Require copies of the report be made available, upon request, to the Chairmen of the Senate Finance and House Ways and Means Committees.

HOU: ADOPT proviso as amended.

93.18. (DOA: Compensation - Reporting of Supplemental Salaries) No supplement shall be paid to an agency’s employee, including presidents of colleges and universities, unless the agency head or designated official of the employing agency, in the case of colleges and universities, their board of trustees, has approved the conditions and amount of salary supplement. Any compensation, excluding travel reimbursement, from an affiliated public charity, foundation, clinical faculty practice plan, or other public source or any supplement from a private source to the salary appropriated for a state employee and fixed by the State must be reported by the employing agency to the Department of Administration. The report must include the employee’s base salary, amount of the supplement, source of the supplement, and any condition of the supplement. The employing agency must report this information on or before August thirty-first of each year and must include the total amount and source of the salary supplement received by the employee during the preceding fiscal year (July first through June thirtieth). The Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.

SFC: AMEND FURTHER to separate college and university presidents with their board of trustees from other state agencies.

SEN: ADOPT proviso as amended.

93.18. (DOA: Compensation - Reporting of Supplemental Salaries) No supplement shall be paid to an agency’s employee unless the agency head or designated official of the employing agency, or in the case of supplements paid to college and university presidents, their board of trustees, has approved the conditions and amount of salary supplement. Any compensation, excluding travel reimbursement, from an affiliated public charity, foundation, clinical faculty practice plan, or other public source or any supplement from a private source to the salary appropriated for a state employee and fixed by the State must be reported by the employing agency to the Department of Administration. The report must include the employee’s base salary, amount of the supplement, source of the supplement, and any condition of the supplement. The employing agency must report this information on or before August thirty-first of each year and must include the total amount and source of the salary supplement received by the employee during the preceding fiscal year (July first through June thirtieth). The Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.

93.33 **AMEND NEW PROVISO FURTHER** (Classification and Compensation System Study)

HOU: ADD new proviso to direct the DOA, Human Resources Division to issue a RFP for an in-depth study of the state’s class and comp system and require the vendor have experience with a state’s compensation system. Require the study include certain components and also include interviews with agency heads and agency human resource staff of various size agencies. Limit the cost of the study to not more than \$300,000. Direct that findings and an implementation plan

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be submitted to the Classification and Compensation System Study Committee by January 4, 2016. Create an 11 member Classification and Compensation System Study Committee to examine the findings and recommendations submitted by DOA. Require the committee, no later than 6 months after the vendor contract has been signed, to submit a report and recommendations to the Chairmen of the Senate Finance and House Ways and Means Committees. Direct that staff will be provided by the Senate Finance and House Ways and Means Committees and that members serve without compensation, per diem, mileage and subsistence. Sponsors: Reps. Cobb-Hunter, Pitts, Toole, and W.J. McLeod.

HOU2: AMEND House version to change “issue a RFP” to “enter into a contract;” amend item (3) to include the private sector and local government in the appropriate market comparisons; amend item (4) to change “inequities” to “disparities;” amend item (6) to direct that recruitment and retention tools include the impact of the TERI program. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

93.33. (DOA: Classification and Compensation System Study) (A) The Department of Administration, Human Resources Division shall enter into a contract to conduct an in-depth study of the state’s classification and compensation system. The vendor must have experience with a state’s compensation system. The study shall include, but not be limited to:

- (1) methods used to develop and determine position classifications;
- (2) methods used to set pay grade minimum, midpoint, and maximum;
- (3) appropriate market comparisons including, but not limited to, the private sector and local governments;
- (4) methods to minimize salary disparities within an agency and within state government;
- (5) methods of developing and sustaining a consistent long-term salary increase administrative policy for state government;
- (6) recruitment and retention tools including, but not limited to, the impact of the Teacher and Employee Retirement Incentive program;
- (7) a process to address longevity pay deficits that currently exist;
- (8) a state compensation philosophy statement;
- (9) an analysis of merit-based compensation for employees and
- (10) an analysis of unnecessary, underutilized, and duplicative positions in order to use that pay to increase salaries of existing employees.

The study should also include interviews with agency heads and human resource staff from state agencies of various sizes. The cost of the study shall not exceed \$300,000.

The study should also include interviews with agency heads and human resource staff from state agencies of various sizes. The cost of the study shall not exceed \$300,000.

The findings of the study along with an implementation plan outlining the steps, sequences, and costs for implementing study recommendations and findings shall be submitted by January 4, 2016 to the Classification and Compensation System Study Committee as defined herein.

(B) There is created the Classification and Compensation System Study Committee which shall examine the findings and recommendations submitted by the Department of Administration, Human Resources Division on the state’s classification and compensation system.

The committee shall be composed of eleven members, which shall be appointed as follows: two members appointed by the Governor; two members appointed by the President Pro Temporary of the Senate; two members appointed by the Speaker of the House of Representatives; two members appointed by the Chairman of the Senate Finance Committee; two members appointed by the Chairman of the House Ways and Means Committee; and one member appointed by the S.C. State Employees Association. The members shall elect a chairman at the first meeting of the committee.

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No later than six months after the date from which a vendor contract has been signed, the committee shall prepare and deliver a report and recommendation to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

Staff for the committee shall be provided by the Senate Finance Committee and the House Ways and Means Committee. Members of the study committee shall serve without compensation for per diem, mileage, and subsistence.

SFC: AMEND new proviso to state that for purposes of the study comprehensive employee benefits shall be included in compensation. Direct that in the areas to be included in the study: the private sector be included in appropriate market comparisons; change minimize salary “inequities” to “disparities;” delete “methods of developing and sustaining a consistent long-term salary increase administrative policy for state government” and “a process to address longevity pay deficits that currently exist.”

SEN: ADOPT new proviso as amended.

93.33. (DOA: Classification and Compensation System Study) (A) The Department of Administration, Human Resources Division shall issue a RFP to conduct an in-depth study of the state’s classification and compensation system. For purposes of the study, compensation shall include comprehensive employee benefits. The vendor must have experience with a state’s compensation system. The study shall include, but not be limited to:

(1) methods used to develop and determine position classifications;

(2) methods used to set pay grade minimum, midpoint, and maximum;

(3) appropriate market comparisons including, but not limited to, the private sector and local governments;

(4) methods to minimize salary disparities within an agency and within state government;

(5) recruitment and retention tools;

(6) a state compensation philosophy statement;

(7) an analysis of merit-based compensation for employees and

(8) an analysis of unnecessary, underutilized, and duplicative positions in order to use that pay to increase salaries of existing employees.

The study should also include interviews with agency heads and human resource staff from state agencies of various sizes. The cost of the study shall not exceed \$300,000.

The findings of the study along with an implementation plan outlining the steps, sequences, and costs for implementing study recommendations and findings shall be submitted by January 4, 2016 to the Classification and Compensation System Study Committee as defined herein.

(B) There is created the Classification and Compensation System Study Committee which shall examine the findings and recommendations submitted by the Department of Administration, Human Resources Division on the state’s classification and compensation system.

The committee shall be composed of eleven members, which shall be appointed as follows: two members appointed by the Governor; two members appointed by the President Pro Temporary of the Senate; two members appointed by the Speaker of the House of Representatives; two members appointed by the Chairman of the Senate Finance Committee; two members appointed by the Chairman of the House Ways and Means Committee; and one member appointed by the S.C. State Employees Association. The members shall elect a chairman at the first meeting of the committee.

No later than six months after the date from which a vendor contract has been signed, the committee shall prepare and deliver a report and recommendation to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

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Staff for the committee shall be provided by the Senate Finance Committee and the House Ways and Means Committee. Members of the study committee shall serve without compensation for per diem, mileage, and subsistence.

- 93.34** **ADD** (Office of Victim Assistance) **SFC:** ADD new proviso to authorize SOVA to enter into a MOA with 3rd party victim service providers for emergency medical, transportation, or other crisis stabilization services on a reimbursable basis. Limit to 8% the amount of reimbursement that may be used to cover a provider's administrative, marketing, and advocacy costs. Require SOVA to report by October 1st on performance of 3rd party providers and on the use of these funds.

SEN: ADOPT new proviso.

93.34. (DOA: Office of Victim Assistance) For the current fiscal year, The State Office of Victim Assistance may enter into memoranda of agreement with third-party victim service providers to secure emergency medical, transportation, or other crisis stabilization services on a reimbursable basis. Such agreements shall not allow for more than eight percent of the total reimbursement to cover a provider's administrative, marketing, and advocacy costs. Annually, and no later than October 1 of each year, the State Office of Victim Assistance shall report to the Governor, the Chairman of Senate Finance Committee, and the Chairman of House Ways and Means Committee on the performance of third-party providers and the use of funds authorized pursuant to this provision in the prior fiscal year.

- 93.35** **ADD** (Emerging Leaders Program) **SFC:** ADD new proviso to direct the DOA, Office of Human Resources to establish an Emerging Leaders Program designed to identify and develop the next generation of state government leaders by attracting and/or retaining imminent or recent graduates to careers in public services. Require the program to be cohort-based and for participants to complete rotations in a variety of functional roles that focus on budgeting, policymaking, operations/service delivery and other appropriate/elective fields. Require the plans for the program be completed in time for the first cohort of participants to be selected by June 30, 2016.

SEN: ADOPT new proviso.

93.35. (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, 2016.

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- 93.36** **ADD** (Union County Bus Shop) **SEN:** ADD new proviso to direct the Division of General Services to distribute the proceeds from the sale of the Union County Bus Shop equally to the Union County School District and Union County. Sponsors: Sens. Peeler and S. Martin.

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

- 93.37** **ADD** (Sale of Port Royal) **HOU2:** AMEND House version to ADD new proviso to direct DOA to order a new appraisal for the real and personal property at Port Royal within 30 days of the transfer of the property to DOA. Require the appraisal be conducted in strict accordance with Section 54-3-700(D) [CESSATION OF MARINE TERMINAL OPERATIONS AT PORT ROYAL; SALE OF PROPERTY; CONDITIONS AND REQUIREMENTS OF SALE] and direct that the appraisal be published on the DOA website. Provide a timeframe and guidelines for the sale of the property. Direct that upon the transfer of the Port Royal real and personal property to DOA, the port and its representatives are divested of any authority, control, jurisdiction, or legal standing regarding the property. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 93.34 in House2 version.*

93.37. (DOA: Sale of Port Royal) (A) Within thirty days of the transfer of the real and personal property at Port Royal to the Department of Administration pursuant to Section 54-3-700 of the 1976 Code, from the funds appropriated to the department, the department must order a new appraisal for the property, which shall be the appraisal to which Section 54-3-700(C)(3) applies. The appraisal must be conducted in strict accordance with Section 54-3-700(D), and the department, or the appraisal itself, must demonstrate that the appraisal was conducted accordingly. Upon the completion of the appraisal, the department must publish the appraisal, in its entirety, on the website maintained by the department. Also, the department shall make the appraisal available to any interested party.

(B) Beginning on the first day of the first month beginning thirty days after the completion of the appraisal, the department shall list the property for sale at public auction. The auction shall close ninety days thereafter. If the department is unable to close the sale of the property to the highest qualifying bidder, the department must sell the property to the second highest qualifying bidder if the bidder is willing to close at the same bid amount. If the department is unable to close the sale of the property to the second highest qualifying bidder, the department shall continue this process until it has exhausted all qualifying bidders. For purposes of this section, a qualifying bid is a bid that meets the requirements of Section 54-3-700(C)(3).

(C) Upon the transfer of the real and personal property at Port Royal to the Department of Administration pursuant to Section 54-3-700, the State Ports Authority, and any of its representatives, are divested of any authority, control, jurisdiction, or legal standing in regards to the property.

SECTION 98 - E16-OFFICE OF STATE TREASURER

- 98.4** **AMEND** (Management Fees) Authorizes the State Treasurer to charge and retain management fees for certain services not to exceed to cost of providing the services.
SEN: AMEND proviso to require the fees be identified by type and be made public on the Treasurer's website homepage. Sponsor: Sen. S. Martin.

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98.4. (TREAS: Management Fees) The State Treasurer is authorized to charge a fee for the operating and management costs associated with the Local Government Investment Pool, the Deferred Compensation Program, the Tuition Prepayment Program, and the College Investment Program and is further authorized to retain and expend the fees to provide these services. The fees assessed may not exceed the cost of the provision of such services. The fees noted in this proviso must be identified by type and be made public on the homepage of the State Treasurer's website.

98.12 REINSERT (Identity Theft Reimbursement Fund) Establishes the Department of Revenue Identity Theft Reimbursement Fund for the purpose of reimbursing eligible expenses incurred by an eligible person. Allow unexpended funds to be retained, carried forward, and expended for the same purpose.

WMC: DELETE proviso. *There have been no reimbursements made from the fund.* Requested by State Treasurer's Office.

HOU: ADOPT deletion of proviso.

98.12. (TREAS: Identity Theft Reimbursement Fund) ~~(A) There is established in the State Treasury the Department of Revenue Identity Theft Reimbursement Fund which must be maintained separately from the general fund of the State and all other funds. The proceeds of the fund must be utilized to reimburse eligible expenses incurred by an eligible person. The obligation to reimburse claims pursuant to this section does not arise until monies are credited to the fund, and only to the extent that monies are credited to the fund. Any monies remaining in the fund at the end of the fiscal year shall be retained, carried forward, and expended for the same purpose.~~

~~(B) A person seeking reimbursement from the fund must file with the Treasurer a claim on a form prescribed by him and verified by the claimant. The Treasurer shall consider each claim within ninety days after it is filed and give written notice to the claimant if the claim is denied in whole or in part. If a claim is allowed, the Treasurer shall reimburse the eligible person in an amount equal to his eligible expenses subject to availability of monies in the fund. The decision by the Treasurer regarding a claim is a final agency decision that may be appealed to the Administrative Law Court pursuant to the Administrative Procedures Act naming the Treasurer as the defendant. The action must be brought within ninety days after the Treasurer's decision or within one hundred eighty days after the filing of the claim if he has failed to act on it.~~

~~(C) The State Treasurer shall set forth policies and make the necessary determinations to implement the provisions of this section, including the disbursal of proceeds of the fund.~~

~~(D) For the purposes of this provision:~~

~~(1) 'Eligible person' shall mean a person whose personally identifiable information was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission.~~

~~(2) 'Eligible expenses' shall mean financial losses incurred by an eligible person directly related to the misappropriation of the eligible person's personally identifiable information that was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission. Expenses for services provided by private entities to assist eligible persons with financial losses are not eligible expenses to the extent such services are offered through the State or a state supported program free of charge.~~

~~(3) 'Financial losses' shall mean actual losses, including, but not limited to, lost wages, costs incurred by an eligible person related to correcting his credit history or credit rating, or costs or judgments related to any criminal, civil, or administrative proceeding brought against the eligible person resulting from the misappropriation of the victim's personally identifiable~~

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~~information not recovered from any other source. Costs associated with the purchase of identity theft protection and identity theft resolution services are not financial losses.~~

~~(4) 'Identity theft protection' means identity fraud and protection products and services that attempt to proactively detect, notify, or prevent unauthorized access or misuse of a person's identifying information or financial information to fraudulently obtain resources, credit, government documents or benefits, phone or other utility services, bank or savings accounts, loans, or other benefits in the person's name.~~

~~(5) 'Identity theft resolution services' means products and services that attempt to mitigate the effects of identity fraud after personally identifiable information has been fraudulently obtained by a third party, including, but not limited to, identity theft insurance and other identity theft resolution services that are designed to resolve actual and potential identity theft and related matters.~~

~~(6) 'Person' shall mean an individual, corporation, firm, association, joint venture, partnership, limited liability corporation, or any other business entity.~~

~~(7) 'Personally identifiable information' means information that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual, including, but not limited to, social security numbers, debit card numbers, and credit card numbers.~~

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

98.12. (TREAS: Identity Theft Reimbursement Fund) (A) There is established in the State Treasury the Department of Revenue Identity Theft Reimbursement Fund which must be maintained separately from the general fund of the State and all other funds. The proceeds of the fund must be utilized to reimburse eligible expenses incurred by an eligible person. The obligation to reimburse claims pursuant to this section does not arise until monies are credited to the fund, and only to the extent that monies are credited to the fund. Any monies remaining in the fund at the end of the fiscal year shall be retained, carried forward, and expended for the same purpose.

(B) A person seeking reimbursement from the fund must file with the Treasurer a claim on a form prescribed by him and verified by the claimant. The Treasurer shall consider each claim within ninety days after it is filed and give written notice to the claimant if the claim is denied in whole or in part. If a claim is allowed, the Treasurer shall reimburse the eligible person in an amount equal to his eligible expenses subject to availability of monies in the fund. The decision by the Treasurer regarding a claim is a final agency decision that may be appealed to the Administrative Law Court pursuant to the Administrative Procedures Act naming the Treasurer as the defendant. The action must be brought within ninety days after the Treasurer's decision or within one hundred eighty days after the filing of the claim if he has failed to act on it.

(C) The State Treasurer shall set forth policies and make the necessary determinations to implement the provisions of this section, including the disbursal of proceeds of the fund.

(D) For the purposes of this provision:

(1) 'Eligible person' shall mean a person whose personally identifiable information was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission.

(2) 'Eligible expenses' shall mean financial losses incurred by an eligible person directly related to the misappropriation of the eligible person's personally identifiable information that was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission. Expenses for services provided by private entities to assist

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eligible persons with financial losses are not eligible expenses to the extent such services are offered through the State or a state-supported program free of charge.

(3) 'Financial losses' shall mean actual losses, including, but not limited to, lost wages, costs incurred by an eligible person related to correcting his credit history or credit rating, or costs or judgments related to any criminal, civil, or administrative proceeding brought against the eligible person resulting from the misappropriation of the victim's personally identifiable information not recovered from any other source. Costs associated with the purchase of identity theft protection and identity theft resolution services are not financial losses.

(4) 'Identity theft protection' means identity fraud and protection products and services that attempt to proactively detect, notify, or prevent unauthorized access or misuse of a person's identifying information or financial information to fraudulently obtain resources, credit, government documents or benefits, phone or other utility services, bank or savings accounts, loans, or other benefits in the person's name.

(5) 'Identity theft resolution services' means products and services that attempt to mitigate the effects of identity fraud after personally identifiable information has been fraudulently obtained by a third party, including, but not limited to, identity theft insurance and other identity theft resolution services that are designed to resolve actual and potential identity theft and related matters.

(6) 'Person' shall mean an individual, corporation, firm, association, joint venture, partnership, limited liability corporation, or any other business entity.

(7) 'Personally identifiable information' means information that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual, including, but not limited to, social security numbers, debit card numbers, and credit card numbers.

98.14 **ADD** (Early Literacy Partnership) **HOU2:** AMEND House version to ADD new proviso to direct the State Treasurer's Office to transfer all funds in Subfund 4019 Governor's Teaching School Loan Program to Save the Children for the statewide partnership with local public schools to serve children who are age 3-12 in areas of persistent rural poverty through early childhood literacy development. Require measured success of the partnerships be provided to the General Assembly by June 30th. Authorize the transferred funds to be carried forward. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

98.14. (TREAS: Early Literacy Partnership) The State Treasurer's Office is directed to transfer all the funds from Subfund 4019 Governor's Teaching School Loan Program to Save the Children for the statewide partnership with local public schools to serve children ages 3 - 12 in areas of persistent rural poverty through early childhood literacy development. Services, directly or indirectly, are intended to support each school's efforts in supporting pre-kindergarten and kindergarten readiness, accelerating the literacy achievement of children currently reading below grade level and in increasing reading proficiency of struggling readers to ensure all children have the literacy skills they need to succeed. Measured success of the partnerships must be provided to the General Assembly no later than June 30 of the current fiscal year. Funds transferred to Save the Children may be carried forward.

SECTION 102 - E50-REVENUE AND FISCAL AFFAIRS OFFICE

102.6 **ADD** (Revenue for Goods and Services) **SEN:** ADD new proviso to authorize the Revenue and Fiscal Affairs Office to provide and receive goods and services to promote efficient and

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economical operations; to charge and pay for such goods and services; and to retain and expend these funds for the costs of providing the goods and services. Sponsor: Sen. Cromer.

102.6. (RFAO: Revenue for Goods and Services) The respective sections of the Revenue and Fiscal Affairs Office are authorized to provide and receive from other governmental entities, including other divisions, state and local agencies and departments, and the private sector, goods and services, as will in its opinion promote efficient and economical operations. The sections may charge and pay the entities for the goods and services, the revenue from which shall be deposited in the state treasury in a special account and expended only for the costs of providing the goods and services, and such funds may be retained and be expended for the same purposes.

- 102.7** **ADD** (911 Advisory Committee) **HOU2:** AMEND House version to ADD new proviso to direct the Executive Director of the Revenue and Fiscal Affairs Office to appoint an individual with E-911 Systems technical and operational knowledge to the S.C. 911 Advisory Committee. Authorize the RFAO executive director to appoint a designee to serve on his behalf. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 102.6 in House2 version.*

102.7. (RFAO: 911 Advisory Committee) For the current fiscal year, the Executive Director of the Revenue and Fiscal Affairs Office shall appoint an individual with technical or operational knowledge of E-911 systems to the South Carolina 911 Advisory Committee, which formerly had an appointment of a director of a division of the State Budget and Control Board, ex officio. In addition to the members designated to serve on the advisory committee, the Executive Director of the Revenue and Fiscal Affairs Office may appoint a designee to serve on the advisory committee on his behalf.

SECTION 104 - E55-STATE FISCAL ACCOUNTABILITY AUTHORITY

- 104.9** **ADD** (Aeronautics Support Function) **SFC:** ADD new proviso to require the State Fiscal Accountability Authority to provide administrative support services to the Division of Aeronautics.
SEN: ADOPT new proviso.

104.9. (SFAA: Aeronautics Support Function) From the funds appropriated to the State Fiscal Accountability Authority, the agency must provide administrative support function, including but not limited to, accounting, human resources, and procurement for the Division of Aeronautics.

- 104.10** **ADD** (Attorneys) **HOU2:** AMEND House version to ADD new proviso to direct that during the transition of the Insurance Reserve Fund from the B&C Board to the State Fiscal Accountability Authority, the IRF shall continue to approve attorneys it retains. Sponsor: Rep. Herbkersman. *Note: Proviso 104.9 in House2 version.*

104.10. (SFAA: Attorneys) For the current fiscal year, during the transition of the Insurance Reserve Fund from the Budget and Control Board to the State Fiscal Accountability Authority, the Insurance Reserve Fund shall continue to approve the attorneys-at-law retained to defend those it insures.

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SECTION 108 - F50-PUBLIC EMPLOYEE BENEFIT AUTHORITY

108.1 REINSERT / AMEND (Lottery, & Infrastructure Bank, *and Magistrates* Health Insurance) Allows the Lottery Commissioners and Infrastructure Bank Board members to participate in the State Health Plan upon payment of full premium costs.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~**108.1.** (PEBA: Lottery & Infrastructure Bank 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.~~

SFC: REINSERT original proviso and AMEND to allow magistrates and their eligible dependents to participate in the State Health and Dental Insurance Plan if their county participates in the plan and if the magistrate pays the full cost of the premium as determined by PEBA.

SEN: ADOPT proviso as amended.

~~**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, 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.*~~

108.13 ADD (Covered Contraceptives) **SFC:** ADD new proviso to direct that the 2016 State Health Plan shall not require co-pays/deductibles for contraceptives.

SEN: ADOPT new proviso.

~~**108.13.** (PEBA: *Covered Contraceptives*) *In its Plan of Benefits effective January 1, 2016, the State Health Plan shall not apply patient cost sharing provisions to covered contraceptives. This provision does not alter the current approved list of contraceptives and complies with the requirements of proviso 108.4.*~~

108.14 ADD (Signatory) **SFC:** ADD new proviso to direct the PEBA Board to request the Retirement System Investment Commission provide a list of persons to serve as one of two designated signatories for disbursement of System funds. Direct the commission and board both provide an approved signatory list to the State Treasurer who must also provide a consolidated list to the custodial bank. Direct that payments from retirement systems funds or transfers between retirement system accounts must be made upon a voucher or document signed by a person on the list provided by the commission and a person on the list provided by the board. Direct the State Treasurer, within two business days of receiving the voucher or document, to instruct the custodial bank to make the designed payment, transfer, or disbursement unless the purpose of the action is not related to the commission's authority to invest and manage the system assets or exceeds the maximum approval amounts. Direct the State Treasurer to ensure that the RSIC and PEBA Executive Directors and designated staff have direct access to the custodial bank to obtain information in the same manner as the State Treasurer.

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SEN: ADOPT new proviso.

108.14. (PEBA: Signatory) (A) The Public Employee Benefit Authority Board shall request the Retirement System Investment Commission to provide a list of persons to serve as one of two designated signatories pursuant to Section 9-1-1320 of the 1976 Code. The commission shall approve and provide a signatory list that includes the commission's Chairman, Executive Director, and any other designated commission staff member and the maximum amount of approval for each person on the list. The board shall approve a corresponding signatory list that includes the names of the board's Chairman, Executive Director, and any other designated authority staff member and the maximum approval amount for each person on the list. The commission and the board may delegate to each entity's respective Executive Director the authority to approve and provide the lists required by this provision. The signatory list must be provided to the State Treasurer who must also provide a consolidated list to the custodial bank.

(B) All payments from the retirement system's funds or transfers between retirement system accounts necessary for the commission to exercise its exclusive authority to invest and manage the retirement system's assets, including, but not limited to, the payment, transfer, or disbursement of funds necessary to make investments, the payment of custody and ancillary fees and costs, and the payment of management fees and other investment related expenses, must be made upon vouchers, funding directives, or other applicable instruction or document signed by a person on the list provided by the commission and a person on the list provided by the board. Upon receipt of a voucher, funding directive, or other applicable instruction or document, the State Treasurer shall, within two business days of receipt, instruct the custodial bank to make the designated payment, transfer, or disbursement. The State Treasurer shall instruct the custodial bank to make the payment, transfer, or disbursement of funds provided in the voucher, funding directive or applicable instruction or document unless the payment, transfer, or disbursement of funds is for a purpose that is not related to the commission's exclusive authority to invest and manage the retirement system's assets as described in subsection (A) or exceeds the maximum approval amounts of one or both of the signatories. The State Treasurer may provide for electronic signatory approval and may direct the bank to accept instructions directly from the signatories of the commission, board, or both for routine transactions at that are less than or equal to the designated maximum approval amounts of the particular signatory.

(C) The State Treasurer shall ensure that the Executive Directors of the Retirement System Investment Commission and the Public Employee Benefit Authority, and staff of the respective entities designated by the Executive Directors, have direct access to the custodial bank to obtain information in a like kind, form and manner available to the Treasurer regarding accounts, holdings, performance data, and any other information that is available to the Treasurer.

SECTION 110 - R52-STATE ETHICS COMMISSION

110.1 ADD (Ethics Commission Website Changes) **SEN:** ADD new proviso to require the Ethics Commission, prior to approving or adopting changes to their Public Disclosure and Accountability Reporting System, to submit the proposed changes to the Senate and House Ethics Committee for their review and approval. Authorize the General Assembly through its respective Ethics Committees to submit suggested changes to any proposed agreement or contract relating to the reporting system and require the Ethics Commission to incorporate those suggestions into any contractual negotiation. Sponsor: Sen. Rankin.

110.1. (ETHICS: Ethics Commission Website Changes) In the current fiscal year, prior to approving or adopting any changes to the State Ethics Commission Public Disclosure and

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Accountability Reporting System, the State Ethics Commission shall submit the proposed changes to the Senate Ethics Committee and House of Representatives Ethics Committee for their review and approval. As third party beneficiaries to any agreement between the State Ethics Commission and a vendor relating to the State Ethics Commission Public Disclosure and Accountability Reporting System, the General Assembly through its respective Ethics Committees can submit suggested changes to any proposed agreement or contract relating to the State Ethics Commission Public Disclosure and Accountability Reporting System and the State Ethics Commission shall be required to incorporate those suggestions into any contractual negotiation.

SECTION 112 - V04-DEBT SERVICE

112.1 AMEND FURTHER (Excess Debt Service Funds Carry Forward) Authorizes excess Debt Service funds to be carried forward from FY 2013-14 and be spent for debt service purposes in FY 2014-15.

WMC: AMEND proviso to update fiscal year references to “2014-15” and “2015-16.”

HOU: AMEND FURTHER to direct that excess debt service funds carried forward be used to pay down the bond debt for which the state is paying the highest rate of interest. Sponsor: Rep. White.

112.1. (DS: Excess Debt Service Funds Carry Forward) Excess Debt Service funds from Fiscal Year ~~2013-14~~ 2014-15 ~~may~~ must be carried forward and expended for ~~debt service purposes~~ in Fiscal Year ~~2014-15~~ 2015-16 to pay down bond debt for which the state is paying the highest rate of interest.

SFC: AMEND FURTHER to only update fiscal year references.

SEN: ADOPT proviso as amended.

112.1. (DS: Excess Debt Service Funds Carry Forward) Excess Debt Service funds from Fiscal Year ~~2013-14~~ 2014-15 may be carried forward and expended for debt service purposes in Fiscal Year ~~2014-15~~ 2015-16.

SECTION 113 - X22-AID TO SUBDIVISIONS, STATE TREASURER

113.8 ADD (Hospital Public Service District) **SFC:** ADD new proviso to direct that the term “transfer” does not include entry by a hospital public service district into a lease or management agreement.

SEN: ADOPT new proviso.

113.8. (AS-TREAS: Hospital Public Service District) For the purposes of transfer by a hospital public service district of assets, properties and responsibilities for delivery of medical services, the term “transfer” does not include entry by the hospital public service district into a lease or a management agreement, regardless of the length of the term of such lease or management agreement.

SECTION 117 - X90-GENERAL PROVISIONS

117.15 AMEND (Allowance for Residences & Compensation Restrictions) Authorizes specific state officers and employees to occupy agency-owned residences without charge. Directs that salaries be in accordance with a uniform class and compensation plan with certain exceptions and directs

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that commuter mileage on state vehicles be considered income and reported by the CG in accordance with IRS regulations. Authorizes agencies to expend non-appropriated funds for employee award programs.

SFC: AMEND proviso to include housing maintenance night supervisors, residence life directors, temporary and transition employees, and emergency medical personnel occupying residences owned by USC to those that may occupy residences without charge.

SEN: ADOPT proviso as amended.

117.15. (GP: Allowance for Residences & Compensation Restrictions) That salaries paid to officers and employees of the State, including its several boards, commissions, and institutions shall be in full for all services rendered, and no perquisites of office or of employment shall be allowed in addition thereto, but such perquisites, commodities, services or other benefits shall be charged for at the prevailing local value and without the purpose or effect of increasing the compensation of said officer or employee. The charge for these items may be payroll deducted at the discretion of the Comptroller General or the chief financial officer at each agency maintaining its own payroll system. This shall not apply to the Governor's Mansion, nor to guards at any of the state's penal institutions and nurses and attendants at the Department of Disabilities and Special Needs, and registered nurses providing clinical care at the MUSC Medical Center, nor to the Superintendent and staff of John de la Howe School, nor to the cottage parents and staff of Wil Lou Gray Opportunity School, nor to full-time or part-time staff who work after regular working hours in the SLED Communications Center or Maintenance Area, nor to adult staff at the Governor's School for Science and Mathematics and the Governor's School for Arts and Humanities who are required to stay on campus by the institution because of job requirements or program participation. Any state institution of higher learning may provide complimentary membership privileges to employees who work at their wellness centers. The presidents of those state institutions of higher learning authorized to provide on-campus residential facilities for students may be permitted to occupy residences on the grounds of such institutions without charge.

Any state institution of higher learning may provide a housing allowance to the president in lieu of a residential facility, the amount to be approved by the State Fiscal Accountability Authority.

That the following may be permitted to occupy residences owned by the respective departments without charge: the Farm Director, Farm Managers, and Specialists employed at the Wateree River Correctional Institution; the South Carolina State Commission of Forestry fire tower operators, forestry aides, and caretaker at central headquarters; the Department of Natural Resources' Game Management Personnel, Fish Hatchery Personnel, and Fort Johnson Superintendent; the Department of Parks, Recreation and Tourism field personnel in the State Parks Division; Director of Wil Lou Gray Opportunity School; President of the School for the Deaf and the Blind; houseparents for the Commission for the Blind; South Carolina Department of Health and Environmental Control personnel at the State Park Health Facility and Camp Burnt Gin; Residence Life Coordinators at Lander University; Residence Life Directors, temporary and transition employees, student interns, and emergency personnel at Winthrop University; Farm Superintendent at Winthrop University; Residence Hall Directors at the College of Charleston; the Department of Disabilities and Special Needs' physicians and other professionals at Whitten Center, Clemson University Off-Campus Agricultural Staff and Housing Area Coordinators; and TriCounty Technical College's Bridge to Clemson Resident and Area Directors; and housing maintenance night supervisors, residence life directors, temporary and transition employees, and emergency medical personnel occupying residences owned by the University of South Carolina. Except in the case of elected officials, the fair market rental value of any residence furnished to a state employee shall be reported by the state agency furnishing the residence to the Agency

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Head Salary Commission, and the Department of Administration by October first of each fiscal year.

All salaries paid by departments and institutions shall be in accord with a uniform classification and compensation plan, approved by the Department of Administration, applicable to all personnel of the State Government whose compensation is not specifically fixed in this act. Such plan shall include all employees regardless of the source of funds from which payment for personal service is drawn. The Department of Administration is authorized to approve temporary salary adjustments for classified and unclassified employees who perform temporary duties which are limited by time and/or funds. When approved, a temporary salary adjustment shall not be added to an employee's base salary and shall end when the duties are completed and/or the funds expire. Academic personnel of the institutions of higher learning and other individual or group of positions that cannot practically be covered by the plan may be excluded therefrom but their compensations as approved by the Department of Administration shall, nevertheless, be subject to review by the State Fiscal Accountability Authority. Salary appropriations for employees fixed in this act shall be in full for all services rendered, and no supplements from other sources shall be permitted or approved by the State Fiscal Accountability Authority. With the exception of travel and subsistence, legislative study committees shall not compensate any person who is otherwise employed as a full-time state employee. Salaries of the heads of all agencies of the State Government shall be specifically fixed in this act and no salary shall be paid any agency head whose salary is not so fixed. As long as there is no impact on appropriated funds, state agencies and institutions shall be allowed to spend public funds and/or other funds for designated employee award programs which shall have written criteria approved by the agency governing board or commission. For purposes of this section, monetary awards, if any, shall not be considered a part of an employee's base salary, a salary supplement, or a prerequisite of employment. The names of all employees receiving monetary awards and the amounts received shall be reported annually to the Department of Administration.

In the case of lodging furnished by certain higher education institutions to employees, the prevailing local rate does not apply if the institution meets the exceptions for inadequate rent described in the current Internal Revenue Code Section 119(d)(2). To meet the exception, rental rates must equal the lesser of five percent of the appraised value of the qualified campus lodging, or the average of the rentals paid by individuals (other than employees or students of the educational institution) during the calendar year for lodging provided by the educational institution which is comparable to the qualified campus lodging provided to the employee, over the rent paid by the employee for the qualified campus lodging during the calendar year. The appraised value shall be determined as of the close of the calendar year in which the taxable year begins, or, in the case of a rental period not greater than one year, at any time during the calendar year in which the period begins.

- 117.55 RESTORE ORIGINAL PROVISO** (Employee Bonuses) Authorizes state agencies and institutions to provide selected employees lump sum bonuses, not to exceed \$3,000 per year, based on objective guidelines established by DOA. Directs that these bonuses are not part of the employee's base salary and are not earnable compensation for retirement system purposes. Directs that employees earning \$100,000 or more are not eligible for this bonus.
WMC: AMEND proviso to direct that college and university presidents that earn more than \$100,000 are prohibited from receiving bonuses under this provision. Require the employing agency to annually report bonus information by August 31st on bonuses received by employees during the prior fiscal year. Require the information to include the total amount received and the source funds for each employee bonus. Require the Human Resources Division of DOA formulate policies and procedures to ensure reporting compliance. Require copies of the reports

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be made available, upon request, to the Chairmen of the Senate Finance and House Ways and Means Committees.

HOU: ADOPT proviso as amended.

117.55. (GP: Employee Bonuses) State agencies and institutions are allowed to spend state, federal, and other sources of revenue to provide selected employees lump sum bonuses, not to exceed three thousand dollars per year, based on objective guidelines established by the Department of Administration. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems. Employees, including presidents of colleges and universities, earning \$100,000 or more shall not be eligible to receive bonuses under this provision. The employing agency must report this information on or before August 31st of each year and must include the total amount and source of the bonus received by the employee during the preceding fiscal year (July 1st through June 30th). The Human Resources Division of the Department of Administration shall formulate policies and procedures to ensure compliance with the reporting provisions of this proviso. Copies of the reports shall be made available to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, upon request.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

117.55. (GP: Employee Bonuses) State agencies and institutions are allowed to spend state, federal, and other sources of revenue to provide selected employees lump sum bonuses, not to exceed three thousand dollars per year, based on objective guidelines established by the Department of Administration. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems. Employees earning \$100,000 or more shall not be eligible to receive bonuses under this provision.

117.111 AMEND FURTHER (State Ports Authority Property) Directs the State Ports Authority to transfer 50 acres of its Daniel Island property to PRT which shall make sure that the property is used for public recreation activities. Direct that if the Authority has not sold its remaining property on Daniel and Thomas Islands, with certain exceptions, by June 30, 2015, it must transfer the property to the Department of Administration.

HOU: AMEND proviso to change "2015" to "2016." Sponsor: Rep. Merrill.

HOU2: AMEND House version to authorize the Thomas Island properties to be sold without reservation of an easement for access. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

117.111. (GP: State Ports Authority Property) The State Ports Authority shall transfer fifty acres of its real property on Daniel Island to the Department of Parks, Recreation, and Tourism, which shall ensure, in the manner it deems appropriate, that the property is used for public recreation activities. If the State Ports Authority has not completed the sale of its remaining 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, ~~2015~~ 2016, the authority must transfer the property to the Department of Administration. The authority shall sell the real property under terms and conditions it considers most

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advantageous to the authority and the State of South Carolina. *The Thomas Island properties may be sold without reservation of an easement for access.*

SFC: ADOPT proviso as amended.

SEN: ADOPT proviso as amended.

117.111. (GP: State Ports Authority Property) The State Ports Authority shall transfer fifty acres of its real property on Daniel Island to the Department of Parks, Recreation, and Tourism, which shall ensure, in the manner it deems appropriate, that the property is used for public recreation activities. If the State Ports Authority has not completed the sale of its remaining 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, ~~2015~~ 2016, the authority must transfer the property to the Department 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.

117.122 AMEND NEW PROVISO (ABLE Savings ~~Expense Fund~~ Program) **WMC:** ADD new proviso to establish the South Carolina ABLE Savings Expense Fund in the Office of the State Treasurer to allow for tax-exempt savings accounts for disability-related expenses for individuals entitled to benefits based on blindness or disability under specific titles of the Social Security Act or for individuals with a disability certification signed by a physician.

HOU: ADOPT new proviso.

117.122. (GP: ABLE Savings Expense Fund) For the current fiscal year, the South Carolina ABLE Saving Expense Fund is established in the Office of the State Treasurer to allow for tax-exempt savings accounts for disability-related expenses for individuals defined as being entitled to benefits based on blindness or disability under Title II or XVI of the Social Security Act, or individuals with a disability certification, which must state that "the individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months," or is blind. The certification must include the diagnosis and be signed by a physician.

SFC: AMEND new proviso to change reference from "ABLE Savings Expend Fund" to "ABLE Savings Program." Define an eligible individual as one who is entitled to benefits based on blindness or disability pursuant to specific U.S.C. sections and specify that the blindness or disability must have occurred before the individual was 26 years of age or the individual has a disability certification filed with the Secretary of the U.S. Treasury for a taxable year and define qualifying disability expenses. Authorize the program to be advertised, but prohibit any constitutional officer, state agency director, or staff from using their name or appearance in the advertisement.

SEN: ADOPT new proviso as amended.

117.122. (GP: ABLE Savings Program) For the current fiscal year, the South Carolina ABLE Savings Program is established in the Office of the State Treasurer to allow for tax-exempt savings accounts for disability-related expenses for eligible individuals defined as an individual who is entitled to benefits based on blindness or disability pursuant to 42 U.S.C. Section 401 et seq. or 42 U.S.C. Section 1381, as amended, and the blindness or disability occurred before the date on which the individual attained age twenty-six, or an individual with respect to which a

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disability certification to the satisfaction of the Secretary of the United States Treasury is filed with the Secretary for a taxable year. Qualifying disability expenses are any qualified disability expense included in Section 529A of the federal Internal Revenue Code of 1986, as amended. Advertisement of the program is permissible but such advertisement is prohibited from the use of the name or appearance of any constitutional officer, state agency director or staff.

- 117.123 DELETE NEW PROVISO** (Excess Conservation Bank Funds) Direct that funds collected by the Conservation Bank that are more than the amount authorized in this act are to be transferred to DNR for operation and management of the Wildlife Management Areas and authorize DNR to carry forward these funds and use them for the same purpose.
HOU: ADOPT new proviso.

117.123. (GP: Excess Conservation Bank Funds) Funds collected by the South Carolina Conservation Bank that are in excess of the amount authorized in this act shall be transferred by the Conservation Bank to the Department of Natural Resources for operation and management of the Wildlife Management Areas. The Department of Natural Resources shall carry forward these funds to be used for the same purpose.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

117.123. (GP: Excess Conservation Bank Funds) DELETED

- 117.127 AMEND NEW PROVISO FURTHER** (Comprehensive Workforce Development Coordination Initiative) **HOU:** ADD new proviso to direct Tec and Comp Ed, SDE, DEW, and Department of Commerce to develop and implement a comprehensive workforce development coordination initiative to improve employment outcomes and address critical statewide workforce development needs. Direct Tec and Comp Ed and SDE to develop and implement a statewide Career Pathways for Success program to facilitate the transition from education to employment in industries with critical workforce shortages and provide for the allocation and distribution of available funds. Direct the Tec and Comp Ed to coordinate with the Department of Commerce, DEW, and SDE to develop and implement a program to provide subsidized career training, certification, and job placement assistance to adults who pursue careers in high-demand jobs in critical needs industries in the state. Direct Tec and Comp Ed to establish a Workforce Scholarships and Grants program for tuition and education-related expenses for career training and certification programs and to develop and maintain eligibility criteria. Allow funds to be used for opportunities through existing programs such as ReadySC and Apprenticeship Carolina. Direct DEW to coordinate with Tec and Comp Ed to identify and refer eligible individuals to the training and scholarship programs. Direct DEW to coordinate with the Department of Commerce and Tech and Comp Ed to develop and implement a plan for job placement for the individuals who have completed the training and certification. Require Tec and Comp Ed prepare an annual report on the workforce development initiative which must be published on each agency's website and be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by February 1, 2016. Require the report include an analysis of program accountability measures and key performance indicators. Sponsor: Rep. White.
HOU2: AMEND House version to amend funds to be used for this initiative to include, but not be limited to the "Workforce Pathways Program, Pathways Infrastructure Development, and Workforce Scholarships and Grants." Rather than developing and implementing a statewide "Career Pathways for Success program" direct that a "Pathways program in alignment with the EEDA" be developed and implemented. Direct that of the funds allocated for this initiative, at

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least 30% be directed to school districts or multi-district career centers and the remaining funds be used to establish programs in all regions of the state. Direct the State Board for Tec and Comp Ed, in consultation with SDE and CHE develop and maintain eligibility criteria for scholarships and grants. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

117.127. (GP: Comprehensive Workforce Development Coordination Initiative) Of the funds appropriated and authorized in this Act, including but not limited to the Workforce Pathways Program, Pathways Infrastructure Development, and Workforce Scholarships and Grants, the State Board for Technical and Comprehensive Education, the Department of Education, the Department of Employment and Workforce, and the Department of Commerce shall develop and implement a comprehensive workforce development coordination initiative in order to improve employment outcomes and address critical workforce development needs statewide.

(A) The State Board for Technical and Comprehensive Education and the Department of Education shall develop and implement a statewide Pathways program in alignment with the Education and Economic Development Act to facilitate a seamless transition from education to employment in industries with critical workforce shortages. Allocated funds shall be used to provide the necessary infrastructure, including vocational equipment, facilities, instructional materials, transportation and tuition grants. Of the funds allocated to the program:

(1) At least thirty percent of the funds shall be directed to school districts or multi-district career centers currently lacking adequate career development and workforce readiness programs with priority given to school districts or multi-district career centers with a poverty index of seventy-five percent or greater.

(2) Remaining funds shall be used to establish programs in all regions of South Carolina that will confer the necessary skills and training to prepare students for careers in high-demand fields and critical need positions in businesses and industries experiencing difficulty recruiting and retaining qualified applicants.

(B) The State Board for Technical and Comprehensive Education shall coordinate with the Department of Commerce, Department of Employment and Workforce, and the Department of Education to develop and implement a program to provide subsidized career training and certification and job placement assistance to adults pursuing careers in high-demand jobs in critical need industries throughout the state.

(1) The State Board for Technical and Comprehensive Education shall establish a Workforce Scholarships and Grants fund for eligible individuals to be used for tuition and education-related expenses for career training and certification programs. The State Board, in consultation with the Department of Education and the Commission on Higher Education or its Successor, shall develop and maintain eligibility criteria for scholarships and grants. Funds may be used to provide opportunities through existing programs.

(2) The Department of Employment and Workforce shall coordinate with the State Board for Technical and Comprehensive Education to identify and refer eligible individuals to the training programs and scholarship opportunities established above. The Department of Employment and Workforce shall also coordinate with the Department of Commerce and the State Board to develop and implement a plan to facilitate the job placement of eligible individuals who have completed the necessary training and certification to ensure that qualified individuals are matched with available employment opportunities in high demand jobs throughout the state.

(C) The State Board for Technical and Comprehensive Education must prepare an annual report on the workforce development initiative to be completed no later than February 1, 2016, which must be published on each agency's website and submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. The report

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must include, at minimum, an analysis of program accountability measures and key performance indicators.

SFC: AMEND new proviso to delete previous version and instead direct the State Board for Tec and Comp Ed and the Departments of Commerce and Education, with the assistance of the Department of Employment and Workforce, to survey the workforce development needs of the state to determine what educational programs are needed to produce a qualified workforce. Direct the survey be completed by September 15, 2015 and results be published on each agency's website and be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees. Direct the State Board for Tec and Comp Ed and the Department of Education to use the report to develop a statewide plan for technical colleges, school districts, and career centers to work together to increase access to coursework, equipment and facilities as well as to use the EEDA, Dual Credit courses, Adult Education programs and Career and Technology courses and programs. Direct the plan be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by February 1, 2016.

SEN: AMEND FURTHER to require the survey include a review and analysis of available labor market information from DEW. Direct that the report be submitted to additional committee chairmen. Direct that in addition to the State Board for Tec and Comp Ed and SDE, the Department of Commerce and DEW, who must consult with the State Workforce Investment Board, must use the report to develop the statewide plan. Direct that the plan include findings and recommendations on costs and opportunities to enhance existing or create new subsidized training programs to assist citizens pursuing careers in high demand jobs in critical need industries. Sponsors: Sens. Alexander, Courson, Setzler, Matthews, Hutto, Bryant, and Massey.

117.127. (GP: Comprehensive Workforce Development Coordination Initiative) In the current fiscal year, the State Board for Technical and Comprehensive Education, the Department of Commerce, the Department of Education, and the Department of Employment and Workforce, shall survey the workforce development needs of the State to determine the educational programs needed in order to produce a qualified workforce. The survey must include, but is not necessarily limited to, a review and analysis of available labor market information from the Department of Employment and Workforce. This report must be completed no later than September 15, 2015, be published on each agency's website, and be submitted to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Labor Commerce and Industry Committee, the Chairman of the House Labor Commerce and Industry Committee, the Chairman of the Senate Education Committee, and the Chairman of the House Education and Public Works Committee. The State Board for Technical and Comprehensive Education, the Department of Commerce, the Department of Education, and the Department of Employment and Workforce who must consult with the State Workforce Investment Board, are directed to use the report in order to develop a statewide plan where the technical colleges, school districts, and career centers shall work together to increase access to coursework, equipment, and facilities as well as utilizing the EEDA, Dual Credit courses, Adult Education programs and Career and Technology courses and programs, to include findings and recommendations regarding costs and opportunities for the State and its businesses and citizens for the enhancing of existing, or creation of new, subsidized training programs which offer career training and certification and job placement assistance to citizens pursuing careers in high demand jobs in critical need industries throughout the State. This plan shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the Ways and Means Committee, the Chairman of the Senate Labor Commerce and Industry Committee, the Chairman of the House Labor Commerce and Industry Committee, the Chairman of the Senate Education

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Committee, and the Chairman of the House Education and Public Works Committee no later than February 1, 2016.

- 117.128 ADD** (Assembly Hall Applicability) **SFC:** ADD new proviso to direct that Cypress Gardens shall be treated as a county assembly hall for purposes of Section 43-26-90 [OPERATION OF VENDING FACILITIES BY BLIND PERSONS; BUILDINGS NOT SUBJECT TO CHAPTER].
SEN: ADOPT new proviso.

117.128. (GP: Assembly Hall Applicability) As it relates to Section 43-26-90 of the 1976 Code, Cypress Gardens shall be treated as a county assembly hall.

- 117.130 ADD** (Child Fatality Review) **SFC:** Add new proviso to direct DSS, SLED, DHEC, and the State Child Fatality Advisory Committee to implement recommendations contained in the LAC's October 2014 "A Review of Child Welfare Services at the Department of Social Service" report. Direct DSS and the advisory committee to report statistics on child deaths from maltreatment and those with prior DSS involvement and use their findings to make recommendations to revise DSS policies or practices where appropriate. Direct DSS to include child fatality statistics from all relevant sources when reporting to the National Child Abuse and Neglect Data System. Direct SLED and DHEC to establish a system to cross check child fatalities in the state to make sure they are being properly reported to SLED. Direct SLED and the advisory committee to review training provided to coroners on reporting child fatalities. Direct DPS to report child fatality statistics to the advisory committee. Direct the advisory committee to evaluate the feasibility of adopting the Child Death Review Case Reporting System developed by the National Center for the Review and Prevention of Child Deaths and submit their findings to the General Assembly by December 1, 2015. Direct the specified agencies provide staff and administrative support to the advisory committee.
SEN: ADOPT new proviso.

117.130. (GP: Child Fatality Review) The agencies specified shall implement the following recommendations contained in the Legislative Audit Council's October 2014 report "A Review of Child Welfare Services at the Department of Social Services":

(1) Annually, the Department of Social Services and the State Child Fatality Advisory Committee shall jointly report statistics on child deaths from maltreatment and the number of those with prior Department of Social Services involvement;

(2) The Department of Social Services and the State Child Fatality Advisory Committee shall use their child fatality review findings to make recommendations to revise Department of Social Services policy or practice where appropriate;

(3) The Department of Social Services shall ensure that it includes child fatality statistics from all relevant sources when reporting to the National Child Abuse and Neglect Data System. These sources shall include, but not be limited to, law enforcement agencies and the Department of Health and Environmental Control;

(4) The State Law Enforcement Division and the Department of Health and Environmental Control shall establish a system for cross checking child fatalities in the state to ensure that all fatalities are being properly reported to the State Law Enforcement Division;

(5) The State Law Enforcement Division and the State Child Fatality Advisory Committee shall review the training provided to coroners on the reporting of child fatalities to ensure that information is provided on which fatalities are to be reported and what procedure is to be followed for reporting the fatalities;

(6) The Department of Public Safety shall report statistics on all child fatalities to the State Child Fatality Advisory Committee; and

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(7) The State Child Fatality Advisory Committee shall evaluate the feasibility of adopting the Child Death Review Case Reporting System developed by the National Center for the Review and Prevention of Child Deaths and shall submit a report on their findings to the General Assembly by December 1, 2015.

Pursuant to Section 63-11-1930 (E) of the 1976 Code, the director of each agency specified in this provision shall ensure that sufficient staff and administrative support is provided to the State Child Fatality Advisory Committee to accomplish the requirements of this provision.

117.131 AMEND NEW PROVISO (Energy Efficiency Repair and Related Maintenance) **HOU2:** AMEND House version to ADD Senate version and amend to specify that the funds are to be used only for energy efficiency repair and related energy related maintenance projects. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 117.129 in House2 version.*

117.131. (GP: Energy Efficiency Repair and Related Maintenance) The following funds appropriated by proviso 118.16 of Act 286 of 2014 for the Higher Education Efficiency, Effectiveness and Accountability Review and carried forward to be used for the same purpose shall be redirected for the purpose of energy efficiency repair and energy related maintenance as specified herein:

- (1) H09 - The Citadel \$ 81,290;
- (2) H12 - Clemson University \$ 596,066;
- (3) H15 - University of Charleston..... \$ 176,755;
- (4) H17 - Coastal Carolina University..... \$ 81,842;
- (5) H18 - Francis Marion University..... \$ 107,372;
- (6) H21 - Lander University..... \$ 55,958;
- (7) H27 - University of South Carolina-Columbia Campus..... \$ 971,902;
- (8) H29 - University of South Carolina-Aiken Campus \$ 58,922;
- (9) H34 - University of South Carolina-Upstate Campus \$ 82,157;
- (10) H36 - University of South Carolina-Beaufort Campus..... \$ 23,779;
- (11) H47 - Winthrop University \$ 81,917; and
- (12) H51 - Medical University of South Carolina..... \$ 352,825.

Each institution shall use the amount identified above only for energy efficiency repair and energy related maintenance that is necessary for the safe and efficient operation of the institution's physical plant. In the event any portion of the funds specified above have been transferred for the Higher Education Efficiency, Effectiveness and Accountability Review, institutions shall utilize remaining funds, if any, for the purposes described in this provision.

Funds must not be used for new construction and may only be utilized by an institution to the extent the funds are matched by the institution for necessary energy efficiency repair and energy related maintenance projects generally.

Matching funds exclude supplemental, capital reserve, lottery, or non-recurring state funds appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair and maintenance or deferred maintenance projects.

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, including the sources of funds utilized to meet this requirement.

Not later than 120 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.

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SFC: ADD new proviso to direct that funds appropriated and carried forward for the Higher Education Efficiency, Effectiveness, and Accountability Review by proviso 118.16 of the 2014-15 appropriation act be redirected to specific institutions for energy efficiency repair and related maintenance as follows: \$81,290 to the Citadel; \$596,066 to Clemson; \$176,755 to Charleston; \$81,842 to Coastal Carolina; \$107,372 to Francis Marion; \$55,958 to Lander; \$971,902 to USC-Columbia; \$58,922 to USC-Aiken; \$82,157 to USC-Upstate; \$23,779 to USC-Beaufort; \$81,917 to Winthrop; and \$352,825 to MUSC. Direct that these funds be used only for energy efficiency repair and related maintenance and/or other critical equipment and systems repair and maintenance. Prohibit these funds from being used for new construction and require they be matched by the institution. Direct that matching funds exclude supplemental, capital reserve, lottery, or non-recurring state funds for repair, maintenance or maintenance projects. Require institutions certify to CHE that they have met the match requirement and include the source of funds used for the match before they use the funds. Direct CHE provide a report on the use of this proviso.

SEN: ADOPT new proviso.

117.131. (GP: Energy Efficiency Repair and Related Maintenance) The following funds appropriated by proviso 118.16 of Act 286 of 2014 for the Higher Education Efficiency, Effectiveness and Accountability Review and carried forward to be used for the same purpose shall be redirected for the purpose of energy efficiency repair and related maintenance as specified herein:

(1) H09 - The Citadel	\$ 81,290;
(2) H12 - Clemson University	\$ 596,066;
(3) H15 - University of Charleston.....	\$ 176,755;
(4) H17 - Coastal Carolina University.....	\$ 81,842;
(5) H18 - Francis Marion University	\$ 107,372;
(6) H21 - Lander University.....	\$ 55,958;
(7) H27 - University of South Carolina-Columbia Campus.....	\$ 971,902;
(8) H29 - University of South Carolina-Aiken Campus	\$ 58,922;
(9) H34 - University of South Carolina-Upstate Campus	\$ 82,157;
(10) H36 - University of South Carolina-Beaufort Campus.....	\$ 23,779;
(11) H47 - Winthrop University	\$ 81,917; and
(12) H51 - Medical University of South Carolina.....	\$ 352,825.

Each institution shall use the amount identified above only for energy efficiency repair and related maintenance and/or other critical equipment and systems repair and maintenance that are necessary for the safe and efficient operation of an institution's physical plant in its support of the institution's educational purpose. In the event any portion of the funds specified above have been transferred for the Higher Education Efficiency, Effectiveness and Accountability Review, institutions shall utilize remaining funds, if any, for the purposes described in this provision.

Funds must not be used for new construction and may only be utilized by an institution to the extent the funds are matched by the institution for necessary repair and maintenance projects generally.

Matching funds exclude supplemental, capital reserve, lottery, or non-recurring state funds appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair and maintenance or deferred maintenance projects.

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, including the sources of funds utilized to meet this requirement.

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Not later than 120 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.

- 117.132 ADD** (Refugee Resettlement Program) **SEN:** ADD new proviso to prohibit state funds from being spent to assist in the US Refugee Resettlement Program unless the county council of the affected county approves the relocation. Sponsors: Sens. Bright, Peeler, S. Martin, Corbin, and Shealy.

117.132. (GP: Refugee Resettlement Program) No state funds shall be expended to assist in the United States Refugee Resettlement Program unless the county council of the county where the resettlement is to occur approves the relocation.

- 117.133 ADD** (Capital Bond Study Committee) **SEN:** ADD new proviso to establish a Capital Bond Study Committee from funds appropriated to the Senate, House of Representatives and the Governor's Office. Require committee appointments be made by July 15, 2015. Direct the committee to study capital needs of higher education institutions, including the technical college system. Direct the study to include, but not be limited to, higher education institutions capital improvement plans; long term capital bond needs; bond capacity and debt service, other related subjects; and the merits, necessity and projected costs of the plans and projects studied. Direct that findings and recommendations, including proposed legislation be submitted to JBRC by December 31, 2015, after which the committee will be dissolved. Sponsors: Sens. Peeler, Hembree, Massey, Turner, et. al.

117.133. (GP: Capital Bond Study Committee) Notwithstanding any other provision of law, (A) from the funds appropriated to the Senate, the House of Representatives and the Governor's Office, there is established a Capital Bond Study Committee. The committee shall be composed of:

(1) three members of the Senate, one member appointed by the Chairman of the Senate Finance Committee, one member appointed by the Majority Leader and one member appointed by the Minority Leader;

(2) three members of the House of Representatives, one member appointed by the Chairman of the House Ways and Means Committee, one member appointed by the Majority Leader and one member appointed by the Minority Leader; and

(3) three members appointed by the Governor.

All appointments shall be made not later than July 15, 2015. The committee must be staffed by the staff of the Senate, the House of Representatives and the Governor's Office. Members of the committee shall receive mileage, subsistence and per diem at the rate provided by law. The committee may elect a chairperson and other appropriate officers from its membership. The committee shall begin meeting as soon as possible to accomplish the goals set forth in this paragraph.

(B) The committee shall study the capital needs of the state's higher education institutions, including the technical college system. The study shall include, but is not limited to:

(1) capital improvement plans of higher education institutions;

(2) long term capital bond needs;

(3) bond capacity and debt service;

(4) other related subjects that may serve to inform the General Assembly and the Governor as determined by the committee; and

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(5) the merits, necessity and projected costs of each of the capital improvement plans and projects it studies and prepare recommendations addressing the priority of the projects for future funding.

(C) The committee may solicit information from any person or entity it deems relevant to its study. The committee must make a report of its findings and recommendations, including proposed legislation, to the Joint Bond Review Committee by December 31, 2015, at which time the study committee shall be dissolved.

- 117.134 ADD** (Family Planning Funds) **SEN:** ADD new proviso to direct that federal and state family planning funds be awarded to eligible individual, organizations, or entities that apply to be family planning contractors in a specific descending priority order. Direct that these funds must be distributed in compliance with federal law to ensure they are distributed so that access to family planning services is not severely limited or eliminated in any region of the state. Require any state entity that distributes family planning funds to submit an annual report to the General Assembly that lists contracts with nonpublic entities that provide family planning services but that do not provide comprehensive primary and preventive health services and the amount of funds they received. Require the report provide a detailed explanation on how it was determined there were insufficient eligible contractors meeting other criteria to provide family planning services in those regions of the state. Sponsor: Sen Bright.

117.134. (GP: Family Planning Funds) (A) Notwithstanding any other law, federal family planning funds and state family planning funds shall be awarded to eligible individuals, organizations, or entities applying to be family planning contractors in the following order of descending priority:

(1) public entities that provide family planning services, including state, county, and local community health clinics and federally qualified health centers;

(2) nonpublic entities that provide comprehensive primary and preventive health services, as described in 42 U.S.C. 254b(b)(1)(A), in addition to family planning services; and

(3) nonpublic entities that provide family planning services but do not provide comprehensive primary and preventive health services.

(B) Family planning funds must be distributed in compliance with federal law to ensure distribution in a manner that does not severely limit or eliminate access to family planning services in any region of the State.

(C) Any department, agency, board, commission, office, or other instrumentality of the State that distributes family planning funds shall submit an annual report to the General Assembly listing any family planning contractors that fall under item (A)(3), and the amount of federal or state family planning funds they received. The report shall provide a detailed explanation of how it was determined that there were an insufficient number of eligible individuals, organizations, or entities in items (A)(1) and (A)(2) to prevent a significant reduction in family planning services in each region of the State where (A)(3) contractors are located.

- 117.135 ADD** (Study Committee on Homeowners Associations) **SEN:** ADD new proviso to create a Study Committee on Homeowners Associations to review law, policies, practices, and procedures on homeowners associations in this State and other jurisdictions and to make recommendations on statutory law proposals to the General Assembly by December 31, 2015, after which the study committee must be dissolved. Sponsor: Sen. Rankin.

117.135. (GP: Study Committee on Homeowners Associations) (A) In the current fiscal year, and from the funds appropriated to the Senate and the House of Representatives, there is created the Study Committee on Homeowners Associations to review laws, policies, practices,

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and procedures regarding homeowners associations in this State and other jurisdictions, and to make recommendations to the General Assembly regarding proposals for South Carolina's statutory law. The study committee shall review information, including, but not limited to, case law, statutes, uniform laws, and other information from South Carolina and other jurisdictions concerning homeowners associations. Specifically, the study committee is authorized, but not limited to, reporting on the following issues:

- (1) disclosure of governing documents to prospective buyers;
- (2) education for homeowners and board members;
- (3) manager certification or licensing;
- (4) time period for developer control of an association; and
- (5) need for a comprehensive or uniform planned community act.

(B) The study committee must be composed of thirteen members:

(1) two members of the Senate, appointed by the Chairman of the Senate Judiciary Committee;

(2) two members of the House of Representatives, appointed by the Chairman of the House Labor, Commerce and Industry Committee;

(3) the following members jointly selected by the Chairman of the Senate Judiciary Committee and Chairman of the House Labor, Commerce and Industry Committee:

(a) three property owners who are:

(i) required to be members of a homeowners association due to owning property in the homeowners association; and

(ii) governed by a homeowners association board;

(b) two lawyers, one representing homeowners associations and boards and the other representing homeowners;

(c) two managers, one in favor of certification or licensing and one opposed to certification or licensing;

(d) one realtor;

(e) one home builder or developer; and

(4) the administrator for the Department of Consumer Affairs and the Director for the Department of Labor, Licensing and Regulations, or their designees, serving ex officio.

(C) Vacancies in the study committee's membership must be filled in the same manner of original appointment.

(D) The Chairmen of the Senate Judiciary Committee and House Labor, Commerce and Industry Committee shall provide appropriate staffing for the study committee.

(E) The study committee shall make a report of its recommendations to the General Assembly by December 31, 2015, at which time the study committee must be dissolved.

117.136 ADD (Wildlife Management Areas) HOU2: AMEND House version to ADD new proviso to direct that 50% of the funds collected by the Conservation Bank shall be transferred to DNR for operation and management of the Wildlife Management Areas and authorize DNR to carry forward these funds to be used for the same purpose. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire. *Note: Proviso 117.128 in House2 version.*

117.136. (GP: Wildlife Management Areas) Of the funds collected by the South Carolina Conservation Bank, 50% shall be transferred to the Department of Natural Resources for operation and management of the Wildlife Management Areas. The Department of Natural Resources shall carry forward these funds to be used for the same purpose.

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117.137 ADD (Grant Funds) HOU2: AMEND House version to ADD new proviso to authorize the funds granted to the Fountain Inn Kiwanis Club in a prior fiscal year to be used by its successor entity for a like purpose. Sponsor: Rep. G.R Smith. *Note: Proviso 117.130 in House2 version.*

117.137. (GP: Grant Funds) Funds granted to the Fountain Inn Kiwanis Club in a prior fiscal year may be used for a like purpose by its successor entity.

SECTION 118 - X91-STATEWIDE REVENUE

118.14 AMEND NEW PROVISO FURTHER (Non-Recurring Revenue) WMC: ADD new proviso to appropriate \$48,809,043 of non-recurring revenue for FY 2015-16 generated from FY 2013-143 Contingency Reserve Fund, FY 2014-15 unobligated general fund revenue certified by the BEA, and the Litigation Recovery Account. Appropriate funds to various agencies for specific purposes. Authorize these funds to be carried forward and used for the same purposes.

HOU: AMEND new proviso to change Litigation Recovery Account revenue from \$19,280,467 to \$27,802,168 and to add \$49,500,000 from the Unclaimed Property Fund. Change allocation of funds for specific agencies and entities. Direct the DOA Executive Budget Office to review all S.C. State University outstanding vendor debt to determine the vendors whose accounts have been outstanding the longest and use the \$4,000,000 appropriated for Vendor Debt to settle the outstanding debt that would be most advantageous to the university. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

HOU2: AMEND House version to AMEND FURTHER to change Litigation Recovery Account revenue from “\$27,802,168” to “\$28,338,385” and change allocation of funds for specific agencies and entities. Amend SC State University Vendor Debt provision (17.1) to direct that in order to access the \$4,000,000 appropriated for this purpose, the SC State University Interim Board of Trustees must submit its recommended vendor debt payments to DOA, Executive Budget Office and upon receipt of the recommendation EBO shall review the submitted documentation and if satisfactory, proceed with payment of the debt. Add item (48.1) to direct that of the \$500,000 appropriated for Transitioning Military Assistance Programs, the Adjutant General shall provide \$350,000 to the Technical College of the Lowcountry for the Transitioning Military Training Program and \$150,000 to the Transitional Workforce Education Assistance Collaborative. Direct that both programs provide, at a minimum, aviation related training to former and transitioning military members who are preparing for a job in the private sector or to assist them refine the skills they gained through military service to match job market demands. Amend Further to direct that any items funded in the total amount of \$1 in this provision shall lapse to the general fund. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

118.14. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:

(1) \$19,740,576 from Fiscal Year 2013-14 Contingency Reserve Fund;

(2) \$19,280,467 from Fiscal Year 2014-15 unobligated general fund revenue as certified by the Board of Economic Advisors;

(3) \$28,338,385 from the Litigation Recovery Account; and

(4) \$49,500,000 from Fiscal Year 2015-16 non-recurring contribution from the Unclaimed Property Fund.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2015-16 after September 1, 2015, following the Comptroller General’s close of the state’s books on Fiscal Year 2014-15.

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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 2014-15 and shall be available for use in 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, 2015, for the purposes stated:

<u>(1) General Reserve Fund Contribution</u>	<u>\$</u>	<u>8,140,680</u>
<u>(2) X22 - Local Government Fund</u>		
<u>Local Government Fund - Counties.....</u>	<u>\$</u>	<u>10,409,750</u>
<u>(3) X22 - Local Government Fund</u>		
<u>Local Government Fund - Municipalities.....</u>	<u>\$</u>	<u>2,090,250</u>
<u>(4) H63 - Department of Education</u>		
<u>(a) Instructional Materials.....</u>	<u>\$</u>	<u>14,508,278</u>
<u>(b) Secure Vendor for Teacher Evaluation System</u>	<u>\$</u>	<u>3,000,000</u>
<u>(c) GSAH Facilities Management</u>	<u>\$</u>	<u>275,000</u>
<u>(5) A85 - Education Oversight Committee</u>		
<u>Reach Out and Read.....</u>	<u>\$</u>	<u>500,000</u>
<u>(6) H71 - Wil Lou Gray Opportunity School</u>		
<u>Campus Infrastructure Improvements</u>	<u>\$</u>	<u>300,000</u>
<u>(7) H75 - School for the Deaf and the Blind</u>		
<u>(a) School Buses.....</u>	<u>\$</u>	<u>250,000</u>
<u>(b) Thackston Hall Roof Replacement</u>	<u>\$</u>	<u>500,000</u>
<u>(8) H03 - Commission on Higher Education</u>		
<u>(a) University Center of Greenville.....</u>	<u>\$</u>	<u>250,000</u>
<u>(b) Need-Based Grants.....</u>	<u>\$</u>	<u>1</u>
<u>(9) H09 - The Citadel</u>		
<u>Riley Initiative in Government and Public Policy.....</u>	<u>\$</u>	<u>250,000</u>
<u>(10) H15 - University of Charleston</u>		
<u>Avery Center.....</u>	<u>\$</u>	<u>1</u>
<u>(11) H18 - Francis Marion University</u>		
<u>Business/Education School Building.....</u>	<u>\$</u>	<u>100,000</u>
<u>(12) H21 - Lander University</u>		
<u>Repair and Replace Science and Math Equipment (STEM)</u>	<u>\$</u>	<u>500,000</u>
<u>(13) H36 - USC - Beaufort Campus</u>		
<u>Hilton Head Gateway Campus Classroom Building.....</u>	<u>\$</u>	<u>100,000</u>
<u>(14) H39 - USC - Sumter Campus</u>		
<u>Science Building Renovations.....</u>	<u>\$</u>	<u>500,000</u>
<u>(15) H40 - USC-Union Campus</u>		
<u>Success Building.....</u>	<u>\$</u>	<u>67,000</u>
<u>(16) H47 - Winthrop University</u>		
<u>(a) Library.....</u>	<u>\$</u>	<u>100,000</u>
<u>(b) Academic Success Center</u>	<u>\$</u>	<u>1</u>
<u>(17) D50 - Department of Administration</u>		
<u>South Carolina State University Vendor Debt.....</u>	<u>\$</u>	<u>4,000,000</u>

(17.1) To access the funds appropriated above in the item (17) for South Carolina State University Vendor Debt, the South Carolina State University Interim Board of Trustees shall submit its recommended vendor debt payments to the Department of Administration, Executive

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Budget Office for payment. Upon receipt of the recommendation, the Executive Budget Office shall review the documentation submitted and, if satisfactory, shall proceed with payment of the debt.

<u>(18) H59 - State Board for Technical and Comprehensive Education</u>	
<u>(a) Ready SC</u>	<u>\$ 5,014,881</u>
<u>(b) Manufacturing, STEM, and Healthcare Equipment</u>	<u>\$ 2,000,000</u>
<u>(c) Workforce Pathways Infrastructure Development</u>	<u>\$ 500,000</u>
<u>(d) Greenville Technical College - Center for Manufacturing and Innovation Building</u>	<u>\$ 500,000</u>
<u>(e) Florence-Darlington Technical College - Academic and Workforce Development Building</u>	<u>\$ 500,000</u>
<u>(f) Central Carolina Technical College - Workforce Center</u>	<u>\$ 500,000</u>
<u>(g) Williamsburg Technical College Electrical Technology/ MCSC Lab Renovations</u>	<u>\$ 628,000</u>
<u>(h) Northeastern Technical College - Workforce Training Equipment</u>	<u>\$ 300,000</u>
<u>(i) Aiken Technical College - Advanced Manufacturing and Industrial Equipment</u>	<u>\$ 1</u>
<u>(j) Midlands Technical College - QuickJobs: MTC Center Rapid Employment</u>	<u>\$ 1</u>
<u>(k) Spartanburg Community College - Composite Manufacturing Training Center</u>	<u>\$ 1</u>
<u>(l) Bridge Tech STEM</u>	<u>\$ 65,000</u>
<u>(19) H79 - Department of Archives and History</u>	
<u>(a) Restoration and Repurposing of Fireproof Building</u>	<u>\$ 1,500,000</u>
<u>(b) Kings Mountain - Fort Thicketty Historic Restoration</u>	<u>\$ 1</u>
<u>(c) Historic Heyward House</u>	<u>\$ 100,000</u>
<u>(d) Architectural Heritage Preservation</u>	<u>\$ 250,000</u>
<u>(20) H91 - Arts Commission</u>	
<u>(a) Auntie Karen Foundation - Education Through Arts Curriculum</u>	<u>\$ 1</u>
<u>(b) Orangeburg County Fine Arts Center (Requires 2:1 Match)</u>	<u>\$ 1</u>
<u>(21) H95 - State Museum</u>	
<u>Security System Upgrade</u>	<u>\$ 100,000</u>
<u>(22) H96 - Confederate Relic Room & Military Museum Commission</u>	
<u>C.A. Huey Collection</u>	<u>\$ 390,198</u>
<u>(23) J02 - Department of Health and Human Services</u>	
<u>(a) Medicaid Eligibility System Replacement</u>	<u>\$ 2,689,449</u>
<u>(b) Medical Contracts</u>	<u>\$ 1,700,000</u>
<u>(c) International Classification of Diseases (ICD-10)</u>	<u>\$ 561,828</u>
<u>(d) Osprey Village</u>	<u>\$ 200,000</u>
<u>(e) Family Solutions of the Low Country- Low Country Healthy Start - Expand Home Visitation Program</u>	<u>\$ 1</u>
<u>(f) Healthy Learners - Greenwood Program</u>	<u>\$ 1</u>
<u>(24) J04 - Department of Health and Environmental Control</u>	
<u>(a) Water Quality</u>	<u>\$ 5,000,000</u>
<u>(b) Criminal Domestic Violence (SCCADVASA)</u>	<u>\$ 500,000</u>
<u>(c) Best Chance/Colon Cancer Networks</u>	<u>\$ 250,000</u>
<u>(d) J.R. Clark Sickie Cell Foundation</u>	<u>\$ 100,000</u>

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<i>(e) Bleeding Disorders Premium Assistance Program</i>	\$ 100,000
<i>(f) National Kidney Foundation</i>	\$ 100,000
<i>(g) Donate Life - Organ Donor Registry</i>	\$ 100,000
<i>(h) Wateree Community Action Committee (Requires 1:1 Match)</i>	\$ 1
<i>(i) Indoor Aquatic and Community Center - Richland County (Requires 2:1 Match)</i>	\$ 1
<i>(j) Real MAD - Real Men Against Domestic Violence</i>	\$ 1
<i>(k) City of North Myrtle Beach - Ocean Water Quality Outfall Initiative</i>	\$ 250,000
<i>(25) J12 - Department of Mental Health</i>	
<i>(a) Replacement of Patient Transportation Vehicles</i>	\$ 349,127
<i>(b) Inpatient Electronic Medical Records</i>	\$ 2,743,451
<i>(c) Information Network Security Required Improvements</i>	\$ 250,000
<i>(d) NAMI - LE Mental Health Center</i>	\$ 250,000
<i>(e) Community Housing MHA-SC</i>	\$ 1
<i>(f) Waccamaw Mental Health Center - Youth in Transition Program</i>	\$ 1
<i>(g) Columbia Area Mental Health Center Relocation (Requires 2:1 Match)</i>	\$ 1
<i>(h) Lander Equestrian Center for Mental Health Treatment</i>	\$ 300,000
<i>(26) J16 - Department of Disabilities and Special Needs</i>	
<i>(a) Autism Services</i>	\$ 1,500,000
<i>(b) Special Family Resource</i>	\$ 15,000
<i>(c) Savannah's Playground</i>	\$ 100,000
<i>(d) Autism Services - Greenwood Genetics Center</i>	\$ 1
<i>(27) J20 - Department of Alcohol and Other Drug Abuse Services</i>	
<i>Act 301 Behavioral Health Services</i>	\$ 1,500,000
<i>(28) L04 - Department of Social Services</i>	
<i>(a) Information Security and Technology Infrastructure</i>	\$ 872,029
<i>(b) Child Endangerment Risk Management System</i>	\$ 400,237
<i>(c) Epworth Children's Home</i>	\$ 100,000
<i>(d) Antioch Senior Center</i>	\$ 150,000
<i>(e) CR Neal Center</i>	\$ 100,000
<i>(f) Phillis Wheatley Center - Let's Move Summer Camp and After School Program</i>	\$ 1
<i>(g) Pleasant Valley Connection Community Center</i>	\$ 1
<i>(h) Donaldson Revitalization Group Center - Homeless Adults Transition Services</i>	\$ 1
<i>(i) United Center for Community Care - Greenwood County</i>	\$ 1
<i>(29) P12 - Forestry Commission</i>	
<i>Firefighting Equipment</i>	\$ 500,000
<i>(30) P24 - Department of Natural Resources</i>	
<i>(a) Law Enforcement Vehicles for New Officers</i>	\$ 150,000
<i>(b) Surface Water Modeling Phase III</i>	\$ 700,000
<i>(31) P28 - Department of Parks, Recreation and Tourism</i>	
<i>(a) Sports Development Marketing Program</i>	\$ 875,000
<i>(b) Undiscovered SC</i>	\$ 500,000
<i>(c) Newberry Opera House</i>	\$ 25,000
<i>(d) Palmetto Conservation Foundation - Palmetto Trail</i>	\$ 150,000

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<i>(e) Columbia Museum of Art.....</i>	<i>\$ 200,000</i>
<i>(f) Hunting Island State Park Cabin Repairs</i>	<i>\$ 50,000</i>
<i>(g) Medal of Honor Museum.....</i>	<i>\$ 1,000,000</i>
<i>(h) African-American History Museum.....</i>	<i>\$ 250,000</i>
<i>(i) Township Auditorium</i>	<i>\$ 250,000</i>
<i>(j) Manning Avenue/Wilder School Area Green Space Initiative.....</i>	<i>\$ 250,000</i>
<i>(k) Inman City Market.....</i>	<i>\$ 100,000</i>
<i>(l) Parks and Recreation Development Fund.....</i>	<i>\$ 1</i>
<i>(m) Upstate 9/11 Memorial (Requires 2:1 Match).....</i>	<i>\$ 1</i>
<i>(n) Mountain Lakes Destination Promotion and Historic Preservation (Requires 2:1 Match).....</i>	<i>\$ 1</i>
<i>(o) Woodrow Wilson Home - National Marketing.....</i>	<i>\$ 1</i>
<i>(p) City of Sumter Green Space Initiative (Requires 1:1 Match).....</i>	<i>\$ 1</i>
<i>(q) Calhoun County Renovation of Former John Ford Middle/High School for Community Center (Requires 2:1 Match)</i>	<i>\$ 1</i>
<i>(r) Spartanburg City Park Project.....</i>	<i>\$ 1</i>
<i>(s) City of Conway - Renovation of Horry County Museum for Multi-Purpose Space (3:1 Match)</i>	<i>\$ 1</i>
<i>(32) P32 - Department of Commerce</i>	
<i>(a) Military Base Task Force</i>	<i>\$ 750,000</i>
<i>(b) Rock Hill Knowledge Park (Requires 2:1 Match).....</i>	<i>\$ 400,000</i>
<i>(c) SC Council on Competitiveness.....</i>	<i>\$ 200,000</i>
<i>(d) Community Development Corporations Initiative.....</i>	<i>\$ 50,000</i>
<i>(e) IT-ology - Coursepower Project.....</i>	<i>\$ 200,000</i>
<i>(f) Closing Fund</i>	<i>\$ 1</i>
<i>(g) LocateSC.....</i>	<i>\$ 2,000,000</i>
<i>(h) SC Healthy Food Financing Initiative.....</i>	<i>\$ 1</i>
<i>(i) Hartsville Downtown Revitalization - Center Theater (Requires 2:1 Match)</i>	<i>\$ 1</i>
<i>(j) Marion County Economic Development.....</i>	<i>\$ 1</i>
<i>(k) Williamsburg County Economic Development.....</i>	<i>\$ 1</i>
<i>(l) Richland County Economic Development</i>	<i>\$ 1</i>
<i>(33) B04 - Judicial Department</i>	
<i>Digital Recorders - Phase II.....</i>	<i>\$ 450,000</i>
<i>(34) E23 - Commission on Indigent Defense</i>	
<i>Information Technology and Security Infrastructure</i>	<i>\$ 100,000</i>
<i>(35) D10 - State Law Enforcement Division</i>	
<i>(a) Investigative Personnel Operating Expenses</i>	<i>\$ 375,120</i>
<i>(b) Alcohol Enforcement Personnel Operating Expenses</i>	<i>\$ 159,480</i>
<i>(c) Insurance Fraud Investigators Operating Expenses</i>	<i>\$ 212,640</i>
<i>(d) Technology Equipment/Software.....</i>	<i>\$ 580,000</i>
<i>(e) Administrative Personnel Operating Expenses</i>	<i>\$ 9,000</i>
<i>(f) Bike Week Security Overtime Cost</i>	<i>\$ 51,000</i>
<i>(g) Forensic Personnel Operating Expenses.....</i>	<i>\$ 169,645</i>
<i>(36) K05 - Department of Public Safety</i>	
<i>(a) Bike Week Security Overtime Cost</i>	<i>\$ 169,000</i>
<i>(b) Public Safety Coordinating Council - Body Cameras</i>	<i>\$ 1</i>

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<u>(37) N20 - Law Enforcement Training Council-Criminal Justice Academy</u>	
<u>(a) Transport Vehicles.....</u>	<u>\$ 174,000</u>
<u>(b) Energy Facility Controls Replacement.....</u>	<u>\$ 209,957</u>
<u>(c) Replace Honeywell Fire Panel.....</u>	<u>\$ 140,311</u>
<u>(d) Classroom Audio/Visual Equipment.....</u>	<u>\$ 76,500</u>
<u>(e) Information Security Infrastructure.....</u>	<u>\$ 277,582</u>
<u>(f) Dormitory Water Heater</u>	<u>\$ 66,000</u>
<u>(38) N04 - Department of Corrections</u>	
<u>(a) Mental Health Remediation Plan</u>	<u>\$ 1,499,659</u>
<u>(b) Education Improvement Plan/Vocational Equipment</u>	<u>\$ 440,000</u>
<u>(39) N08 - Department of Probation, Parole and Pardon Services</u>	
<u>(a) Bike Week Security Overtime Cost</u>	<u>\$ 29,656</u>
<u>(b) Turning Leaf - Offender Education and Reentry Initiative.....</u>	<u>\$ 1</u>
<u>(40) N12 - Department of Juvenile Justice</u>	
<u>AMI Kids - Beaufort Marine Institute (Requires 1:1 Match)</u>	<u>\$ 1</u>
<u>(41) L36 - Human Affairs Commission</u>	
<u>Community Relations Councils.....</u>	<u>\$ 119,000</u>
<u>(42) R36 - Department of Labor, Licensing, and Regulation</u>	
<u>(a) State Fire Marshal: Chester County Fire Suppression</u>	<u>\$ 1</u>
<u>(b) State Fire Marshal: Fairfield County Fire Suppression</u>	<u>\$ 1</u>
<u>(43) U12 - Department of Transportation</u>	
<u>Salt Shed Infrastructure Maintenance and Construction</u>	<u>\$ 945,300</u>
<u>(44) Y14 - State Ports Authority</u>	
<u>(a) Jasper Ocean Terminal Permitting</u>	<u>\$ 1,000,000</u>
<u>(b) Port of Georgetown Dredging.....</u>	<u>\$ 250,000</u>
<u>(45) A17 - Legislative Services Systems Security.....</u>	
<u>\$ 150,000</u>	
<u>(46) E08 - Office of Secretary of State</u>	
<u>Charitable Raffle Online Filing and Reporting System.....</u>	<u>\$ 150,000</u>
<u>(47) E16 - Office of State Treasurer</u>	
<u>Securities Lending Debt.....</u>	<u>\$ 19,500,000</u>
<u>(48) E24 - Office of Adjutant General</u>	
<u>(a) Armory Repairs</u>	<u>\$ 1,500,000</u>
<u>(b) State Share Disaster Relief.....</u>	<u>\$ 300,000</u>
<u>(c) Service Member and Family Care Cost Funding.....</u>	<u>\$ 250,000</u>
<u>(d) Transitioning Military Assistance Programs.....</u>	<u>\$ 500,000</u>
<u>(48.1) Of the funds appropriated above in item (48)(d) for Transitioning Military Assistance Programs, the Office of Adjutant General shall provide \$350,000 to the Technical College of the Lowcountry for the Transitioning Military Training Program and \$150,000 to the Transitional Workforce Education Assistance Collaborative. Both programs shall, at a minimum, provide aviation related training to former and transitioning military members who are preparing for a job in the private sector workforce or shall assist the military members refine the skills they have gained through their military service to match the demands of the job market in the region.</u>	
<u>(49) R52 - State Ethics Commission</u>	
<u>New Investigative Positions Operating Expenses.....</u>	<u>\$ 25,000</u>
<u>Total.....</u>	<u>\$ 116,859,428</u>

Of the items contained within this provision, any item funded in the total amount of \$1 shall lapse to the general fund on the effective date of this act.

Unexpended funds appropriated pursuant to this subsection may be carried forward to succeeding fiscal years and expended for the same purposes.

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(C) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2015-16 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

SFC: AMEND FURTHER to amend source of revenue to add \$42,978,314 from FY 2014-15 Capital Reserve Fund lapse and \$100,000 from PRT unexpended funds appropriated in item (f) of the FY 2014-15 non-recurring proviso 118.16. Amend appropriations to direct \$20,413,266 be transferred to Part IA and to appropriate funds to various agencies for specific purposes. Add proviso item (24.1) to direct DHEC to use \$700,000 for the Best Chance Network and \$300,000 for matching funds for the Colon Cancer Prevention Network.

SEN: AMEND FURTHER to delete item (6) from the revenue "\$100,000 from P28, Department of Parks, Recreation and Tourism unexpended funds appropriated pursuant to proviso 118.16, item 11(f) of Act 286 of 2014." Sponsor: Sen. Fair.

AMEND FURTHER to add section (C) to direct the expenditure of unobligated FY 2014-15 General Fund surplus revenues collected above the amounts certified by the BEA and direct the Treasurer to disburse the funds by September 30, 2015 for the stated purposes. Sponsor: Sen. Leatherman.

AMEND FURTHER to add items (1) and (1.1) to provide \$250,000 to the Lt. Governor's Office for Predatory Lending Education. Direct the Office on Aging to develop a pilot program to assist seniors in improving their knowledge about finances and predatory lending practices and to provide the results of the pilot program and a recommended strategy to expand the program to other areas of the state to the Chairmen of the Senate Finance and House Ways and Means Committees by March 15, 2016. Sponsors: Sens. Jackson, O'Dell, and Setzler.

AMEND FURTHER to add items (2) and (2.1) to provide \$23,500,000 to DOA for an employee pay bonus of \$800 for each permanent full-time state employee who has been in continuous state service for at least 6 months prior to July 1, 2015 and who earns less than \$100,000. Direct that the bonus is not earnable compensation for retirement system purposes. Allow for the bonus to be reduced proportionately if the entire \$23,500,00 is not available. Add items (3) and (3.1) to provide \$4,117,162 to the Adjutant General for the 2014 Winter Storm Local Matching Funds and direct that the funds be provided to local governments to offset storm cleanup expenses resulting from the winter storm during states of emergency declared by Executive Orders 2014-06 and 2014-11. Direct that the amount reimbursed to each eligible local government shall be 25% of their Total Non-Federal Aid Share with the intent for the local government to pay at least 75%. Add item (4) to direct that after the first three items in section (C) are funded, additional unobligated revenues shall be appropriated to DOT to be distributed to County Transportation Committees who shall only use the funds for paving, rehabilitation, resurfacing and/or reconstruction, however Horry County shall be allowed to use up to \$750,000 of their allocation for the Horry-Georgetown Evacuation Route. Add Section (D) to direct that unappropriated FY 2014-15 CRF funds be used to provide \$4,249,000 for Ready SC and \$1,000,000 be distributed to the State Board for Tec and Comp Ed to various technical colleges for STEM, Mfg and Allied Health Programs and Critical Equipment. Sponsors: Sens. Sheheen, Leatherman, Peeler, Setzler, Massey, Hutto, Matthews, Bright, Jackson, and the Roll of the Senate.

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118.14. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:

- (1) \$19,740,576 from Fiscal Year 2013-14 Contingency Reserve Fund;
- (2) \$19,280,467 from Fiscal Year 2014-15 unobligated general fund revenue as certified by the Board of Economic Advisors;
- (3) \$42,978,314 from Fiscal Year 2014-2015 Capital Reserve Fund lapse.
- (4) \$27,802,168 from the Litigation Recovery Account; and
- (5) \$49,500,000 from Fiscal Year 2015-16 non-recurring contribution from the Unclaimed Property Fund.

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 2014-15 and shall be available for use in Fiscal Year 2015-16.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2015-16 after September 1, 2015, following the Comptroller General's close of the state's books on Fiscal Year 2014-15.

(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, 2015, for the purposes stated:

<u>(1) General Reserve Fund Contribution</u>	<u>\$ 8,140,680</u>
<u>(2) Transfer to Part IA</u>	<u>\$ 20,413,266</u>
<u>(3) H63 - Department of Education</u>	
<u>(a) Secure Vendor for Teacher Evaluation System</u>	<u>\$ 3,000,000</u>
<u>(b) Transition Payments</u>	<u>\$ 7,600,000</u>
<u>(c) Instructional Materials</u>	<u>\$ 19,508,278</u>
<u>(d) Governor's School for the Arts and the Humanities</u>	
<u>Facilities Management</u>	<u>\$ 275,000</u>
<u>(4) A85 - Education Oversight Committee</u>	
<u>Reach Out and Read</u>	<u>\$ 500,000</u>
<u>(5) H71 - Wil Lou Gray Opportunity School</u>	
<u>Campus Infrastructure Improvements</u>	<u>\$ 300,000</u>
<u>(6) H75 - School for the Deaf and the Blind</u>	
<u>(a) Thackston Hall Roof Replacement</u>	<u>\$ 500,000</u>
<u>(b) School Buses</u>	<u>\$ 250,000</u>
<u>(7) L12 - John de la Howe School</u>	
<u>Deferred Maintenance</u>	<u>\$ 100,000</u>
<u>(8) H79 - Department of Archives and History</u>	
<u>(a) Restoration and Repurposing of Fireproof Building</u>	
<u>(Requires 2:1 Match)</u>	<u>\$ 500,000</u>
<u>(b) Kings Mountain - Fort Thicketty - Historic Restoration</u>	<u>\$ 100,000</u>
<u>(9) H91 - Arts Commission</u>	
<u>(a) Auntie Karen Foundation - Education Through</u>	
<u>Arts Curriculum</u>	<u>\$ 50,000</u>
<u>(b) Orangeburg County Fine Arts Center</u>	
<u>(Requires 2:1 Match)</u>	<u>\$ 90,000</u>
<u>(10) H95 - State Museum</u>	
<u>Security System</u>	<u>\$ 100,000</u>

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<u>(11) H96 - Confederate Relic Room & Military Museum Commission</u>	
<u>C.A. Huey Collection.....</u>	<u>\$ 390,198</u>
<u>(12) H03 - Commission on Higher Education</u>	
<u>(a) University Center of Greenville.....</u>	<u>\$ 250,000</u>
<u>(b) Need-Based Grants.....</u>	<u>\$ 2,600,000</u>
<u>(13) H06 - Higher Education Tuition Grants</u>	
<u>Student Legislature.....</u>	<u>\$ 6,000</u>
<u>(14) H09 - The Citadel</u>	
<u>Riley Initiative in Government and Public Policy.....</u>	<u>\$ 250,000</u>
<u>(15) H15 - University of Charleston</u>	
<u>Avery Center.....</u>	<u>\$ 150,000</u>
<u>(16) H18 - Francis Marion University</u>	
<u>Business/Education School Building.....</u>	<u>\$ 1</u>
<u>(17) H21 - Lander University</u>	
<u>Repair and Replace Science and Math Equipment (STEM).....</u>	<u>\$ 1</u>
<u>(18) H36 - USC - Beaufort Campus</u>	
<u>Hilton Head Gateway Campus Classroom Building.....</u>	<u>\$ 1</u>
<u>(19) H40 - USC-Union Campus</u>	
<u>Success Building.....</u>	<u>\$ 1</u>
<u>(20) H47 - Winthrop University</u>	
<u>(a) Library.....</u>	<u>\$ 1</u>
<u>(b) Academic Success Center.....</u>	<u>\$ 50,000</u>
<u>(21) H59 - State Board for Technical and Comprehensive Education</u>	
<u>(a) Ready SC.....</u>	<u>\$ 765,881</u>
<u>(b) Manufacturing, STEM, and Healthcare Equipment.....</u>	<u>\$ 1</u>
<u>(c) Williamsburg Technical College Electrical Technology/ MCSC Lab Renovations.....</u>	<u>\$ 1</u>
<u>(d) Greenville Technical College - Bridge Tech STEM.....</u>	<u>\$ 1</u>
<u>(e) Greenville Technical College - Center for Manufacturing and Innovation Building.....</u>	<u>\$ 1</u>
<u>(f) Florence-Darlington Technical College - Academic and Workforce Development Building.....</u>	<u>\$ 1,000,000</u>
<u>(g) Central Carolina Technical College - Workforce Center.....</u>	<u>\$ 1</u>
<u>(h) Northeastern Technical College - Workforce Training Equipment.....</u>	<u>\$ 1</u>
<u>(i) Pathways to Workplace Infrastructure Development.....</u>	<u>\$ 1</u>
<u>(j) Tri-County Technical College and Central Carolina Technical College - Dual Credit Stem Program Extension.....</u>	<u>\$ 1</u>
<u>(k) LTA Tuition Assistance.....</u>	<u>\$ 2,000,000</u>
<u>(l) Aiken Technical College - Advanced Manufacturing and Industrial Equipment.....</u>	<u>\$ 1,000,000</u>
<u>(m) Midlands Technical College - QuickJobs: MTC Center Rapid Employment.....</u>	<u>\$ 1,000,000</u>
<u>(n) Spartanburg Community College - Composite Manufacturing Training Center.....</u>	<u>\$ 1,000,000</u>
<u>(22) D50 - Department of Administration</u>	
<u>South Carolina State University Vendor Debt.....</u>	<u>\$ 4,000,000</u>
<u>(22.1) Of the funds appropriated above in item 22 for South Carolina State University Vendor Debt, the Department of Administration, Executive Budget Office shall review all</u>	

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outstanding vendor debt to determine the vendors with the most aged outstanding accounts and shall utilize the \$4,000,000 to pay the accounts for which settlement of the outstanding debt would be most advantageous to the university.

<u>(23) J02 - Department of Health and Human Services</u>	
(a) Medicaid Eligibility System Replacement	\$ 2,689,449
(b) International Classification of Diseases (ICD-10).....	\$ 561,828
(c) Medical Contracts	\$ 2,000,000
(d) Osprey Village.....	\$ 200,000
(e) Family Health Solutions of the Low Country - Low Country Healthy Start	\$ 250,000
(f) Healthy Learners - Greenwood Program.....	\$ 50,000
<u>(24) J04 - Department of Health and Environmental Control</u>	
(a) J.R. Clark Sickle Cell Foundation	\$ 100,000
(b) Bleeding Disorders Premium Assistance Program	\$ 100,000
(c) National Kidney Foundation	\$ 1
(d) Criminal Domestic Violence (SCCADVASA)	\$ 500,000
(e) Water Quality	\$ 3,500,000
(f) Donate Life - Organ Donor Registry.....	\$ 100,000
(g) Best Chance/Colon Cancer Networks	\$ 1,000,000
(h) City of North Myrtle Beach - Ocean Water Quality Outfall Initiative	\$ 500,000
(i) Wateree Community Action Committee (Requires 1:1 Match)	\$ 250,000
(j) Indoor Aquatic and Community Center - Richland County (Requires 2:1 Match).....	\$ 100,000
(k) Real MAD - Real Men Against Domestic Violence	\$ 100,000
<u>(24.1) Of the funds appropriated above in subitem (24)(g), the Department of Health and Environmental Control shall utilize \$700,000 for the Best Chance Network and \$300,000 shall be used as matching funds for the Colon Cancer Prevention Network.</u>	
<u>(25) J12 - Department of Mental Health</u>	
(a) Information Network Security	\$ 250,000
(b) Community Housing MHA-SC.....	\$ 1,800,000
(c) Replacement of Patient Transportation Vehicles	\$ 349,127
(d) Inpatient Electronic Medical Records	\$ 2,743,451
(e) NAMI - Law Enforcement Mental Health Center.....	\$ 250,000
(f) Waccamaw Mental Health Center - Youth in Transition Program.....	\$ 167,000
(g) Columbia Area Mental Health Center - Relocation from Bull Street Property (Requires 2:1 Match).....	\$ 500,000
<u>(26) J16 - Department of Disabilities and Special Needs</u>	
(a) Autism Services.....	\$ 1,000,000
(b) Autism Services - Greenwood Genetics Center.....	\$ 250,000
(c) Special Family Resource	\$ 1
(d) Savannah's Playground.....	\$ 1
<u>(27) J20 - Department of Alcohol and Other Drug Abuse Services</u>	
Act 301 Behavioral Health Services	\$ 2,500,000
<u>(28) L04 - Department of Social Services</u>	
(a) Information Security and Technology Infrastructure	\$ 1,005,195
(b) County Phone System Upgrade	\$ 310,234
(c) Antioch Center.....	\$ 1

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<i>(d) CR Neal Dream Center.....</i>	<i>\$ 200,000</i>
<i>(e) Epworth Children's Home.....</i>	<i>\$ 1</i>
<i>(f) Phillis Wheatley Center - Let's Move Summer Camp and After School Program.....</i>	<i>\$ 100,000</i>
<i>(g) Pleasant Valley Connection Community Center</i>	<i>\$ 25,000</i>
<i>(h) Donaldson Revitalization Group Center - Homeless Adults Transition Services.....</i>	<i>\$ 50,000</i>
<i>(i) United Center for Community Care - Greenwood County.....</i>	<i>\$ 200,000</i>
<i>(29) X22 - Local Government Fund - State Treasurer</i>	
<i>(a) Local Government Fund - Counties</i>	<i>\$ 10,409,750</i>
<i>(b) Local Government Fund - Municipalities</i>	<i>\$ 2,090,250</i>
<i>(30) B04 - Judicial Department</i>	
<i>Digital Courtroom Recorders.....</i>	<i>\$ 450,000</i>
<i>(31) E21 - Prosecution Coordination Commission</i>	
<i>(a) SC Center for Fathers and Families.....</i>	<i>\$ 400,000</i>
<i>(b) Solicitor's Office - Transition and Truancy Program</i>	<i>\$ 76,000</i>
<i>(32) E23 - Commission on Indigent Defense</i>	
<i>Information Technology and Security Infrastructure</i>	<i>\$ 200,000</i>
<i>(33) D10 - State Law Enforcement Division</i>	
<i>(a) Technology Equipment/Software.....</i>	<i>\$ 580,000</i>
<i>(b) Investigative Personnel Operating Expenses</i>	<i>\$ 375,120</i>
<i>(c) Alcohol Enforcement Personnel Operating Expenses.....</i>	<i>\$ 159,480</i>
<i>(d) Administrative Personnel Operating Expenses</i>	<i>\$ 9,000</i>
<i>(e) Insurance Fraud Investigators Operating Expenses.....</i>	<i>\$ 106,320</i>
<i>(f) Bike Week Security Overtime Cost.....</i>	<i>\$ 51,000</i>
<i>(g) Forensic Personnel Operating Expenses.....</i>	<i>\$ 63,325</i>
<i>(h) Narcotics Personnel Operating Expenses</i>	<i>\$ 106,320</i>
<i>(34) K05 - Department of Public Safety</i>	
<i>(a) Bike Week Security Overtime Cost.....</i>	<i>\$ 169,000</i>
<i>(b) Law Enforcement Grants.....</i>	<i>\$ 60,000</i>
<i>(c) Building Access Control Security System.....</i>	<i>\$ 231,000</i>
<i>(d) Public Safety Coordinating Council - Body Cameras.....</i>	<i>\$ 1,000,000</i>
<i>(35) N20 - Law Enforcement Training Council - Criminal Justice Academy</i>	
<i>(a) Information Security Infrastructure.....</i>	<i>\$ 277,582</i>
<i>(b) Energy Facility Controls Replacement.....</i>	<i>\$ 209,957</i>
<i>(c) Fire Panel Replacement</i>	<i>\$ 140,311</i>
<i>(d) Classroom Audio/Visual Equipment.....</i>	<i>\$ 76,500</i>
<i>(e) Transport Van.....</i>	<i>\$ 24,000</i>
<i>(f) Dormitory Water Heater</i>	<i>\$ 66,000</i>
<i>(g) Access Control Security System.....</i>	<i>\$ 273,329</i>
<i>(36) N04 - Department of Corrections</i>	
<i>(a) Mental Health Remediation Plan</i>	<i>\$ 1,499,659</i>
<i>(b) Education Improvement Plan/Vocational Equipment</i>	<i>\$ 440,000</i>
<i>(c) IT Infrastructure</i>	<i>\$ 125,000</i>
<i>(37) N08 - Department of Probation, Parole and Pardon Services</i>	
<i>(a) Bike Week Security Overtime Cost.....</i>	<i>\$ 29,656</i>
<i>(b) Turning Leaf - Offender Education and Reentry Initiative.....</i>	<i>\$ 100,000</i>
<i>(38) N12 - Department of Juvenile Justice</i>	
<i>AMI Kids - Beaufort Marine Institute (Requires 1:1 Match)</i>	<i>\$ 110,000</i>

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<u>(39) P12 - Forestry Commission</u>	
<u>Firefighting Equipment.....</u>	<u>\$ 500,000</u>
<u>(40) P16 - Department of Agriculture</u>	
<u>"Certified SC" Marketing.....</u>	<u>\$ 2,000,000</u>
<u>(41) P21 - South Carolina State University-PSA</u>	
<u>Matching Funds for Federal Grants.....</u>	<u>\$ 740,555</u>
<u>(42) P24 - Department of Natural Resources</u>	
<u>(a) Surface Water Modeling Phase III - Final.....</u>	<u>\$ 700,000</u>
<u>(b) Law Enforcement Vehicles for New Officers.....</u>	<u>\$ 1</u>
<u>(c) High Resolution Elevation Data Development.....</u>	<u>\$ 500,000</u>
<u>(43) P28 - Department of Parks, Recreation and Tourism</u>	
<u>(a) Undiscovered SC.....</u>	<u>\$ 1</u>
<u>(b) Parks and Recreation Development Fund.....</u>	<u>\$ 500,000</u>
<u>(c) Sports Development Marketing Program.....</u>	<u>\$ 1</u>
<u>(d) Surfside Beach - Stormwater Master Plan.....</u>	<u>\$ 1</u>
<u>(e) Newberry Opera House.....</u>	<u>\$ 100,000</u>
<u>(f) Palmetto Conservation Foundation - Palmetto Trail.....</u>	<u>\$ 300,000</u>
<u>(g) Columbia Museum of Art.....</u>	<u>\$ 200,000</u>
<u>(h) Hunting Island State Park Cabin Repairs.....</u>	<u>\$ 1</u>
<u>(i) Medal of Honor Museum.....</u>	<u>\$ 250,000</u>
<u>(j) Upstate 9/11 Memorial (Requires 2:1 Match).....</u>	<u>\$ 200,000</u>
<u>(k) Mountain Lakes Destination Promotion and Historic Preservation (Requires 2:1 Match).....</u>	<u>\$ 100,000</u>
<u>(l) Woodrow Wilson Home - National Marketing.....</u>	<u>\$ 125,000</u>
<u>(m) City of Sumter Green Space Initiative (Requires 1:1 Match).....</u>	<u>\$ 400,000</u>
<u>(n) Calhoun County Renovation of Former John Ford Middle/High School for Community Center (Requires 2:1 Match).....</u>	<u>\$ 180,000</u>
<u>(o) Spartanburg City Park Project.....</u>	<u>\$ 300,000</u>
<u>(p) City of Conway - Renovation of Horry County Museum for Multipurpose Space (Requires 3:1 Match).....</u>	<u>\$ 250,000</u>
<u>(q) African-American History Museum.....</u>	<u>\$ 5,000,000</u>
<u>(44) P32 - Department of Commerce</u>	
<u>(a) Closing Fund.....</u>	<u>\$ 17,000,000</u>
<u>(b) Military Base Task Force.....</u>	<u>\$ 500,000</u>
<u>(c) SC Council on Competitiveness.....</u>	<u>\$ 400,000</u>
<u>(d) Rock Hill Knowledge Park (Requires 2:1 Match).....</u>	<u>\$ 400,000</u>
<u>(e) Community Development Corporations Initiative.....</u>	<u>\$ 100,000</u>
<u>(f) IT-ology - Coursepower Project.....</u>	<u>\$ 200,000</u>
<u>(g) LocateSC.....</u>	<u>\$ 3,000,000</u>
<u>(h) SC Healthy Food Financing Initiative.....</u>	<u>\$ 250,000</u>
<u>(i) Hartsville Downtown Revitalization - Center Theater (Requires 2:1 Match).....</u>	<u>\$ 500,000</u>
<u>(j) Marion County Economic Development.....</u>	<u>\$ 250,000</u>
<u>(k) Williamsburg County Economic Development.....</u>	<u>\$ 100,000</u>
<u>(l) Richland County Economic Development.....</u>	<u>\$ 100,000</u>
<u>(45) P45 - Rural Infrastructure Authority</u>	
<u>Rural Infrastructure.....</u>	<u>\$ 2,000,000</u>

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<u>(46) R36 - Department of Labor, Licensing and Regulation</u>	
<u>(a) State Fire Marshal: Chester County - Countywide</u>	
<u>Fire Suppression</u>	<u>\$ 100,000</u>
<u>(b) State Fire Marshal: Fairfield County - Countywide</u>	
<u>Fire Suppression</u>	<u>\$ 100,000</u>
<u>(c) Wind and Seismic Residential Building Requirements</u>	
<u>Study.....</u>	<u>\$ 40,000</u>
<u>(47) Y14 - State Ports Authority</u>	
<u>Jasper Ocean Terminal Permitting.....</u>	<u>\$ 1,000,000</u>
<u>(48) L36 - Human Affairs Commission</u>	
<u>Community Relations Councils.....</u>	<u>\$ 119,000</u>
<u>(49) U12 - Department of Transportation</u>	
<u>Highway 17 Corridor Study.....</u>	<u>\$ 25,000</u>
<u>(50) A15 - Codification of Laws and Legislative Council</u>	
<u>Dues \$ 50,000</u>	
<u>(51) A17 - Legislative Services</u>	
<u>Systems Security.....</u>	<u>\$ 500,000</u>
<u>(52) E08 - Office of Secretary of State</u>	
<u>(a) Charitable Raffle Online Filing and Reporting System.....</u>	<u>\$ 150,000</u>
<u>(b) Information Technology Security and Disaster Recovery.....</u>	<u>\$ 56,800</u>
<u>(53) E24 - Office of Adjutant General</u>	
<u>(a) Armory Maintenance</u>	<u>\$ 1</u>
<u>(b) State Share Disaster Relief.....</u>	<u>\$ 300,000</u>
<u>(c) Service Member and Family Care Cost Funding.....</u>	<u>\$ 250,000</u>
<u>(d) State Active Duty Log Packs.....</u>	<u>\$ 25,000</u>
<u>(54) R52 - State Ethics Commission</u>	
<u>(a) New Investigative Positions Operating Expenses.....</u>	<u>\$ 25,000</u>
<u>(b) New Auditor Position Operating Expenses</u>	<u>\$ 5,000</u>
<u>(c) Office Security</u>	<u>\$ 11,000</u>
<u>Total.....</u>	<u>\$ 159,401,525</u>

Unexpended funds appropriated pursuant to this subsection may be carried forward to succeeding fiscal years and expended for the same purposes.

(C) The source of revenue appropriated in subsection (C) is unobligated Fiscal Year 2014-15 General Fund surplus revenues collected above the amounts certified by the Board of Economic Advisors. The appropriations 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, 2015, for the purposes stated:

<u>(1) E04 - Lieutenant Governor's Office</u>	
<u>(a) Predatory Lending Education</u>	<u>\$ 250,000</u>

(1.1) Of the funds appropriated above in item (1) for Predatory Lending Education, the Office on Aging shall develop a pilot program to assist seniors in improving their knowledge about finances and education about predatory lending practices. The pilot shall include an assessment of the financial health of seniors in the pilot area which must be used to identify strategies to address the major concerns found through the assessment. The strategies should include, but are not limited to, the means of building awareness of senior financial resources. The Office on Aging shall provide the results of the pilot, as well as a recommended strategy for

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any expansion other areas of the State, to the Chairmen of the Senate Finance Committee and the House Ways & Means Committee no later than March 15, 2016.

(2) D50- Department of Administration

Employee Pay Bonus \$ 23,500,000

(2.1) From the funds appropriated above in item (2), effective on the first pay date that occurs on or after the date the funds become available, the Department of Administration shall allocate to state agencies \$23,500,000 to provide for a one-time lump sum bonus. Each permanent state employee, in a full-time equivalent position, who has been in continuous state service for at least six months prior to July 1, 2015, and who earns less than \$100,000 shall receive a \$800 one-time lump sum payment. This payment is not a part of the state employee's base salary and is not earnable compensation for purposes of employer or employee contributions to respective retirement systems. This appropriation may be used for payments to employees only in the same ratio as the employee's base salary is paid from appropriated sources and the employing agency shall pay the bonus for federal and other funded full-time equivalent positions employees from federal or other funds available to the agency in the proportion that such funds are the source of the employee's salary. The earnings limit in Proviso 117.55 does not apply to this bonus. If only a portion of the \$23,500,000 becomes available, then the one-time lump sum payment to each qualified employee must be reduced proportionately.

(3) E24 - Office of Adjutant General

Emergency Management Division - 2014 Winter Storm

Local Matching Funds..... \$ 4,117,162

(3.1) From the funds appropriated above in item (3) for 2014 Winter Storm Local Matching Funds, local governments shall receive allocations to offset storm cleanup expenses resulting from the winter storms during states of emergency declared by Executive Orders 2014-06 and 2014-11. Expenses eligible for reimbursement are those incurred by county and municipal governments and deemed eligible for reimbursement by the Federal Emergency Management Agency (FEMA), but were not reimbursed due to local match requirements. The amount reimbursed to each eligible local government shall be 25% of their Total Non-Federal Aid Share. The intent of the General Assembly is for the local government to pay at least 75% of the Total Non-Federal Aid Share.

(4) After items (1), (2), and (3) in Section (C) are funded, any additional unobligated Fiscal Year 2014-15 General Fund surplus revenues collected above the amounts certified by the Board of Economic Advisors shall be appropriated to the Department of Transportation to be distributed pursuant to Section 12-28-2740 of the 1976 Code. County Transportation Committees shall only utilize the funds distributed pursuant to this proviso for paving, rehabilitation, resurfacing and/or reconstruction except that Horry County may use up to \$750,000 of the allocation to Horry County for the Horry-Georgetown Evacuation Route.

(D) Any funds unappropriated from the FY 2014-15 Capital Reserve Fund shall be used to fund the following items and the remaining balance shall be transferred to the Contingency Reserve Fund:

(1) H59 - State Board for Technical and Comprehensive Education

Ready SC..... \$ 4,249,000

(2) H59 - State Board for Technical and Comprehensive Education

Aiken Technical College - STEM, Manufacturing and

Allied Health Programs and Critical Equipment..... \$ 54,145

(3) H59 - State Board for Technical and Comprehensive Education

Central Carolina Technical College - STEM, Manufacturing

and Allied Health Programs and Critical Equipment..... \$ 39,605

(4) H59 - State Board for Technical and Comprehensive Education

Denmark Technical College - STEM, Manufacturing and

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	<u>Allied Health Programs and Critical Equipment</u>	<u>\$ 25,418</u>
(5)	<u>H59 - State Board for Technical and Comprehensive Education Florence-Darlington Technical College STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 56,187</u>
(6)	<u>H59 - State Board for Technical and Comprehensive Education Greenville Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 85,867</u>
(7)	<u>H59 - State Board for Technical and Comprehensive Education Horry-Georgetown Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 103,972</u>
(8)	<u>H59 - State Board for Technical and Comprehensive Education Midlands Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 80,181</u>
(9)	<u>H59 - State Board for Technical and Comprehensive Education Northeastern Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 113,215</u>
(10)	<u>H59 - State Board for Technical and Comprehensive Education Orangeburg-Calhoun Technical College STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 26,329</u>
(11)	<u>H59 - State Board for Technical and Comprehensive Education Piedmont Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 90,493</u>
(12)	<u>H59 - State Board for Technical and Comprehensive Education Spartanburg Community College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 103,805</u>
(13)	<u>H59 - State Board for Technical and Comprehensive Education Technical College of the Lowcountry - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 34,240</u>
(14)	<u>H59 - State Board for Technical and Comprehensive Education Tri-County Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 43,525</u>
(15)	<u>H59 - State Board for Technical and Comprehensive Education Trident Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 88,933</u>
(16)	<u>H59 - State Board for Technical and Comprehensive Education Williamsburg Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 12,073</u>
(17)	<u>H59 - State Board for Technical and Comprehensive Education York Technical College - STEM, Manufacturing and Allied Health Programs and Critical Equipment</u>	<u>\$ 42,012</u>

(E) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds

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remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2015-16 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

- 118.15 AMEND NEW PROVISO FURTHER** (Transportation Infrastructure Bond) **WMC:** ADD new proviso to direct the Department of Revenue to transfer \$50,000,000 of Vehicle Sales Tax revenues currently in the general fund to the Department of Transportation and direct DOT to transfer \$50,000,000 from nontax sources to the SC Transportation Infrastructure Bank to leverage approximately \$500,000,000 in bonds for surface infrastructure improvements. Direct that the transferred funds must be used only to finance bridge replacement, resurfacing and rehabilitation projects, and expansion and improvements to existing mainline interstates. Require DOT to develop a list of bridge and road projects and submit the list to the bank for its consideration. Direct that the transferred funds may not be used for projects the bank approved prior to July 1, 2015. Require the bank submit all projects they propose to use this financing for to JBRC for approval before financing any project.
- HOU:** AMEND new proviso to direct the before submitting the list of projects to JBRC, the Infrastructure Bank Board must be reconfigured to consist of 13 voting directors and provide for the appointment of the directors. Direct that the directors serve at the pleasure of the appointing authority and direct that the Governor designate which DOT commission member serve as chairman. Sponsor: Rep. Putnam.
- HOU2:** AMEND House version to direct DOT to hold the \$50,000,000 in a separate and distinct account until a law has been enacted to authorize the dedication and transfer of recurring Vehicle Sales Tax revenues to the Transportation Infrastructure Bank for bonding purposes. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

118.15. (SR: Transportation Infrastructure Bond) From the Vehicle Sales Tax revenues currently in the general fund, the Department of Revenue shall transfer \$50,000,000 to the Department of Transportation. The Department of Transportation shall hold the \$50,000,000 in a separate and distinct account until a law has been enacted to authorize the dedication and transfer of recurring Vehicle Sales Tax revenues to the South Carolina Transportation Infrastructure Bank for the purposes of bonding. Upon enactment of enabling legislation, the Department of Transportation shall transfer \$50,000,000 from nontax sources to the South Carolina Transportation Infrastructure Bank to be utilized to leverage approximately \$500,000,000 in bonds for surface infrastructure improvements. The transferred funds must be used solely by the bank to finance bridge replacement, resurfacing and rehabilitation projects, and expansion and improvements to existing mainline interstates. The Department of Transportation shall develop and submit a list of bridge and road projects to the bank for its consideration. Transferred funds may not be used for projects approved by the bank prior to July 1, 2015. The bank shall submit all projects proposed to be financed through this provision to the Joint Bond Review Committee for approval prior to financing any proposed project. Prior to submitting the list of projects to the Joint Bond Review Committee, the Infrastructure Bank Board must be reconfigured to consist of thirteen voting directors as follows: the seven members of the Commission of the Department of Transportation that represent a transportation district, ex officio; two directors appointed by the Speaker of the House of Representatives; one member of the House of Representatives appointed by the Speaker, ex officio; two directors appointed by the President Pro Tempore of the Senate; and one member of the Senate appointed by the President Pro Tempore of the Senate, ex officio. All directors serve at the pleasure of the appointing authority. The Governor shall designate which member of the Commission of the Department of Transportation shall serve as chairman.

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SFC: AMEND new proviso to delete the SIB restructuring requirement.

SEN: ADOPT new proviso as amended.

118.15. (SR: Transportation Infrastructure Bond) From the Vehicle Sales Tax revenues currently in the general fund, the Department of Revenue shall transfer \$50,000,000 to the Department of Transportation. The Department of Transportation shall transfer \$50,000,000 from nontax sources to the South Carolina Transportation Infrastructure Bank to be utilized to leverage approximately \$500,000,000 in bonds for surface infrastructure improvements. The transferred funds must be used solely by the bank to finance bridge replacement, resurfacing and rehabilitation projects, and expansion and improvements to existing mainline interstates. The Department of Transportation shall develop and submit a list of bridge and road projects to the bank for its consideration. Transferred funds may not be used for projects approved by the bank prior to July 1, 2015. The bank shall submit all projects proposed to be financed through this provision to the Joint Bond Review Committee for approval prior to financing any proposed project.

- 118.16 ADD** (Transfer to York County School District Three) **SFC:** ADD new proviso to direct that \$500,000 of the revenue deposited into the general fund pursuant to Section 27-16-110 [CATAWBA INDIAN CLAIMS SETTLEMENT ACT; BINGO] be transferred to York County School District Three.
SEN: ADOPT new proviso.

118.16. (SR: Transfer to York County School District Three) By January 1, 2016, from the revenue generated pursuant to Section 27-16-110 of the 1976 Code and deposited into the general fund, the State Treasurer shall transfer \$500,000 to York County School District Three.