

**REPORT OF THE  
ECONOMIC DEVELOPMENT,  
CAPITAL IMPROVEMENT &  
OTHER TAXES SUBCOMMITTEE**

(Loftis, Cobb-Hunter, Stavrinakis, Hardwick & Lowe - Staff Contact: AJ Newton)

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**HOUSE BILL 4145**

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H. 4145 -- Reps. White, Clemmons, Goldfinch, Yow, W.J. McLeod, Horne, Murphy, Erickson, Duckworth, Gagnon, Gambrell, Hardwick, Jordan, Long, Lowe, Pitts, Sandifer, Thayer and Willis: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 15 TO CHAPTER 1, TITLE 13 SO AS TO CREATE THE COORDINATING COUNCIL FOR WORKFORCE DEVELOPMENT, TO DEVELOP A COMPREHENSIVE PLAN FOR WORKFORCE TRAINING AND EDUCATION UNDER THE COORDINATING COUNCIL FOR WORKFORCE DEVELOPMENT, TO PROVIDE LEGISLATIVE FINDINGS, TO PROVIDE DEFINITIONS, TO ESTABLISH THE DUTIES OF THE COUNCIL, TO ESTABLISH TO WHOM THE COMPREHENSIVE PLAN MUST BE SUBMITTED AND THE CONTENTS REQUIRED, TO PROVIDE FOR PROGRAM EVALUATIONS, TO PROVIDE FOR A BIENNIAL ASSESSMENT BY THE COUNCIL, TO PROVIDE THAT THE COUNCIL SHALL IMPROVE COORDINATION OF WORKFORCE DEVELOPMENT IN THE STATE, TO PROVIDE FOR THE CREATION OF A STATE STRATEGIC PLAN FOR SUPPLY OF HEALTH CARE PERSONNEL, TO PROVIDE THAT THE WORKFORCE DEVELOPMENT COUNCILS SHALL DEVELOP AND MAINTAIN A LOCAL UNIFIED PLAN FOR THE WORKFORCE DEVELOPMENT SYSTEM; BY ADDING ARTICLE 29 TO CHAPTER 53, TITLE 59 SO AS TO DEVELOP AND IMPLEMENT A CAREER PATHWAYS FOR SUCCESS INITIATIVE, TO ESTABLISH A PATHWAYS TO FIRST CAREERS PROGRAM, AND TO ESTABLISH A PATHWAYS TO NEW OPPORTUNITIES PROGRAM; BY ADDING SECTION 12-6-3760 SO AS TO PROVIDE A TAX CREDIT FOR TAXPAYERS WHO HIRE AN APPRENTICE; BY ADDING SECTION 59-53-110 SO AS TO CREATE A WORKFORCE SCHOLARSHIP AND GRANT FUND; AND BY ADDING SECTION 12-6-3765 SO AS TO PROVIDE A TAX CREDIT FOR TAXPAYERS WHO CONTRIBUTE TO THE WORKFORCE SCHOLARSHIP AND GRANT FUND.

***Summary of Bill:***

**SECTION 1**

Creates the Coordinating Council for Workforce Development. The Council would consist of the following members, all serving ex officio, or their designees:

Secretary, Department of Commerce  
State Superintendent, Department of Education  
Executive Director, Technical College System  
Executive Director, Department of Employment and  
Workforce  
Executive Director, Commission on Higher Education  
(or successor entity)

The purpose of the Council is to coordinate the state's workforce development system by creating and maintaining a strategic plan for workforce development that addresses three major components of workforce development--economic development, workforce readiness, and employment/job placement assistance.

The operating agencies of the Council (Department of Commerce, State Board for Technical and Comprehensive Education, Department of Employment and Workforce, State Department of Education, and the Commission on Higher Education or successor entity) will be responsible for carrying out the strategic plan developed by the Council.

The Council will also be responsible for the inventory, oversight, and evaluation of all current workforce development programs and will report regularly to the Governor and General Assembly regarding the status of the state's workforce development system and strategic plan.

#### **SECTION 2**

Establishes the Career Pathways for Success program, which addresses critical workforce needs statewide by targeting two specific groups of individuals--students and young people preparing to enter the workforce for the first time (Pathways to First Careers) and adults seeking assistance with training, education, and job placement (Pathways to New Opportunities).

#### **SECTION 3**

Provides a career pathways income tax credit to small and mid-level employers (500 employees or less) who create and maintain five full-time apprenticeships. Tax credit amount is based on the tier designation of the county in which the apprenticeships are created and is available for up to five years.

#### **SECTION 4**

Creates a Workforce Scholarships and Grants fund at the State Board for Technical and Comprehensive Education to provide scholarship funding for individuals pursuing career education and certifications. Requires the State Board for Technical and Comprehensive Education to develop eligibility requirements for individuals and programs and promulgate regulations for the disbursement of scholarships and grants to eligible individuals.

**SECTION 5**

Provides an income tax credit to individuals who donate funds to the Workforce Scholarships and Grants fund at the State Board for Technical and Comprehensive Education. Tax credits may not exceed 60% of a taxpayer's total tax liability and total credits claimed by all taxpayers in one year may not exceed \$8M.

***Introduced:*** 05/06/2015

***Received by Ways and Means:*** 05/06/2015

***Estimated Fiscal Impact:***

Pending

***Subcommittee Recommendation:***

Favorable

***Full Committee Recommendation:***

Pending

***Other Notes/Comments:***

[CLICK HERE](#) to Edit Notes/Comments

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**A BILL**

11 TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA,  
12 1976, BY ADDING ARTICLE 15 TO CHAPTER 1, TITLE 13 SO  
13 AS TO CREATE THE COORDINATING COUNCIL FOR  
14 WORKFORCE DEVELOPMENT, TO DEVELOP A  
15 COMPREHENSIVE PLAN FOR WORKFORCE TRAINING  
16 AND EDUCATION UNDER THE COORDINATING COUNCIL  
17 FOR WORKFORCE DEVELOPMENT, TO PROVIDE  
18 LEGISLATIVE FINDINGS, TO PROVIDE DEFINITIONS, TO  
19 ESTABLISH THE DUTIES OF THE COUNCIL, TO ESTABLISH  
20 TO WHOM THE COMPREHENSIVE PLAN MUST BE  
21 SUBMITTED AND THE CONTENTS REQUIRED, TO  
22 PROVIDE FOR PROGRAM EVALUATIONS, TO PROVIDE  
23 FOR A BIENNIAL ASSESSMENT BY THE COUNCIL, TO  
24 PROVIDE THAT THE COUNCIL SHALL IMPROVE  
25 COORDINATION OF WORKFORCE DEVELOPMENT IN THE  
26 STATE, TO PROVIDE FOR THE CREATION OF A STATE  
27 STRATEGIC PLAN FOR SUPPLY OF HEALTH CARE  
28 PERSONNEL, TO PROVIDE THAT THE WORKFORCE  
29 DEVELOPMENT COUNCILS SHALL DEVELOP AND  
30 MAINTAIN A LOCAL UNIFIED PLAN FOR THE  
31 WORKFORCE DEVELOPMENT SYSTEM; BY ADDING  
32 ARTICLE 29 TO CHAPTER 53, TITLE 59 SO AS TO DEVELOP  
33 AND IMPLEMENT A CAREER PATHWAYS FOR SUCCESS  
34 INITIATIVE, TO ESTABLISH A PATHWAYS TO FIRST  
35 CAREERS PROGRAM, AND TO ESTABLISH A PATHWAYS  
36 TO NEW OPPORTUNITIES PROGRAM; BY ADDING  
37 SECTION 12-6-3760 SO AS TO PROVIDE A TAX CREDIT FOR  
38 TAXPAYERS WHO HIRE AN APPRENTICE; BY ADDING  
39 SECTION 59-53-110 SO AS TO CREATE A WORKFORCE  
40 SCHOLARSHIP AND GRANT FUND; AND BY ADDING  
41 SECTION 12-6-3765 SO AS TO PROVIDE A TAX CREDIT FOR

1 TAXPAYERS WHO CONTRIBUTE TO THE WORKFORCE  
2 SCHOLARSHIP AND GRANT FUND.

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4 Be it enacted by the General Assembly of the State of South  
5 Carolina:

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7 SECTION 1. Chapter 1, Title 13 of the 1976 Code is amended by  
8 adding:

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10

“Article 15

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12

Coordinating Council for Workforce Development

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14 Section 13-1-2010. The General Assembly finds that the State’s  
15 current workforce development system is fragmented among  
16 numerous agencies, councils, boards, and committees, with  
17 inadequate overall coordination. No comprehensive strategic plan  
18 guides the different parts of the system, there is no single point of  
19 leadership and responsibility, and there is insufficient guidance from  
20 employers and workers built into the system to ensure that the  
21 system is responsive to the needs of its customers.

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Section 13-1-2020. As used in this article:

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(1) ‘Adult basic education’ means instruction designed to  
achieve mastery of skills in reading, writing, oral communication,  
and computation at a level sufficient to allow the individual to  
function effectively as a parent, worker, and citizen in the United  
States, commensurate with that individual’s actual ability level, and  
includes English as a second language and preparation and testing  
services for a high school equivalency certificate.

(2) ‘Council’ means the Coordinating Council for Workforce  
Development.

(3) ‘Operating agencies’ means the Department of Education,  
the Department of Employment and Workforce, the Department of  
Commerce, the State Board for Technical and Comprehensive

1 Education, the Commission on Higher Education, and other  
2 stakeholders.

3 (4) 'Training system' means programs and courses of secondary  
4 vocational education, technical college programs and courses,  
5 community college vocational programs and courses, college  
6 programs and courses, employer-sponsored training, adult basic  
7 education programs and courses, programs and courses funded by  
8 the federal Workforce Investment Act, programs and courses funded  
9 by the federal Vocational Act, programs and courses funded under  
10 the federal Adult Education Act, publicly funded programs and  
11 courses for adult literacy education, and apprenticeships, and  
12 programs and courses offered by private and public nonprofit  
13 organizations that are representative of communities or significant  
14 segments of communities and provide job training or adult literacy  
15 services.

16 (5) 'Vocational education' means organized educational  
17 programs offering a sequence of courses which are directly related  
18 to the preparation or retraining of individuals in paid or unpaid  
19 employment in current or emerging occupations requiring other than  
20 a baccalaureate or advanced degree. The programs must include  
21 competency-based applied learning which contributes to an  
22 individual's academic knowledge, higher-order reasoning, and  
23 problem-solving skills, work attitudes, general employability skills,  
24 and the occupational-specific skills necessary for economic  
25 independence as a productive and contributing member of society.  
26 The term also includes applied technology education.

27 (6) 'Workforce development council' means a local workforce  
28 investment board as established in P.L. 105-220 Section 117.

29 (7) 'Workforce skills' means skills developed through applied  
30 learning that strengthen and reinforce an individual's academic  
31 knowledge, critical thinking, problem solving, and work ethic so as  
32 to develop the employability, occupational skills, and management  
33 of home and work responsibilities necessary for economic  
34 independence.

35

36 Section 13-1-2030.(A) There is created the Coordinating  
37 Council for Workforce Development within the Department of  
38 Commerce. The council shall consist of the following ex officio  
39 members or their designees:

- 40 (1) the Secretary of the Department of Commerce;
- 41 (2) the State Superintendent of the Department of Education;
- 42 (3) the Executive Director of the State Board for Technical  
43 and Comprehensive Education;

1 (4) the Executive Director of the Department of Employment  
2 and Workforce; and

3 (5) the Executive Director of the Commission on Higher  
4 Education or its successor.

5 (B) The council shall rely on partnerships with and guidance  
6 from an advisory group of workforce development stakeholders in  
7 the State. Advisory group members shall attend council meetings,  
8 provide information and testimony, and participate in the  
9 development of the work product of the council. The advisory  
10 group must be comprised of representatives from the following:

11 (1) the Coordinating Council for Economic Development;

12 (2) the Department of Social Services;

13 (3) the Department of Vocational Rehabilitation;

14 (4) the Department of Corrections;

15 (5) the Department of Juvenile Justice;

16 (6) local and regional workforce investment boards;

17 (7) nonprofit and community organizations selected by the  
18 South Carolina Chamber of Commerce and South Carolina  
19 Manufacturers Alliance;

20 (8) businesses with more than fifty employees selected by the  
21 South Carolina Chamber of Commerce and South Carolina  
22 Manufacturers Alliance; and

23 (9) businesses with less than fifty employees selected by the  
24 South Carolina Chamber of Commerce and South Carolina  
25 Manufacturers Alliance.

26 (C) The council shall elect a chairman who serves a two-year  
27 term ending on June thirtieth of the second year.

28

29 Section 13-1-2040. (A) The Coordinating Council for  
30 Workforce Development shall develop a comprehensive plan for  
31 workforce training and education.

32 (B) The council, in cooperation with the Department of  
33 Education, the Department of Employment and Workforce, the  
34 Department of Commerce, the State Board for Technical and  
35 Comprehensive Education, the Commission on Higher Education,  
36 and other stakeholders shall:

37 (1) concentrate its major efforts on planning, coordination  
38 evaluation, policy analysis, and recommending improvements to the  
39 state's training system;

40 (2) advocate for the state training system and for meeting the  
41 needs of employers and the workforce for workforce education and  
42 training;

- 1 (3) establish and maintain an inventory of the programs of the  
2 state training system, and related state programs, and perform a  
3 biennial assessment of the vocational education, training, and adult  
4 basic education and literacy needs of the State, identify ongoing and  
5 strategic education needs, and assess the extent to which  
6 employment, training, vocational and basic education, rehabilitation  
7 services, and public assistance services represent a consistent,  
8 integrated approach to meet the needs;
- 9 (4) develop and maintain a state comprehensive plan for  
10 workforce training and education including, but not limited to,  
11 goals, objectives, and priorities for the state training system and  
12 review the state training system for consistency with the state  
13 comprehensive plan. In developing the state comprehensive plan  
14 for workforce training and education, the council shall use, but is  
15 not limited to:
- 16 (a) economic, labor market, and populations trends reports;  
17 (b) information provided by the Office of Revenue and  
18 Fiscal Affairs;
- 19 (c) industry employment and occupational forecasts;  
20 (d) the results of scientifically based outcome, net-impact  
21 and cost-benefit evaluations;
- 22 (e) the needs of employers as evidenced in formal  
23 employer surveys and other employer input; and  
24 (f) the needs of program participants and workers as  
25 evidenced in formal surveys and other input from program  
26 participants and the labor community;
- 27 (5) review and make recommendations to the Executive  
28 Budget Office on operating and capital facilities budget requests for  
29 operating agencies of the state training system for purposes of  
30 consistency with the state comprehensive plan for workforce  
31 training and education;
- 32 (6) provide for coordination among the different operating  
33 agencies and components of the state training system at the state  
34 level and at the regional level;
- 35 (7) develop a consistent and reliable database on vocational  
36 education enrollments, costs, program activities, and job placements  
37 from publicly funded vocational education programs in this State;
- 38 (8) establish standards for data collection and maintenance for  
39 the operating agencies of the state training system in a format that is  
40 accessible to use by the council. The council shall require a  
41 minimum of core data to be collected by each operating agency of  
42 the state training system;
- 43 (9) develop requirements for minimum core data;



1 (10) establish minimum standards for program evaluation for  
2 the operating agencies of the state training system including, but not  
3 limited to, the use of common survey instruments and procedures  
4 for measuring perceptions of program participants and employers of  
5 program participants, and monitor such program evaluation;

6 (11) administer scientifically based outcome evaluations of the  
7 state training system every two years including, but not limited to,  
8 surveys of program participants, surveys of employers of program  
9 participants, and matches with employment security department  
10 payroll and wage files. Every five years, administer scientifically  
11 based net-impact and cost-benefit evaluations of the state training  
12 system;

13 (12) provide for the improvement and maintenance of quality  
14 and utility in occupational information and forecasts for use in  
15 training system planning and evaluation. Improvements must  
16 include, but are not limited to, development of state-based  
17 occupational change factors involving input by employers and  
18 employees, and delineation of skill and training requirements by  
19 education level associated with current and forecasted occupations;

20 (13) provide for the development of common course  
21 description formats, common reporting requirements, and common  
22 definitions for operating agencies of the training system;

23 (14) provide for effectiveness and efficiency reviews of the  
24 state training system;

25 (15) facilitate transfer of credit policies and agreements  
26 between institutions of the state training system and encourage  
27 articulation agreements for programs encompassing two years of  
28 secondary workforce education and two years of postsecondary  
29 workforce education;

30 (16) develop policy objectives for the Workforce Investment  
31 Act, P.L. 105-220, or its successor; develop coordination criteria for  
32 activities under the act with related programs and services provided  
33 by state and local education and training agencies; and ensure that  
34 entrepreneurial training opportunities are available through  
35 programs of each local workforce development council in the State;

36 (17) make recommendations to the State Board of Education,  
37 concerning basic skill competencies and essential core  
38 competencies for K-12 education. Basic skills for this purpose must  
39 be reading, writing, computation, speaking, and critical thinking.  
40 Essential core competencies for this purpose must be English, math,  
41 science/technology, history, geography, and critical thinking. The  
42 council shall monitor the development of and provide advice

1 concerning secondary curriculum which integrates vocational and  
2 academic education;

3 (18) establish and administer programs for marketing and  
4 outreach to businesses and potential program participants;

5 (19) facilitate private sector assistance for the state training  
6 system by investigating and implementing effective co-investment  
7 models including, but not limited to, financial assistance, rotation of  
8 private and public personnel, and vocational counseling;

9 (20) facilitate the development of programs for school-to-work  
10 transition that combine classroom education and on-the-job training,  
11 including entrepreneurial education and training, in industries and  
12 occupations without a significant number of apprenticeship  
13 programs;

14 (21) include in the planning requirements for local workforce  
15 investment boards a requirement that the local workforce  
16 investment boards specify how entrepreneurial training is to be  
17 offered through the one-stop system required under the Workforce  
18 Investment Act, P.L. 105-220, or its successor;

19 (22) participate in the planning and policy development of  
20 Governor set-aside grants under P.L. 97-300, as amended;

21 (23) ensure coordination among workforce training priorities  
22 and economic development and entrepreneurial development  
23 efforts;

24 (24) conduct research into workforce development programs  
25 designed to reduce the high unemployment rate among young  
26 people between approximately eighteen and twenty-four years of  
27 age. In consultation with the operating agencies, the council shall  
28 advise the General Assembly on policies and programs to alleviate  
29 the high unemployment rate among young people. The research  
30 must include disaggregated demographic information and, to the  
31 extent possible, income data for adult youth. The research also must  
32 include a comparison of the effectiveness of programs examined as  
33 a part of the research conducted in this subsection in relation to the  
34 public investment made in these programs in reducing  
35 unemployment of young adults. The council shall report to the  
36 Senate Finance Committee, the Senate Education Committee, the  
37 House Ways and Means Committee, and the House Education and  
38 Public Works Committee by November 15, 2016, and every two  
39 years after. Where possible, the data reported to the committees  
40 should be reported in numbers and in percentages; and

41 (25) adopt rules and promulgate regulations necessary to  
42 implement this article.

43

1 Section 13-1-2050.(A) The council shall develop a state  
2 comprehensive plan for workforce training and education for a  
3 ten-year time period. The council shall submit the ten-year state  
4 comprehensive plan to the Senate Finance Committee, the Senate  
5 Education Committee, the House Ways and Means Committee, the  
6 House Education and Public Works Committee, and the Governor.  
7 Every four years by December first, beginning December 1, 2016,  
8 the council shall submit an update of the ten-year state  
9 comprehensive plan for workforce training and education to the  
10 Senate Finance Committee, the Senate Education Committee, the  
11 House Ways and Means Committee, the House Education and  
12 Public Works Committee, and the Governor. The plan becomes the  
13 State's workforce training policy unless legislation is enacted to  
14 alter the policies set forth in the plan.

15 (B) The comprehensive plan must include workforce training  
16 role and mission statements for the workforce development  
17 programs of the operating agencies and sufficient specificity  
18 regarding expected actions by the operating agencies to allow them  
19 to carry out actions consistent with the comprehensive plan.

20 (C) The operating agencies shall have operating plans for their  
21 workforce development efforts that are consistent with the  
22 comprehensive plan and that provide detail on implementation steps  
23 needed to carry out their responsibilities under the plan. Each  
24 operating agency shall provide an annual progress report to the  
25 council.

26 (D) The comprehensive plan must include recommendations to  
27 the General Assembly and the Governor on the modification,  
28 consolidation, initiation, or elimination of workforce training and  
29 education programs in this State.

30 (E) The comprehensive plan must identify the strategic industry  
31 clusters targeted by the workforce development system.

32 (F) The council shall report to the Senate Finance Committee,  
33 the Senate Education Committee, the House Ways and Means  
34 Committee, and the House Education and Public Works Committee  
35 by December first of each year on its progress in implementing the  
36 comprehensive plan and on the progress of the operating agencies  
37 in meeting their obligations under the plan.

38

39 Section 13-1-2060.(A) The council shall specify, by December  
40 31, 2016, the common core data to be collected by the operating  
41 agencies of the state training system and the standards for data  
42 collection and maintenance required in Section 13-1-2030(B)(8)  
43 and (9).

1 (B) The minimum standards for program evaluation by  
2 operating agencies required in Section 13-1-2030(B)(10) must  
3 include biennial program evaluations. The first of the evaluations  
4 must be completed by the operating agencies by July 1, 2017. The  
5 program evaluation of adult basic skills education must be provided  
6 by the advisory council on adult education.

7 (C) The council shall complete, by January 1, 2017, its first  
8 outcome-based evaluation and, by September 1, 2017, its  
9 nonexperimental net-impact and cost-benefit evaluations of the  
10 training system. The outcome, net-impact, and cost-benefit  
11 evaluations for the first evaluations, must include evaluations of  
12 each of the following programs:

- 13 (1) secondary vocational-technical education;
- 14 (2) work-related adult basic skills education;
- 15 (3) postsecondary workforce training; and
- 16 (4) the system as a whole.

17 (D) The council shall use the results of its outcome, net-impact,  
18 and cost-benefit evaluations to develop and make recommendations  
19 to the General Assembly and the Governor for the modification,  
20 consolidation, initiation, or elimination of workforce training and  
21 education programs in the State.

22 (E) The council shall perform the requirements of this section in  
23 cooperation with the operating agencies.

24  
25 Section 13-1-2070. By January 1, 2017, and biennially after, the  
26 council shall:

- 27 (1) assess the total demand for training from the perspective of  
28 workers and from the perspective of employers;
- 29 (2) assess the available supply of publicly and privately  
30 provided training which workers and employers are demanding;
- 31 (3) assess the costs to the State of meeting the demand; and
- 32 (4) present the General Assembly and the Governor with a  
33 strategy for bridging the gap between the supply and the demand for  
34 training services.

35  
36 Section 13-1-2080. The council, in cooperation with the  
37 operating agencies, by January 1, 2017, shall:

- 38 (1) identify policies to reduce administrative and other barriers  
39 to efficient operation of the State's workforce development system  
40 and barriers to improved coordination of workforce development in  
41 the State. These policies must include waivers of statutory  
42 requirements and administrative rules, as well as implementation of

1 one-stop access to workforce development services and  
2 school-to-work transition;

3 (2) identify ways for operating agencies to share resources,  
4 instructors, and curricula through collaboration with other public  
5 and private entities to increase training opportunities and reduce  
6 costs; and

7 (3) report to the Senate Finance Committee, the Senate  
8 Education Committee, the House Ways and Means Committee, the  
9 House Education and Public Works Committee, and the Governor  
10 its recommendations for any statutory changes necessary to enhance  
11 operational efficiencies or improve coordination. The council shall  
12 work with the operating agencies of the State's workforce  
13 development system to reduce administrative barriers that do not  
14 require statutory changes.

15

16 Section 13-1-2090. The council shall:

17 (1) facilitate ongoing collaboration among stakeholders in order  
18 to address the health care personnel shortage;

19 (2) in collaboration with stakeholders, establish and maintain a  
20 state strategic plan for ensuring an adequate supply of health care  
21 personnel that safeguards the ability of the health care delivery  
22 system in this State to provide quality, accessible health care to  
23 residents of South Carolina; and

24 (3) report to the General Assembly and the Governor by  
25 December 31, 2017, and annually after, on progress on the state plan  
26 and make additional recommendations as necessary.

27

28 Section 13-1-2100. (A) Workforce development councils, in  
29 partnership with local elected officials, shall develop and maintain  
30 a local unified plan for the workforce development system  
31 including, but not limited to, the local plan required by P.L.  
32 105-220, Title I. The unified plan must include a strategic plan that  
33 assesses local employment opportunities and skill needs, the present  
34 and future workforce, the current workforce development system,  
35 information on financial resources, diversity, goals, objectives, and  
36 strategies for the local workforce development system, and a  
37 system-wide financial strategy for implementing the plan. Local  
38 workforce development councils shall submit their strategic plans to  
39 the council for review and to the Governor for approval.

40 (B) The strategic plan clearly must articulate the connection  
41 between workforce and economic development efforts in the local  
42 area including the area industry clusters and the strategic clusters the

1 community is targeting for growth. The plan must include, but is  
2 not limited to:

3 (1) data on current and projected employment opportunities  
4 in the local area;

5 (2) identification of workforce investment needs of existing  
6 businesses and businesses considering location in the region, with  
7 special attention to industry clusters;

8 (3) identification of educational, training, employment, and  
9 support service needs of job seekers and workers in the local area,  
10 including individuals with disabilities and other underrepresented  
11 talent sources;

12 (4) analysis of the industry demand, potential labor force  
13 supply, and educational, employment, and workforce support  
14 available to businesses and job seekers in the region; and

15 (5) collaboration with associate development organizations in  
16 regional planning efforts involving combined strategies around  
17 workforce development and economic development policies and  
18 programs.

19 (C) The council shall work with workforce development  
20 councils to develop implementation and funding strategies for  
21 purposes of this section.”

22

23 SECTION 2. Chapter 53, Title 59 of the 1976 Code is amended by  
24 adding:

25

26

“Article 29

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28

Career Pathways for Success

29

30 Section 59-53-2620. (A) The State Board for Technical and  
31 Comprehensive Education, the Department of Education, the  
32 Department of Employment and Workforce, and the Department of  
33 Commerce shall develop and implement a Career Pathways for  
34 Success initiative in order to improve employment outcomes and  
35 address critical workforce development needs statewide.

36 (B) The State Board for Technical and Comprehensive  
37 Education shall prepare an annual report on the Career Pathways for  
38 Success initiative by February first of each year. The report must  
39 be published on each agency’s website and submitted to the  
40 Chairman of the Senate Finance Committee and the Chairman of the  
41 House Ways and Means Committee. The report must include, at  
42 minimum, an analysis of program accountability measures and key  
43 performance indicators.

1  
2 Section 59-53-2630. The State Board for Technical and  
3 Comprehensive Education and the Department of Education shall  
4 develop and implement a statewide Pathways to First Careers  
5 program to facilitate a seamless transition from education to  
6 employment in industries with critical workforce shortages. Funds  
7 allocated to the program must be used to provide the necessary  
8 infrastructure, including vocational equipment, facilities,  
9 instructional materials, transportation, and tuition grants. Of the  
10 funds allocated to the program:

11 (1) at least thirty percent of the funds must be directed to school  
12 districts lacking adequate career development and workforce  
13 readiness programs with priority given to school districts with a  
14 poverty index of seventy five percent or greater; and

15 (2) remaining funds must be used to establish programs in all  
16 regions of the State that confer the necessary skills and training to  
17 prepare students for careers in high demand fields and critical need  
18 positions in businesses and industries experiencing difficulty  
19 recruiting and retaining qualified applicants.

20  
21 Section 59-53-2640. (A) The State Board for Technical and  
22 Comprehensive Education shall coordinate with the Department of  
23 Commerce, Department of Employment and Workforce, and the  
24 Department of Education to develop and implement a Pathways to  
25 New Opportunities program to provide subsidized career training  
26 and certification and job placement assistance to adults pursuing  
27 careers in high demand jobs in critical need industries throughout  
28 the State.

29 (B) The State Board for Technical and Comprehensive  
30 Education shall establish a Workforce Scholarships and Grants  
31 program for eligible individuals to be used for tuition and education  
32 related expenses for career training and certification programs. The  
33 board shall develop and maintain eligibility criteria for this  
34 scholarship. Funds may be used to provide opportunities through  
35 existing programs such as ReadySC and Apprenticeship Carolina.

36 (C) The Department of Employment and Workforce shall  
37 coordinate with the State Board for Technical and Comprehensive  
38 Education to identify and refer eligible individuals to the training  
39 programs and scholarship opportunities established in this section.  
40 Also, the Department of Employment and Workforce shall  
41 coordinate with the Department of Commerce and the State Board  
42 for Technical and Comprehensive Education to develop and  
43 implement a plan to facilitate the job placement of eligible

1 individuals who have completed the necessary training and  
2 certification to ensure that qualified individuals are matched with  
3 available employment opportunities in high demand jobs  
4 throughout the State.”

5  
6 SECTION 3. A. Article 25, Chapter 6, Title 12 of the 1976 Code  
7 is amended by adding:

8  
9 “Section 12-6-3760. (A) A taxpayer who is otherwise eligible  
10 to claim a job tax credit pursuant to Section 12-6-3360(A), is  
11 allowed a career pathways tax credit if the taxpayer creates an  
12 apprenticeship.

13 (B)(1) A career pathways tax credit is allowed for five years  
14 beginning in year two after the creation of an apprenticeship for each  
15 new full-time apprenticeship created if the minimum level of five  
16 new apprenticeships is maintained. The credit is available to  
17 taxpayers that increase employment by five or more full-time  
18 apprenticeships, and no credit is allowed for the year or any  
19 subsequent year in which the net employment increase falls below  
20 the minimum level of five. The amount of the initial career  
21 pathways tax credit is as follows:

22 (a) four thousand dollars for each new full-time  
23 apprenticeship created in ‘Tier IV’ counties, as provided in Section  
24 12-6-3360(B)(1);

25 (b) two thousand one hundred twenty-five dollars for each  
26 new full-time apprenticeship created in ‘Tier III’ counties, as  
27 provided in Section 12-6-3360(B)(2);

28 (c) one thousand three hundred seventy-five dollars for  
29 each new full-time apprenticeship created in ‘Tier II’ counties, as  
30 provided in Section 12-6-3360(B)(3);

31 (d) seven hundred fifty dollars for each new full-time  
32 apprenticeship created in ‘Tier I’ counties, as provided in Section  
33 12-6-3360(B)(4).

34 (2) An apprenticeship created pursuant to this section is not a  
35 new job for purposes of Section 12-6-3360.

36 (C) To be eligible for a career pathways tax credit, a taxpayer  
37 may have no more than five hundred employees.

38 (D) A credit claimed pursuant to this section but not used in a  
39 taxable year may be carried forward in the same manner as provided  
40 in Section 12-6-3360(H).

41 (E) For purposes of this section, an ‘apprenticeship program’  
42 means a program designed to allow an individual the opportunity to



1 work under supervision to learn a trade or skill and is approved by  
2 the department.

3 (F) The department may adopt rules and promulgate regulations  
4 necessary to implement this section.”

5  
6 B. This section takes effect in tax years beginning after 2015, and  
7 applies to apprenticeships created thereafter.

8  
9 SECTION 4. Article 1, Chapter 53, Title 59 of the 1976 Code is  
10 amended by adding:

11  
12 “Section 59-53-110. (A) There is created a Workforce  
13 Scholarships and Grant fund administered by the State Board for  
14 Technical and Comprehensive Education. The purpose of the fund  
15 is to provide scholarship funding for eligible individuals to pursue  
16 career education through eligible programs and institutions.

17 (B) As used in this section:

18 (1) ‘Qualifying individual’ means a person who is a South  
19 Carolina resident and who is eligible to be enrolled in a South  
20 Carolina technical college or professional certification program.

21 (2) ‘Tuition’ means the total amount of money charged for the  
22 cost of a qualifying individual to attend an eligible program or  
23 institution including, but not limited to, fees for attending the school,  
24 textbooks, and school-related transportation.

25 (3) ‘Eligible program or institution’ means a program or  
26 institution that:

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

29 (b) is located in this State;

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

32 (d) meets all eligibility guidelines promulgated by the State  
33 Board for Technical and Comprehensive Education.

34 (4) ‘Person’ means an individual, partnership, corporation, or  
35 other similar entity.

36 (C) Grants may be awarded from the fund in an amount not  
37 exceeding ten thousand dollars or the total cost of attendance,  
38 whichever is less, for students to attend the program or institution of  
39 their choice.

40 (D)(1) The State Board for Technical and Comprehensive  
41 Education is responsible for determining if a program or institution  
42 meets the criteria established by subsection (A)(3), and shall publish  
43 an approved list of qualifying institutions. For the purpose of this

1 subsection, the board shall promulgate regulations further  
2 enumerating the specifics of this criteria.

3 (2) By the first day of August for the current fiscal year, the  
4 State Board for Technical and Comprehensive Education, on its  
5 website available to the general public, shall provide a list of  
6 approved programs and institutions that accept grants for eligible  
7 students and that in the board's determination are in compliance  
8 with the requirements of subsection (A)(3).

9 (E) Contributions made to the scholarship funding organization  
10 must be used to provide grants for tuition, transportation, or  
11 textbook expenses to individuals enrolled in eligible programs or  
12 institutions who qualify for these grants under the provisions of this  
13 section. A person contributing to the scholarship funding  
14 organization may not designate a specific individual or institution as  
15 the beneficiary of the contribution.”

16  
17 SECTION 5. A. Article 25, Chapter 6, Title 12 of the 1976 Code  
18 is amended by adding:

19  
20 “Section 12-6-3765. (A) An individual who contributes to the  
21 Workforce Scholarship and Grant fund, established pursuant to  
22 Section 59-53-110, is allowed a nonrefundable income tax credit  
23 equal to the contribution except that the amount of the credit in any  
24 year may not exceed sixty percent of the taxpayer's total tax  
25 liability. The credit applies against the taxpayer's tax liability for the  
26 year the taxpayer makes the contribution.

27 (B) The total amount of tax credits which may be claimed by all  
28 taxpayers in one year may not exceed eight million dollars. For  
29 purposes of determining a taxpayer's entitlement to the credit for  
30 qualified contributions for a given tax year in which more than the  
31 applicable aggregate annual limit on the credit is contributed by  
32 taxpayers for that year, taxpayers who have made contributions that  
33 are intended to be qualified contributions earlier in the applicable  
34 tax year than other taxpayers must be given priority entitlement to  
35 the credit.

36 (C) If a husband and wife file separate income tax returns, then  
37 they each may claim only one-half of the tax credit that would have  
38 been allowed for a joint income tax return for the year.

39 (D) A taxpayer who claims a credit pursuant to this section must  
40 attach to his tax return a copy of a form provided by the Department  
41 of Revenue identifying the taxpayer's qualified contribution. The  
42 department may require from the taxpayer additional information

1 identifying the taxpayer's qualified contribution as it considers  
2 appropriate.

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

8

9 B. This section applies to contributions made after December 31,  
10 2015.

11

12 SECTION 6. This act takes effect upon approval by the Governor.

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