**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 11‑11‑158 SO AS TO ALLOW EACH SCHOOL DISTRICT IN A COUNTY, WHICH HAS SIXTY PERCENT OF THE STUDENTS IN EACH SCHOOL DISTRICT WITHIN THAT COUNTY WHO QUALIFY FOR FREE OR REDUCED LUNCHES AND WHERE EACH SCHOOL DISTRICT WITHIN THAT COUNTY ADOPTS A RESOLUTION, TO ELECT TO BE EXEMPT FROM THE DISTRIBUTION OF REVENUE REQUIREMENTS CONTAINED IN SECTION 11‑11‑156, AND TO USE THE SALES TAXES, IMPOSED PURSUANT TO SECTION 12‑36‑1110, COLLECTED IN THAT COUNTY FOR SCHOOL OPERATING PURPOSES.

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

SECTION 1. Chapter 11, Title 11 of the 1976 Code is amended by adding:

“Section 11‑11‑158. (A) Each school district in a county that meets the conditions provided in subsection (B) may receive an alternate distribution as provided in subsection (C) to be used for school operating purposes for each school district within that county, instead of receiving the distribution provided in Section 11‑11‑156.

(B) A school district may elect the alternate distribution if:

(1) sixty percent of the one hundred and thirty‑five day average daily membership of students in each school district within the county qualify for free or reduced lunches; and

(2) the governing body of each school district in the county adopts a resolution to elect the alternate distribution provided in subsection (C).

(C) The alternate distribution is an amount equal to the sales taxes collected in a county pursuant to Section 12‑36‑1110, as estimated by the Board of Economic Advisors, plus an amount equal to the total reimbursements paid to each school district in the county pursuant to Sections 12‑37‑251 and 12‑37‑270 in Fiscal Year 2009‑2010. Each school district within the county shall receive a distribution equal to an amount that is the school district’s proportionate share of such funds based on the district’s weighted pupil units as a percentage of statewide weighted pupil units as determined annually pursuant to the Education Finance Act.

(D) The distributions to a school district pursuant to this section are included when computing the maintenance of local effort required of that district pursuant to the Education Improvement Act.”

SECTION 2. This act takes effect upon approval by the Governor.

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