**A** **BILL**

TO AMEND SECTION 59‑20‑40, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DETERMINATION OF ANNUAL EDUCATION FINANCE ACT ALLOCATIONS, SO AS TO PROVIDE THAT A DISTRICT THAT IS SUBSTANTIALLY LOCATED IN A COUNTY IN WHICH THE AVERAGE WAGES OF THE COUNTY ARE GREATER THAN ONE HUNDRED FIVE PERCENT OF THE TOTAL STATE AVERAGE WAGES MUST PROVIDE AT LEAST THIRTY PERCENT OF THE COST OF ITS FOUNDATION PROGRAM, AND TO PROVIDE MINIMUM AMOUNTS OF FUNDS THAT A DISTRICT SHALL RECEIVE TOWARD THE COST OF ITS FOUNDATION PROGRAM.

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

SECTION 1. Section 59‑20‑40(1)(e) and (f) of the 1976 Code is amended to read:

“(e) Computation of the required local revenue in support of the foundation program.

The amount that each school district shall provide toward the cost of the South Carolina foundation program ~~shall be~~ is computed by determining the total statewide collective local share (approximately thirty percent) of the total cost of the foundation program, and multiplying this by the index of taxpaying ability of each district as defined in Section 59‑20‑20. However, a school district that is substantially located in a county in which the average wages of the county are greater than one hundred five percent of the total state average wages must provide at least thirty percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d).

(f) Computation of the required state effort.

The amount that the State shall provide to each school district toward the cost of the foundation program ~~shall be~~ is the difference between the district’s basic amount as computed in subsection (d) minus the required amount raised locally as computed in subsection (e)~~.~~; however, in no event may a district receive less than:

(1) twenty‑five percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d) for Fiscal Year 2010‑2011;

(2) thirty percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d) for Fiscal Year 2011‑2012;

(3) thirty‑five percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d) for Fiscal Year 2012‑2013;

(4) forty percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d) for Fiscal Year 2013‑2014;

(5) forty‑five percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d) for Fiscal Year 2014‑2015; and

(6) fifty percent of the cost of its foundation program as computed in Section 59‑20‑40(1)(d) for Fiscal Year 2015‑2016 and for every fiscal year thereafter.

Notwithstanding the provisions of this section, state aid to ~~any~~ a school district ~~shall~~ must be reduced in proportion to the ratio that its local school tax effort falls below that required by subsection (2) of Section 59‑20‑50.”

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

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