



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 1306
Author:	Grooms
Subject:	Berkeley County School District
Requestor:	Senate
RFA Analyst(s):	Fulmer
Impact Date:	May 23, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$0	\$0
Other and Federal	See Below	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	See Below	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill could result in a loss of federal funding if the US Department of Education determines that it violates assurances, terms, or conditions of federal education program grants.

Explanation of Fiscal Impact

State Expenditure

The bill requires every restroom, locker room, shower room, or other facilities in Berkeley County schools that are designated for one sex can only be used by members of that designated sex. Students who need greater privacy may submit a request to the principal for access to alternative facilities such as single-stall restrooms, access to a unisex restroom, or controlled use of an employee restroom, locker room, or shower.

The State Department of Education indicates that this bill could place \$870,000,000 in funding for federal programs in jeopardy as well as in increase in potential litigation costs. When the department receives federal funds, the superintendent makes assurances that the department will not discriminate based on race, color, religion, age, sex, national origin, or disability and to comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, and the Age Discrimination Act of 1975.

As the department makes sub-awards to school districts, the district officials make those same assurances to comply with federal law. The school district of Berkeley County currently receives approximately \$34,570,000 in federal assistance. The district has concerns about the effect on

future bond offerings as they will have to disclose this specific bill in their official statement which could possible reduce their access to low market rates and potential investors.

According to the U.S. Department of Education (USDE), a school's Title IX obligation requires schools to provide transgender students equal access to educational programs and activities even in circumstances in which other students, parents, or community members raise objections or concerns. The USDE further clarifies that a school must allow transgender students access to such facilities consistent with their identity. Schools may make individual-user options available to all students who voluntarily seek additional privacy.

The State Department of Education indicates this bill is contrary to the guidance letter issued by the U.S. Department of Education and the U.S. Department of Justice. Whether this bill results in a loss of funding for the local school district or the state is unclear at this time.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director