**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑25‑35 SO AS TO PROVIDE THAT SCHOOL DISTRICTS MAY PAY LUMP SUM BONUSES TO AID IN RETAINING TEACHERS WHO EXCEL IN PROVIDING QUALITY INSTRUCTION, LEADERSHIP, OR BOTH; TO REQUIRE THAT BONUSES MUST BE APPROVED BY THE SCHOOL BOARD; TO CAP BONUSES AT NOT MORE THAN TWENTY PERCENT OF THE TEACHER’S BASE SALARY; AND TO PROVIDE THAT 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.

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

SECTION 1. Article 1, Chapter 25, Title 59 of the 1976 Code is amended by adding:

“Section 59‑25‑35. Beginning with teacher renewal contracts signed for the 2016‑2017 school year, a school district may spend state, federal, and other sources of revenue to provide annual lump sum bonuses as an incentive to retain teachers who, in the estimation of the district, excel in providing quality instruction, leadership, or both. The bonus is intended to serve as an incentive for the teacher to renew his annual contract, and must be conditioned upon the teacher’s signing a renewal contract. The employee bonus amount shall be approved by the school board and may not exceed twenty percent of the teacher’s salary in effect on the date of signing.  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.”

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

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