COMMITTEE REPORT

April 3, 2019

**H. 3403**

Introduced by Reps. Collins, Allison, Felder, Govan, Taylor, Bradley, West, Erickson, Stringer and Young

S. Printed 4/3/19--H.

Read the first time January 8, 2019.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 3403) to amend the Code of Laws of South Carolina, 1976, by adding Section 59‑19‑360 so as to provide a process for the exemption of competency‑based, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by deleting all after the enacting words and inserting:

/ SECTION 1. Article 1, Chapter 19, Title 59 of the 1976 Code is amended by adding:

“Section 59‑19‑360. (A)(1) If a district or school is seeking to implement competency‑based education, the State Board of Education may exempt the school from state laws, policies, and regulations that hinder the implementation of certain competency‑based practices. A district that wishes to obtain an exemption shall submit a waiver application to the State Board of Education in a format developed by the State Department of Education. To be considered, a waiver application must:

(a) be approved by the local school district board of trustees;

(b) explain why the waiver is necessary and how it will support implementation;

(c) be aligned to the district strategic plan; and

(d) provide for the implementation of the strategies described in the waiver application for all students in the school, which may be implemented in phases over a period of five or fewer years.

(2) A district must show evidence of the meaningful steps already taken to engage parents and community stakeholders. A district must also include a continued plan to seek parental outreach and consultation using guidelines approved by the State Board of Education when submitting a waiver application for approval by its local board of trustees and the State Board of Education, or the application may not be considered.

(3) A district whose waiver application is approved may request additional exemptions and may request amendments to its current approved waiver on a rolling basis.

(B) Competency‑based education is designed to improve educational outcomes for students by advancing their mastery of concepts and skills through the following core principles:

(1) Learning outcomes must emphasize competencies that include:

(a) application and creation of World Class Knowledge; and

(b) the development and application of the World Class Skills and Life and Career Characteristics identified in the Profile of the South Carolina Graduate.

(2) Competencies must include explicit, measureable, and transferable student learning objectives that provide transparency and guide students, with customized support from teachers, as the students pursue their own inquiries, understanding, and ownership of learning.

(3) A student shall master competencies along a personalized and flexible pathway before he may advance. A student may demonstrate his mastery of competencies through his performance of the competencies, application of the competencies, or both.

(4) An assessment must be meaningful and used to personalize learning experiences with a student.

(5) A student must receive timely and personalized support based on his individual learning needs.

(C) A local school board of trustees and the State Board of Education may not exempt a school from:

(1) federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services;

(2) health, safety, civil rights, and disability rights requirements as applied to other public schools operating in the district; or

(3) state and federal assessment requirements.

(D) A school operating under a waiver pursuant to this section shall admit all children eligible to attend the school, subject to space limitations, and may not limit or deny admission or show preference in an admission decision to an individual or group of individuals.

(E) If a school is operating under a waiver pursuant to this section, each student enrolled in the school is still considered to be a full‑time equivalent student enrolled in the school for the purpose of calculating state financial support, average daily membership and attendance, and for accountability purposes. The department shall develop a process to ensure that schools and districts are not penalized for the purposes of accreditation.

(F) If a school is operating under a waiver pursuant to this section, each student must remain enrolled in the state’s student information system.

(G) The State Department of Education shall establish procedures to ensure that a student who attends a school that is operating under a waiver pursuant to this section and subsequently transfers to another school within the district or to another district is not penalized by being required to repeat coursework that he successfully has mastered. The department may provide a necessary accreditation exemption to a school that launches a competency‑based education program.

(H)(1) The State Department of Education shall create evaluation criteria and guidelines for schools that are operating under a waiver pursuant to this section. A participating school shall submit required data for a biennial cyclical review on a form developed by the department. The required data shall include, but not be limited to, indicators of student engagement, instructional practices, performance on assessments (formative, benchmark, and summative), high school success, and post‑secondary success. The review must begin at the conclusion of the second academic year of the school’s implementation of the waiver. A report summarizing the reviews, including the waivers requested and how they hindered implementation, shall be distributed to the Governor, the Speaker of the House, and the President of the Senate.

(2) If upon the cyclical review the department determines that a goal or objective is not being met, the department shall notify the district and school in writing. The district and school have sixty days to respond, after which the department may recommend revocation of the flexibility provisions to the State Board of Education.

(I) The Commission on Higher Education and State Board for Technical and Comprehensive Education shall establish policies to provide fair and equitable access to institutions of higher education and technical colleges as well as scholarships and financial aid for graduates of schools implementing innovative school models and using nontraditional diplomas and transcripts.”

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

Renumber sections to conform.

Amend title to conform.

MERITA A. ALLISON for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 8, 2019**

**State Expenditure**

This bill allows the State Board of Education to exempt a competency-based school from certain applicable state laws and regulations when the school is being launched by the district. A district that wishes to obtain an exemption must submit a waiver application to the State Board of Education in a format developed by SDE. A district must seek parental outreach and consultation using guidelines approved by the State Board of Education when submitting a waiver application for approval by its local board of trustees and the State Board of Education, or the application may not be considered. A district whose waiver application is approved may request additional exemptions and may request amendments to its current approved waiver on a rolling basis. A school created pursuant to this bill must admit all children eligible to attend the school, subject to space limitations and may not limit or deny admission or show preference in an admission decision to an individual or group of individuals. If a school is selected to become a competency-based education school, each student enrolled in the school is considered to be a full-time equivalent student enrolled in the school while participating in the competency-based education system for the purpose of calculating state financial support, average daily membership, and attendance.

SDE must develop a process to ensure that schools and districts are not penalized for the purposes of accreditation. Also, SDE must establish procedures to ensure that a student who attends a competency-based school and subsequently transfers to another school that does not have a competency-based system is not penalized by being required to repeat coursework. SDE may provide a necessary accreditation exemption to a school that launches a competency-based education program. SDE must create evaluation criteria and guidelines for schools that are implementing competency-based education. A participating school must submit required data for a biennial cyclical review on a form developed by SDE. Additionally, during the cyclical review, SDE must notify any district and school if a goal or objective is not being met.

CHE and SBTCE must establish policies to provide fair and equitable access to institutions of higher education and technical colleges for students with competency-based credits or diplomas, scholarships, and financial aid for graduates of schools implementing innovative school models and using non-traditional diplomas and transcripts.

**State Department of Education.** This bill will have no expenditure impact on SDE. However, SDE indicates that it would be best practice to provide support to the newly formed competency-based schools in the form of coaches, assessment development, and training. If implemented, this would increase general fund expenses of SDE by $906,720 for 2 FTEs, assessment development, and training for competency-based education.

**Commission on Higher Education.** CHE anticipates that any expenses incurred as a result of developing the required policies can be managed within existing appropriations.

**State Board for Technical and Comprehensive Education.** SBTCE indicates that this bill will have no expenditure impact on the agency since it has policies in place for students who graduate from schools that implement innovative school models and use non-traditional diplomas and transcripts.

**Local Expenditure**

The bill allows local school boards discretion in determining whether or not to allow a school in their district to apply to be a competency-based school. Additionally, schools may determine how or if they will implement a competency-based system.

Schools that are granted a waiver for a competency-based program are likely to incur expenses for instructional coaching, teacher professional development, tracking software, curriculum development, and assessments. However, SDE indicates that this bill will have an undetermined expenditure impact on school districts since these expenses will vary based upon the size of the school and district, current capacity, and existing implementation of competency-based learning practices.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑19‑360 SO AS TO PROVIDE A PROCESS FOR THE EXEMPTION OF COMPETENCY‑BASED SCHOOLS FROM CERTAIN APPLICABLE LAWS AND REGULATIONS, AND PROVIDE RELATED REQUIREMENTS FOR COMPETENCY‑BASED SCHOOLS, THE STATE DEPARTMENT OF EDUCATION, AND THE COMMISSION ON HIGHER EDUCATION.

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

SECTION 1. Article 1, Chapter 19, Title 59 of the 1976 Code is amended by adding:

“Section 59‑19‑360. (A)(1) When a competency‑based school is being launched by a district, the State Board of Education may exempt the school from certain applicable state laws and regulations. A district that wishes to obtain an exemption shall submit a waiver application to the State Board of Education in a format developed by the State Department of Education. To be considered, a waiver application must:

(a) be approved by the local school district board of trustees;

(b) be aligned to the district strategic plan; and

(c) provide for the implementation of competency‑based education for all students in the school, which may be implemented in phases over a period of five or fewer years.

(2) A district must seek parental outreach and consultation using guidelines approved by the State Board of Education when submitting a waiver application for approval by its local board of trustees and the State Board of Education, or the application may not be considered.

(3) A district whose waiver application is approved may request additional exemptions and may request amendments to its current approved waiver on a rolling basis.

(B) A competency‑based education school is designed to improve educational outcomes for students by advancing their mastery of concepts and skills through the following core principles:

(1) Learning outcomes must emphasize competencies that include:

(a) application and creation of World Class Knowledge; and

(b) the development and application of the World Class Skills and Life and Career Characteristics identified in the Profile of the South Carolina Graduate.

(2) Competencies must include explicit, measureable, and transferable student learning objectives that provide transparency and guide students as the students pursue their own inquiries, understanding, and ownership of learning.

(3) A student shall master competencies along a personalized and flexible pathway before he may advance. A student may demonstrate his mastery of competencies through his performance of the competencies, application of the competencies, or both.

(4) An assessment must be meaningful and used to personalize learning experiences with a student.

(5) A student must receive timely and personalized support based on his individual learning needs.

(C) A local school board of trustees and the State Board of Education may not exempt a school from:

(1) federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services;

(2) health, safety, civil rights, and disability rights requirements as applied to other public schools operating in the district; or

(3) state and federal assessment requirements.

(D) A school created pursuant to this section shall admit all children eligible to attend the school, subject to space limitations, and may not limit or deny admission or show preference in an admission decision to an individual or group of individuals.

(E) If a school is selected to become a competency‑based education school, each student enrolled in the school is considered to be a full‑time equivalent student enrolled in the school while participating in the competency‑based education system for the purpose of calculating state financial support, average daily membership, and attendance, and for accountability purposes, to be a full‑time equivalent student enrolled in the school while participating in the competency‑based education system. The department shall develop a process to ensure that schools and districts are not penalized for the purposes of accreditation.

(F) If a school is selected to become a competency‑based education school, each student must remain enrolled in the state’s student information system.

(G) The State Department of Education shall establish procedures to ensure that a student who attends a school that establishes a competency‑based education system and subsequently transfers to another school within the district or to another district that does not have a competency‑based system is not penalized by being required to repeat coursework that he successfully has mastered. The department may provide a necessary accreditation exemption to a school that launches a competency‑based education program.

(H)(1) The State Department of Education shall create evaluation criteria and guidelines for schools that are implementing competency‑based education. A participating school shall submit required data for a biennial cyclical review on a form developed by the department. The review must begin at the conclusion of the second academic year of the school’s implementation of the program.

(2) If upon the cyclical review the department determines that a goal or objective is not being met, the department shall notify the district and school in writing. The district and school have sixty days to respond, after which the department may recommend revocation of the flexibility provisions to the State Board of Education.

(I) The Commission on Higher Education and State Board for Technical and Comprehensive Education shall establish policies to provide fair and equitable access to institutions of higher education and technical colleges for students with competency‑based credits or diplomas, scholarships, and financial aid for graduates of schools implementing innovative school models and using nontraditional diplomas and transcripts.”

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

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