**A** **BILL**

TO AMEND CHAPTER 152, TITLE 59 OF THE 1976 CODE, RELATING TO FIRST STEPS TO SCHOOL READINESS, BY ADDING SECTION 59‑152‑22, TO PROVIDE FOR A DIRECTOR TO SERVE AS CHIEF EXECUTIVE OFFICER AND ADMINISTRATIVE HEAD OF FIRST STEPS TO SCHOOL READINESS AND TO PROVIDE REQUIREMENTS FOR THE DIRECTOR; TO AMEND CHAPTER 152, TITLE 59 OF THE 1976 CODE, RELATING TO FIRST STEPS TO SCHOOL READINESS, BY ADDING SECTION 59‑152‑55, TO PROVIDE THAT THE DIRECTOR MAY FORM AND CONTRACT WITH A PRIVATE NONPROFIT FOUNDATION TO FINANCIALLY SUPPORT THE EFFORTS OF FIRST STEPS, AMONG OTHER THINGS; TO AMEND SECTION 59‑152‑10 OF THE 1976 CODE, RELATING TO THE ESTABLISHMENT OF FIRST STEPS, TO DESIGNATE IT AS AN AGENCY INSTEAD OF AN INITIATIVE, TO ELIMINATE LOCAL PARTNERSHIPS, AND TO PROVIDE ADDITIONAL REQUIREMENTS FOR THE AGENCY AND ITS DIRECTOR; TO AMEND SECTION 59‑152‑20 OF THE 1976 CODE, RELATING TO THE PURPOSE OF FIRST STEPS, TO MAKE CONFORMING CHANGES; TO AMEND SECTION 59‑152‑25 OF THE 1976 CODE, RELATING TO DEFINITIONS CONCERNING FIRST STEPS, TO REVISE NECESSARY DEFINITIONS; TO AMEND SECTION 59‑152‑30 OF THE 1976 CODE, RELATING TO THE GOALS FOR FIRST STEPS, TO MAKE CONFORMING CHANGES; TO AMEND SECTION 59‑152‑32 OF THE 1976 CODE, RELATING TO THE LONG‑RANGE INITIATIVE OF FIRST STEPS, TO MAKE CONFORMING CHANGES AND REMOVE OBSOLETE LANGUAGE; TO AMEND SECTION 59‑152‑33 OF THE 1976 CODE, RELATING TO THE ROLE OF THE DEPARTMENT IN THE SCHOOL READINESS ASSESSMENT, TO MAKE CONFORMING CHANGES AND REMOVE OBSOLETE LANGUAGE; TO AMEND SECTION 59‑152‑40 OF THE 1976 CODE, RELATING TO OVERSIGHT OF FIRST STEPS BY A BOARD OF TRUSTEES, TO ELIMINATE THIS OVERSIGHT AND TO PROVIDE THAT THE EARLY CHILDHOOD ADVISORY COUNCIL SHALL SERVE AS AN ADVISORY BOARD TO THE DEPARTMENT AND TO PROVIDE RELATED DUTIES OF THE COUNCIL; TO AMEND SECTION 59‑152‑50 OF THE 1976 CODE, RELATING TO THE ESTABLISHMENT OF THE OFFICE OF SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS AND RELATED DUTIES, TO ELIMINATE THE EXISTING PROVISIONS AND PROVIDE DUTIES OF THE DEPARTMENT; TO AMEND SECTION 59‑152‑60 OF THE 1976 CODE, RELATING TO THE CREATION, FUNCTION, AND DUTIES OF LOCAL FIRST STEPS PARTNERSHIP BOARDS, TO ELIMINATE THE EXISTING PROVISIONS AND ESTABLISH REGIONAL FIRST STEPS OFFICES, TO SPECIFY THE MEMBERSHIP OF EACH REGION, AND TO PROVIDE RELATED DUTIES OF THE DIRECTOR; TO AMEND SECTION 59‑152‑70 OF THE 1976 CODE, RELATING TO THE POWERS AND DUTIES OF LOCAL FIRST STEPS PARTNERSHIPS, TO PROVIDE FOR THE CREATION OF ADVISORY BOARDS FOR EACH REGIONAL OFFICE, TO PROVIDE REQUIREMENTS CONCERNING THE COMPOSITION OF THE ADVISORY BOARDS, AND TO PROVIDE ADVISORY BOARD MEMBERS ARE NOT ENTITLED TO PER DIEM OR COMPENSATION; TO REPEAL ARTICLE 17 OF CHAPTER 11, TITLE 63 OF THE 1976 CODE, RELATING TO THE FIRST STEPS TO SCHOOL READINESS BOARD OF TRUSTEES; TO REPEAL SECTION 59‑152‑90 OF THE 1976 CODE, RELATING TO LOCAL PARTNERSHIP GRANT FUNDING PROCEDURES; TO REPEAL SECTION 59‑152‑100 OF THE 1976 CODE, RELATING TO LOCAL PARTNERSHIP GRANT USE REQUIREMENTS; TO REPEAL SECTION 59‑152‑120 OF THE 1976 CODE, RELATING TO LOCAL PARTNERSHIP GRANT FUNDING USE RESTRICTIONS; TO REPEAL SECTION 59‑152‑130 OF THE 1976 CODE, RELATING TO LOCAL PARTNERSHIP MATCHING FUNDS; TO REPEAL SECTION 59‑152‑140 OF THE 1976 CODE, RELATING TO CARRY FORWARD FUNDS; TO REPEAL SECTION 59‑152‑150 OF THE 1976 CODE, RELATING TO FISCAL ACCOUNTABILITY MEASURES FOR LOCAL PARTNERSHIPS; AND TO REPEAL SECTION 59‑152‑160 OF THE 1976 CODE, RELATING TO INTERNAL EVALUATION POLICIES AND PROCEDURES.

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

SECTION 1. Chapter 152, Title 59 of the 1976 Code is amended by adding:

“Section 59‑152‑22. The chief executive officer and the administrative head of the department is the State Director of First Steps to School Readiness, who shall hold office until his successor has been appointed and qualified. The director is vested with the duty and authority to oversee, manage, and control the operation, administration, and organization of the department subject only to the laws of this State and the United States. He shall receive compensation as established under the provisions of Section 8‑11‑160 and for which funds have been appropriated by the General Assembly. The director may be required to furnish bond.”

SECTION 2. Chapter 152, Title 59 of the 1976 Code is amended by adding:

“Section 59‑152‑55. The director may form and contract with a private nonprofit foundation created in accordance with Section 501(c)(3) of the Internal Revenue Code. The purpose of the foundation solely must be to financially support the efforts of the department. The department may provide office space to the foundation free of charge.”

SECTION 3. Section 59‑152‑10 of the 1976 Code is amended to read:

“Section 59‑152‑10. There is established the Department of South Carolina First Steps to School Readiness, a comprehensive, results‑oriented ~~initiative~~ agency for improving early childhood development by providing~~, through local partnerships, public and private funds, and support for~~ high‑quality early childhood development. ~~and~~ The department also shall foster education services for children by providing support for their families’ efforts toward enabling their children to reach school ready to succeed. The department shall contain subordinate divisions as may be created or authorized by law. The department must be headed by the State Director of First Steps who must be appointed by the Governor upon the advice and consent of the Senate. The director must possess proven administrative ability, sound moral character, and superior knowledge of and experience in the fields of children’s services, early literacy, family and parental support, and other social services. The director is subject to removal by the Governor pursuant to the provisions of Section 1‑3‑240.”

SECTION 4. Section 59‑152‑20 of the 1976 Code is amended to read:

“Section 59‑152‑20. The purpose of the Department of South CarolinaFirst Steps ~~initiative~~ to School Readiness is to develop, promote, and assist efforts of other agencies, private providers, and public and private organizations and entities, at the state level and the community level, to collaborate and cooperate in order to focus and intensify services, assure the most efficient use of all available resources, and eliminate duplication of efforts to serve the needs of young children and their families. State funds appropriated to First Steps ~~funds~~ must not be used to supplant or replace any other funds being spent on services but must be used to expand, extend, improve, or increase access to services or to enable a community to begin to offer new or previously unavailable services in their community. The ~~South Carolina First Steps to School Readiness Board of Trustees, Office of First Steps to School Readiness, and the local First Steps Partnerships~~ department shall ensure that collaborations, the existence and continued development of partnerships, and the sharing and maximizing of resources occur so that the funding of grants and services, as provided in this chapter, may continue.”

SECTION 5. Section 59‑152‑25 of the 1976 Code is amended to read:

“Section 59‑152‑25. For the purposes of this title:

(~~A~~1) ‘Department’ means the Department of South Carolina First Steps to School Readiness.

(2) ‘Evidence‑based program’ means a program based on a clear and consistent program model that is designated as such by the South Carolina First Steps to School Readiness Board of Trustees because the program:

(~~1~~a)(~~a~~i) is grounded in published, peer‑reviewed research that is linked to determined outcomes;

(~~b~~ii) employs well‑trained and competent staff to whom the program provides continual professional development that is relevant to the specific model being delivered;

(~~c~~iii) demonstrates strong linkages to other community‑based services; and

(~~d~~iv) is operated to ensure program fidelity; or

(~~2~~b) is commonly recognized by experts in the field as such a program.

~~(B)~~ ~~‘Board of trustees’ or ‘board’ means the First Steps to School Readiness Board of Trustees pursuant to Article 17, Title 63.~~

(~~C~~3) ‘Evidence‑informed program’ means a program that does not satisfy the criteria of an evidenced‑based program model but that the ~~South Carolina First Steps to School Readiness Board of Trustees~~ department determines is supported by research indicating its potential effectiveness.

(~~D~~4) ~~‘Partnership’~~ ‘Foundation’ refers to ~~a local First Steps~~ an organization designated as such by the ~~South Carolina First Steps to School Readiness Board of Trustees~~ department, organized under Section 501(c)(3) of the Internal Revenue Code as a nonprofit corporation, and formed to further, within the coverage area, the purpose and goals of the First Steps initiative as stated in Sections 59‑152‑20 and 59‑152‑30.

(5) ‘Legacy partnership’ refers to a local First Steps organization, designated as such under prior legislative authority by the department, organized under Section 501(c)(3) of the Internal Revenue Code as a nonprofit corporation, and formed to further the purpose and goals of the First Steps initiative under prior legislative authority.

(~~E~~6) ‘Preschool child’ means a child from the prenatal stage to entry into five‑year‑old kindergarten.

(~~F~~7) ‘Prevalent program investment’ means a program administered by a partnership and funded with state grant money, which accounts for at least ten percent of total programmatic spending in First Steps.

(~~G~~8) ‘School readiness’ means the level of child development necessary to ensure early school success as measured in the following domains: physical health and motor skills; emotional and social competence; language and literacy development; and mathematical thinking and cognitive skills. School readiness is supported by the knowledge and practices of families, caregivers, healthcare providers, educators, and communities.”

SECTION 6. Section 59‑152‑30 of the 1976 Code is amended to read:

“Section 59‑152‑30. The goals for the Department of South Carolina First Steps to School Readiness are to:

(1) provide parents with access to the support they might seek and want to strengthen their families and to promote the optimal development of their preschool children;

(2) increase comprehensive services so children have reduced risk for major physical, developmental, and learning problems;

(3) promote high‑quality preschool programs that provide a healthy environment that will promote normal growth and development;

(4) provide services so all children receive the protection, nutrition, and health care needed to thrive in the early years of life so they arrive at school ready to succeed; and

(5) mobilize communities to focus efforts on providing enhanced services to support families and their young children so as to enable every child to reach school healthy and ready to succeed.”

SECTION 7. Section 59‑152‑32 of the 1976 Code is amended to read:

“Section 59‑152‑32. (A) ~~In Section 63‑11‑1720, the South Carolina First Steps to School Readiness Board of Trustees~~ The department may carry out its assigned functions by developing a comprehensive long‑range initiative for improving early childhood development, increasing school readiness and literacy, establishing results‑oriented measures and objectives, and assessing whether services provided ~~by First Steps Partnerships~~ to children and families are meeting the goals and achieving the results established in this chapter. The ~~board~~ department shall do the following to fulfill these duties ~~before July 1, 2015~~:

(1) in consultation with the State Board of Education, ~~and with the advice and consent of that board,~~ review and, if appropriate,adopt a description of school readiness that includes specific:

(a) characteristics and development levels of a ready child that must include, but are not limited to, emerging literacy, numeracy, and physical, social, and emotional competencies;

(b) characteristics of school, educators, and caregivers that the board considers necessary to create an optimal learning environment for the early years of students’ lives; and

(c) characteristics of the optimal environment which would lead to the readiness of students and their continued success;

(2) establish specific benchmarks and objectives for use by ~~the board of trustees, local partnership boards, and~~ any agency that administers a program to benefit preschool children. The benchmarks and objectives must be ~~approved by the board and~~ posted on the website of the ~~Office of First Steps~~ department;

(3) determine whether state and local programs and activities are effective and contribute to achieving the goals established in Section 59‑152‑30; and

(4) publish and distribute a list of approved evidence‑based and evidence‑informed programs.

(B) The ~~board of trustees~~ department shall review the school readiness description, benchmarks, and objectives and adopt any revisions it considers appropriate before December 31, ~~2014, again before December 31, 2019~~ 2024, and every five years afterward.”

SECTION 8. Section 59‑152‑33 of the 1976 Code is amended to read:

“Section 59‑152‑33. (A) ~~Before July 1, 2015,~~ The South Carolina Education Oversight Committee shall recommend an assessment to evaluate and measure the school readiness of students prior to their entrance into a prekindergarten or kindergarten program per the goals pursuant to Section 59‑152‑30 to the State Board of Education. Prior to submitting the recommendation to the State Board, the Education Oversight Committee shall seek input from the ~~South Carolina First Steps to School Readiness Board of Trustees~~ department and other early childhood advocates. In making the recommendation, the South Carolina Education Oversight Committee shall consider assessments that are research‑based, reliable, and appropriate for measuring readiness. The assessment chosen must evaluate each child’s early language and literacy development, numeracy skills, physical well‑being, social and emotional development, and approaches to learning. The assessment of academic readiness must be aligned with first and second grade standards for English language arts and mathematics. The purpose of the assessment is to provide teachers, administrators, and parents or guardians with information to address the readiness needs of each student, especially by identifying language, cognitive, social, emotional, and health needs, and providing appropriate instruction and support for each child. The results of the screenings and the developmental intervention strategies recommended to address the child’s identified needs must be provided, in writing, to the parent or guardian. Reading instructional strategies and developmental activities for children whose oral language and emergent literacy skills are assessed to be below the national standards must be aligned with the district’s reading proficiency plan for addressing the readiness needs of each student. The school readiness assessment adopted by the State Board of Education may not be used to deny a student admission or progress to kindergarten or first grade. Every student entering the public schools for the first time in prekindergarten and kindergarten must be administered a readiness screening by the forty‑fifth day of the school year.

(B) The results of individual students in a school readiness assessment may not be publicly reported.

(C) Following adoption of a school readiness assessment, the State Board of Education shall adopt a system for reporting population‑level results that provides baseline data for measuring overall change and improvement in the skills and knowledge of students over time. The Department of Education shall house and monitor the system.

(D) The ~~South Carolina First Steps to School Readiness Board of Trustees~~ department shall support the implementation of the school readiness assessment and must provide professional development to support the readiness assessment for teachers and parents of programs supported with First Steps funds. The ~~board~~ department shall ~~utilize~~ use the annual aggregate literacy and other readiness assessment information in establishing standards and practices to support all early childhood providers served by First Steps. The ~~South Carolina First Steps to School Readiness Board of Trustees~~ department shall report the results of the kindergarten readiness assessment ~~by state and by county~~ statewide and by region on the annual report to the General Assembly required in Section 59‑152‑50(6), and use the results to ~~assist county partnerships to support local initiatives to~~ improve readiness for all students.”

SECTION 9. Section 59‑152‑40 of the 1976 Code is amended to read:

“Section 59‑152‑40. ~~The South Carolina First Steps to School Readiness Board of Trustees established in Section 63‑11‑1720 shall oversee and be accountable for the South Carolina First Steps to School Readiness initiative.~~ The Early Childhood Advisory Council, as defined in Section 63‑11‑1725, shall serve as an advisory board to the department. The council annually shall publish a report detailing public revenues and expenditures in early childhood domains in this State on its website and transmit the report to the General Assembly. The report must:

(1) for each funding source managed by this State for the benefit of young children and their families, describe:

(a) the amount of funding made available from that funding source;

(b) how much of the available funding from each funding source was used to support children or their families;

(c) how much of the available funding from each funding source was used to support other populations;

(d) how much of the available funding from each funding source was spent towards administration;

(e) how much of the available funding from each funding source was retained for a future fiscal year; and

(f) how much of the available funding from each funding source was returned to the source of the funding;

(2) include, but not be limited to, the following federal funding sources and any state funding sources that supplement or meet a match requirement for:

(a) Child Care Access Means Parents in School;

(b) Child Care and Development Fund;

(c) Children’s Health Insurance Program;

(d) Child and Adult Care Food Program;

(e) Community‑Based Child Abuse Prevention;

(f) Individuals with Disabilities Education Act Services under Part C and Section 619 of Part B;

(g) Maternal and Child Health Block Grant;

(h) Maternal, Infant, and Early Childhood Home Visiting;

(i) Medicaid;

(j) Preschool Development Grant;

(k) Supplemental Nutrition Assistance Program;

(l) Temporary Assistance for Needy Families; and

(m) Women, Infants, and Children (WIC);

(3) include, but not be limited to, the following additional state investments in:

(a) 4‑year old preschool (4K);

(b) early intervention for children ages three through five years through the Department of Disabilities and Special Needs;

(c) Postpartum Newborn Home Visits; and

(d) South Carolina Birth Outcomes Initiative;

(4) include data about the number of children and families served by each funding source; and

(5) include available data on the impact of those managed funds on early childhood learning, health, development, or maltreatment outcomes.”

SECTION 10. Section 59‑152‑50 of the 1976 Code is amended to read:

“Section 59‑152‑50. ~~Under supervision of the South Carolina First Steps to School Readiness Board of Trustees, there is created an Office of South Carolina First Steps to School Readiness. The office shall:~~

~~(1) provide to the board information on best practice, successful strategies, model programs, and financing mechanisms;~~

~~(2) review the local partnerships’ plans and budgets in order to provide technical assistance and recommendations regarding local grant proposals and improvement in meeting statewide and local goals;~~

~~(3) provide technical assistance, consultation, and support to local partnerships to facilitate their success including, but not limited to, model programs, strategic planning, leadership development, best practice, successful strategies, collaboration, financing, and evaluation;~~

~~(4) evaluate each program funded by the South Carolina First Steps to School Readiness Board of Trustees on a regular cycle to determine its effectiveness and whether it should continue to receive funding;~~

~~(5) recommend to the board the applicants meeting the criteria for First Steps partnerships and the grants to be awarded;~~  The duties of the department include, but are not limited to:

(1) determining the current level and data pertaining to the delivery and effectiveness of services for young children and their families, including the numbers of preschool children and their families served;

(2) establishing strategic goals for increased availability, accessibility, quality, and efficiency of activities and services for young children and their families, which will enable children to be ready to succeed when they are in school;

(3) monitoring progress toward strategic goals;

(4) reporting to the General Assembly, stakeholders, and the general public on implementation activities;

(5) recommending changes to the strategic plan which may include new areas of implementation;

(6) evaluating and reporting on program effectiveness and client satisfaction before, during, and after the implementation of the strategic plan, where available;

(7) estimating cost savings attributable to increased efficiency and effectiveness of delivery of services to young children and their families, where available;

(~~6~~8) ~~submit~~ submitting an annual report to the board, the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee, and the Senate Education Committee by December first which includes, but is not limited to, the following information:

(a) the needs and resources available to meet the goals and purposes of the First Steps to School Readiness initiative statewide~~, to include each local partnership~~;

(b) a list of risk factors the ~~office~~ department considers to affect school readiness;

(c) identification of areas where client‑level data is not available;

(d) an explanation of how First Steps programs reach the most at‑risk children;

(e) the ongoing progress and results of the First Steps to School Readiness initiative statewide and locally;

(f) fiscal information on the expenditure of funds, and recommendations and legislative proposals to further implement the South Carolina First Steps to School Readiness initiative statewide;

(g) kindergarten readiness results for the prior school year as well as longitudinal data to document progress toward improving kindergarten readiness;

(h) annual and five‑year goals to serve a high proportion of at‑risk children in the State along with a plan and timetable to reach the goals that align to the benchmarks and objectives established by the board;

(i) the evidence‑based and evidence‑informed programs provided and number of children and families served for the past three fiscal years. The data must include the percentage of total at‑risk children served by the initiative;

(j) the total amount of state, local, federal, and other revenues received and the total amount of these funds expended by the ~~State Office of First Steps and by each local partnership~~ department for services to children and families;

(k) availability of high‑quality and affordable professional development and high‑impact strategies such as coaching for child care providers to include the number of individuals, by partnership, who receive the professional development;

(l) innovative practices ~~in counties~~ that are making progress toward the benchmarks and objectives; and

(m) technical assistance provided by State Office of First Steps to county partnerships with information related to the type of assistance provided and outcomes of the assistance;

(~~n) evidence of each local partnership’s collaboration with public and private stakeholders; and~~

~~(o) performance reviews of the local partnership boards referenced in Section 59‑152‑70(F);~~

(~~7~~9) ~~provide for~~ providing ongoing data collection. Before June 30, 2015, the board shall develop a response to the November 2014 external evaluation of each prevalent program and the overall goals of the initiative, as provided in Section 59‑125‑160. The ~~office~~ department shall contract with an external evaluator to develop a schedule for an in‑depth and independent performance audit designed to measure the success of each prevalent program in regard to its success in supporting the goals of the ~~State Board~~ department and those set forth in Section 59‑152‑20 and Section 59‑152‑30. Results of all external performance audits must be published in the First Steps annual report;

(~~8~~10) ~~coordinate~~ coordinating the First Steps to School Readiness initiative with all other state, federal, and local public and private efforts to promote good health and school readiness of young children and support for their families;

(~~9~~11) ~~complete~~ completing an annual accountability report pursuant to Section 1‑1‑820 and identify key program area descriptions and expenditures and link these to key financial and performance results measures, and provide this report to the General Assembly to post on its Internet website; and

(~~10~~12) ~~submit~~ submitting to the Agency Head Salary Commission, pursuant to Sections 8‑11‑160 and 8‑11‑165, justification of and recommendations for the salary and any salary increases for the ~~Executive Director of the South Carolina Office of First Steps to School Readiness~~ director.”

SECTION 11. Section 59‑152‑60 of the 1976 Code is amended to read:

“Section 59‑152‑60. ~~(A) Each county must be represented by a Local First Steps Partnership Board and each local board must provide services within every county it represents. A local partnership board must be comprised of individuals with resources, skills, knowledge, and interest in improving the readiness of young children for school. A list of all local partnership board members must be published in the partnership’s annual report, be reported annually to the local legislative delegation, and be on file with the Office of First Steps.~~

~~(B) The South Carolina First Steps to School Readiness Board of Trustees must establish bylaws for use by each local partnership board. These bylaws must, in addition to other requirements provided in this section, require that a meeting or election of a local partnership board comply with all Freedom of Information Act and IRS disclosure requirements.~~

~~(C) In accordance with the bylaws established by the board of trustees, each local partnership board shall maintain a total minimum membership of twelve and a maximum membership of thirty elected, appointed, and designated individuals. Elected and appointed members shall comprise a voting majority of the board.~~

~~(1) No more than four from any of the following categories may be elected to sit on a First Steps Partnership Board:~~

~~(a) prekindergarten through primary educator;~~

~~(b) family education, training, and support provider;~~

~~(c) childcare or early childhood development/education provider;~~

~~(d) healthcare provider;~~

~~(e) local government;~~

~~(f) nonprofit organization that provides services to families and children;~~

~~(g) faith community;~~

~~(h) business community;~~

~~(i) philanthropic community; and~~

~~(j) parents of preschool children.~~

~~(2) To assure that all areas of the county or multicounty region are adequately represented and reflect the diversity of the coverage area, each county legislative delegation may appoint up to four members to a local partnership board. Of these members, two are appointed by the Senate members and two by the House of Representative members of the delegation from persons with resources, skills, or knowledge that have specific interests in improving the readiness of young children for school.~~

~~(3) Each of the following entities located within a particular First Steps Partnership coverage area shall designate one member to serve as a member of the local First Steps Partnership Board:~~

~~(a) county department of social services;~~

~~(b) county department of health and environmental control;~~

~~(c) Head Start or early Head Start;~~

~~(d) county library; and~~

~~(e) each of the school districts in the county.~~

~~(D) In conjunction with the independent external program evaluation established in Section 59‑152‑160, the South Carolina First Steps to School Readiness Board of Trustees shall conduct a formal review of the membership categories for First Steps Partnership Board composition. Upon completion of the review, the South Carolina First Steps to School Readiness Board of Trustees shall submit to the General Assembly a statement either verifying the continued applicability and appropriateness of the composition categories for First Steps Partnership Boards in place at that time, or recommending any appropriate and necessary changes.~~

~~(E) Members who miss more than three consecutive meetings without excuse or members who resign must be replaced from the same categories as their predecessor. The terms of the members of a local First Steps Partnership Board are for four years; however, membership on the board may not exceed eight consecutive years.~~

~~(F) The chairman of a local partnership board must be elected by majority vote of the board. The chairman shall serve a one‑year term; however, the chairman may be elected to subsequent terms not to exceed a total of four consecutive years.~~

~~(G) A local First Steps Partnership board must have policies and procedures for conducting meetings and disclosing records comparable to those provided for in the Freedom of Information Act. Prior to every vote taken by the board, members must abstain from voting if the issue being considered would result in a conflict of interest. The abstention must be noted in the minutes of the meeting.~~

(A) The state director shall establish regional First Steps offices. The regions must consist of the following counties:

(1) Region I‑‑York, Chester, Lancaster;

(2) Region II‑‑Chesterfield, Marlboro, Dillon;

(3) Region III‑‑Florence, Marion, Darlington;

(4) Region IV‑‑Horry, Georgetown, Williamsburg;

(5) Region V‑‑Charleston, Berkeley, Dorchester, Colleton;

(6) Region VI‑‑Beaufort, Jasper, Hampton;

(7) Region VII‑‑Aiken, Allendale, Barnwell;

(8) Region VIII‑‑Orangeburg, Calhoun, Bamberg;

(9) Region IX‑‑Sumter, Lee, Kershaw, Clarendon;

(10) Region X‑‑Richland, Lexington, Fairfield, Saluda;

(11) Region XI‑‑Edgefield, McCormick, Greenwood;

(12) Region XII‑‑Anderson, Oconee, Pickens, Abbeville;

(13) Region XIII‑‑Greenville, Laurens, Newberry; and

(14) Region XIV‑‑Spartanburg, Cherokee, Union.

(B) Beginning July 1, 2025, and for every five years thereafter, the director shall review the number and composition of the regions and shall recommend changes to the General Assembly.

(C) The director shall hire regional directors and staff to execute the mission, duties, and responsibilities of the agency in the regions.

(D) With regard to legacy partnerships:

(1) the director is authorized, but not required, to enter into agreements with legacy partnerships to deliver services in local communities;

(2) the director is authorized, but not required, to enter into agreements with legacy partnerships to acquire the assets and obligations of the legacy partnership; and

(3) this section does not require the dissolution of legacy partnerships.”

SECTION 12. Section 59‑152‑70 of the 1976 Code is amended to read:

“Section 59‑152‑70. ~~(A) A First Steps Partnership Board shall, among its other powers and duties:~~

~~(1) adopt bylaws as established by the First Steps to School Readiness Board to effectuate the provisions of this chapter which must include the creation of a periodic meeting schedule;~~

~~(2) coordinate a collaborative effort at the county or multicounty level which will bring the community together to identify the area needs related to the goals of First Steps to School Readiness; develop a strategic long‑term plan for meeting those needs; develop specific initiatives to implement the elements of the plan; and integrate service delivery where possible;~~

~~(3) coordinate and oversee the implementation of the comprehensive strategic plan including, but not limited to, direct service provision, contracting for service provision, and organization and management of volunteer programs;~~

~~(4) effective July 1, 2016, each partnership’s comprehensive plan shall include the following core functions:~~

~~(a) service as a local portal connecting families of preschool children to community‑based services they may need or desire to ensure the school readiness of their children;~~

~~(b) service as a community convener around the needs of preschool children and their families; and~~

~~(c) support of state‑level school readiness priorities as determined by the State Board;~~

~~(5) update a needs assessment every three years;~~

~~(6) implement fiscal policies and procedures as required by the First Steps office and as needed to ensure fiscal accountability of all funds appropriated to the partnership;~~

~~(7) keep accurate records of the partnership’s board meetings, board member’s attendance, programs, and activities for annual submission to the First Steps to School Readiness Board of Trustees;~~

~~(8) collect information and submit an annual report by October first to the First Steps to School Readiness Board of Trustees, and otherwise participate in the annual review and the three‑year evaluation of operations and programs. Before December 1, 2017, and annually before December first thereafter, the Office of South Carolina First Steps shall publish each local partnership’s comprehensive plan and annual report on the office’s website. Reports must include, but not be limited to:~~

~~(a) determination of the current level and data pertaining to the delivery and effectiveness of services for young children and their families, including the numbers of preschool children and their families served;~~

~~(b) strategic goals for increased availability, accessibility, quality, and efficiency of activities and services for young children and their families which will enable children to reach school ready to succeed;~~

~~(c) monitoring of progress toward strategic goals;~~

~~(d) report on implementation activities;~~

~~(e) recommendations for changes to the strategic plan which may include new areas of implementation;~~

~~(f) evaluation and report of program effectiveness and client satisfaction before, during, and after the implementation of the strategic plan, where available; and~~

~~(g) estimation of cost savings attributable to increased efficiency and effectiveness of delivery of services to young children and their families, where available.~~

~~(B) Each local partnership may, in the performance of its duties, employ or acquire staff pursuant to the local partnership bylaws established by the South Carolina First Steps to School Readiness Board of Trustees. Overhead costs of a First Step partnership’s operations may not exceed eight percent of the total state funds appropriated for partnership grants. The South Carolina First Steps to School Readiness Board of Trustees shall contract with an independent cost accountant to provide recommendations as to an adequate, and not excessive, overhead cost rate for individual partnerships no later than July 1, 2017. Once these recommendations are received, the First Steps to School Readiness Board of Trustees may adjust the overhead percentage for the local partnership. Once the overhead rates are established, the rates may not be amended or revised for at least five years, and the board may not grant a waiver from this provision to the local partnership. Local partnerships that are not part of a multicounty partnership and exceed the overhead cost rate are ineligible to receive state funds.~~

~~(C) Each First Steps partnership may apply for, receive, and expend federal, state, and local funds, grants, and other funding in order to improve programs as provided in Section 59‑152‑25(A).~~

~~(D) To be designated a First Steps partnership, the local partnership must be a private nonprofit corporation organized under Section 501(c)(3) of the Internal Revenue Code.~~

~~(E) Multiple First Steps local partnerships may collaborate in a manner they determine will maximize the efficient and effective provision of First Steps services and programs to children and their families and best enable the partnerships to execute their duties and powers established in this chapter. In such a collaboration, partnerships may merge or work in concert with one or more of their program, administrative, or development functions or establish multicounty partnerships. The decision to collaborate in the manner permitted in this subsection rests entirely with the local partnership boards of directors involved.~~

~~(F) As a condition of receiving state funds, each local partnership must be subject to performance reviews by South Carolina First Steps, including, but not limited to, local board functioning and collaboration and compliance with state standards and fiscal accountability. If any significant operational deficiencies or misconduct is identified within the partnership, the South Carolina First Steps Board of Trustees must identify a remedy with input from the local legislative delegation.~~

Each region must contain a Regional First Steps Advisory Board for the purpose of advising their respective regional First Steps office. The director, with input from the regional director, shall ensure that each county in the region is represented.

(1) Membership must come from any of the following categories:

(a) prekindergarten through primary educator;

(b) family education, training, and support provider;

(c) childcare or early childhood development/education provider;

(d) healthcare provider;

(e) local government;

(f) nonprofit organization that provides services to families and children;

(g) faith community;

(h) business community;

(i) philanthropic community; and

(j) parents of preschool children.

(2) Each of the following entities located within a particular First Steps regional office shall designate one member to serve as a member of the regional advisory board:

(a) county department of social services;

(b) county department of health and environmental control;

(c) Head Start or early Head Start;

(d) county library; and

(e)each of the school districts in the county region.

(3) Members of Regional First Steps Advisory Boards are not entitled to receive per diem or any other compensation for their service to the board.”

SECTION 13. Article 17, Chapter 11, Title 63 and Sections 59‑152‑90, 59‑152‑100, 59‑152‑120, 59‑152‑130, 59‑152‑140, 59‑152‑150, and 59‑152‑160 of the 1976 Code are repealed.

SECTION 14. This act takes effect upon approval by the Governor.

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