**A** **BILL**

TO AMEND CHAPTER 20, TITLE 59 OF THE 1976 CODE, RELATING TO THE EDUCATION FINANCE ACT OF 1977, BY ADDING SECTION 59-20-45, TO PROVIDE FOR THE ESTABLISHMENT OF A FUND TO BE USED TO INCREASE TEACHER SALARIES, AND TO PROVIDE FOR THE REVENUE CREDITED TO THE FUND.

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

SECTION 1. Chapter 20, Title 59 of the 1976 Code is amended by adding:

“Section 59-20-45. (A) There is established the Teacher Salary Enhancement Fund, separate and distinct from the general fund, in the State Treasury. The revenue in the Teacher Salary Enhancement Fund must be annually appropriated to the Department of Education to adjust the statewide minimum salary schedule commensurate with the revenue credited to the Teacher Salary Enhancement Fund pursuant to subsection (B).

(B) The following revenues must be credited to the Teacher Salary Enhancement Fund:

(1) sales and use tax revenues owed by any South Carolina retailer that has utilized the provisions of Section 12-36-2691, minus any sales and use tax revenue remitted by any such retailer in Fiscal Year 2018-2019;

(2) to the extent allowed by federal law, sales and use tax revenues collected by remote sellers; and

(3) sales and use tax revenues owed on the sale of tangible personal property sold on a website by independent sellers through a South Carolina retailer on consignment, or any other Internet sale made by a third party through a South Carolina retailer.

(C) The amount of revenue credited to the Teacher Salary Enhancement Fund pursuant to item (B)(3), if any, must be determined by an estimate of the Board of Economic Advisors. The Board of Economic Advisors shall include this estimate in its initial economic forecast and, if an adjustment is necessary, in any subsequent forecasts. The amount of this estimate must be deducted from amounts available for appropriation in the same manner as reimbursements to the Trust Fund for Tax Relief are deducted. The State Treasurer shall transfer this amount to the Teacher Salary Enhancement Fund in equal monthly installments.”

SECTION 2. This act takes effect upon approval by the Governor. The first adjustment to the statewide minimum salary schedule shall be reflected in the statewide minimum salary schedule for the 2021-2022 school year.

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