COMMITTEE REPORT

March 17, 2021

**H. 3614**

Introduced by Reps. Lucas, Allison and Felder

S. Printed 3/17/21--H.

Read the first time January 12, 2021.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 3614) to amend the Code of Laws of South Carolina, 1976, by adding Section 59‑39‑105 so as to provide high school seniors shall complete and submit a free, etc., respectfully

**REPORT:**

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

MERITA A. ALLISON for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**State Expenditure**

This bill requires high school seniors to complete and submit a free application for federal student aid before graduating from high school, with the exception of certain exemptions. The State Board of Education must develop and adopt a form for the purpose of declining to complete the application. The State Board must also adopt rules as necessary to implement the provisions of the bill. The rules must include a timeline for the distribution of the application and form to students, standards regarding the information that a school district or charter district must provide to students, a requirement that each school district report certain items to SDE, and the means for ensuring compliance with federal law regarding the confidentiality and privacy of student information. Further, the Superintendent must establish an advisory committee to assist the State Board in adopting rules to implement the bill and to develop recommendations. The advisory committee must be comprised of school counselors, school administrators, and stakeholders to represent the needs of students. The provisions of the bill begin with the 2022-23 school year.

**State Department of Education.** SDE indicates that any expenses associated with convening the advisory committee and other requirements pursuant to the bill can be managed within current appropriations. Therefore, this bill will have no expenditure impact on the agency.

**State Agency Schools.** The Governor’s School for Science and Mathematics indicates that this bill will have no expenditure impact on the agency since all of its students attend a college or university after graduation and currently complete a free application for federal student aid. We anticipate that this bill will have no expenditure impact on the Wil Lou Gray Opportunity School since the school does not offer a high school credential. Further, we anticipate that any expenses associated with the provisions of the bill for the Governor’s School for the Arts and Humanities and the School for the Deaf and Blind can be managed within current appropriations. Therefore, this bill is not expected to have an expenditure impact on the state agency schools.

**Local Expenditure**

This bill requires high school seniors to complete and submit a free application for federal student aid before graduating from high school, with the exception of certain exemptions. Rules adopted by the State Board of Education must include a timeline for the distribution of the application and form to students, standards regarding the information that a school district or charter district must provide to students, a requirement that each school district report certain items to SDE, and the means for ensuring compliance with federal law regarding the confidentiality and privacy of student information. Further, the Superintendent must establish an advisory committee to assist the State Board in adopting rules to implement the bill and to develop recommendations. The advisory committee must be comprised of school counselors, school administrators, and stakeholders to represent the needs of students. The provisions of the bill begin with the 2022-23 school year.

SDE does not anticipate that this bill will have an expenditure impact on local school districts. Any expenses associated with printing forms and providing required data to the department are expected to be managed within the existing budgets of the districts.

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 59‑39‑105 SO AS TO PROVIDE HIGH SCHOOL SENIORS SHALL COMPLETE AND SUBMIT A FREE APPLICATION FOR FEDERAL STUDENT AID BEFORE GRADUATING FROM HIGH SCHOOL, TO PROVIDE EXEMPTIONS, TO PROVIDE RELATED REQUIREMENTS FOR THE IMPLEMENTATION OF THESE PROVISIONS, AND TO MAKE THESE PROVISIONS APPLICABLE BEGINNING WITH THE 2022‑2023 SCHOOL YEAR.

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

SECTION 1. Article 1, Chapter 39, Title 59 of the 1976 Code is amended by adding:

“Section 59‑39‑105.(A) In addition to completing the units or credits of instruction required for graduation, each high school senior shall complete and submit a free application for federal student aid (‘FAFSA’ or ‘application’) before graduating from high school, except as provided in subsection (B).

(B) A student is exempt from the requirements of subsection (A) if:

(1) the parent or legal guardian of the student signs and submits the form provided in subsection (C) to authorize the student to decline to complete and submit the application;

(2) the student signs and submits the form provided in subsection (C) on his own behalf, if the student is at least eighteen years of age and declines to complete and submit the application; or

(3) a school counselor signs and submits the form provided in subsection (C) to authorize the student to decline to complete and submit the application for good cause, as determined by the school counselor. The school counselor is not required to state the basis for determining the existence of such good cause.

(C) The State Board of Education shall develop and adopt a form for the purpose of declining to complete the application as described in subsection (B).

(D) A school counselor who notifies a school district of a student’s compliance or noncompliance with this section for purposes of determining whether the student meets high school graduation requirements only may indicate whether the student has complied with this section and may not indicate the manner of compliance.

(E) The State Board shall adopt rules as necessary to implement this section, including:

(1) a timeline for the distribution to students of the application and the form adopted in subsections (B) and (C);

(2) standards regarding the information that a school district or charter school must provide to students regarding:

(a) instructions for filling out the application;

(b) the options available to a student under subsection (B) if the student wishes to decline to complete and submit the application; and

(c) the method by which a student must provide a school district or open‑enrollment charter school with proof that the student has completed and submitted the application as required by this section;

(3) a requirement that each school district report to the State Department of Education:

(a) the number of students who completed and submitted the application pursuant to subsection (A); and

(b) the number of students who received an exception pursuant to subsection (B); and

(4) means for ensuring compliance with federal law regarding confidentiality of student educational information, including the Family Educational Rights and Privacy Act of 1974 (FERPA), 20 U.S.C. section 1232g, and any law of this State relating to the privacy of student information.

(F) The Superintendent shall establish an advisory committee to assist the State Board in adopting rules under subsection (E) to implement this section and to develop recommendations for that purpose. The advisory committee must be composed of:

(1) school counselors;

(2) school administrators; and

(3) stakeholders to represent the needs of interested students.”

SECTION 2. This act takes effect upon approval of the Governor and is applicable beginning with the 2022‑2023 School Year.

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