



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** S. 0124 Amended by House Education and Public Works on April 24, 2024  
**Author:** Hembree  
**Subject:** Noncertified Teacher Pilot Program  
**Requestor:** House Education and Public Works  
**RFA Analyst(s):** Bryant and Wren  
**Impact Date:** April 29, 2024

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### **Fiscal Impact Summary**

This bill, as amended, requires the S.C. Department of Education (SCDE) to establish a pilot program by May 1, 2025, that will permit public school districts to hire noncertified teachers in a ratio of up to 25 percent of its entire teaching staff if the school is located in a critical geographic area or a critical need teacher certification area.

This bill, as amended, also provides that a professional certificate issued by the State Board of Education is permanent unless revoked or suspended and is not subject to renewal. The bill further provides that a teacher who submits their contract acceptance before the statutory notification deadline may withdraw their acceptance by submitting a written notice to the school district within ten days after the publication of the employing district's salary schedule for the upcoming school year. The bill also revises the penalty for breach of contract, as well as the period for educator certificate suspension due to breach of contract, and makes such suspensions discretionary. The bill also requires SCDE, in collaboration with Education Oversight Committee (EOC), to use data collected under current procedures to report on the in-state and out-of-state college enrollment, college persistence, and postsecondary completion of the state's high school graduates. Additionally, the bill repeals certain reporting requirements for state high schools, state Institutions of Higher Learning (IHLs), and the State Superintendent of Education.

SCDE indicates that this bill, as amended, will increase the department's expenses by at least \$301,100 in FY 2024-25. Of this amount, \$193,300 is for salary and fringe benefits for 3.0 FTEs to manage the registration process for noncertified teachers and increased case load, \$7,000 is for equipment costs and setup, and \$100,800 is for reprogramming the educator information and case management system (SC Educator) in order to issue a new credential for noncertified teachers and to create case management and workflow processes. Expenses will decrease to approximately \$195,300 each year thereafter for the 3.0 FTEs and ongoing equipment costs. SCDE reports that it will request a General Fund appropriation increase to fund the expenses.

This bill, as amended, is not expected to have an expenditure impact on the state agency schools. The Governor's School for Agriculture at John de la Howe, the Governor's School for the Arts and Humanities, the Governor's School for Science and Mathematics, the School for the Deaf

and Blind, and the Wil Lou Gray Opportunity School previously indicated that they could manage the provisions of the bill with existing appropriations.

This bill, as amended, is not expected to have an expenditure impact on the State Law Enforcement Division (SLED). The agency previously indicated that it could manage any increase in criminal records checks for individuals applying for registration as a noncertified teacher with existing appropriations.

This bill, as amended, is not expected to have an expenditure impact on EOC. EOC previously indicated on similar legislation that the language in the bill requires the department to perform activities that will be conducted in the normal course of agency business.

This bill, as amended, is not expected to have an expenditure impact on IHLs. Based on responses from Coastal Carolina University and the University of South Carolina on similar legislation, we anticipate that repealing the reporting requirement will not result in any expenditure savings for IHLs.

The overall revenue impact of this bill, as amended, on Other Funds of SLED is undetermined as the number of noncertified teachers fluctuates each year. Based upon a three-year historical average, fees collected from background checks totals approximately \$17,147,000, of which \$4,461,000 must be deposited in the General Fund. The remainder is retained by SLED. Based upon historical data, we anticipate that Other Funds revenue of SLED will increase by an undetermined amount in FY 2024-25 as a result of the potential increase in background checks.

The bill, as amended, also adds a fee for noncertified teachers that must be remitted to SCDE for the registration and clearance process. However, the bill does not specify the amount of the fee. Proviso 1.8, as passed by the House of Representatives and Senate for the FY 2024-25 budget, authorizes SCDE to retain revenue for registration fees for non-SCDE employees and teacher certification fees. Therefore, there will be an increase in SCDE's Other Funds revenue for these fees. However, the amount of the increase is undetermined and will depend upon the number of registrations for noncertified teachers and the amount of the registration fee. Additionally, SCDE previously indicated that the provision of the bill making a professional certificate issued by the State Board of Education permanent and not subject to renewal would impact Other Funds revenue collected through certificate application fees for individuals who are currently required to reapply after the expiration of an educator certificate. However, the department cannot quantify the potential reduction in SCDE's Other Funds revenue, as the number of educators who may reapply for certification due to an expired certificate will vary. The department further reported that revenue from certification application fees is used to support salaries for some certification staff employees and data system maintenance and development.

The overall expenditure impact of this bill on local school districts is undetermined. The cost of the pilot program permitting qualifying schools to hire noncertified teachers will depend on the number of districts that choose to participate in the program and the number of noncertified teachers that districts choose to hire. Some districts that choose to participate in the program may experience an increase in expenses for training noncertified teachers to enter the classroom.

Although the number of noncertified teachers fluctuates, there were 1,368 noncertified teachers in the 2021-22 school year. Of this amount, 879 noncertified educators taught in a qualifying school. Based on information published by SCDE, in school year 2024-25, 883 out of 1,387 total local schools will qualify for the pilot program based on the critical need geographic area requirement. Additionally, for school year 2024-25, there are 65 designated critical need subject areas.

SCDE previously surveyed the seventy-three regular school districts and the three charter districts regarding any potential increase in expenditures to make a professional certificate issued by the State Board of Education permanent and to allow a teacher to withdraw their contract acceptance within ten days after the publication of their employing district's salary schedule. Of the eighteen responding districts, fourteen indicated that the bill would have no expenditure impact. However, one district noted that allowing teachers to withdraw their contract acceptance within ten days after the publication of their employing district's salary schedule may place a burden on districts to fill these positions before the start of the school year, as some districts do not publish their approved salary schedules until mid to late June. Two districts anticipated that the bill may increase expenses but reported that the cost is undetermined. The remaining two districts indicated that expenses would increase by an amount ranging from \$250,000 to \$1,137,500 to provide additional professional development that teachers previously received through the certificate renewal process and for additional recruiting costs that may result from an increase in the number of teachers who withdraw their contract acceptance.

## **Explanation of Fiscal Impact**

### **Amended by House Education and Public Works on April 24, 2024**

#### **State Expenditure**

This bill, as amended, requires SCDE to establish a pilot program by May 1, 2025, to permit a qualifying school to hire noncertified teachers in a ratio of up to 25 percent of its entire teaching staff. A qualifying school must be located in a critical geographic area or critical need teacher certification area as defined in Section 59-26-20(j). The State Board of Education, through SCDE, must approve guidelines for the pilot program that, at a minimum, include the following:

- a noncertified teacher must possess a suitable baccalaureate or graduate degree in the position he is hired to teach and must have at least five years of relevant workplace experience,
- procedures are provided for requiring noncertified teachers to participate in the evaluation process,
- initial and ongoing training and support requirements, and
- a noncertified teacher must demonstrate enrollment in a state-approved alternative or traditional route certification program within three years of employment.

Participation in the pilot program is optional, and the decision to participate rests solely with SCDE and the school principal, upon approval of the district superintendent. Schools and districts that participate in the program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

SCDE must establish a separate code in the professional coding system to capture noncertified teachers and must continue to report this information on school report cards. SCDE must also submit an annual report, beginning November 1, 2026, to the General Assembly that includes recommendations for improving, expanding, or continuing the program. The bill specifies that at the end of the five year pilot program, the program will be considered reauthorized for additional five-year periods unless ended by the General Assembly.

The bill, as amended, provides that a professional certificate issued by the State Board of Education is permanent unless revoked or suspended and is not subject to renewal. The bill also requires SCDE, in collaboration with EOC, to use data collected under current procedures to report on the in-state and out-of-state college enrollment, college persistence, and postsecondary completion of the state's high school graduates. SCDE must work to streamline data collection timelines and processes to reduce the burden and increase the efficiency of such data collection and reporting.

The bill, as amended, further provides that a teacher who submits their contract acceptance before the statutory notification deadline may withdraw their acceptance by submitting a written notice to the school district within ten days after the publication of the employing district's salary schedule for the upcoming school year. Additionally, school districts may not report such withdrawals as a breach of contract. The bill also revises the penalty for breach of contract, as well as the period for educator certificate suspension due to breach of contract, and makes such suspensions discretionary.

Lastly, the bill, as amended, repeals certain reporting requirements for high schools, IHLs, and the State Superintendent of Education. State high schools are no longer required to submit to the State Superintendent of Education a report detailing the number of high school graduates that entered the freshman class of an IHL, either in or out of the state, or a breakdown showing all courses passed and failed by those students. IHLs are no longer required to submit such information to the state high schools, and the State Superintendent of Education is no longer required to tabulate such reports and include them in the annual report to the General Assembly.

**S.C. Department of Education.** SCDE indicates that this bill, as amended, will increase the department's expenses by at least \$301,100 in FY 2024-25. Of this amount, \$193,300 is for salary and fringe benefits for 3.0 FTEs to process noncertified teacher registrations, including the evaluation of candidate documentation, review of criminal history record information, the issuance of registrations, and processing of disciplinary reviews and actions. Of the remaining amount, \$7,000 is for initial equipment costs and setup, and \$100,800 is for reprogramming SC Educator in order to issue a new credential for noncertified teachers and to create case management and workflow processes. Expenses will decrease to approximately \$195,300 each year thereafter for the 3.0 FTEs and ongoing equipment costs. SCDE reports that it will request a General Fund appropriation increase to fund the expenses.

**State Agency Schools.** The Governor's School for Agriculture at John de la Howe indicates that the school currently has no noncertified teachers, and that if the need arises to hire noncertified teachers, any expenses can be managed within existing appropriations. The Governor's School

for Science and Mathematics indicates that it will manage the provisions of the bill with existing appropriations. The Wil Lou Gray Opportunity School indicates that the school only hires certified teachers, and its teachers are state employees and are not required to sign yearly contracts. The Governor's School for the Arts and Humanities previously indicated that the bill would have no expenditure impact since the agency could manage the provisions of the bill within existing appropriations. The School for the Deaf and Blind previously indicated on similar legislation that they only hire certified teachers. Therefore, we do not expect that this bill will have an expenditure impact on the state agency schools.

**State Law Enforcement Division.** SLED previously indicated that this bill would have no expenditure impact on the agency, as any increase in criminal records checks could be managed with existing appropriations.

**Education Oversight Committee.** EOC previously indicated on similar legislation that the language in the bill requires the department to perform activities that will be conducted in the normal course of agency business. Therefore, this bill is not expected to have an expenditure impact on EOC.

**State Institutions of Higher Learning.** Based on responses from Coastal Carolina University and the University of South Carolina on similar legislation, we anticipate that repealing the reporting requirement will not result in any expenditure savings for IHLs.

#### **State Revenue**

This bill, as amended, requires all noncertified educators to undergo a SLED background check, which must be submitted during the registration process. We anticipate that the bill may increase the number of background checks that SLED will be required to perform. SLED previously indicated that the total cost for a criminal records search is \$51.75, of which \$25 is retained by SLED. The vendor, Identogo, receives \$13.50, and the remainder of the fee, \$13.25, is remitted to the FBI. Pursuant to Section 23-3-115(A), revenue generated by criminal records checks performed by SLED up to an amount of \$4,461,000 must be deposited in the General Fund. Any revenue over that amount is retained by SLED. The overall revenue impact of this bill on Other Funds of SLED is undetermined as the number of noncertified teachers fluctuates each year. However, SCDE previously indicated there were 1,368 noncertified teachers in the 2021-22 school year. Based upon a three-year historical average, fees collected from background checks totals approximately \$17,147,000, of which \$4,461,000 must be deposited in the General Fund. The remainder is retained by SLED. Based upon historical data, we anticipate that Other Funds revenue of SLED will increase by an undetermined amount in FY 2024-25 as a result of the potential increase in background checks.

This bill, as amended, also requires noncertified educators to submit fees to SCDE as part of the registration and clearance process to become a noncertified teacher. However, the bill does not specify the amount of the fee. Proviso 1.8, as passed by the House of Representatives and Senate for the FY 2024-25 budget, authorizes SCDE to retain revenue for registration fees for non-SCDE employees and teacher certification fees. Therefore, Other Funds revenue of the agency will increase due to these fees. However, the amount of the increase is undetermined and will

depend upon the number of registrations for noncertified teachers and the amount of the registration fee. Additionally, SCDE previously indicated on similar legislation that the provision of the bill making a professional certificate issued by the State Board of Education permanent and not subject to renewal will impact revenue collected through certificate application fees for individuals who are currently required to reapply after the expiration of an educator certificate. However, the department cannot quantify the potential reduction in revenue, as the number of educators who may reapply for certification due to an expired certificate will vary. The department further reports that revenue from certification application fees is used to support salaries for some certification staff employees and data system maintenance and development.

### **Local Expenditure**

As stated above, this bill, as amended, allows qualifying schools to hire noncertified teachers in a ratio of up to 25 percent of its entire teaching staff. Additionally, schools and districts that participate in the pilot program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

Based on information published by SCDE, in school year 2024-25, 883 out of 1,387 total local schools will qualify for the pilot program based on the critical need geographic area requirement. Additionally, for school year 2024-25, there are 65 designated critical need subject areas.

The expenditure impact on local school districts to provide the necessary training for noncertified teachers to enter the classroom is undetermined. While some participating schools and districts may collaborate on training, the expenditure impact will depend upon the number of noncertified teachers and the number of qualifying schools that choose to participate in the pilot program.

Also, it is undetermined how many districts will choose to hire noncertified teachers pursuant to the provisions of the bill. The expenditure impact will vary by district and depends upon the number of noncertified teachers that the districts choose to hire. Although the number of noncertified teachers fluctuates, there were 1,368 noncertified teachers in the 2021-22 school year. Of this amount, 879 noncertified educators taught in a qualifying school. This includes the following position codes: special education, prekindergarten, kindergarten, classroom teachers, and retired teachers.

The bill, as amended, also provides that a professional certificate issued by the State Board of Education is permanent unless revoked or suspended and is not subject to renewal. The bill further provides that a teacher who submits their contract acceptance before the statutory notification deadline may withdraw their acceptance by submitting a written notice to the school district within ten days after the publication of the employing district's salary schedule for the upcoming school year. The bill also revises the penalty for breach of contract, as well as the period for educator certificate suspension due to breach of contract, and makes such suspensions discretionary. Additionally, the bill repeals certain reporting requirements for state high schools. SCDE previously surveyed the seventy-three regular school districts and the three charter districts regarding any potential increase in expenditures to make a professional certificate issued by the State Board of Education permanent and to allow a teacher to withdraw their contract

acceptance within ten days after the publication of their employing district's salary schedule. Of the eighteen responding districts, fourteen indicated that the bill would have no expenditure impact. However, one district noted that allowing teachers to withdraw their contract acceptance within ten days after the publication of their employing district's salary schedule may place a burden on districts to fill these positions before the start of the school year, as some districts do not publish their approved salary schedules until mid to late June. Two districts anticipate that the bill may increase expenses but report that the cost is undetermined. The remaining two districts indicated that expenses would increase by an amount ranging from \$250,000 to \$1,137,500 to provide additional professional development that teachers previously received through the certificate renewal process and for additional recruiting costs that may result from an increase in the number of teachers who withdraw their contract acceptance.

### **Local Revenue**

N/A

### **Updated for Revised Analysis and Fiscal Year References on April 15, 2024 Introduced on January 10, 2023**

#### **State Expenditure**

This bill requires SCDE to establish a pilot program by May 1, 2024, to permit a qualifying school to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. A qualifying school must have received an overall rating of "Excellent", "Below Average", or "Unsatisfactory" on its annual report card for at least two consecutive years or must be located in a critical geographic area as defined in Section 59-26-20(j). The State Board of Education, through SCDE, must approve guidelines for the pilot program that, at a minimum, include the following:

- a noncertified teacher must possess a suitable baccalaureate or graduate degree in the position he is hired to teach and must have at least five years of relevant workplace experience,
- procedures are provided for requiring noncertified teachers to participate in the evaluation process pursuant to Section 59-26-30(B)(4) and (5),
- initial and ongoing training and support requirements, and
- a noncertified teacher must demonstrate enrollment in a certification program within three years of employment, including any state-approved alternative or traditional route program.

While participation in the pilot program is optional, the decision to participate rests solely with SCDE and the school principal, upon approval of the district superintendent. Schools and districts that participate in the program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

SCDE must establish a separate code in the professional coding system to capture noncertified teachers and must continue to report this information on school report cards. SCDE must also submit an annual report, beginning November 1, 2025, to the General Assembly that includes recommendations for improving, expanding, or continuing the program. At the end of the five-

year program, the annual report must include a recommendation on the continuance of the program.

The bill also requires SCDE to establish procedures for the registration and clearance of all noncertified teachers. Teachers must submit the required documentation and fees to SCDE, which must include, but are not limited to, a completed registration form, any associated fees, transcripts, and specified background documents. Further, an individual whose state educator certificate has been suspended or revoked may not be employed as a noncertified teacher. The State Board of Education is authorized to revoke a noncertified teacher's registration if the teacher commits an offense covered by the Code of Conduct.

**S.C. Department of Education.** The overall expenditure impact on SCDE is undetermined. The existing educator information system must be modified by software developers in order to issue a new credential and registration for noncertified teachers and to create case management and workflow processes. SCDE indicates that the cost to modify the existing system is unknown. SCDE also indicates that its General Fund expenses will increase by at least \$109,700 in FY 2024-25. Of this amount, \$103,700 is recurring for 2.0 FTEs to process noncertified teacher registrations, including the evaluation of candidate documentation, review of criminal history record information, the issuance of registrations, and processing of disciplinary reviews and actions. The remaining \$6,000 in nonrecurring expenses is for equipment for the new FTEs.

*This section of the impact statement has been updated for fiscal year references.*

**State Agency Schools.** The Governor's School for Agriculture at John de la Howe previously indicated that the school currently has no noncertified teachers, and that if the need arises to hire noncertified teachers, any expenses can be managed within existing appropriations. The Governor's School for the Arts and Humanities previously indicated that the bill would have no expenditure impact since the agency could manage the provisions of the bill within existing appropriations. The Wil Lou Gray Opportunity School previously indicated that the school only hires certified teachers. The Governor's School for Science and Mathematics and the School for the Deaf and Blind previously indicated on similar legislation that they either only hire certified teachers or can adhere to the provisions of the bill within existing appropriations. Therefore, we do not expect that this bill will have an expenditure impact on the state agency schools.

**State Law Enforcement Division.** SLED previously indicated that this bill would have no expenditure impact on the agency, as any increase in criminal records checks could be managed within existing appropriations.

### **State Revenue**

This bill requires noncertified educators to submit fees to SCDE as part of the registration and clearance process to become a noncertified teacher. However, the bill does not specify the amount of the fee. Proviso 1.8 of the FY 2023-24 Appropriations Act authorizes the agency to retain revenue for registration fees for non-SCDE employees and teacher certification fees. Therefore, Other Funds revenue of the agency will increase due to these fees. However, the amount of the increase is undetermined and will depend upon the number of registrations for



noncertified teachers and the amount of the registration fee.

The bill also requires all noncertified educators to undergo a SLED background check, which must be submitted during the registration process. We anticipate that the bill may increase the number of background checks that SLED will be required to perform. SLED previously indicated that the total cost for a criminal records search is \$51.75, of which \$25 is retained by SLED. The vendor, Identogo, receives \$13.50, and the remainder of the fee, \$13.25, is remitted to the FBI. Pursuant to Section 23-3-115(A), revenue generated by criminal records checks performed by SLED up to an amount of \$4,461,000 must be deposited in the General Fund. Any revenue over that amount is retained by SLED.

The overall revenue impact of this bill on Other Funds of SLED is undetermined as the number of noncertified teachers fluctuates each year. However, SCDE previously indicated there were 1,368 noncertified teachers in the 2021-22 school year. Based upon a three-year historical average, fees collected from background checks totals approximately \$17,147,000, of which \$4,461,000 must be deposited in the General Fund. The remainder is retained by SLED. Based upon historical data, we anticipate that Other Funds revenue of SLED will increase by an undetermined amount in FY 2024-25 as a result of the potential increase in background checks.

*This section of the impact statement has been updated to reflect an updated average on the revenue generated from background checks.*

### **Local Expenditure**

As stated above, this bill allows qualifying schools to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. Additionally, schools and districts that participate in the pilot program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

Data published by SCDE indicates there are 1,370 total local schools in the 2022-23 school year. Of this number, 458 schools would qualify for the pilot program based upon an “Excellent”, “Below Average”, or “Unsatisfactory” rating on the 2019 and 2021 report cards. Please note that there are no report card ratings from 2020, as the U.S. Department of Education waived federal accountability requirements due to COVID-19. Also, 809 schools would qualify based on the critical geographic area requirement for FY 2022-23. However, this number will fluctuate based on consecutive report card ratings and geographic area requirements.

The expenditure impact on local school districts to provide the necessary training for noncertified teachers to enter the classroom is undetermined. While some participating schools and districts may collaborate on training, the expenditure impact will depend upon the number of noncertified teachers and the number of qualifying schools that choose to participate in the pilot program. We will update this impact statement if the districts revise this response.

Also, it is undetermined how many districts will choose to hire noncertified teachers pursuant to the provisions of the bill. The expenditure impact will vary by district and depends upon the number of noncertified teachers that the districts choose to hire. Although the number of

noncertified teachers fluctuates, there were 1,368 noncertified teachers in the 2021-22 school year. Of this amount, 879 noncertified educators taught in a qualifying school. This includes the following position codes: special education, prekindergarten, kindergarten, classroom teachers, and retired teachers.

*This section of the impact statement has been updated to clarify that state funding is no longer allocated on a certified teacher basis.*

## **Local Revenue**

N/A

## **Introduced on January 10, 2023**

### **State Expenditure**

This bill requires SCDE to establish a pilot program by May 1, 2024, to permit a qualifying school to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. A qualifying school must have received an overall rating of “Excellent”, “Below Average”, or “Unsatisfactory” on its annual report card for at least two consecutive years or must be located in a critical geographic area as defined in Section 59-26-20(j). The State Board of Education, through SCDE, must approve guidelines for the pilot program that, at a minimum, include the following:

- a noncertified teacher must possess a suitable baccalaureate or graduate degree in the position he is hired to teach and must have at least five years of relevant workplace experience,
- procedures are provided for requiring noncertified teachers to participate in the evaluation process pursuant to Section 59-26-30(B)(4) and (5),
- initial and ongoing training and support requirements, and
- a noncertified teacher must demonstrate enrollment in a certification program within three years of employment, including any state-approved alternative or traditional route program.

While participation in the pilot program is optional, the decision to participate rests solely with SCDE and the school principal, upon approval of the district superintendent. Schools and districts that participate in the program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

SCDE must establish a separate code in the professional coding system to capture noncertified teachers and must continue to report this information on school report cards. SCDE must also submit an annual report, beginning November 1, 2025, to the General Assembly that includes recommendations for improving, expanding, or continuing the program. At the end of the five-year program, the annual report must include a recommendation on the continuance of the program.

The bill also requires SCDE to establish procedures for the registration and clearance of all noncertified teachers. Teachers must submit the required documentation and fees to SCDE, which must include, but are not limited to, a completed registration form, any associated fees,

transcripts, and specified background documents. Further, an individual whose state educator certificate has been suspended or revoked may not be employed as a noncertified teacher. The State Board of Education is authorized to revoke a noncertified teacher's registration if the teacher commits an offense covered by the Code of Conduct.

**S.C. Department of Education.** The overall expenditure impact on SCDE is undetermined. The existing educator information system must be modified by software developers in order to issue a new credential and registration for noncertified teachers and to create case management and workflow processes. SCDE indicates that the cost to modify the existing system is unknown. SCDE also indicates that its General Fund expenses will increase by at least \$109,700 in FY 2023-24. Of this amount, \$103,700 is recurring for 2.0 FTEs to process noncertified teacher registrations, including the evaluation of candidate documentation, review of criminal history record information, the issuance of registrations, and processing of disciplinary reviews and actions. The remaining \$6,000 in nonrecurring expenses is for equipment for the new FTEs. *This section of the impact statement has been updated to include a response from SCDE.*

**State Agency Schools.** The Governor's School for Agriculture at John de la Howe indicates that the school currently has no noncertified teachers, and that if the need arises to hire noncertified teachers, any expenses can be managed within existing appropriations. The Governor's School for the Arts and Humanities indicates that the bill will have no expenditure impact since the agency can manage the provisions of the bill within existing appropriations. The Wil Lou Gray Opportunity School indicates that the school only hires certified teachers. The Governor's School for Science and Mathematics and the School for the Deaf and Blind previously indicated on similar legislation that they either only hire certified teachers or can adhere to the provisions of the bill within existing appropriations. Therefore, we do not expect that this bill will have an expenditure impact on the state agency schools. We will update this impact statement if the agencies revise their responses.

**State Law Enforcement Division.** SLED indicates that this bill will have no expenditure impact on the agency, as it can manage any increase in criminal records checks within existing appropriations.

### **State Revenue**

This bill requires noncertified educators to submit fees to SCDE as part of the registration and clearance process to become a noncertified teacher. However, the bill does not specify the amount of the fee. Proviso 1.10 of the FY 2022-23 Appropriations Act authorizes the agency to retain revenue for registration fees for non-SDE employees and teacher certification fees. Therefore, Other Funds revenue of the agency will increase due to these fees. However, the amount of the increase is undetermined and will depend upon the number of registrations for noncertified teachers and the amount of the registration fee.

The bill also requires all noncertified educators to undergo a SLED background check, which must be submitted during the registration process. We anticipate that the bill may increase the number of background checks that SLED will be required to perform. SLED previously indicated that the total cost for a criminal records search is \$51.75, of which \$25 is retained by

SLED. The vendor, Identogo, receives \$13.50, and the remainder of the fee, \$13.25, is remitted to the FBI. Pursuant to Section 23-3-115(A), revenue generated by criminal records checks performed by SLED up to an amount of \$4,461,000 must be deposited in the General Fund. Any revenue over that amount is retained by SLED.

The overall revenue impact of this bill on Other Funds of SLED is undetermined as the number of noncertified teachers fluctuates each year. However, SCDE previously indicated there were 1,368 noncertified teachers in the 2021-22 school year. Based upon a three-year historical average, SLED was able to retain an average of \$10,375,000 from background checks for its \$25 portion of the fee. Assuming a similar pattern in future years and since this amount is over the \$4,461,000 amount that is allocated to the General Fund, we anticipate that Other Funds of SLED will increase by an undetermined amount in FY 2023-24 as a result of the potential increase in background checks. There would be no increase to the General Fund for this portion of the bill.

### **Local Expenditure**

As stated above, this bill allows qualifying schools to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. Additionally, schools and districts that participate in the pilot program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

Data published by SCDE indicates there are 1,370 total local schools in the 2022-23 school year. Of this number, 458 schools would qualify for the pilot program based upon an “Excellent”, “Below Average”, or “Unsatisfactory” rating on the 2019 and 2021 report cards. Please note that there are no report card ratings from 2020, as the U.S. Department of Education waived federal accountability requirements due to COVID-19. Also, 809 schools would qualify based on the critical geographic area requirement for FY 2022-23. However, this number will fluctuate based on consecutive report card ratings and geographic area requirements.

The expenditure impact on local school districts to provide the necessary training for noncertified teachers to enter the classroom is undetermined. While some participating schools and districts may collaborate on training, the expenditure impact will depend upon the number of noncertified teachers and the number of qualifying schools that choose to participate in the pilot program. We will update this impact statement if the districts revise this response.

Also, it is undetermined how many districts will choose to hire noncertified teachers pursuant to the provisions of the bill. The expenditure impact will vary by district and depends upon the number of noncertified teachers that the districts choose to hire. Although the number of noncertified teachers fluctuates, there were 1,368 noncertified teachers in the 2021-22 school year. Of this amount, 879 noncertified educators taught in a qualifying school. This includes the following position codes: special education, prekindergarten, kindergarten, classroom teachers, and retired teachers.

Additionally, districts will not generate state teacher salary funding for noncertified teachers. The potential salary impact for local districts will depend on the number of noncertified teachers each district chooses to hire.

### **Local Revenue**

N/A

### **Introduced on January 10, 2023**

#### **State Expenditure**

This bill requires SCDE to establish a pilot program by May 1, 2024, to permit a qualifying school to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. A qualifying school must have received an overall rating of “Excellent”, “Below Average”, or “Unsatisfactory” on its annual report card for at least two consecutive years or must be located in a critical geographic area as defined in Section 59-26-20(j). The State Board of Education, through SCDE, must approve guidelines for the pilot program that, at a minimum, include the following:

- a noncertified teacher must possess a suitable baccalaureate or graduate degree in the position he is hired to teach and must have at least five years of relevant workplace experience,
- procedures are provided for requiring noncertified teachers to participate in the evaluation process pursuant to Section 59-26-30(B)(4) and (5),
- initial and ongoing training and support requirements, and
- a noncertified teacher must demonstrate enrollment in a certification program within three years of employment, including any state-approved alternative or traditional route program.

While participation in the pilot program is optional, the decision to participate rests solely with SCDE and the school principal, upon approval of the district superintendent. Schools and districts that participate in the program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

SCDE must establish a separate code in the professional coding system to capture noncertified teachers and must continue to report this information on school report cards. SCDE must also submit an annual report, beginning November 1, 2025, to the General Assembly that includes recommendations for improving, expanding, or continuing the program. At the end of the five-year program, the annual report must include a recommendation on the continuance of the program.

The bill also requires SCDE to establish procedures for the registration and clearance of all noncertified teachers. Teachers must submit the required documentation and fees to SCDE, which must include, but are not limited to, a completed registration form, any associated fees, transcripts, and specified background documents. Further, an individual whose state educator certificate has been suspended or revoked may not be employed as a noncertified teacher. The State Board of Education is authorized to revoke a noncertified teacher’s registration if the teacher commits an offense covered by the Code of Conduct.

**S.C. Department of Education.** The expenditure impact of this bill on SCDE is pending, contingent upon a response.

**State Agency Schools.** The Governor’s School for Agriculture at John de la Howe indicates that the school currently has no noncertified teachers, and that if the need arises to hire noncertified teachers, any expenses can be managed within existing appropriations. The Governor’s School for the Arts and Humanities indicates that the bill will have no expenditure impact since the agency can manage the provisions of the bill within existing appropriations. The Wil Lou Gray Opportunity School indicates that the school only hires certified teachers. The Governor’s School for Science and Mathematics and the School for the Deaf and Blind previously indicated on similar legislation that they either only hire certified teachers or can adhere to the provisions of the bill within existing appropriations. Therefore, we do not expect that this bill will have an expenditure impact on the state agency schools. We will update this impact statement if the agencies revise their responses.

**State Law Enforcement Division.** SLED indicates that this bill will have no expenditure impact on the agency, as it can manage any increase in criminal records checks within existing appropriations.

### **State Revenue**

This bill requires noncertified educators to submit fees to SCDE as part of the registration and clearance process to become a noncertified teacher. However, the bill does not specify the amount of the fee. Proviso 1.10 of the FY 2022-23 Appropriations Act authorizes the agency to retain revenue for registration fees for non-SDE employees and teacher certification fees. Therefore, Other Funds revenue of the agency will increase due to these fees. However, the amount of the increase is undetermined and will depend upon the number of registrations for noncertified teachers and the amount of the registration fee.

The bill also requires all noncertified educators to undergo a SLED background check, which must be submitted during the registration process. We anticipate that the bill may increase the number of background checks that SLED will be required to perform. SLED previously indicated that the total cost for a criminal records search is \$51.75, of which \$25 is retained by SLED. The vendor, Identogo, receives \$13.50, and the remainder of the fee, \$13.25, is remitted to the FBI. Pursuant to Section 23-3-115(A), revenue generated by criminal records checks performed by SLED up to an amount of \$4,461,000 must be deposited in the General Fund. Any revenue over that amount is retained by SLED.

The overall revenue impact of this bill on Other Funds of SLED is undetermined as the number of noncertified teachers fluctuates each year. However, SCDE previously indicated there were 1,368 noncertified teachers in the 2021-22 school year. Based upon a three-year historical average, SLED was able to retain an average of \$10,375,000 from background checks for its \$25 portion of the fee. Assuming a similar pattern in future years and since this amount is over the \$4,461,000 amount that is allocated to the General Fund, we anticipate that Other Funds of SLED will increase by an undetermined amount in FY 2023-24 as a result of the potential

increase in background checks. There would be no increase to the General Fund for this portion of the bill.

### **Local Expenditure**

As stated above, this bill allows qualifying schools to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. Additionally, schools and districts that participate in the pilot program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

Data published by SCDE indicates there are 1,370 total local schools in the 2022-23 school year. Of this number, 458 schools would qualify for the pilot program based upon an “Excellent”, “Below Average”, or “Unsatisfactory” rating on the 2019 and 2021 report cards. Please note that there are no report card ratings from 2020, as the U.S. Department of Education waived federal accountability requirements due to COVID-19. Also, 809 schools would qualify based on the critical geographic area requirement for FY 2022-23. However, this number will fluctuate based on consecutive report card ratings and geographic area requirements.

The expenditure impact on local school districts to provide the necessary training for noncertified teachers to enter the classroom is undetermined. While some participating schools and districts may collaborate on training, the expenditure impact will depend upon the number of noncertified teachers and the number of qualifying schools that choose to participate in the pilot program. We will update this impact statement if the districts revise this response.

Also, it is undetermined how many districts will choose to hire noncertified teachers pursuant to the provisions of the bill. The expenditure impact will vary by district and depends upon the number of noncertified teachers that the districts choose to hire. Although the number of noncertified teachers fluctuates, there were 1,368 noncertified teachers in the 2021-22 school year. Of this amount, 879 noncertified educators taught in a qualifying school. This includes the following position codes: special education, prekindergarten, kindergarten, classroom teachers, and retired teachers.

Additionally, districts will not generate state teacher salary funding for noncertified teachers. The potential salary impact for local districts will depend on the number of noncertified teachers each district chooses to hire.

### **Local Revenue**

N/A



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