



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: S. 0454 Amended by the Senate on May 1, 2025
Subject: Charter School Accountability
Requestor: Senate Education
RFA Analyst(s): Wren
Impact Date: February 17, 2026

Fiscal Impact Summary

This bill as amended makes changes to the South Carolina Charter Schools Act of 1996 by changing references from “sponsor” to “authorizer” and by adding responsibilities and reporting requirements for charter schools and charter authorizers. The bill also makes changes to the process by which a charter school may terminate its charter with an authorizer and transfer to another authorizer. Additionally, the bill requires the S.C. Department of Education (SCDE) to conduct certain annual reviews of charter authorizers and to provide guidance to authorizers, among other responsibilities. Further, the bill specifies that charter school authorizers are subject to the ethics and government accountability requirements for public members and public employees in Chapter 13, Title 8. Further, the bill provides that the Administrative Law Court (ALC) may hear appeals related to the provisions of the bill.

This bill will increase recurring expenses of SCDE by approximately \$235,000 beginning in FY 2026-27. Of this amount, \$226,000 is for 2.0 FTEs to manage the additional responsibilities, and \$9,000 is for miscellaneous operating expenses. SCDE will request an increase in General Fund appropriations to cover these expenses.

This bill will have no expenditure impact on ALC or the State Ethics Commission since any additional responsibilities can be managed with existing appropriations and staff.

The South Carolina Public Charter School District (SCPCSD) and the Charter Institute at Erskine indicate that any additional responsibilities resulting from the bill can be managed within the normal course of business.

Based on information from SCDE, nine of the traditional school districts (Anderson 5, Beaufort, Charleston, Chester, Georgetown, Horry, Lancaster, Richland 1, and York 3) also have charter schools under their jurisdiction. SCDE surveyed these districts and received a response from four of the districts. Anderson and Chester indicate that the bill will have no impact. Beaufort anticipates the need to hire an additional coordinator level position, with an estimated salary of approximately \$133,000 to manage the charter school requirements of the bill. Charleston indicates that the expenditure impact is undetermined at this time.

Explanation of Fiscal Impact

Amended by the Senate on May 1, 2025

State Expenditure

This bill as amended makes changes to the South Carolina Charter Schools Act of 1996 by changing references from “sponsor” to “authorizer” and by adding responsibilities and reporting requirements for charter schools and charter authorizers. The bill also makes changes to the process by which a charter school may terminate its charter with an authorizer and transfer to another authorizer. Additionally, the bill requires SCDE to develop a streamlined transfer application for charter schools to apply to a new authorizer if the public or independent institution of higher learning authorizer’s registration is terminated. The bill also requires SCDE to develop an application and approval process to allow authorizers the ability to implement board training programs, to develop a separate application for replication to encourage the creation of additional charter schools, to conduct certain annual reviews of charter authorizers, and to provide guidance to authorizers. The bill also specifies that charter school authorizers are subject to the ethics and government accountability requirements for public members and public employees in Chapter 13, Title 8. Further, the bill provides that ALC may hear appeals related to provisions of the bill.

S.C. Department of Education. SCDE indicates that this bill will increase expenses of the department by approximately \$235,000 in FY 2026-27. Of this amount, \$226,000 is for 2.0 FTEs to manage the additional responsibilities, and \$9,000 is for miscellaneous operating costs, including travel for professional development and site visits and for office supplies for the new FTEs. SCDE will request an increase in General Fund appropriations to cover this expense.

Administrative Law Court. ALC indicates that any additional cases can be managed with current appropriations and staff. Therefore, the bill will have no expenditure impact on ALC.

State Ethics Commission. The State Ethics Commission indicates that it can manage the provisions of the bill with existing appropriations and staff.

State Revenue

N/A

Local Expenditure

This bill makes changes to the South Carolina Charter Schools Act of 1996 by changing references from “sponsor” to “authorizer”. The bill requires charter schools to post their annual audit and contract with their charter authorizer on their website and requires charter authorizers to post on their website their budget as an authorizer and all charter school applications. Also, the bill adds additional reporting requirements for charter schools and charter authorizers. Additionally, the bill makes changes to the process by which a charter school may terminate its charter with an authorizer and transfer to another authorizer.

The SCPCSD and the Charter Institute at Erskine indicate that the bill will have no expenditure impact as the additional responsibilities can be managed within the normal course of business.

Additionally, based on information from SCDE, nine of the traditional school districts (Anderson 5, Beaufort, Charleston, Chester, Georgetown, Horry, Lancaster, Richland 1, and York 3) also have charter schools under their jurisdiction. SCDE surveyed these districts and received a response from four of the districts. Anderson and Chester indicate that the bill will have no impact. Beaufort anticipates the need to hire an additional coordinator level position, with an estimated salary of approximately \$133,000 to manage the charter school requirements of the bill. Charleston indicates that the expenditure impact is undetermined at this time.

Local Revenue

N/A



Frank A. Rainwater, Executive Director