

2017 LEGISLATIVE ROUNDUP

SOUTH CAROLINA SCHOOL BOARDS ASSOCIATION

1. Statewide legislation that passed

Benefits Mandate

Effective date: April 5, 2017

South Carolina joined 17 other states that have enacted a law to preempt local governments from enacting their own minimum wage and/or other wage-hour laws aimed at private employers. Spurred by the national "Fight for \$15" campaigns, some cities and counties in other states have enacted laws to increase the minimum wage paid to employees within their jurisdictions. Some local laws also mandate that employers provide employees with paid sick leave, regular schedules or additional hours, and benefits for part-time employees.

The General Assembly moved quickly to enact legislation prohibiting political subdivisions, defined as cities, counties, school districts, special purpose districts, and public service districts from establishing, mandating, or otherwise requiring an employee benefit. "Employee benefit" is broadly defined to include anything of value that an employee may receive from an employer in addition to wages such as health benefits, disability benefits, death benefits, group accidental death and dismemberment benefits, paid days off for holidays, paid sick leave, paid vacation leave, paid personal necessity leave, retirement benefits, and profit-sharing benefits.

The new law does not limit political subdivisions from establishing employee benefits in employment relationships to which they are a party.

Education Accountability System

Effective date: June 10, 2017

After several years of changes to various state and federal education accountability laws, the General Assembly took on the task of revising the state's Education Accountability Act. Changes in recent years to education goals and measuring

and reporting student and school progress precipitated the need for changes to the education accountability system.

In 2014, the General Assembly directed the Education Oversight Committee (EOC) to develop and recommend a single accountability system that "meets federal and state accountability requirements by the fall of 2017." Then in 2015, Congress enacted the Every Student Succeeds Act (ESSA), which made significant changes to federal accountability requirements and directed state superintendents and departments of education to develop plans to meet the new requirements. Finally, in 2016, the Profile of the South Carolina Graduate was adopted as South Carolina's achievement goal for all high school students to become college and career ready.

Changes that were ultimately adopted modify the amount of testing, methods for measuring student and school progress, and annual reporting.

Testing

The law provides the following mandates:

- Beginning with the 2017-2018 school year, standards-based tests in mathematics and English/language arts will be administered to students in grades three through eight; in science, to students in grades four, six, and eight; and in social studies, to students in grades five and seven.
- The South Carolina Department of Education (SCDE) is responsible for procuring and administering the ACT Plus Writing assessment and WorkKeys to 11th grade students for the 2017-2018 and 2018-2019 school years. Beginning in the 2019-2020 school year, high schools are required to offer a college entrance assessment and a career-ready assessment to 11th graders.
- For 11th grade students with a disability, the option of taking a college entrance exam and/or career readiness assessment will be based on the student's Individualized

2017 LEGISLATIVE ROUNDUP

Education Program (IEP). The student's IEP team must agree in writing that taking either of these assessments would not be aligned with the student's program of study in order for a student to opt out of one or more of the tests. Valid accommodations based on the student's IEP or 504 plan must be provided to students choosing to use the college readiness test results. Students must indicate that choice in compliance with the testing vendor's deadline.

- Schools may request paper-based state tests in the event of school closure due to extreme weather or other disruptions that are not the fault of the district.

Measuring Student and School Progress

Progress will be measured as follows:

- The method used to measure annual school growth will be based on a value-added system that must be approved by the State Board of Education and the EOC.
- Annual overall school performance ratings will be required based on the percentage of students meeting standards on the state standards-based tests, student growth or student progress from one school year to the next, graduation rates, and other indicators as determined by federal guidelines and the EOC, as applicable.
- Performance ratings will also be assigned to individual indicators used to measure a school's performance, including, but not limited to, academic achievement, student growth or progress, graduation rate, English language proficiency, and college and career readiness.
- Annual school performance ratings must be based on a numerical scale of 0 to 100.
- The terminology for school performance ratings will be excellent, good, average, below average, and unsatisfactory.

Annual Reporting

Annual reporting will be conducted in the following manner:

- The EOC, working with the State Board of Education, is directed to establish the format

of a comprehensive, web-based, annual report card to report on the performance of the state and of individual primary, elementary, middle, and high schools; career centers; and school districts.

- Results of student performance on standards-based tests in grades three through eight and on end-of-course assessments for high school students must be included in state ratings for each school beginning in 2017-2018.
- Performance ratings will be in a font size larger than 26 and the total number of points the school achieved on a 0 to 100 scale on the front page of a school report card.
- Release of the 2017-2018 school report cards must be no later than November 15, 2018. For the 2018-2019 school year, report cards must be furnished no later than October 1, 2019, and no later than September 1, 2020, for the 2019-2020 school year.

Longitudinal Database System

The new accountability law directs the state to develop and maintain a longitudinal data system that will be used to follow students who graduate or leave public high schools with the objective of measuring the continuous improvement of public education and college and career readiness of public school graduates.

The South Carolina Revenue and Fiscal Affairs Office, working with the Office of First Steps to School Readiness, the SCDE, the South Carolina Commission on Higher Education, the South Carolina Department of Social Services, the South Carolina Technical College System, the South Carolina Department of Commerce, the South Carolina Department of Employment and Workforce, and other state agencies or institutions of higher education are directed to develop and maintain a universal identification system that includes the following information for measuring the continuous improvement of the state public education system and the college and career readiness and success of its graduates:

- students graduating from public high schools in the state who attend college without the need for remediation

2017 LEGISLATIVE ROUNDUP

- working-aged adults in South Carolina by county who possess a postsecondary degree or industry credential
- high school graduates who are gainfully employed in the state within five and 10 years of graduating from high school
- outcome data regarding student achievement and student growth that will assist colleges of education in achieving accreditation and in improving the quality of teachers in classrooms

The law requires that all information disseminated will conform to state and federal privacy laws.

Finally, the EOC is directed to design and pilot competency-based accountability systems in selected districts. A House committee was set up to study moving to a competency-based system that is focused on students obtaining mastery of subjects versus seat time. As students master grade level standards, they can move to the next grade level standards.

EEDA Coordinating Council

Effective date: May 10, 2017

The General Assembly moved to reestablish the South Carolina Education and Economic Development Coordinating Council, which was part of the Education and Economic Development Act (EEDA) passed in 2005. While the Council was set forth in the Act, the General Assembly never provided for membership or specific duties.

House bill 3220 establishes and outlines the membership and duties of the Council, which is charged with reviewing the progress, results, and compliance with the EEDA and making recommendations for better achieving the Act's goals of implementing career pathways in public schools, fostering a better-prepared workforce, and ensuring student success in postsecondary education.

The Council is to be comprised of more than 40 legislative, education, and business members that must represent the geographic regions of the state and be representative of the ethnic, gender, rural, and urban diversity of the state. Members include

the State Superintendent of Education or his/her designee, Executive Director of the South Carolina Department of Employment and Workforce or his/her designee, Executive Director of the State Board for Technical and Comprehensive Education or his/her designee, and Secretary of the South Carolina Department of Commerce or his/her designee.

There is a sunset provision that the Council will expire after five years unless it is reauthorized by the General Assembly.

Fiscal Practices and Budgetary Conditions

Effective date: May 9, 2017

The General Assembly took steps to expand the authority of the state superintendent and the South Carolina Department of Education (SCDE) to intervene in school districts, including the State Charter School District. The state superintendent is already authorized through the South Carolina Education Accountability Act to take over the management of a school or district for low academic performance once other assistance measures fail to yield improvement. Now, districts experiencing financial issues could be overseen by the superintendent and SCDE staff.

The new law directs the SCDE to work with district superintendents and finance officers to develop and adopt a statewide program with guidelines for the following:

- identifying fiscal practices and budgetary conditions that, if uncorrected, could compromise the fiscal integrity of a school district
- advising districts on the corrective actions that should be taken

The program is to have three escalating levels of fiscal and budgetary concerns: fiscal watch, fiscal caution, and fiscal emergency, with conditions and requirements associated with each.

2017 LEGISLATIVE ROUNDUP

Fiscal Watch

The state superintendent must declare a district under fiscal watch in the following circumstances:

- In his/her determination and discretion, that a district declared to be in fiscal watch has not acted reasonably to eliminate or correct practices or conditions that prompted the declaration and he/she has determined that a state of fiscal watch is necessary to prevent further decline.
- A district is under any type of ongoing, related investigation by any state or federal law enforcement agency or any other investigatory agency of the state.

The state superintendent may declare a fiscal watch designation under the following circumstances:

- An independent, outside auditing firm notifies the SCDE that the district is not operating under generally accepted accounting principles.
- The district does not maintain a general reserve fund of at least one month of operating expenditures of the previous two fiscal years.

Once the declaration is made, the school board must submit to the SCDE a financial recovery plan within 60 days that is to be reviewed by the state superintendent who can approve, reject, or modify the plan within 30 days after receipt of the plan. The school board is directed to submit an updated plan annually until the district is released from the declaration. During this time, the SCDE will provide technical assistance.

The school board may appeal the fiscal watch declaration to the State Board of Education (SBE) within 10 days of the declaration. The SBE must hold the appeal hearing within 30 days after the appeal request is filed; however, the district is to continue working with the SCDE pending determination of the appeal.

A district under a declaration of fiscal watch must not be released from fiscal watch in the same fiscal year in which the declaration was made, but may be released the following year if the department determines that the corrective actions

have been or are being successfully implemented. The state superintendent will notify the board chairman, superintendent, and chief financial officer of the release of the district from fiscal watch.

Fiscal Caution

The state superintendent must declare the second and intermediate level under the following circumstances:

- SCDE determines after reviewing the district's annual audit that financial practices outside of acceptable accounting standards exist.
- A district submits an annual audit more than 60 days after the December 1 deadline.
- SCDE discovers, after examining the district's previous two audits, any other fiscal practices or conditions that could lead to a declaration of fiscal emergency.
- SCDE determines the district is not maintaining the mandatory minimum of one month of general fund operating expenditures in its general reserve fund.
- An outside, independent auditing firm declares that a school district's financial records cannot be audited.
- SCDE identifies significant deficiencies, material weaknesses, direct and material legal noncompliance, or management letter comments which, in the interpretation of the SCDE, constitute an aggregate effect that significantly impacts the district's financial condition.
- An ongoing investigation is being conducted by any federal or state agency, law enforcement or otherwise, with regard to the district's finances or those of the school board.

The state superintendent may declare fiscal caution after consulting with the district school board verbally or in writing that:

- There are conditions observed in the annual audit that could result in a declaration of fiscal emergency.
- An outside, independent auditing firm reports

2017 LEGISLATIVE ROUNDUP

the existence of any conditions or practices that could result in a declaration of fiscal emergency.

Within at least 10 business days of the declaration, the state superintendent is required to provide written notification to the board chairman, superintendent, and chief financial officer that a declaration of fiscal caution is pending. The notification must include an explanation of the circumstances for the pending declaration and any steps the district could take to avoid the declaration. The notice must also include a request for the district to provide a proposal for correcting the conditions that led to fiscal caution and for preventing further fiscal difficulties that could lead to fiscal caution.

Under the fiscal caution designation, the SCDE is to visit and inspect the district; provide technical assistance; make recommendations for corrections; and may order a performance audit that must be paid by the district, if requested by the SCDE, within 60 days after the request is made.

Within 60 days, the district is required to provide written proposals for discontinuing or correcting the practices and conditions that led to the declaration of fiscal caution.

If the state superintendent finds a district has not made reasonable proposals or taken action to correct the practices or conditions that led to the declaration, he/she may report to the State Board of Education that a declaration of fiscal emergency is necessary to prevent further fiscal decline.

A district under a declaration of fiscal caution must not be released from fiscal caution in the same fiscal year in which the declaration was made, but it may be released the following fiscal year if the SCDE determines that the corrective actions have been or are being successfully implemented. The state superintendent will notify the board chairman, superintendent, and chief financial officer of the release of the district from fiscal caution.

Fiscal Emergency

The third and most severe level of concern, which could lead to a state takeover of district finances, is declared when:

- A district under fiscal caution fails to submit an acceptable recovery plan within 120 days or an updated recovery plan when required.
- The SCDE finds that a district under fiscal caution is not complying with an original or updated recovery plan and determines that fiscal emergency is necessary to prevent further decline.
- A district is at risk of defaulting on any type of debt, to include, but not be limited to, tax anticipation notes, general obligation bonds, or lease-purchase installment agreements.
- A district has previously been under fiscal watch, fiscal caution, or any combination of fiscal watch and fiscal caution for three fiscal years collectively, regardless of whether these three years are continuous.
- The state superintendent determines it is necessary to correct the district's fiscal problems and to prevent further fiscal decline.

Under the fiscal emergency designation, the SCDE is to visit and inspect the district, provide technical assistance, and make recommendations for corrections.

The district is required to provide written proposals for discontinuing or correcting the practices and conditions that led to the declaration.

If the state superintendent finds a district has not made reasonable proposals or taken corrective actions, he/she can recommend to the State Board of Education that the SCDE take over financial operations of the district for the fiscal year in which a fiscal emergency is declared as part of the technical assistance. Upon approval of the recommendation by the State Board of Education, the SCDE may maintain financial operations until the district is released from a fiscal emergency declaration.

2017 LEGISLATIVE ROUNDUP

Other

The provisions in the law also apply to the State Charter School District, and a variation of these fiscal accountability measures apply to special schools where a state agency operates as a local education agency, such as the educational programs of the South Carolina Department of Juvenile Justice, the Wil Lou Gray Opportunity School, and the Governor's Schools.

Freedom of Information Act (FOIA) Revisions

Effective date: May 19, 2017

A bill that has been debated for the past several years requiring major changes to the South Carolina Freedom of Information Act (FOIA) finally made it into law this year. However, the changes enacted were not as extensive as originally proposed. The original bill would have created a FOIA Review Office within the Administrative Law Court that would essentially rule on all FOIA contested requests, responses, and more.

Most of the final changes ultimately enacted into law address the process for requesting information, the response timelines for responding and fulfilling information requests, and the collection of reasonable fees.

Records Request

The law mandates the following:

- An individual has the right to request and receive a public record by electronic transmission. However, the law now expressly states that a public body is not required to create an electronic version of a public record where one does not exist.
- Incarcerated individuals are prohibited from submitting FOIA requests.
- A public body or an individual requesting public records may request an initial hearing in the circuit court for a ruling on whether the public records request must be fulfilled. The initial hearing is to be scheduled within 10 days of all parties being notified of the request.

If the court determines it cannot reach a final decision at that initial hearing, the court may establish a scheduling order to conclude the action within six months and may extend that timeline further for good cause.

- Public bodies may request a circuit court hearing for relief from unduly burdensome, overly broad, vague, repetitive, or otherwise improper records requests.
- A court may order equitable relief, actual or compensatory damages, or reasonable attorney's fees and costs to the prevailing party.
- Public bodies and officials are protected from being required to pay attorney's fees if the court conducting the initial hearing determines that records requested are not subject to disclosure but this decision is subsequently overturned on appeal.
- It eliminates a FOIA violation as a crime punishable by jail time and, instead, authorizes the court to assess a civil fine of \$500 under certain circumstances.
- Documents distributed to or reviewed by members of a public body during a public meeting within the preceding six-month period are added to the list of records that must be made available without a written request.

Response and Fulfillment Timelines

School districts must take note of the following changes in the timelines:

- The amount of time a public body must respond as to whether information from a FOIA request will be provided has decreased from 15 days to 10 business days for records that are less than two years old and from 15 days to 20 business days for records that are older than two years.
- Public bodies must provide the requested information within 30 calendar days of receiving a required deposit if the information is less than two years old, or 35 calendar days if the information is more than two years old.
- The production and response/determination timelines may be extended by written mutual consent and the requesting party may not

2017 LEGISLATIVE ROUNDUP

unreasonably withhold such consent.

- A public body's failure to provide its determination in writing within the allotted time automatically means approval of the request if the information requested is nonexempt; automatic approval does not apply to information exempt from public disclosure by state or federal law.

Schedule and Collection Fees

The following fee schedule requirements were included:

- Public bodies will develop and post online a schedule of the fees for fulfilling FOIA requests, including the fees for searching, retrieving, redacting, and copying records. The fees must be uniform for the same records.
- Copying fees will not exceed prevailing commercial rates; however, the law does not define prevailing commercial rates.
- Fulfillment fees charged by the public body will not exceed the actual cost of the search, retrieval, and redaction of records, and the rate is limited to the prorated hourly salary of the lowest paid employee who, in the reasonable discretion of the custodian of the records, has the necessary skill and training to fulfill the request.
- Public bodies may require a deposit, not to exceed 25 percent of the anticipated cost for reproduction of the requested records, before beginning work and require that any balance be paid at the time of production. In the past, public bodies could charge a "reasonable" deposit before searching for and making copies of records.

Other Provisions

The General Assembly also mandated the following:

- The crime of knowingly obtaining personal information for commercial solicitation is expanded to include information received from local governments and political subdivisions in addition to state agencies already covered by the law.

- Local governments and political subdivisions will provide notice of the prohibition against using the personal information for commercial solicitation and they must take reasonable steps against improper access, which is not defined.

Personalized Diploma Pathways

Effective date: See summary below

Recognizing the need for students to have personalized pathways for earning a diploma, the General Assembly enacted changes to the high school diploma program. The changes are recommendations by the South Carolina Department of Education (SCDE) through its Diploma Pathways Project. For the past year, the SCDE has been examining how the state's high school diploma requirements can best support the standards in the Profile of the South Carolina Graduate, which are the state-adopted standards and areas of learning by which graduates should be measured.

The changes enacted this year will provide a framework for the SCDE to develop different career-ready and college-ready pathways for students to choose from based on their post-secondary goals. Courses and other requirements will be aligned for each pathway that students must follow to earn their diploma. Students specializing in a certain area of focus, such as finance, would be recognized with a seal on their diploma or credential.

Changes include revisions to diploma requirements, the creation of an employability credential for certain students with special needs, and the addition of the SCDE reporting requirements.

High School Diploma

The law provides for the following:

- Students will still earn 24 units of credit to obtain a high school diploma and, when applicable, students will be offered national industry certifications or credentials.

2017 LEGISLATIVE ROUNDUP

- Diplomas issued to graduates of accredited high schools will be uniform in color, size, lettering, and marking.
- Districts and schools will provide students, beginning with students entering the ninth grade in the 2018-2019 school year, with personalized pathways for earning the uniform diploma. Students may earn endorsements based upon their course of study, which may be represented by seals added to the student's diploma. The State Board of Education (SBE) will promulgate regulations establishing these pathways and endorsements.

Coursework must be aligned with a student's personalized diploma pathway, and the individualized graduation planning process must include each student's personalized pathway based on his/her postsecondary plans. The SBE is directed to promulgate regulations that outline the process and procedures for approval of courses to personalize pathways based on students' postsecondary plans and include an annually updated course activity coding manual listing of approved courses.

Employability Credential

Another change to the law directs the SBE, through the SCDE, to work with the South Carolina Vocational Rehabilitation Department, the South Carolina Department of Employment and Workforce, businesses, and stakeholders to develop criteria for a uniform state-recognized employability credential.

The employability credential must be aligned to the program of study for students with a disability whose Individualized Education Program (IEP) team determines, and agrees in writing, that a diploma pathway would not provide a free appropriate public education.

The SBE and SCDE are directed to develop a rubric and guidelines to identify and assess the employability skills of such students based on established standards. The credentials must be uniform in size, shape, and design.

Reporting Requirements

Finally, the SCDE is required to monitor and report the number of diplomas and employability credentials earned by students to the SBE and the General Assembly biannually by February 15, beginning in 2020.

Time Effective

This act takes effect with students entering ninth grade beginning with the 2018-2019 school year.

Retirement System Reform

Effective date: July 1, 2017

Faced with the task of addressing the roughly \$20 billion unfunded liability in the state retirement system, the General Assembly made numerous changes to the pension fund that include higher costs for employers and employees. There are only three sources of income for the state retirement plans: employer contributions, employee contributions, and investment returns.

State agencies, cities, counties, and school districts will pay a two percent increase - or an added \$236 million a year - for all employees beginning July 1, 2017. The employer contribution rate will continue to increase by one percentage point - or \$118 million - each year until 2022, when the employer's contribution will reach an added \$827 million a year for the pension fund or 18.56 percent.

The General Assembly provided funding in the 2017-2018 state appropriations bill to help cover most of the employer increase for school districts. According to the South Carolina Public Employee Benefit Authority (PEBA), which administers the state retirement system, state funding was allocated to districts to pay for one percent of the two percent increase for employees covered by the state General Fund and the Education Improvement Act. Deviating from the normal appropriations process, the General Assembly also allocated funds directly to PEBA to cover the second one percent increase in employer contributions for all employees in the retirement system. PEBA will in turn issue a credit invoice to each employer for one percent of the

2017 LEGISLATIVE ROUNDUP

employer contributions based on its share of the appropriated funds. While school districts were provided funding to cover most of the two percent employer contribution increase due to both the direct and indirect appropriations, there is no guarantee funding will continue to be provided going forward.

For employees, their retirement fund contribution rate will increase to nine percent - up from 8.7 percent - beginning July 1. The new law caps the employee rate at nine percent.

Other system reforms include:

- lowering the assumed rate of return on investments from a 7.5 percent annual return to a 7.25 percent annual return through July 1, 2021, when a new rate is to be set by the General Assembly
- gradually lowering the time allowed for paying off the unfunded liabilities from 30 years to 20 years by July 1, 2027
- making changes to the governance structures of PEBA and the Retirement System Investment Commission that were drawn from recommendations of South Carolina's Legislative Audit Council and the private firm that conducted the independent audit of the state's pension system

Local District Action Required: SCSBA does not recommend any policy changes.

Policy Reference: N/A

Text: The text of this law can be found [here](#).

Stadium Bathroom Building Codes

Effective date: May 9, 2017

School districts planning to build or remodel stadiums will get some financial relief thanks to a new law allowing them to deviate from international building codes that the state adopted in 2016. Before the new law, districts constructing or remodeling stadiums were faced with hefty construction costs primarily due to the

number of additional plumbing fixtures (sinks and toilets) for male and female restrooms required by the building codes. The required number of fixtures is based on a stadium's total seating capacity.

As a result, the General Assembly moved quickly and nearly unanimously (one "no" vote in the Senate) to pass legislation allowing districts to replace the building code's plumbing fixtures requirements with minimum state requirements based on a stadium's occupancy and use by gender. The new requirements are expected to save thousands of dollars for districts; for example, Anderson School District One is estimated to save \$300,000 on a new high school stadium.

The new law also establishes the method for determining the stadium's occupancy and use by gender. The new plumbing fixtures requirements apply to middle and high school stadiums as follows:

- one sink per 300 occupancy for male and female restrooms
- for male restrooms, the minimum number of toilets are:
 - one per 200 for the first 1,500 occupancy
 - one per 250 for the next 1,500 occupancy
 - one per 500 for the remainder occupancy
- for female restrooms, the minimum number of toilets are:
 - one per 100 for the first 1,520 occupancy
 - one per 150 for the next 1,520 occupancy
 - one per 300 for the remainder occupancy

To determine the occupant load of each gender, the total occupant load must be divided in half. To determine the required number of sinks and toilets, the ratio or ratios for the fixtures must be applied to the occupant load of each gender in accordance

2017 LEGISLATIVE ROUNDUP

with the breakdown listed above. Fractional numbers resulting from applying the fixture ratios must be rounded up to the next whole number.

For calculations involving multiple occupancies, such fractional numbers for each occupancy must first be summed and then rounded up to the next whole number. However, the total occupant load is not required to be divided in half where approved statistical data indicates a distribution other than 50 percent of each gender.

The plumbing fixtures requirements apply to new high school and middle school stadiums and renovations to existing stadiums that include replacing existing seating or adding new seating; however, the fixtures requirements apply only to the number of new seats being added.

The requirements do not apply to a stadium renovation project that does not include replacing existing seating or adding new seating.

2. Local legislation that passed

(R.40, H.3171) **Charleston County School**

District, reestablishes the boundary lines that define the constituent districts and redraws the three defined geographic areas in which the members of the Cooper River School District Number 4 Constituent School Board of Trustees must reside. It also directs that students who were enrolled in a Charleston County high school prior to the effective date of this Act may elect to stay at their current high school; however, transportation will not be provided for those students who elect to remain.

(R.0006, S.0457) **Fairfield County School District**, authorizes the board to receive and set the amount for a monthly stipend for attendance at duly constituted meetings, effective April 4. Attendance is required in order for members to receive the stipend unless the absence was due to a valid medical reason or other good cause approved by the board chairman. In addition, members who are directed to travel outside the county or school district on official board business may be allowed actual expenses incurred payable from the district budget; however, members may not be reimbursed for more than one overnight trip each year and more than one local trip not requiring an overnight stay every six months.

(R.0024, H.4067) **Florence County School**

District Three (Lake City), makes a number of changes to the type of seats, terms, and election of the nine-member board of trustees, effective April 24. One member will be elected from each of the five single-member districts. Two members will be elected from each of the two multimember districts for the remaining four seats. Elections will be held in an

even-numbered year on the first Tuesday after the first Monday in November. In order to stagger the terms of the board, the five members elected at the 2018 general election who receive the highest number of votes will serve an initial term of four years, and the member receiving the next highest number of votes will serve an initial term of two years. At the expiration of these initial terms, members elected to represent these same districts are elected for terms of four years. Filing to run for the board will be held beginning at noon on August 1 to noon on August 15. If a vacancy occurs more than 180 days prior to the next general election, the board is authorized to appoint a new member to fill the vacancy until a new member is elected at the general election to fill the unexpired term.

(R.0042, H.3346) **Pickens County School District**, increases the number of single-member, non-partisan seats on the board of trustees from six to seven beginning with the 2018 general election and places certain restrictions on the board's authority to close any school, effective May 9. In the 2018 general election, trustees will be elected from single-member Districts 2, 4, 6, and 7. In the 2020 election, trustees will be elected from single-member Districts 1, 3, and 5. The decision to close a school must be considered in three separate board meetings with a minimum of six days between each meeting. One of the three meetings must include a public hearing, and one must be held at the school to be closed or in a location within one mile of the school to be closed. If a decision is made to close a school, the board must reconsider its action if presented with a petition that requests a reversal of the

2017 LEGISLATIVE ROUNDUP

board's vote within 60 days of the board's decision. The petition must be signed by at least 15 percent of the registered voters at the last preceding regular board election. If the board fails to reverse the vote, the adoption or repeal of the vote must be submitted to the electors not less than 30 days nor more than one year from the date the board takes its final vote. If no regular election is to be held within such a period, the board may, in its discretion, hold a special election.

(R.0086, S.562) **Sumter School District**, increases the number of seats on the board of trustees from seven to nine, effective May 15. The two new at-large members will be appointed by the local legislative delegation (no timeline and no description of the appointment process provided). The two appointed members will serve until the 2018 school board election. The at-large board members elected in 2018 will serve for four years when the seats will be redrawn into single-member districts that will be based on the 2020 census for the 2022 board election. The member elected in the first election following reapportionment whose seat received the most votes in the 2018 election will serve a four-year term, and the other member will serve a two-year term. Afterwards, all members will serve

four-year terms. If a vacancy occurs less than 180 days before the next general election, the governor will appoint a new member to fill the unexpired term. All other vacancies must be filled by special election.

(R.0019, S.568) **Williamsburg County School District**, adds two at-large seats on the board of trustees that increases the total number of seats from seven to nine, effective May 3. The two new at-large members will be appointed initially by the local legislative delegation (no timeline and no description of the appointment process provided). The two appointed members will serve until the 2018 school board election. Following the 2018 election, the legislative delegation will determine which seat will serve a four-year term and which seat will serve a two-year term before the next election in order to establish staggered terms. Afterwards, all members will serve four-year terms. If a vacancy occurs less than 180 days before the next general election, the governor will appoint a new member upon the recommendation of a majority of the county legislative delegation to fill the unexpired term. All other vacancies must be filled by special election.

3. Temporary budget provisos

Effective date: July 1, 2017

There were several new temporary provisos enacted this year, as well as others that were carried over from the previous year, amended, or deleted. Because they are temporary, budget provisos must be revisited each year. What follows is a non-exhaustive list and summary of amended continuing provisos, new provisos, provisos of note, and deleted provisos by the General Assembly. A complete listing of the provisos and the full text of each can be found on the State House website.

Amended Continuing Provisos

1.3 (SDE - EFA Formula/Base Student Cost Inflation Factor)

This proviso sets the base student cost and inflation factor each year under the Education Finance Act (EFA) and provides for the distribution of funds. It was amended to reflect the base student cost for the 2017-2018 school year as \$2,425 and projects new estimates for the following:

- Total pupil count is projected to be 721,401.
- Average per pupil funding is projected to be \$6,120 state dollars, of which \$2,339 comes from the EFA; \$1,294 federal dollars; and \$5,726 local money. This is an average total funding level of \$13,140, excluding revenues of local bond issues.

As in the past several years, no changes were made to EFA weightings, and the description used for the pupils in poverty weighting remained the same as this past year and reads as follows: "For the current school year, the South Carolina Department of Education (SCDE) will continue to use counts from the prior school year to determine poverty funding for the add-on weighting. The SCDE will continue to work with school districts to determine students eligible for the poverty add-on using the data elements to

determine USDA community eligibility to be used in future years."

1.26 & 1A.14 (SDE - School Districts and Special Schools Flexibility)

This proviso grants school districts the transferability and expenditure of state revenue, Education Improvement Act (EIA) funding, and lottery funds for operations within certain guidelines; prohibits districts from transferring specific funds; and suspends specific requirements and assessments. It was amended to delete the suspension of assessments for grades one, two, and nine, as funding was provided in the budget.

1.28 (SDE - Budget Reduction)

This proviso requires districts to give priority to preserving classroom teachers and operations when compensating for any funding reduction and to first apply reductions to administrative and non-classroom expenses. It was amended to also ensure the same approach to expenditure cuts is used when there is "an operating deficit publically recognized by the school board of trustees."

1.62 (SDE - Reading/Literacy Coaches)

This proviso directs the allocation and use of funds appropriated by the SCDE for reading/literacy coaches to school districts. It was amended to direct the lesser of up to \$62,730 or the actual cost of salary and benefits for a full-time reading/literacy coach be allocated to each elementary school in which 20 percent or more of students scored below "meets expectations" (previously rated "proficient") on the reading sub score of the English/language arts test (previously called the reading and research test). Also, elementary schools in which fewer than 20 percent of students scored below "meets expectations" are eligible to receive the lesser of up to \$31,365 or 50 percent of the actual cost of salary and benefits for a full-time reading/literacy coach. Previously, the proviso allowed the use of either instead of the lesser of the two.

2017 LEGISLATIVE ROUNDUP

1.69 (SDE - Teacher Salary Schedule Structure)

This proviso directs the SCDE to convene certain stakeholders to examine and make recommendations on changes to the minimum state teacher salary and include the salary needs of each of the districts that are or were in the original *Abbeville* trial and the current plaintiff school districts. It was amended to include the Center for Educator Recruitment, Retention, and Advancement (CERRA) as a stakeholder and to specify that recommendations are due by October 1, 2017, to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. The recommendations should include modifications to the teacher salary schedule structure and the potential fiscal impact of the modifications.

1A.9 (SDE - EIA: Teacher Supplies)

This proviso sets guidelines for distributing the teacher supply reimbursement of up to \$275 each school year to offset the expenses teachers have incurred for teaching supplies and materials. In addition to disbursing funds via a check on the first day teachers are required to report to work, the proviso was further amended to allow funds to be disbursed via direct deposit and via a prepaid card. All methods must be separate and distinct from payroll checks and must be provided on the first day teachers are required by contract to report to school. The proviso was also amended to require districts to annually notify teachers which method they will use to disburse the funds no later than May 15.

1A.37 (SDE - EIA: Teacher Salaries/SE Average)

This proviso states the projected Southeastern average teacher salary and requires local district boards of trustees to provide a step increase for all eligible certified teachers. It was amended to update the Southeastern average to \$51,966 and directs the SCDE to continue using the fiscal year 2016-2017 statewide minimum teacher salary schedule in fiscal year 2017-2018.

1A.63 (SDE - EIA: 4K Early Literacy Competencies Assessments)

This authorizes the use of full-day 4K program carry-forward funds to procure and administer pre-kindergarten and kindergarten readiness

assessments. It was amended to specify that "up to \$2 million of 4K half-day program and assessment carry forward funds be used to administer the Kindergarten Readiness Assessment (KRA) to each child entering kindergarten in public schools instead of the Developmental Reading Assessment 2nd Edition Plus." The amended proviso also deletes the requirement that the assessment be administered once during the last 45 days of the school year and for the SCDE to pilot other readiness assessments. It requires the SCDE to collect certain data from schools and districts on each student's prior early learning experience once they are assessed with the KRA.

New Provisos

1.85 (SDE - Military Child Care Centers)

This proviso authorizes South Carolina First Steps to School Readiness to extend four-year-old kindergarten provider eligibility to military child care settings regulated by the United States Department of Defense. State funds appropriated for use in military child care facilities must be used to expand service to Child Early Reading and Development Education Program (CERDEP) eligible children residing in school districts approved for participation during the prior fiscal year and may not be used to supplant any existing federal child care funding.

1.85 (SDE - First Steps 4K Underserved Communities)

This proviso directs South Carolina First Steps to develop a pilot program to expand four-year-old kindergarten enrollment within underserved communities eligible for participation using CERDEP funds. It provides that newly created and/or newly approved private providers proposing to expand service to 10 or more CERDEP-eligible children in communities enrolling less than 80 percent of eligible students in a public, private, or Head Start setting during the prior fiscal year, may apply for up to \$30,000 in one-time supplemental, needs-based incentives. These incentives are designed to address documented building renovations necessary to bring proposed classrooms into compliance with licensing

2017 LEGISLATIVE ROUNDUP

regulations, material and staffing costs, and/or other obstacles currently preventing their participation in the First Steps 4K program. First Steps is directed to submit a report detailing its process, expenditures, and expanded enrollment to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee by March 15, 2018.

1A.53 (SDE - EIA: Low Achieving Schools)

This proviso directs the Education Oversight Committee (EOC) to use \$500,000 allocated for the Partnerships for Innovation Program to support up to three low-achieving schools in designing and planning for the implementation of innovative, research-based strategies focused on recruiting and retaining highly effective teachers and focused on increasing time-on-task for teachers through the amount of time with, the quality of instruction provided to, and the engagement of students. The EOC is to assist the schools in determining the evidence that will be collected to measure the effectiveness of the initiative and in identifying resources to support the initiative in collaboration with Transform SC.

1A.80. (SDE - EIA: National Board Certification Incentive)

This proviso combines all former provisos related to the National Board for Professional Teaching Standards (NBPTS). It directs the payment of a \$7,500 salary supplement to classroom teachers who are certified by the State Board of Education and the NBPTS if they completed the application process before July 1, 2010, and a \$5,000 salary supplement if teachers completed the application process after July 1, 2010, as long as they maintained their national board certification. It also sets 2017-2018 as the final year for eligible teachers to submit the initial application and fee for NBPTS and be eligible to receive the state supplement upon achieving certification.

1A.82. (SDE - EIA: Abbeville Equity School Districts Capital Improvement Plan)

This proviso directs funding (\$54 million) for the Abbeville Equity School Districts Capital Improvement Plan. Funds are to be allocated by the SCDE to eligible school districts for the purpose of funding school facility upgrades.

Eligible school districts include any district that is a plaintiff in the *Abbeville* lawsuit or districts with a poverty index of 80 percent or higher. It specifies that school facilities are only those necessary for instructional and related supporting purposes including, but not limited to, classrooms, libraries, media centers, laboratories, cafeterias, physical education spaces, related interior and exterior facilities, and the conduit, wiring, and powering of hardware installations for classroom computers or for area network systems. Eligible school facility projects include health and safety upgrades, technology upgrades inside school facilities, upgrades associated with career and technology education programs, and deferred maintenance needs as described in the district's capital improvement plan. The SCDE is to develop and maintain an application process for school districts to request funding for qualified school projects and establish policies, procedures, and priorities for the making of grants. The SCDE is to prioritize eligible projects with the greatest need and submit a list of recommended grant awards to the State Board of Education for approval. At the end of the fiscal year, the SCDE is directed to submit an annual report of its Abbeville Equity School Districts Capital Improvement Plan activities for the preceding year to the Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee, and the Chairman of the House Education and Public Works Committee.

Continuing Proviso of Note

1.42 (SDE - High School Driver Education)

This continuing proviso suspending the requirement for high schools to provide a driver education course remains unchanged. High schools may continue to offer driver education courses if they choose to do so.

Deleted Provisos (proviso numbers are no longer in effect)

1.79 (SDE - Teacher Salaries Increase)

This proviso directed the SCDE to increase the statewide salary schedule by two percent, required

2017 LEGISLATIVE ROUNDUP

local school district boards of trustees to provide all certified teachers paid on the teacher salary schedule the two percent increase, specified that districts are to use the prior year's district salary schedule as their base, directed school districts to use the additional funds from the teacher salary supplement to provide one percent of the required two percent increase, and provided salary increases for all eligible certified teachers entering their 23rd year if the district's salary schedule did not go beyond 22 years.

1.79 (SDE - Facilities Tracking System and Assessment Assistance)

This proviso directed the SCDE to issue a request for proposals to contract with one or more vendors to complete facilities assessments and efficiency studies, provided guidelines as to the minimum requirements that must be included in the studies, and directed which school districts are to be assessed and studied first. The assessments and studies are currently being conducted.

1A.58 (EIA: Technology Professional Development)

This proviso directed that \$4,000,000 of professional development funds be designated for professional development in the use of classroom technology. The proviso required districts to report by June 15th on the amount of funds expended, the type of activities funded, and the number of teachers participating in the activity.