On March 13, 2019 the House of Representatives gave third reading to H.4000, the Fiscal Year 2019-20 General Appropriation Act. Regarding public education funding, H.4000 as passed by the House recommends the following:

- Consolidation of the general fund line item appropriations for the Education Finance Act (EFA) and EFA employer contributions into a new line item, State Aid to Classrooms. To the new General Fund line item, State Aid to Classrooms, the House added $159,248,000 to raise the starting salary on the State Minimum Teacher Salary Schedule from $32,000 to $35,000 and to increase salary cells beyond five years of experience by 4 percent. These funds pay for the full cost of increasing the salary schedules. The combined line item appropriation reflects an average per pupil of $3,846 per pupil. Furthermore, the funds are allocated based on the manner in which the funds were allocated in the current fiscal year;

- In addition, the House published in the budget the new State Minimum Teacher Salary Schedule and the percentage increases for each cell in the salary schedule. The budget projects an average teacher salary of $52,830 in Fiscal Year 2019-20;

- $50 million in excess debt service for School Districts Capital Improvement monies for funding school facility upgrades;

- $20 million in lottery revenues for instructional materials;

- A minimum of $19.4 million in lottery revenues for school bus lease/purchases; and
- $250,000 in lottery revenues for the Reading Partners program.

Regarding the Education Improvement Act (EIA) budget, the following chart compares the EIA budget recommendations of the Education Oversight Committee (EOC) with those of the Governor and the House. Of note, the House did not annualize any of the appropriation for industry certifications as recommended by the EOC. The House also did not provide funding for computer science professional development.

### Summary of EIA Budget Recommendations, FY2019-20

<table>
<thead>
<tr>
<th>Recurring Base</th>
<th>EOC</th>
<th>Governor</th>
<th>House</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aid to Districts – Technology</td>
<td>$12,000,000</td>
<td></td>
<td>($12,000,000)</td>
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<tr>
<td>CERDEP – SCDE (Transfer General Fund to EIA)</td>
<td>$34,324,437</td>
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<td>$7,116,616</td>
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<td>SC Public Charter Schools</td>
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<td>$15,404,235</td>
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<td>Industry Certifications (Annualization of $2,450,000)</td>
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<td>$420,221</td>
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<tr>
<td>Teacher Salary Supplement/Fringe Benefits</td>
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<td>$4,009,000</td>
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<tr>
<td>Special Schools Teacher Salary:</td>
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<tr>
<td>Governor’s School for Arts &amp; Humanities</td>
<td>$1,449,647</td>
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<td>Wil Lou Gray Opportunity School</td>
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<td>SC School for Deaf &amp; Blind</td>
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<td>Disabilities &amp; Special Needs</td>
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<td>($60,000)</td>
<td>($60,000)</td>
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<td>Clemson Agriculture Teachers</td>
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<tr>
<td>Governor’s School Science &amp; Math</td>
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<tr>
<td>SCDE Employer Contributions</td>
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<td>$4,255,165</td>
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<tr>
<td>NEW: School Resource Officers</td>
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<td></td>
<td>$10,000,000</td>
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<tr>
<td>New: Computer Science &amp; Coding</td>
<td></td>
<td></td>
<td>$3,100,000</td>
</tr>
<tr>
<td>New: Betabox</td>
<td></td>
<td></td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$16,242,000</strong></td>
<td><strong>$24,351,000</strong></td>
<td><strong>$24,348,000</strong></td>
</tr>
</tbody>
</table>

Difference in total EIA funds due to revised BEA EIA revenue estimate.
The following is a summary of proviso changes that impact public education.

**H.4000**
General Appropriations Act for Fiscal Year 2019-20
As Passed by the House on March 13, 2019
(Changes to existing provisos explained below)

**Section 1 – H630 Department of Education**

1.3. (SDE: State Aid to Classrooms)
House: Rolled up the EFA line item ($1,822,608,440) and the EFA employer contributions line item ($844,887,779) and added $119 million in general fund increases to increase teacher salaries. Of this new line item appropriation of $2,786,498,092, $3,846 per pupil in state aid to be allocated to school districts to fund the EFA, employer contributions, and a new State Minimum Teacher Salary Schedule, which is printed for the first time in the budget. The minimum starting salary increased to $35,000, a 9.4% increase and all other cells after five years of service are increased by 4%. In addition, amended definition of gifted and talented students to include students in high school taking Cambridge International courses as requested by the Education Oversight Committee (EOC).

1.51. (SDE: Lee County Bus Shop)
House: Deleted proviso requiring SC Department of Education (SCDE) to fund Lee County and Kershaw County School District Bus Shops at same level as in prior fiscal year.

1.57. (SDE: Full-Day 4K)
House: Amended to increase per pupil reimbursement rate for instructional costs from $4,510 to $4,600 in the full-day 4K program.

1.58. (SDE: Summer Reading Camps)
House: Deleted definition of poverty index that used free or reduced lunch price lunch program and Medicaid for purposes of allocating state funds for summer reading camps.

1.61. (SDE-EIA: Reading/Literacy Coaches)
House: Amended to allow districts the ability to seek a waiver from the Department of Education to expend funds allocated for reading coaches for interventionists who spend more than fifty percent of their time providing direct support to struggling readers in grades kindergarten through grade five.

1.66. (SDE: First Steps 4K Technology)
House: Technical amendment deleting specific year reference to “current fiscal year”

1.71. (SDE: Technology Technical Assistance)
House: Amended to direct South Carolina Department of Education (SCDE) to develop a statewide technology plan for schools and districts that includes: infrastructure and connectivity needs; online testing requirements; equipment; educational technology; digital literacy and a statewide learning management system.
1.76. (SDE: First Steps 4K Underserved Communities)  
House: Amended to update year references

1.77. (SDE: School Leadership)  
House: Amended to name SC Foundation for Educational Leadership for Center for Center of Executive Education Leadership (CEEL) to receive $400,000 for executive coaching and leadership development. Funds in the past had gone to CEEL but proviso had originally referred to it as “non-profit leadership development provider” which was also CEEL.

1.82. (SDE: Safe Schools Initiative)  
House: Amended to require SCDE to support school threat assessment teams and training in school districts. By August 15 each school must identify key staff to serve on a threat assessment team.

1.86. (SDE: School Safety Program)  
House: Amended to add School Resources Officers to name of appropriation line item.

1.87. (SDE: Exceptional Needs Sports Participation)  
House: Added new proviso that a student who meets the definition of ‘Exceptional needs child’ in Section 12-6-3790 (A)(2) and the definition of ‘Qualifying Student’ in Section 12-6-3790 (A)(5) of the 1976 Code is eligible to participate in any sport offered at the public school for which the child is zoned to attend.

1.88. (SDE: School Districts Capital Improvement)  
House: Added a new proviso that directs the Department of Education to disperse $50 million in funds for School Districts Capital Improvement. The funds are authorized through proviso 112.1, which directs the Office of State Treasurer to transfer from excess debt service monies $50 million to the Department of Education for this purpose. Eligible districts are districts with a poverty index of 70 percent or higher or an index of taxpaying ability less than .009.

1.89. (SDE: Teacher Salaries/SE Average)  
House: Added a new proviso that establishes the Southeastern average teacher salary to be $52,830 for Fiscal Year 2019-20 and adds language that it is the intent of the General Assembly to raise the average teacher in South Carolina over time to national average teacher salary.

1.90. (SDE: School District Hold Harmless)  
House: Added a new proviso to allow a district to use reserve funds to pay for teacher pay raises including step increases and to be held harmless from district’s reserve fund requirement provisions in the Fiscal Accountability Act.
1.91. (SDE: Cultural Sensitivity)
House: Added a new proviso to direct instruction in black history in grades 3 through 12 to include a cultural sensitivity component educating students about how they should interact with and be respectful of the beliefs and practices of people of a different race or creed.

Section 1A – H630 – Department of Education – EIA

1A.9. (SDE-EIA: Teacher Supplies)
House: Amended to change tax year references from 2018 to 2019

1A.22. (SDE-EIA: 4K Targeting)
House: Amended to change definition of poverty index from students qualifying for free or reduced-price lunch or Medicaid to the poverty index defined in the EFA.

1A.26. (SDE-EIA: Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams)
House: Amended to include Cambridge International Exam, along with Advanced Placement (AP) and International Baccalaureate (IB) exams, as assessments for which EIA funds may be expended to cover the cost of administering the exams. EOC requested the change.

1A.29. (SDE-EIA: Full-Day 4K)
House: Amended to increase per pupil reimbursement rate for instructional costs from $4,510 to $4,600 in the full-day 4K program.

1A.36. (SDE-EIA: Teacher Salaries/SE Average)
House: Amended to establishes the Southeastern average teacher salary to be $52,830 for Fiscal Year 2019-20 and to direct EIA funds for teacher salaries are to be used to implement a revised state minimum teacher salary schedule as defined in Proviso 1.3.

1A.37. (SDE-EIA: PowerSchool Dropout Recovery Data)
House: Amended to allow SCDE to carry forward funds for annual school and district report cards.

1A.48. (SDE-EIA: Surplus)
House: Deleted because there are no EIA surplus revenues projected to accrue at the end of the current fiscal year.

1A.50. (SDE-EIA: South Carolina Public Charter School Funding)
House: Amended to allow three and four-year-olds with a disability who are eligible for services under IDEA and enrolled in a virtual or brick and mortar charter school to receive funding.
1A.56. (SDE-EIA: Reding/Literacy Coaches)
House: Amended to allow districts the ability to seek a waiver from the Department of Education to expend funds allocated for reading coaches for interventionists who spend more than fifty percent of their time providing direct support to struggling readers in grades kindergarten through grade five.

The following provisos were deleted by House because no EIA funds were appropriated for the initiative:
1A.51. (SDE-EIA: Low Achieving Schools) $375,000 in non-recurring EIA funds
1A.52. (SDE-EIA: TransformSC) $300,000 in non-recurring EIA funds
1A.62. (SDE-EIA: Digital Learning) $1,425,000 in non-recurring EIA funds
1A.64. (SDE-EIA: Low Achieving Schools) $306,750 in non-recurring EIA funds
1A.65. (SDE-EIA: EOC Military-Connected Children) $225,000 in non-recurring EIA funds
1A.66. (SDE-EIA: STEM Labs) $225,000 in non-recurring EIA funds
1A.70. (SDE-EIA: Aid to Districts-Technology) $12.0 million in recurring EIA funds
1A.72. (SDE-EIA: Teacher Academy Pilot) $75,000 in non-recurring EIA funds
1A.73. (SDE-EIA: Kinesthetic Learning Platform) $187,500 in non-recurring EIA funds
1A.74. (SDE-EIA: Algebra) $1,125,000 in non-recurring EIA funds
1A.75. (SDE-EIA: Kindergarten Readiness Program) $225,000 in non-recurring EIA funds
1A.78. (SDE-EIA: Digital Learning Plan)
House: Deleted proviso requiring the development of a Digital Learning Plan for public schools and for a pilot program for eLearning school make-up days (See new Proviso 1A.83.)

1A.80. (SDE-EIA: Teacher Salaries Increase)
House: Deleted regarding teacher salary schedule increases. See instead amendments to Provisos 1.3., 1.89. and 1A.36

1A.81. (SDE-EIA: Grants Committee)
House: Deleted proviso because no funds were appropriated for innovation pilot initiatives.

1A.82. (SDE-EIA: Teacher Loan Program)
House: Added proviso to direct EIA funds for Teacher Loan Program and its revolving fund can be used to increase the annual maximum award for eligible juniors, seniors and graduate students from $5,000 to $7,500 and to increase the aggregate maximum loan amount from $20,000 to $27,500.

1A.83. (SDE-EIA: Digital Learning Plan)
House: Added proviso to direct EOC to implement second year of a pilot program for eLearning for school make-up days with first cohort of districts aiding new districts.

1A.84. (SDE-EIA: School Safety Program)
House: Added proviso that with EIA funds of $10 million allocated to School Safety, the funds may be used by SCDE to hire certified law enforcement officers to serve as a school
resource officer for school districts that otherwise would lack the adequate resources to hire their own school resource officer.

1A.85. (SDE-EIA: Teacher Recruitment Program)
House: Added new proviso that reallocates $750,000 from the Rural Teacher Recruitment line item to the University of South Carolina for the development and implementation of a new teacher recruitment pilot program to be administered by the COE in partnership with the Center for Teaching Quality (CTQ). The purpose of the pilot program shall be the employment of innovative and cost-effective teacher recruitment strategies, customized training for new teachers, and dedicated, ongoing mentoring support. At minimum, the pilot program must assist no fewer than ten school districts to include at least four districts along the I-95 corridor and serve no fewer than 250 teacher candidates.