



**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.*

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<b>Bill Number:</b>	H. 3591	Signed by Governor on May 16, 2022
<b>Author:</b>	Allison	
<b>Subject:</b>	Educator Preparation	
<b>Requestor:</b>	House of Representatives	
<b>RFA Analyst(s):</b>	Wren and Tipton	
<b>Impact Date:</b>	August 22, 2022	

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### **Fiscal Impact Summary**

This bill requires the Commission on Higher Education (CHE), with assistance from the State Board of Education, Department of Education (SCDE), SC-Teacher, and the Revenue and Fiscal Affairs Office (RFA) to form a commission to develop metrics, determine weightings, construct a unified data upload system, and construct public and private facing data reports on educator preparedness including an annual online report card known as the “South Carolina Educator Preparation Report Card.” The bill also requires SCDE to provide each college of education and state-approved educator preparation program with information regarding its graduates before December 1<sup>st</sup> annually.

CHE indicates that this bill will increase the agency’s expenses by an amount up to \$810,000 in FY 2022-23. Of this amount, \$136,000 is for 2.0 FTEs to manage the provisions of the bill, \$7,000 is for one-time equipment costs, and the remaining amount up to \$667,000 is for the initial procurement of an educator preparation data and reporting system. The cost of the new system depends upon the number of hours required for development and will range from \$493,000 to \$667,000. Expenses will decrease to \$202,000 each year thereafter for the new FTEs and for maintenance, server and technical upgrades, and updates to the new reporting system. CHE reports that the agency will request a General Fund appropriation increase to fund the expenses.

SCDE indicates that the bill will increase the department’s expenses by \$142,800 in FY 2022-23 for 2.0 FTEs to support data collection and reporting requirements, to provide program and provider reviews, and to provide technical assistance to the educator preparation providers. The remaining \$7,000 is for equipment for the new FTEs. Expenses will decrease to \$135,800 each year thereafter for the FTEs. SCDE further indicates that the agency can manage the \$7,000 equipment cost within existing appropriations but will request a General Fund increase of \$135,800 for the 2.0 FTEs in the agency’s annual budget request.

This bill is not expected to have an expenditure impact on the state agency schools or the local school districts since we expect that the state agency schools and districts will be able to comply with the reporting requirements within the normal course of business. This impact may change depending on the type and quantity of the data requested by the State Board of Education.

This bill will have no expenditure impact on RFA since the requirements of the bill can be accomplished within existing appropriations.

The expenditure impact on the institutions of higher education is undetermined since it is unclear as to how a unique identification system will be established.

This bill will have no expenditure impact on the State Board for Technical and Comprehensive Education (SBTCE) since the agency does not offer educator preparation programs through its technical colleges.

## **Explanation of Fiscal Impact**

**Signed by Governor on May 16, 2022**

### **State Expenditure**

This bill requires CHE, with assistance from the State Board of Education, SCDE, SC-Teacher, and RFA to form a commission to develop metrics, determine weightings, construct a unified data upload system, and construct public and private facing data reports on educator preparedness including an annual online report card known as the “South Carolina Educator Preparation Report Card.” The report card must evaluate the ability of educator preparation programs, including alternative programs, to train new teachers for success in classrooms. The report card must include data on an expansive list of measures. SCDE, each educator preparation program, and each school district must report any data to SC-Teacher as requested by the State Board of Education to complete the evaluation.

The bill also requires SCDE to provide each college of education and state-approved educator preparation program with information regarding its graduates before December 1<sup>st</sup> annually. The information must include criteria as outlined in the bill. Also, a college of education or educator preparation program must develop and use a unique system for identifying individual educator graduates. Information provided to a college of education or educator preparation program pursuant to this section is not subject to the provisions of the Freedom of Information Act.

**Commission on Higher Education.** CHE indicates that the administration and data collection requirements of the bill will require additional recurring and non-recurring funds, which will be included in the agency’s annual budget request. The agency anticipates the need for 2.0 FTEs (1 Administrative Assistant and 1 Education Associate II) with annual salary and fringe expenses of \$136,000 to implement the provisions of the bill. One-time equipment costs for the new FTEs are expected to total \$7,000. Additionally, the agency indicates that the procurement of an educator preparation data and reporting system will range from \$493,000 to \$667,000 in FY 2022-23. The total cost depends upon the number of hours required for development. The ongoing cost for the data reporting system will decrease to \$66,000 each year thereafter for maintenance, server and technical upgrades, and programming updates. CHE further indicates that data migration activities that are currently ongoing may reduce the actual cost of establishing the data reporting system needed for the educator preparation report card. However, such cost savings are currently unknown. Therefore, this bill will increase expenses for CHE by an amount up to \$810,000 in FY 2022-23. Expenses will decrease to \$202,000 each year thereafter

for the FTEs and maintenance of the new system. CHE reports that the agency will request a General Fund appropriation increase to fund the expenses.

**State Department of Education.** SCDE indicates that the bill will increase its expenses by \$142,800 in FY 2022-23. Of this amount, \$135,800 is for 2.0 FTEs to support data collection and reporting requirements, to provide program and provider reviews, and to provide technical assistance to the educator preparation providers. The remaining \$7,000 is for equipment for the new FTEs. Expenses will decrease to \$135,800 beginning in FY 2023-24 for the FTEs. SCDE further indicates that the agency can manage the \$7,000 equipment cost within existing appropriations but will request a General Fund increase of \$135,800 for the 2.0 FTEs in the agency's annual budget request.

**State Agency Schools.** We anticipate that the state agency schools will be able to comply with the reporting requirements within the normal course of business. Therefore, this bill is not expected to have an expenditure impact on the state agency schools. This impact may change depending on the type and quantity of the data requested by the State Board of Education.

**Revenue and Fiscal Affairs Office.** RFA anticipates that the provisions of the bill can be accomplished within existing appropriations. Therefore, this bill is not expected to have an expenditure impact on the agency.

**Institutions of Higher Education.** The institutions of higher education indicate that they are unclear as to how a unique identification system will be established pursuant to the provisions of the bill. The establishment of this unique identifier would require the collaboration of all institutions of higher education, as well as other agencies. Due to this uncertainty, the institutions are unable to determine the cost. Therefore, the expenditure impact on the institutions of higher education is undetermined.

**State Board for Technical and Comprehensive Education.** SBTCE does not offer educator preparation programs through its technical colleges. Therefore, this bill will have no expenditure impact on SBTCE.

#### **State Revenue**

N/A

#### **Local Expenditure**

The bill requires each school district to report any data as requested by the State Board of Education to complete the evaluation pursuant to the provisions of the bill.

We anticipate that the local school districts will be able to comply with the reporting requirements within the normal course of business. Therefore, the bill is not expected to have an expenditure impact on local school districts. This impact may change depending on the type and quantity of the data requested by the State Board of Education.

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director