



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 5183    Introduced on March 30, 2022  
**Author:** Education and Public Works Committee  
**Subject:** South Carolina Transparency and Integrity in Education Act  
**Requestor:** House of Representatives  
**RFA Analyst(s):** Wren  
**Impact Date:** April 4, 2022

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### **Fiscal Impact Summary**

This bill enacts the South Carolina Transparency and Integrity in Education Act. The bill provides requirements that local education agencies must follow in developing curriculum, providing access to information on that curriculum, and methods for reporting violations.

This bill will have an undetermined expenditure impact on the State Department of Education (SCDE). The agency indicates that it can manage the new responsibilities associated with the creation of the complaint form, the creation of model lesson plans, the development of the Pledge of Parental Expectations, and for the additional reporting requirements with existing staff and current appropriations. However, the State Board of Education may experience an increase in the number of hearings from complaints as a result of this bill and may need an additional hearing officer to assist with complaints. The number of new complaints that may be brought before the board and the potential impact are unknown.

The expenditure impact of this bill on the state agency schools overall is undetermined. Three of the state agency schools indicate that the bill will have no expenditure impact since they can adhere to the provisions of the bill within existing appropriations. One state agency school indicates the potential need to hire 1.0 FTE to handle inquiries regarding curriculum depending on how many inquiries are received. The remaining state agency school previously indicated on similar legislation that the legislation would have no expenditure impact.

The overall expenditure impact of this bill on the local school districts is undetermined and is expected to vary from no impact to up to \$385,900 per district. SCDE surveyed the seventy-seven regular districts and the two charter districts regarding the expenditure impact of this bill and received responses from eleven districts. Five of the responding districts indicate no impact. The remaining six districts indicate that the bill could increase expenses by a range of \$65,000 to \$385,900 per district for additional personnel and for training for teachers and administrators. The number of new personnel needed also ranges from one up to seven per district for education coordinators to create and post all curriculum materials, assistant superintendents to investigate complaints, and for administrative support to gather data for annual reporting requirements.

Additionally, SCDE previously indicated on similar legislation that any expenses for schools to print the Pledge of Parental Expectations for each parent who enrolls a student in the school could be managed within the existing budgets of the districts.

The revenue impact on the state agency schools and local school districts for the withholding of 5 percent of State Aid to Classroom funds due to noncompliance is undetermined as it is unknown how many districts will not comply with the provisions of the bill. Based on FY 2021-22 appropriations, 5 percent of State Aid to Classrooms ranges from \$47,800 to \$15,389,700 per district.

## **Explanation of Fiscal Impact**

### **Introduced on March 30, 2022**

#### **State Expenditure**

This bill enacts the South Carolina Transparency and Integrity in Education Act and provides requirements that local education agencies must follow in developing curriculum, providing access to information on that curriculum, and methods for reporting violations. Local education agency is defined as a local education agency, the sponsor of a public charter school, the Governor's School for the Arts and Humanities, the Governor's School for Agriculture at John de la Howe, the Governor's School for Science and Mathematics, the Wil Lou Gray Opportunity School, and the School for the Deaf and Blind.

The bill also requires SCDE to create and make accessible model lesson plans for local education agencies to utilize in all grades and subject areas. Additionally, SCDE must create a complaint form that contains certain information for local education agencies to post on their website for use when an individual files a complain alleging violations of the provisions of this bill.

The bill requires each local education agency to provide specified information on its website announcing the rights of parents to review curriculum and other material, information regarding violations and complaints related to the provisions of this bill, the aforementioned complaint form, and instructions for filing an appeal of the local education agency to SCDE.

Additionally, the bill further requires each local education agency to provide a report containing certain information to SCDE before July 1, 2022, and annually thereafter. SCDE must then provide a report summarizing this information to the General Assembly before July 1, 2022, and each year thereafter. Before the 2027-28 school year, each local education agency must compile and provide records of specified information that encompass the previous five school years in the above noted annual report. Before the 2022-23 school year, SCDE must create, and each local education agency must adopt, a policy for procedures used to report and investigate an alleged violation of this bill.

The bill also outlines the appeal process with the State Board of Education and allows SCDE to withhold up to 5 percent of a local education agency's funds appropriated as part of the State Aid to Classrooms if it is determined that the local education agency knowingly violated or failed to adhere to the corrective action plans pursuant to the provisions of the bill.

The State Superintendent of Education must make arrangements for a thirty-day public review of materials recommended by the instructional materials review panels before taking the recommendations to the State Board of Education. Public review sites must be geographically distributed around the state and must be advertised in the newspaper, on the website of SCDE, and on social media sites used by SCDE.

Further, the bill requires schools to provide each parent who enrolls a child in the school a printed Pledge of Parental Expectations that must be developed by SCDE. Schools must encourage parents to sign the pledge and emphasize its importance during any orientation or open house events.

**State Department of Education.** SCDE indicates that the agency can manage the additional responsibilities to create the complaint form, to create the model lesson plans, to develop the Pledge of Parental Expectations, and for reporting requirements with existing staff and current appropriations. SCDE further indicates that the bill may result in an increase in the number of hearings from complaints that are brought before the State Board of Education. As a result, the board may need an additional hearing officer to assist with complaints. However, the expenditure impact of this portion of the bill is undetermined and will depend on the number of additional complaints that may be brought before the board. Therefore, the overall expenditure impact on SCDE is undetermined.

**State Agency Schools.** The overall expenditure impact on the state agency schools is undetermined. However, the Governor's School for the Arts and Humanities, the School for the Deaf and Blind, and the Wil Lou Gray Opportunity School indicate that the bill will have no expenditure impact since the agencies can adhere to the provisions of the bill within existing appropriations. The Governor's School for Science and Mathematics indicates that the expenditure impact of the bill is undetermined since it is unknown how many inquiries the agency may receive regarding curriculum. Further, the agency indicates that if it experiences a large volume of inquiries, the agency may need to hire 1.0 FTE to handle the workload. Additionally, the Governor's School for Agriculture at John de la Howe previously indicated on similar legislation that any expenses could be managed within existing appropriations. We will update this impact statement if the agency provides a different response.

### **State Revenue**

As mentioned above, the bill allows SCDE to withhold up to 5 percent of a local education agency's funds appropriated as part of the State Aid to Classrooms if it is determined that the local education agency knowingly violated or failed to adhere to the corrective action plans pursuant to the provisions of the bill. The revenue impact is undetermined as it is unknown if any of the special agency schools will not comply with the provisions of the bill.

### **Local Expenditure**

As noted above, this bill enacts the South Carolina Transparency and Integrity in Education Act and requires each local education agency to post certain information on its website and to report specified information to SCDE.

SCDE surveyed the seventy-seven regular districts and the two charter districts regarding the expenditure impact of this bill and received responses from eleven districts. Five of the responding districts indicate no impact. The remaining six districts indicate that the bill could increase expenses by a range of \$65,000 to \$385,900 per district for additional personnel and for training for teachers and administrators. The number of new personnel needed also ranges from one up to seven per district for education coordinators to create and post all curriculum materials, assistant superintendents to investigate complaints, and for administrative support to gather data for annual reporting requirements. Due to the limited number and the varying responses, the expenditure impact on local school districts is undetermined.

Additionally, the bill requires schools to provide each parent a printed Pledge of Parental Expectations, encourage parents to sign the pledge, and emphasize the importance of the pledge during any orientation or open house events.

SCDE previously indicated on similar legislation that any expenses associated with printing the Pledge of Parental Expectations could be managed within the existing budgets of the school districts. Therefore, this portion of the bill is not expected to have an expenditure impact on local school districts.

In summary, the overall expenditure impact of this bill on local school districts is undetermined and will vary by district.

### **Local Revenue**

As previously mentioned, the bill allows SCDE to withhold up to 5 percent of a local education agency's funds appropriated as part of the State Aid to Classrooms if it is determined that the local education agency knowingly violated or failed to adhere to the corrective action plans pursuant to the provisions of the bill. This provision may impact local funds from State Aid to Classrooms. However, the impact will depend on the number of districts that violate the requirements of the bill.



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