



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. 0418	Introduced on January 19, 2023
Author:	Hembree	
Subject:	Read to Succeed Endorsements	
Requestor:	Senate Education	
RFA Analyst(s):	Bryant	
Impact Date:	February 24, 2023 - Updated for Additional Agency Response	

Fiscal Impact Summary

This bill updates the endorsement requirements of the South Carolina Read to Succeed Act relating to pre-service and in-service teacher education programs. The bill requires the State Board of Education to approve guidelines and procedures on an annual basis for professional development, coursework, certification, and endorsement requirements for certain teachers. Local school districts must work with the S.C. Department of Education (SCDE) to offer the required professional development, coursework, certification, and endorsements at no charge to educators.

Additionally, beginning July 1, 2023, the bill requires early childhood, elementary, and special education teacher candidates seeking their initial certification in South Carolina to earn a passing score on a test of reading instruction and intervention and data-based decision-making principles as approved by the State Board of Education. The board must also approve guidelines and procedures to allow in-service educators the option of utilizing the test to exempt certain requirements. Contingent upon funding by the General Assembly, the test must be provided at no cost to the educator.

This bill further requires SCDE to publish the approved courses, guidelines, and procedures used in evaluating all courses and professional development related to this bill. Prior to August 1, 2024, and every five years thereafter, SCDE must conduct an evaluation of the approved courses. The evaluation must include survey data from prior course participants, and SCDE must remove any courses receiving an unsatisfactory evaluation.

This bill will increase SCDE's expenses by approximately \$517,000 each year beginning in FY 2023-24. Of this amount, approximately \$107,000 is for 1.0 FTE to manage the additional duties required to implement the provisions of bill, and \$20,000 is for costs associated with procuring an external evaluator to evaluate the approved courses. The remaining \$390,000 is for the cost of the exam, which must be provided at no cost to the educator and is contingent upon funding by the General Assembly. SCDE reports that the agency will request a General Fund appropriation increase to fund the expenses.

The overall expenditure impact of this bill on local school districts is undetermined due to the varying responses received from the districts. SCDE surveyed the seventy-three regular school

districts and the three charter districts regarding the expenditure impact of this bill and received responses from thirty-five districts. Of the responding districts, eleven indicate that the bill will have no expenditure impact, as any expenses will be minimal and can be managed with existing resources and staff. The remaining twenty-four districts indicate that expenses could increase by a range of \$1,500 to \$700,000 per district to offer the required courses and professional development free of charge to educators. Additionally, these costs will depend on the guidelines and procedures adopted by the State Board of Education for professional development, coursework, certification, and endorsements, as well as the number of educators who will need to obtain the required certifications and endorsements.

This impact statement has been updated to include a response from the local school districts.

Explanation of Fiscal Impact

Updated for Additional Agency Response on February 24, 2023

Introduced on January 19, 2023

State Expenditure

This bill updates the endorsement requirements of the South Carolina Read to Succeed Act relating to pre-service and in-service teacher education programs.

The bill requires the State Board of Education to approve guidelines on an annual basis for professional development, coursework, certification, and endorsement requirements for teachers of early childhood and elementary education whose responsibilities substantially relate to reading and literacy instruction, support, or interventions. The guidelines must also include the issuance of appropriate credit to individuals who have completed an intensive and prolonged professional development program. Local school districts must work with SCDE to offer the required professional development, coursework, certification, and endorsements at no charge to educators. Additionally, in-service hours earned through professional development must be used for the renewal of teaching certificates in all subject areas.

Additionally, beginning July 1, 2023, the bill requires early childhood, elementary, and special education teacher candidates seeking their initial certification in South Carolina to earn a passing score on a test of reading instruction and intervention and data-based decision-making principles as approved by the board. The State Board of Education must approve guidelines and procedures to allow in-service educators the option of utilizing the test to exempt requirements established by the board related to professional development, coursework, certification, and endorsements. As part of this process, the board must set a minimum cut score that an in-service educator must achieve to take advantage of this provision of the bill. Contingent upon funding by the General Assembly, the test must be provided at no cost to the educator. Teachers, administrators, and other certified faculty and staff are exempt from having to earn the literacy add-on endorsement to maintain certification only if they are not educating or serving students in a school or other educational setting.

The bill further requires SCDE to publish annual guidelines and procedures used in evaluating all coursework and professional development, as well as the approved courses and professional

development, leading to the literacy teacher add-on endorsement. Prior to August 1, 2024, and every five years thereafter, SCDE must conduct an evaluation of the approved courses. The evaluation must include survey data from prior course participants, and SCDE must remove any courses receiving an unsatisfactory evaluation from the list of approved courses and professional development.

S.C. Department of Education. SCDE anticipates the need for 1.0 FTE with annual salary and fringe expenses of \$107,000 to implement the provisions of the bill. SCDE also reports that any additional operating costs associated with the new FTE, such as the purchase of equipment, can be managed within existing appropriations. Additionally, the agency indicates that the procurement of an external Institution of Higher Learning evaluator to evaluate the approved courses will cost approximately \$100,000 every five years. The agency will need a recurring appropriation of \$20,000 per year to cover this cost. SCDE further indicates that requiring a subject area assessment in reading for certification purposes will cost approximately \$156 for each teacher candidate seeking an initial certification in Early Childhood, Elementary, and Special Education. This cost covers one administration of the Praxis reading assessment for these certification fields. The agency estimates that this testing requirement could impact approximately 2,500 educators in these certification fields, resulting in an estimated cost of \$390,000 per year, which is contingent upon funding by the General Assembly. Therefore, this bill will increase expenses for SCDE by approximately \$517,000 each year beginning in FY 2023-24. SCDE reports that the agency will request a General Fund appropriation increase to fund the expenses.

State Revenue

N/A

Local Expenditure

This bill requires local school districts to work with SCDE to offer the required professional development, coursework, certification, and endorsements, as approved by the State Board of Education, at no charge to educators.

The overall expenditure impact of this bill on local school districts is undetermined due to the varying responses received from the districts. SCDE surveyed the seventy-three regular school districts and the three charter districts regarding the expenditure impact of this bill and received responses from thirty-five districts. Of the responding districts, eleven indicate that the bill will have no expenditure impact, as any expenses will be minimal and can be managed with existing resources and staff. The remaining twenty-four districts indicate that expenses could increase by a range of \$1,500 to \$700,000 per district to offer the required courses and professional development free of charge to educators. Additionally, these costs will depend on the guidelines and procedures for professional development, coursework, certification, and endorsements that are adopted by the State Board of Education, as well as the number of educators who will need certification, endorsements, and any other professional development.

This section of the impact statement has been updated to include a response from the local school districts.

Local Revenue

N/A

Introduced on January 19, 2023

State Expenditure

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State Revenue

N/A

Local Expenditure

This bill requires local school districts to work with SCDE to offer the required professional development, coursework, certification, and endorsements, as approved by the State Board of Education, at no charge to educators.

The expenditure impact of this bill on the local school districts is pending, contingent upon responses from the districts.

Local Revenue

N/A



Frank A. Rainwater, Executive Director