COMMITTEE AMENDMENT ADOPTED

March 4, 2021

**H. 3609**

Introduced by Reps. Lucas, G.M. Smith, Allison, Whitmire, Huggins, Ballentine, Wooten, Calhoon, McGarry, M.M. Smith, Yow, Jefferson, R. Williams, Wheeler, K.O. Johnson, Haddon, Magnuson, Morgan, Henegan, B. Newton, Anderson, Govan, Murray, Davis, Hixon, Taylor, Oremus, Blackwell, W. Newton, Herbkersman, Bradley and Weeks

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Read the first time February 3, 2021.

**A** **JOINT RESOLUTION**

TO RESTORE TEACHER STEP INCREASES THAT WERE SUSPENDED BY ACT 135 OF 2020 DUE TO FINANCIAL UNCERTAINTIES CAUSED BY THE COVID‑19 VIRUS, BY APPROPRIATING FIFTY MILLION DOLLARS TO PROVIDE FOR TEACHER STEP INCREASES FOR THE 2020‑2021 SCHOOL YEAR.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. (A) From the 2018‑2019 Contingency Reserve Fund, and notwithstanding Act 135 of 2020, Part II, Section (4)(D), there is appropriated $50,000,000 to the Executive Budget Office to provide teacher step increases, including fringe, for the 2020‑2021 School Year in accordance with Act 91 of 2019, Part 1.B. Proviso 1.A.36. The funds must be held in a separate account and disbursed to school districts in accordance with subsection (B). Any funds remaining in the account after June 30, 2021, must be remitted to the Contingency Reserve Fund.

(B)(1) The Department of Education shall distribute the funds to each school district in an amount, determined by the Revenue and Fiscal Affairs Office, equal to the increased cost of salaries to the school district, including fringe, due to the step increase in the state minimum salary schedule.

(2) The Department of Education shall provide the Revenue and Fiscal Affairs Office the number of full‑time equivalent state‑funded positions that were eligible for the step increase pursuant to Section 59‑20‑50(4)(b) in School Years 2019‑2020 and 2020‑2021 that each district has in each cell of the state minimum teacher salary schedule. For school year 2019‑2020, the department shall provide the number of positions as of the end of the school year. For School Year 2020‑2021, the department shall provide the number of positions as of March 1, 2021.

(3) The Revenue and Fiscal Affairs Office shall determine the actual increased cost of the step increase, including fringe, in the state minimum salary schedule by determining the increase in the amount of total salaries of such positions in School Year 2020‑2021 when compared to School Year 2019‑2020 due to the change in the salaries of eligible positions for the step increase that are in the same school district in School Year 2020-2021 as they were in School Year 2019-2020 due to moving up one year of experience on the state minimum salary schedule. The Revenue and Fiscal Affairs Office shall include in the cost of the step increase calculation position codes eligible for the step increase that have no experience rating or credentials associated with their respective position codes. The Revenue and Fiscal Affairs Office shall notify the Executive Budget Office and the Department of Education of its determination for each school district. Then, the Executive Budget Office shall distribute the cumulative amount to the Department of Education to be distributed to each school district that experienced an increase in the manner determined by the Revenue and Fiscal Affairs Office.

(C) For each position that is eligible for the step increase for the 2020‑2021 School Year, each school district shall provide a one‑time lump sum payment of the entire step increase due to the employee, including any amounts in arrears, by June 15, 2021, or the school district may utilize its current payroll system to pay the step increase as long as the first payment retroactively includes all previous payments that would have been due the eligible employee. A position is eligible for the step increase if that position was fulfilling the requirements of their School Year 2020‑2021 contract as of March 1, 2021. In order for any amounts in arrears to be considered earnable compensation for the purposes of the South Carolina Retirement System, the amounts in arrears and the contributions thereon must be reported by allocating the amounts in arrears to the affected employees by quarter for the periods during which the amounts would have been earned. The Department of Education, the Revenue and Fiscal Affairs Office, and the Public Employee Benefit Authority must collaborate so that retirement reporting for any amounts in arrears can be submitted in a consolidated, electronic format.

SECTION 2. Pursuant to the intent and appropriation set forth in SECTION 1, the provisions of Act 135 of 2020, Part II, Section (4)(D) relating to step increases, are deleted. The step increases required and authorized by SECTION 1 for the 2020-2021 School Year are permanent.

SECTION 3. This joint resolution takes effect upon approval by the Governor.

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