**South Carolina General Assembly**

122nd Session, 2017-2018

**A152, R161, H3591**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Govan, J.E. Smith, Allison, Erickson, G.R. Smith, Felder, Douglas, Martin, Ridgeway, Robinson‑Simpson, Yow, Williams, Wheeler, Loftis, D.C. Moss, Henegan, Ryhal, Jordan, Fry, Ballentine, Henderson, Crawford, S. Rivers, Herbkersman, W. Newton, Anthony, Lowe, Arrington, Thayer, Duckworth, Putnam, Gagnon, White, Simrill, McCoy, Stavrinakis, Elliott, Daning, Crosby, Sottile, Cogswell, Neal, McKnight, Hart, McEachern, West, Bamberg, Anderson, Hayes, Norrell, Cobb‑Hunter, Davis, B. Newton, Ott, Hosey, Knight, Jefferson, Brown and Gilliard

Document Path: l:\council\bills\agm\19066wab17.docx

Introduced in the House on January 25, 2017

Introduced in the Senate on February 22, 2017

Last Amended on March 20, 2018

Passed by the General Assembly on April 4, 2018

Governor's Action: April 12, 2018, Signed

Summary: First Steps

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/25/2017 House Introduced and read first time ([House Journal‑page 37](file:///h:\hj\20170125.docx))

1/25/2017 House Referred to Committee on **Education and Public Works** ([House Journal‑page 37](file:///h:\hj\20170125.docx))

1/31/2017 House Member(s) request name added as sponsor: Douglas, Martin, Ridgeway, Robinson‑Simpson, Yow, Williams, Wheeler

1/31/2017 Scrivener's error corrected

2/1/2017 House Member(s) request name added as sponsor: Loftis, D.C.Moss, Henegan

2/2/2017 House Member(s) request name added as sponsor: Ryhal, Jordan, Fry, Ballentine, Henderson, Crawford, S.Rivers, Herbkersman, W.Newton, Anthony, Lowe, Arrington, Thayer, Duckworth, Putnam, Gagnon, White, Simrill, McCoy, Stavrinakis, Elliott, Daning, Crosby, Sottile, Cogswell, Neal, McKnight, Hart, McEachern, West

2/7/2017 House Member(s) request name added as sponsor: Bamberg, Anderson

2/8/2017 House Member(s) request name added as sponsor: Hayes, Norrell

2/9/2017 House Member(s) request name added as sponsor: Cobb‑Hunter, Davis

2/9/2017 House Committee report: Favorable **Education and Public Works** ([House Journal‑page 3](file:///h:\hj\20170209.docx))

2/13/2017 Scrivener's error corrected

2/14/2017 House Member(s) request name added as sponsor: B.Newton

2/14/2017 House Debate adjourned until Wed., 2‑15‑17

2/14/2017 House Member(s) request name added as sponsor: Ott

2/15/2017 House Member(s) request name added as sponsor: Hosey, Knight

2/16/2017 House Member(s) request name added as sponsor: Jefferson

2/21/2017 House Member(s) request name added as sponsor: Brown, Gilliard

2/21/2017 House Read second time ([House Journal‑page 18](file:///h:\hj\20170221.docx))

2/21/2017 House Roll call Yeas‑101 Nays‑5 ([House Journal‑page 20](file:///h:\hj\20170221.docx))

2/22/2017 House Read third time and sent to Senate ([House Journal‑page 5](file:///h:\hj\20170222.docx))

2/22/2017 Senate Introduced and read first time ([Senate Journal‑page 6](file:///h:\sj\20170222.docx))

2/22/2017 Senate Referred to Committee on **Education** ([Senate Journal‑page 6](file:///h:\sj\20170222.docx))

4/27/2017 Senate Committee report: Favorable **Education** ([Senate Journal‑page 52](file:///h:\sj\20170427.docx))

3/20/2018 Senate Amended ([Senate Journal‑page 36](file:///h:\sj\20180320.docx))

3/20/2018 Senate Read second time ([Senate Journal‑page 36](file:///h:\sj\20180320.docx))

3/20/2018 Senate Roll call Ayes‑43 Nays‑0 ([Senate Journal‑page 36](file:///h:\sj\20180320.docx))

3/22/2018 Senate Read third time and returned to House with amendments ([Senate Journal‑page 15](file:///h:\sj\20180322.docx))

4/4/2018 House Concurred in Senate amendment and enrolled ([House Journal‑page 34](file:///h:\hj\20180404.docx))

4/4/2018 House Roll call Yeas‑108 Nays‑1 ([House Journal‑page 35](file:///h:\hj\20180404.docx))

4/12/2018 Ratified R 161

4/12/2018 Signed By Governor

4/17/2018 Effective date 04/12/18

4/30/2018 Act No. 152

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**VERSIONS OF THIS BILL**

[1/25/2017](file:///p:\pprever\2017-18\3591_20170125.docx)

[1/31/2017](file:///p:\pprever\2017-18\3591_20170131.docx)

[2/9/2017](file:///p:\pprever\2017-18\3591_20170209.docx)

[2/13/2017](file:///p:\pprever\2017-18\3591_20170213.docx)

[4/27/2017](file:///p:\pprever\2017-18\3591_20170427.docx)

[3/20/2018](file:///p:\pprever\2017-18\3591_20180320.docx)

(A152, R161, H3591)

**AN ACT** **TO AMEND SECTION 59‑152‑32, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO BENCHMARKS AND OBJECTIVES REQUIRED AS PART OF THE FIRST STEPS TO SCHOOL READINESS COMPREHENSIVE LONG‑RANGE INITIATIVE, SO AS TO PROVIDE THE BENCHMARKS AND OBJECTIVES MUST BE APPROVED BY THE FIRST STEPS TO SCHOOL READINESS BOARD OF TRUSTEES AND POSTED ON THE INTERNET WEBSITE OF THE STATE OFFICE OF FIRST STEPS TO SCHOOL READINESS; TO AMEND SECTION 59‑152‑33, RELATING TO THE FIRST STEPS TO SCHOOL READINESS ASSESSMENT, SO AS TO IMPOSE CERTAIN REQUIREMENTS FOR REPORTING AND USES OF THE RESULTS OF THE ASSESSMENT; TO AMEND SECTION 59‑152‑50, RELATING TO MISCELLANEOUS REPORTING REQUIREMENTS OF THE STATE OFFICE OF FIRST STEPS TO SCHOOL READINESS, SO AS TO REVISE THE REQUIREMENTS; TO AMEND SECTION 59‑152‑70, RELATING TO FIRST STEPS PARTNERSHIP BOARDS, SO AS TO PROVIDE THE STATE OFFICE OF FIRST STEPS TO SCHOOL READINESS ANNUALLY SHALL PUBLISH THE COMPREHENSIVE PLANS OF THESE BOARDS ON THE INTERNET WEBSITE OF THE OFFICE, TO LIMIT THE PERIOD OF TIME IN WHICH LOCAL OFFICES MAY INCREASE THEIR ESTABLISHED OVERHEAD COST RATES, AND TO PROVIDE LOCAL PARTNERSHIPS THAT ARE NOT PART OF MULTICOUNTY PARTNERSHIPS AND EXCEED THEIR OVERHEAD COST RATES ARE INELIGIBLE TO RECEIVE STATE FUNDS; TO AMEND SECTION 63‑11‑1710, RELATING TO THE SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS BOARD OF TRUSTEES, SO AS TO REQUIRE THE BOARD ANNUALLY TO PROVIDE ACCOUNTABILITY REPORTS REQUIRED OF STATE AGENCIES; TO AMEND SECTION 63‑11‑1720, RELATING TO THE STATE OFFICE OF FIRST STEPS STUDY COMMITTEE, SO AS TO DELETE PROVISIONS CONCERNING THE COMMITTEE AND TO PROVIDE FOR LEGISLATIVE REVIEW OF THE STATE OFFICE OF FIRST STEPS TO SCHOOL READINESS IF THE OFFICE IS NOT REVIEWED BY THE HOUSE AND SENATE OVERSIGHT COMMITTEES WITHIN A PRESCRIBED TIME PERIOD; TO AMEND SECTION 63‑11‑1740, RELATING TO THE ADMINISTRATION OF THE STATE OFFICE OF FIRST STEPS TO SCHOOL READINESS, SO AS TO REQUIRE THE BOARD TO SUBMIT JUSTIFICATIONS AND RECOMMENDATIONS REGARDING THE SALARY OF ITS EXECUTIVE DIRECTOR TO THE AGENCY HEAD SALARY COMMISSION; TO AMEND ACT 287 OF 2014, RELATING TO THE FIRST STEPS TO SCHOOL READINESS INITIATIVE, SO AS TO REPEAL A SUNSET PROVISION AND TO REAUTHORIZE THE INITIATIVE TO JUNE 30, 2025; AND TO REPEAL SECTION 63‑11‑1735 RELATING TO THE BABYNET INTERAGENCY EARLY INTERVENTION SYSTEM.**

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

**Benchmarks and objectives**

SECTION 1. Section 59‑152‑32(A)(2) of the 1976 Code is amended to read:

“(2) establish specific benchmarks and objectives for use by the board of trustees, local partnership boards, and any agency that administers a program to benefit preschool children. The benchmarks and objectives must be approved by the board and posted on the website of the Office of First Steps;”

**Assessment reporting and uses**

SECTION 2. Section 59‑152‑33(D) of the 1976 Code is amended to read:

“(D) The South Carolina First Steps to School Readiness Board of Trustees shall support the implementation of the school readiness assessment and must provide professional development to support the readiness assessment for teachers and parents of programs supported with First Steps funds. The board shall utilize the annual aggregate literacy and other readiness assessment information in establishing standards and practices to support all early childhood providers served by First Steps. The South Carolina First Steps to School Readiness Board of Trustees shall report the results of the kindergarten readiness assessment by state and by county on the annual report to the General Assembly required in Section 59‑152‑50(6), and use the results to assist county partnerships to support local initiatives to improve readiness for all students.”

**First Step Office reporting duties**

SECTION 3. Section 59‑152‑50 of the 1976 Code is amended to read:

“Section 59‑152‑50. Under supervision of the South Carolina First Steps to School Readiness Board of Trustees, there is created an Office of South Carolina First Steps to School Readiness. The office shall:

(1) provide to the board information on best practice, successful strategies, model programs, and financing mechanisms;

(2) review the local partnerships’ plans and budgets in order to provide technical assistance and recommendations regarding local grant proposals and improvement in meeting statewide and local goals;

(3) provide technical assistance, consultation, and support to local partnerships to facilitate their success including, but not limited to, model programs, strategic planning, leadership development, best practice, successful strategies, collaboration, financing, and evaluation;

(4) evaluate each program funded by the South Carolina First Steps to School Readiness Board of Trustees on a regular cycle to determine its effectiveness and whether it should continue to receive funding;

(5) recommend to the board the applicants meeting the criteria for First Steps partnerships and the grants to be awarded;

(6) submit an annual report to the board, the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee, and the Senate Education Committee by December first which includes, but is not limited to, the following information:

(a) the needs and resources available to meet the goals and purposes of the First Steps to School Readiness initiative statewide, to include each local partnership;

(b) a list of risk factors the office considers to affect school readiness;

(c) identification of areas where client‑level data is not available;

(d) an explanation of how First Steps programs reach the most at‑risk children;

(e) the ongoing progress and results of the First Steps to School Readiness initiative statewide and locally;

(f) fiscal information on the expenditure of funds, and recommendations and legislative proposals to further implement the South Carolina First Steps to School Readiness initiative statewide;

(g) kindergarten readiness results for the prior school year as well as longitudinal data to document progress toward improving kindergarten readiness;

(h) annual and five‑year goals to serve a high proportion of at‑risk children in the State along with a plan and timetable to reach the goals that align to the benchmarks and objectives established by the board;

(i) the evidence‑based and evidence‑informed programs provided and number of children and families served for the past three fiscal years. The data must include the percentage of total at‑risk children served by the initiative;

(j) the total amount of state, local, federal, and other revenues received and the total amount of these funds expended by the State Office of First Steps and by each local partnership for services to children and families;

(k) availability of high-quality and affordable professional development and high-impact strategies such as coaching for child care providers to include the number of individuals, by partnership, who receive the professional development;

(l) innovative practices in counties that are making progress toward the benchmarks and objectives;

(m) technical assistance provided by State Office of First Steps to county partnerships with information related to the type of assistance provided and outcomes of the assistance;

(n) evidence of each local partnership’s collaboration with public and private stakeholders; and

(o) performance reviews of the local partnership boards referenced in Section 59‑152‑70(F);

(7) provide for ongoing data collection. Before June 30, 2015, the board shall develop a response to the November 2014 external evaluation of each prevalent program and the overall goals of the initiative, as provided in Section 59‑125‑160. The office shall contract with an external evaluator to develop a schedule for an in‑depth and independent performance audit designed to measure the success of each prevalent program in regard to its success in supporting the goals of the State Board and those set forth in Section 59‑152‑20 and Section 59‑152‑30. Results of all external performance audits must be published in the First Steps annual report;

(8) coordinate the First Steps to School Readiness initiative with all other state, federal, and local public and private efforts to promote good health and school readiness of young children and support for their families;

(9) complete an annual accountability report pursuant to Section 1‑1‑820 and identify key program area descriptions and expenditures and link these to key financial and performance results measures, and provide this report to the General Assembly to post on its Internet website; and

(10) submit to the Agency Head Salary Commission, pursuant to Sections 8‑11‑160 and 8‑11‑165, justification of and recommendations for the salary and any salary increases for the Executive Director of the South Carolina Office of First Steps to School Readiness.”

**Partnership boards, plans, reports, overhead rates**

SECTION 4. Section 59‑152‑70(A) and (B) is amended to read:

“(A) A First Steps Partnership Board shall, among its other powers and duties:

(1) adopt bylaws as established by the First Steps to School Readiness Board to effectuate the provisions of this chapter which must include the creation of a periodic meeting schedule;

(2) coordinate a collaborative effort at the county or multicounty level which will bring the community together to identify the area needs related to the goals of First Steps to School Readiness; develop a strategic long‑term plan for meeting those needs; develop specific initiatives to implement the elements of the plan; and integrate service delivery where possible;

(3) coordinate and oversee the implementation of the comprehensive strategic plan including, but not limited to, direct service provision, contracting for service provision, and organization and management of volunteer programs;

(4) effective July 1, 2016, each partnership’s comprehensive plan shall include the following core functions:

(a) service as a local portal connecting families of preschool children to community‑based services they may need or desire to ensure the school readiness of their children;

(b) service as a community convener around the needs of preschool children and their families; and

(c) support of state‑level school readiness priorities as determined by the State Board;

(5) update a needs assessment every three years;

(6) implement fiscal policies and procedures as required by the First Steps office and as needed to ensure fiscal accountability of all funds appropriated to the partnership;

(7) keep accurate records of the partnership’s board meetings, board member’s attendance, programs, and activities for annual submission to the First Steps to School Readiness Board of Trustees;

(8) collect information and submit an annual report by October first to the First Steps to School Readiness Board of Trustees, and otherwise participate in the annual review and the three‑year evaluation of operations and programs. Before December 1, 2017, and annually before December first thereafter, the Office of South Carolina First Steps shall publish each local partnership’s comprehensive plan and annual report on the office’s website. Reports must include, but not be limited to:

(a) determination of the current level and data pertaining to the delivery and effectiveness of services for young children and their families, including the numbers of preschool children and their families served;

(b) strategic goals for increased availability, accessibility, quality, and efficiency of activities and services for young children and their families which will enable children to reach school ready to succeed;

(c) monitoring of progress toward strategic goals;

(d) report on implementation activities;

(e) recommendations for changes to the strategic plan which may include new areas of implementation;

(f) evaluation and report of program effectiveness and client satisfaction before, during, and after the implementation of the strategic plan, where available; and

(g) estimation of cost savings attributable to increased efficiency and effectiveness of delivery of services to young children and their families, where available.

(B) Each local partnership may, in the performance of its duties, employ or acquire staff pursuant to the local partnership bylaws established by the South Carolina First Steps to School Readiness Board of Trustees. Overhead costs of a First Step partnership’s operations may not exceed eight percent of the total state funds appropriated for partnership grants. The South Carolina First Steps to School Readiness Board of Trustees shall contract with an independent cost accountant to provide recommendations as to an adequate, and not excessive, overhead cost rate for individual partnerships no later than July 1, 2017. Once these recommendations are received, the First Steps to School Readiness Board of Trustees may adjust the overhead percentage for the local partnership. Once the overhead rates are established, the rates may not be amended or revised for at least five years, and the board may not grant a waiver from this provision to the local partnership. Local partnerships that are not part of a multicounty partnership and exceed the overhead cost rate are ineligible to receive state funds.”

**State Board of Trustees, administrative responsibilities**

SECTION 5. Section 63‑11‑1710 of the 1976 Code is amended to read:

“Section 63‑11‑1710. (A) There is established the South Carolina First Steps to School Readiness Board of Trustees, an eleemosynary corporation, which shall oversee the South Carolina First Steps to School Readiness initiative, a broad range of innovative early childhood development and education, family support, health services, and prevention efforts to meet critical needs of South Carolina’s children through the awarding of grants to partnerships at the county level as provided for in Section 59‑152‑90.

(B) The board may accept gifts, bequests, and grants from any person or foundation. The fund and grants from the fund shall supplement and augment, but not take the place of, services provided by local, state, or federal agencies. The board of trustees shall carry out activities necessary to administer the fund, including assessing service needs and gaps, soliciting proposals to address identified service needs, and establishing criteria for the awarding of grants.

(C) The board must ensure the fiscal and programmatic accountability of the administration of the State Office of First Steps through the submission of annual reports as required by a state agency including, but not limited to, required reports to the Office of the Governor, General Assembly, State Department of Administration, State Fiscal Accountability Authority, Comptroller General, Inspector General, and State Auditor, which includes the annual accountability report, debt collection report, composite bank account report, sole source reportings, annual budget request beginning with the Governor’s annual deadline, recovery audits, Inspector General’s fraud, waste, and abuse report, and agency head salary commission reports. Required reporting is to be made public on the recipient’s website in the same manner in which state agency reports are made public.”

**Study Committee eliminated, alternate oversight**

SECTION 6. Section 63‑11‑1720 of the 1976 Code is amended to read:

“Section 63‑11‑1720. (A) There is created the South Carolina First Steps to School Readiness Board of Trustees which must be chaired by the Governor, or his designee, and must include the State Superintendent of Education, or his designee, who shall serve as ex officio voting members of the board.

(B) In making the appointments specified in subsection (C)(1), (2), and (3) of this section, the Governor, President Pro Tempore of the Senate, and the Speaker of the House of Representatives shall seek to ensure diverse geographical representation on the board by appointing individuals from each congressional district as possible.

(C) The board shall include members appointed in the following manner:

(1) the Governor shall appoint one member from each of the following sectors:

(a) parents of young children;

(b) business community;

(c) early childhood educators;

(d) medical providers;

(e) child care and development providers; and

(f) the General Assembly, one member from the Senate and one member from the House of Representatives;

(2) the President Pro Tempore of the Senate shall appoint one member from each of the following sectors:

(a) parents of young children;

(b) business community;

(c) early childhood educators; and

(d) medical or child care and development providers;

(3) the Speaker of the House of Representatives shall appoint one member from each of the following sectors:

(a) parents of young children;

(b) business community;

(c) early childhood educators; and

(d) medical or child care and development;

(4) the Chairman of the Senate Education Committee or his designee;

(5) the Chairman of the House Education and Public Works Committee or his designee; and

(6) the chief executive officer of each of the following shall serve as an ex officio voting member:

(a) Department of Social Services;

(b) Department of Health and Environmental Control;

(c) Department of Health and Human Services;

(d) Department of Disabilities and Special Needs;

(e) State Head Start Collaboration Officer; and

(f) Children’s Trust of South Carolina.

(D) The terms of the members are for four years and until their successors are appointed and qualify. The appointments of the members from the General Assembly shall be coterminous with their terms of office.

(E) Vacancies for any reason must be filled in the manner of the original appointment for the unexpired term. A member may not serve more than two terms or eight years, whichever is longer. A member who misses more than three consecutive meetings without excuse or a member who resigns must be replaced in the same manner as his predecessor. Members may be paid per diem, mileage, and subsistence as established by the board not to exceed standards provided by law for boards, committees, and commissions. A complete report of the activities of the First Steps to School Readiness Board of Trustees must be made annually to the General Assembly.

(F) In the event South Carolina First Steps to School Readiness is not reviewed by the House and Senate Legislative Oversight Committees within the period prescribed by Section 2‑2‑20, a joint House and Senate committee shall conduct a review. The joint committee shall consist of five members appointed by the Chairman of the House Education and Public Works Committee and five members appointed by the Chairman of the Senate Education Committee. The committee must be co‑chaired by one member of the House and one member of the Senate. A report must be provided to the Speaker of the House and President Pro Tempore of the Senate within one hundred eighty days after the first meeting of the joint committee.”

**State Board of Trustees, salary duties**

SECTION 7. Section 63‑11‑1740 of the 1976 Code is amended to read:

“Section 63‑11‑1740. The South Carolina First Steps to School Readiness Board of Trustees shall employ, by a majority vote, a director of the Office of South Carolina First Steps to School Readiness and other staff as necessary to carry out the South Carolina First Steps to School Readiness initiative, established in Title 59, Chapter 152, and other duties and responsibilities as assigned by the board. The director, with the approval of the board, shall hire such staff as is considered necessary to carry out the provisions of the initiative. The South Carolina First Steps to School Readiness Board of Trustees shall submit to the Agency Head Salary Commission, pursuant to Sections 8‑11‑160 and 8‑11‑165, justification of and recommendations for the salary and any salary increases for the Executive Director of the South Carolina Office of First Steps to School Readiness.”

**Sunset provision repealed, reauthorization**

SECTION 8. Section 20B. of Act 287 of 2014 is repealed. Act 99 of 1999, South Carolina First Steps to School Readiness Act, as amended by this act, is reauthorized until June 30, 2025.

**Repeal**

SECTION 9. Section 63‑11‑1735 of the 1976 Code is repealed.

**Time effective**

SECTION 10. This act takes effect upon approval by the Governor.

Ratified the 12th day of April, 2018.

Approved the 12th day of April, 2018.

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