



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

WWW.RFA.SC.GOV • (803)734-3793

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. 0079 Introduced on January 14, 2025
Subject: Noncertified Teacher Pilot Program
Requestor: Senate Education
RFA Analyst(s): Wren
Impact Date: January 17, 2025

Fiscal Impact Summary

This bill requires the S.C. Department of Education (SCDE) to establish a pilot program by May 1, 2025, that will permit a school that has received an overall rating of “Excellent,” “Below Average,” or “Unsatisfactory” on its annual report card for at least two consecutive years or is located in a critical geographic area to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. The bill also requires SCDE to establish procedures for the registration and clearance of all noncertified teachers working in a public school pursuant to this bill and imposes additional reporting requirements on the department.

This bill will increase General Fund expenses of SCDE by \$329,480 in FY 2025-26. Of this amount, \$201,480 is for recurring salary and fringe benefits for 3.0 FTEs to process noncertified teacher registrations, \$8,000 is for initial equipment costs, and \$120,000 is for the initial reprogramming of the SC Educator system in order to issue a new credential for noncertified teachers. Expenses will decrease to approximately \$201,480 each year thereafter for the 3.0 FTEs. SCDE will request a General Fund appropriation increase to fund the expenses.

This bill is not expected to have an expenditure impact on the state agency schools since the schools either only hire certified teachers or can manage the provisions of the bill within existing appropriations.

This bill will have no expenditure impact on the State Law Enforcement Division (SLED), as the agency can manage any increase in name-based searches and checks within existing appropriations. SLED further indicates that the bill does not authorize fingerprint-based federal background checks.

The bill also adds a fee for noncertified teachers that must be remitted to SCDE for the registration and clearance process. However, the bill does not specify the amount of the fee. Proviso 1.8 of the FY 2024-25 Appropriations Act authorizes the agency to retain revenue for registration fees for non-SCDE employees and teacher certification fees. Therefore, there will be an increase in SCDE’s Other Funds revenue for these fees. However, the amount of the increase will depend upon the number of registrations for noncertified teachers and the amount of the registration fee.

The overall expenditure impact of this bill on local school districts will vary and will depend on the number of districts that choose to participate in the pilot program and the number of noncertified teachers that districts choose to hire. Some districts that choose to participate in the program may experience an increase in expenses for training noncertified teachers to enter the classroom. Based on information from SCDE, there are 1,402 total local schools. Of those 1,402 schools, 467 schools would qualify based on the required report card ratings, and 1,031 schools would qualify based on the critical geographic area requirement (some of which also qualify under the report card ratings). Further, SCDE previously indicated on similar legislation that while the number of noncertified teachers fluctuates, there were approximately 1,370 noncertified teachers. Of this number, approximately 880 noncertified educators taught in a qualifying school.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill requires the S.C. Department of Education (SCDE) to establish a pilot program by May 1, 2025, that will permit a school that has received an overall rating of “Excellent,” “Below Average,” or “Unsatisfactory” on its annual report card for at least two consecutive years or is located in a critical geographic area to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. The State Board of Education, through SCDE, must approve guidelines for the pilot program that, at a minimum, include the following:

- a noncertified teacher must possess a suitable baccalaureate or graduate degree in the position he is hired to teach and must have at least five years of relevant workplace experience,
- procedures are provided for requiring noncertified teachers to participate in the evaluation process pursuant to Section 59-26-30(B)(4) and (5),
- initial and ongoing training and support requirements, and
- a noncertified teacher must demonstrate enrollment in a certification program within three years of employment, including any state-approved alternative or traditional route program.

While participation in the pilot program is optional, the decision to participate rests solely with SCDE and the school principal, upon approval of the district superintendent. Schools and districts that participate in the program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

SCDE must establish a separate code in the professional coding system to capture noncertified teachers. SCDE must also submit an annual report, beginning November 1, 2026, to the General Assembly that includes recommendations for improving, expanding, or continuing the program. At the end of the five-year program, the annual report must include a recommendation on the continuance of the program.

The bill also requires SCDE to establish procedures for the registration and clearance of all noncertified teachers. Teachers must submit the required documentation and fees to SCDE,

which must include, but are not limited to, a completed registration form, any associated fees, transcripts, and specified background documents. Further, an individual whose state educator certificate has been suspended or revoked may not be employed as a noncertified teacher.

S.C. Department of Education. SCDE indicates that this bill will increase the department's expenses by \$329,480 in FY 2025-26. Of this amount, \$201,480 is for salary and fringe benefits for 3.0 FTEs to process noncertified teacher registrations, including the evaluation of candidate documentation, review of criminal history record information, the issuance of registrations, and processing of disciplinary reviews and actions. Of the remaining amount, \$8,000 is for initial equipment costs and setup, and \$120,000 is for the initial reprogramming of the SC Educator system in order to issue a new credential for noncertified teachers. Expenses will decrease to approximately \$201,480 each year thereafter for the 3.0 FTEs. SCDE will request a General Fund appropriation increase to fund the expenses.

State Agency Schools. This bill is not expected to have an expenditure impact on the state agency schools. The Governor's School for Agriculture at John de la Howe indicates that the school currently has no noncertified teachers, and that if the need arises to hire noncertified teachers, any expenses can be managed within existing appropriations. The Governor's School for Science and Mathematics and the Governor's School for Arts and Humanities indicate that they can manage the provisions of the bill with existing appropriations. The Wil Lou Gray Opportunity School indicates that the school only hires certified teachers, and its teachers are state employees and are not required to sign yearly contracts. The School for the Deaf and Blind indicated on similar legislation that they only hire certified teachers.

State Law Enforcement Division. SLED indicates that this bill will have no expenditure impact on the agency, as any increase in name-based searches and checks can be managed with existing appropriations. SLED further indicates that the bill does not authorize fingerprint-based federal background checks.

State Revenue

This bill requires noncertified educators to submit fees to SCDE as part of the registration and clearance process to become a noncertified teacher. However, the bill does not specify the amount of the fee. Proviso 1.8 of the FY 2024-25 Appropriations Act authorizes the agency to retain revenue for registration fees for non-SCDE employees and teacher certification fees. Therefore, Other Funds revenue of the agency will increase due to these fees. However, the amount of the increase will depend upon the number of registrations for noncertified teachers and the amount of the registration fee.

Local Expenditure

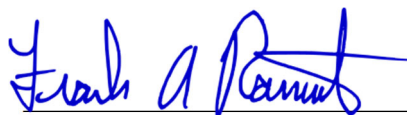
This bill allows qualifying schools to hire noncertified teachers in a ratio of up to ten percent of its entire teaching staff. Additionally, schools and districts that participate in the pilot program are encouraged to collaborate on recruitment, training, and implementation of the program and to assist SCDE with establishing best practices.

Based on data from SCDE, there are 1,402 total local schools. Of this number, 467 schools would qualify for the pilot program based upon an “Excellent”, “Below Average”, or “Unsatisfactory” rating on report card ratings. Also, 1,031 schools would qualify based on the critical geographic area requirement (some of which also qualify under the report card ratings). However, this number will fluctuate based on consecutive report card ratings and geographic area requirements.

The expenditure impact on local school districts will vary by district and will depend upon the number of noncertified teachers that the districts choose to hire. Additionally, while some participating schools and districts may collaborate on training for noncertified teachers, the expenditure impact will depend upon the number of noncertified teachers and the number of qualifying schools that choose to participate in the pilot program. Further, SCDE indicated on similar legislation that while the number of noncertified teachers fluctuates, there were approximately 1,370 noncertified teachers. Of this amount, approximately 880 noncertified educators taught in a qualifying school. This includes the following position codes: special education, prekindergarten, kindergarten, classroom teachers, and retired teachers.

Local Revenue

N/A



Frank A. Rainwater, Executive Director