

MEMORANDUM

TO: District Superintendents
District PIOs
District Personnel Administrators

FROM: Phillip Cease
Director of Government Relations and Policy

DATE: June 11, 2025

RE: 2025 Budget Recap

With the Governor's veto message for H.4025, the General Appropriations Bill for FY 2025-26, the following items will receive funding, and the following provisos, that were updated or added, will go into effect July 1, 2025. This is not a comprehensive list of all items funded or proviso changes but instead provides a look at some of the more substantial changes for FY 2025-26. For more information, please contact Phillip Cease at phcease@ed.sc.gov.

Budget Lines

Increase in the Minimum Teacher Salary Schedule - \$112M: Funding will increase every cell of the state minimum teacher salary schedule by \$1,500. For FY 2025-26 the minimum teacher salary will be \$48,500.

Phase Two of Strategic Compensation Pilot - \$5M: Funding will be used for the second year of the strategic compensation pilot.

Summer Reading Camps - \$30M: Funding will be used to support the expanded summer reading camps required under the amended "Read to Succeed" Act 114 of 2024, covering the costs associated with providing targeted, evidence-based reading interventions for all eligible first and third-grade students who do not meet grade-level reading proficiency.

School Leadership Accelerator - \$6.75M: Funding will cover the costs associated with delivering comprehensive, targeted support for principals and aspiring leaders, providing them with the skills, knowledge, and resources needed to foster high-quality teaching and

learning environments which will drive academic excellence and improve student outcomes across the state.

Education Scholarship Trust Fund - \$65M: Funding will be used according to Act 11 of 2025. Participants can use funds for public school transfer fees, tutoring, approved therapies, independent school tuition and other approved educational expenses.

School Facility Safety Upgrades - \$20M: Funding will be used to partner with districts and law enforcement to identify and fund facilities upgrades to keep students and educators in our school safe. Proposed projects may not create a new recurring annual expense and must comply with local, state, and federal building codes.

Bus Lease/Purchase - \$38M+: Funding will be used to keep the state bus fleet updated within the fifteen-year replacement cycle.

Provisos

1.3 (SDE: State Aid to Classrooms) – This proviso was amended to decrease the virtual charter school student weight from .65 to .5. Additionally, Revenue and Fiscal Affairs will review the student weights and recommend any changes they see necessary by December 1, 2025 to policymakers.

1.49 (SDE: Interscholastic Athletic Association Dues) – Section (5) was amended to include varsity, sub-varsity, junior varsity, middle school levels, increased fines, and language about scheduling mandatory region contests with members schools. Additionally, section (6) was amended to prevent students from participating in NIL.

1.89 (SDE: Alternative Education Programs Options) – This proviso was amended to apply only to students sixteen or older who are not on track for on-time graduation or otherwise at risk of dropping out of school.

1.105 (SDE: School Nurse Unencumbered Time) – This proviso requires the addition of school nurses to the statewide policy on unencumbered time. The State Board of Education will review and amend the policy. According to 59-5-63(B), local districts will have three months to update their policy to incorporate the new statewide policy.

1.118 (SDE: Assessments and Final Grade Determination) – This proviso prohibits districts from using any student's score on any district-selected benchmark assessment in calculating the student's final grade. To align with the Education Accountability Act, this proviso applies to the required formative assessments defined in 59-18-310(D)(2).

"Districts shall ensure all students in kindergarten through eighth grade are assessed using a state-approved, nationally normed formative assessment tool during the fall, winter, and spring each year."

District-selected benchmark assessments, defined as required formative assessments, may only be used as formative assessments for informing instructional purposes unless the assessment is developed or directly approved by the course instructor and exclusively measures content that has previously been taught in the course. Districts that are found in violation of this are subject to corrective action, including a reduction in state funding allocations. This proviso does not apply to End of Course assessments.

1.120 (SDE: Charter School Authorizer Contracts) – This proviso directs the Department to establish a closure protocol for charter authorizers if the IHE sponsoring the authorizer ceases operations and provide a timeline for the transfer of charter schools under the closing authorizer to seek a new authorizer.

1A.9 (SDE-EIA: Teacher Supplies) – This proviso was amended to ensure that teacher supply reimbursements are not reported as income on W-2s and prohibits districts from withholding or garnishing the amount of the supply check from an employee's salary.

1A.74 (SDE-EIA: CERDEP Foundational Literacy Skill Training) – This proviso was added to require school districts with CERDEP classrooms to participate in the implementation of foundational literacy skills training, currently defined as Early Childhood LETRS. Training will be provided and paid for by the Department and educators who successfully complete the training will receive a stipend will have satisfied the requirements of the literacy teacher endorsement.