



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 3591 Signed by Governor on April 12, 2018  
**Author:** Govan  
**Subject:** First Steps Readiness Program Review Committee  
**Requestor:** House of Representatives  
**RFA Analyst(s):** Wren and Gable  
**Impact Date:** June 29, 2018

**Estimate of Fiscal Impact**

	FY 2018-19	FY 2019-20
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds. Any expenses associated with additional duties of the Office of First Steps and the per diem, subsistence, and mileage for the two additional members of the existing joint committee of the House of Representatives and the Senate can be managed within existing appropriations.

**Explanation of Fiscal Impact**

**Signed by Governor on April 12, 2018**

**State Expenditure**

This bill requires the First Steps to School Readiness Board of Trustees (board) to approve the benchmarks and objectives for school readiness programs. The benchmarks and objectives must be posted on the Office of First Steps website. Additionally, the board must report the results of the readiness assessment by state and county annually to the General Assembly and use the results to assist county partnerships to support and improve school readiness for all students. The bill also requires the Office of First Steps to submit an annual report to various House and Senate committees with information pertaining to kindergarten readiness, annual and five-year goals to serve high-risk children in the state, innovative practices in counties that are making progress toward benchmarks and objectives, and various other requirements. The Office of First Steps is further required to submit annual reports, including an annual accountability report.

Further, this bill disbands the current Office of First Steps Study Committee, which is comprised of four members from the House of Representatives, four members from the Senate, one member appointed by the Governor, the President of the Institute for Child Success, the Chairman of the

Education Oversight Committee, and the Chairman of the Joint Citizens Legislative Committee on Children. The bill replaces the committee with a joint House and Senate committee, which must 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 joint committee is required to conduct a review of the South Carolina First Steps Readiness Program, if the House and Senate Legislative Oversight Committees do not conduct a review in accordance with Section 2-2-20. Further, the board is required to submit salary recommendations for the executive director of the Office of First Steps to the Agency Head Salary Commission.

This bill also repeals Section 20B of Act 287 of 2014, which reauthorized the South Carolina First Steps to School Readiness Act until July 1, 2016, pursuant to Act 99 of 1999. Additionally, Proviso 117.119 of the FY 2017-18 Appropriations Act extended the reauthorization of the First Steps to School Readiness Act for the duration of FY 2017-18. This bill reauthorizes the First Steps to School Readiness Act until June 30, 2025.

Additionally, this bill repeals Section 63-11-1735, which provides definitions for BabyNet and requires First Steps to coordinate with all agencies that provide early intervention services to ensure they properly document expenditures annually.

**South Carolina First Steps to School Readiness.** This bill requires additional reporting and accountability by the South Carolina First Steps to School Readiness. The additional time required to meet the required reporting and accountability standards will be managed by existing staff and within the agency's current appropriations. Also, extending the reauthorization of the First Steps to School Readiness Act until June 30, 2025, will have no additional expenditure impact on the agency. Further, repealing Section 63-11-1735 will have no expenditure impact or cost savings on the agency. Based upon information provided by the agency, BabyNet was moved under the direction of the Department of Health and Human Services July 1, 2017. Repealing this section only relinquishes responsibilities of First Steps that are no longer required. Therefore, this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds of the agency.

**Senate and House of Representatives.** This bill requires the Chairman of the House Education and Public Works Committee and the Chairman of the Senate Education Committee to each appoint an additional member to the joint committee. The joint committee will meet only if the South Carolina First Steps to School Readiness is not reviewed by the House and Senate Legislative Oversight Committees within the period prescribed by Section 2-20-20. Should the committee meet, each member will receive per diem of \$35, subsistence of \$202.03, and mileage of \$0.545 per mile for each meeting on non-session days. These expenses will be managed within the budgets of the appointees' respective legislative bodies.

**State Revenue**  
N/A

**Local Expenditure & Revenue**  
N/A



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Frank A. Rainwater, Executive Director