

# Greenville County Schools

## Legislative Priorities

### 2018 Legislative Session



We, the Board of Trustees of Greenville County Schools, as advocates for our schools and the students and families they serve, assert the following positions as our legislative priorities for the 2018 Legislative Session:

#### Fully Fund the State's Education Finance Act

The South Carolina General Assembly passed the Education Finance Act (EFA) in 1977 and it remains the foundation of financial support from the state for public schools in South Carolina today.

Unfortunately, the South Carolina General Assembly continuously falls short of the funding commitment they made to school districts with the passage of this legislation. In fact, the EFA Base Student Cost has not been fully funded in South Carolina since 2008 and is currently funded at \$549 dollars less per pupil than the law requires.

The Greenville County Board of Trustees urges the General Assembly to fully fund the State's base student cost and meet the obligations of the 1977 Education Finance Act as State law requires.

#### Provide a Safe and Efficient Transportation System for Students

The State of South Carolina, by State law, owns and operates the school bus transportation system in South Carolina. Failure to fund the State's bus fleet adequately enough to replace aging buses at appropriate intervals and obtain new buses to address student growth has created an inefficient and unreliable transportation system for our school children. During the 2016-17 school year, in Greenville County alone, buses in the state fleet broke down more 3,500 times transporting students to and from school.

In 2007, the General Assembly passed Act 79, mandating a bus replacement cycle that would each year replace approximately one-fifteenth of the State fleet. Based on the current fleet size, meeting the requirements of this law would require the purchase of approximately 380 buses per year at an approximate total cost of \$34.1 million annually.

Once again, the Greenville County Schools Board of Trustees urges the General Assembly to follow the law which they passed and fully fund the 15 year bus replacement cycle with a recurring appropriation.

In addition, there are more than 1,140 buses running statewide, model year 1995-96, which have known defects that have caused increased mechanical failures, including fires and other thermal events. The State Department of Education estimates replacing these buses will cost approximately \$102 million dollars and has requested an additional \$21.8 million per year over the next five years to complete this task.

The Greenville County Schools Board of Trustees further urges the General Assembly to take prompt action to provide the necessary funding to remove and replace these buses.

Finally, there is the issue of student growth. Appropriating the funding necessary to provide additional buses to meet student growth must be addressed by the legislature. Currently, no plan exists to purchase buses annually for growth.

The Greenville County Schools Board of Trustees urges the General Assembly to establish and fund a plan to adequately address the transportation resources necessary for student growth and safety.

#### Multi-County Industrial Parks and Other Taxpayer Funded Incentives

The Greenville County Schools Board of Trustees recognizes the importance of a quality education system to the fiscal vitality of a community, and the important role our schools play in economic development. Good schools are the foundation of thriving communities, and the resources that fund them must be protected for our community to continue to prosper.

Under current laws, counties may enter into Multi-County Industrial/Business Park Agreements to spur development in a specific location. The Counties then typically enter into Fee-in-Lieu of Tax Agreements (FILOT) with private developers and businesses. These fees take the place of traditional property taxes. Historically, in Greenville County, these fees have been distributed to the affected taxing entities proportionately, based on their millage rates. The law, however, only requires consent from overlapping taxing entities, such as municipalities, but not school districts, prior to adoption and allows participating counties to distribute the revenue at their discretion.

Tax Increment Financing Districts (TIFs) are an economic development tool available to cities and counties. The purpose of a TIF is to redevelop blighted areas through infrastructure developments. Creation of a TIF requires consent by all overlapping taxing entities, including school districts, before adoption and if a tax entity does not consent they do not contribute any tax dollars to the TIF. For participating tax entities, all TIF revenue that exceeds debt repayment must be distributed to taxing entities in accordance with millage rates.

The Greenville County Schools Board of Trustees is greatly concerned about a growing trend of municipalities using the MCIP law to bypass the reporting and consent requirements in the TIF law, as well as our County's consideration of proposals which deviate from their long standing practice of distributing fees generated from FILOTs proportionately to all taxing entities. These practices erode revenue available to districts for school operations while the economic growth generated through the use of these tools results in increased costs and service requirements for schools. Any benefit from the economic development can be withheld unilaterally from the School District until the expiration of the FILOT agreement which, by law, can extend up to 35 years. This means that current business owners, who as a result of ACT 388 bear the brunt of local operating costs for schools, could face additional tax increases to address the growth generated by, but not funded by, these economic development projects.

Therefore, the Greenville County Schools Board of Trustees urges the South Carolina General Assembly to take action to protect schools and taxpayers by ensuring that school districts are active participants in any negotiation process regarding economic incentives provided to developers and industry which impact taxes generated for school purposes. They further urge the legislature to mandate that in the case of multi-county industrial or commercial parks, any negotiated fees are distributed to school districts in at least the same ratios as general taxes.