

1978 S.C. Op. Atty. Gen. 213 (S.C.A.G.), 1978 S.C. Op. Atty. Gen. No. 78-188, 1978 WL 22656

Office of the Attorney General

State of South Carolina

Opinion No. 78-188

November 6, 1978

***1 SUBJECT: Education: School Districts**

Under the 1978 amendment to the South Carolina Education Finance Act of 1977, a school district's local effort toward full implementation of the defined minimum program must be:

- (1) Equal to the percentage of effort by the General Assembly in implementing the State effort toward full funding of the defined minimum program in terms of real dollars or
- (2) equal to an increase of five percent in real dollars over the local effort of the previous fiscal year or
- (3) equal to the revenue generated by an increase in the millage for the local share of expenditures under the foundation program by at least two and one-half mills.

TO: State Senator

QUESTION:

Under 60 STAT. Act No. 163, § 4(3)(b) (1977), cited as 'The South Carolina Education Finance Act of 1977,' as amended by 60 STAT. Act No. 644, § 28(B) (The 1978 General Appropriations Act, permanent section), must an affected school district increase its local effort by five percent of its prior year's local effort in terms of real dollars or may it increase its effort by five percent of the difference between the cost of full implementation of the defined minimum program and the prior year's local effort?

STATUTES AND CASES:

60 STAT. Act No. 163, § 4(3)(b), cited as The South Carolina Education Finance Act of 1977, as amended by 60 STAT. Act No. 644, § 28(B). [City of Columbia v. Niagara Fire Ins. Co.](#), 249 S.C. 388, 154 S.E.2d 674 (1967); [Beaufort County v. Jasper County](#), 249 S.C. 388, 154 S.E.2d 674 (1952).

DISCUSSION:

The defined minimum program is defined in the Education Finance Act of 1977 as a program necessary to provide public school students in the State with minimum educational programs designed to meet their needs. The general legislative intent was to phase in full funding of the defined minimum program by State and local efforts within a five year period if fiscally possible. However, certain exceptions were made to this general rule. 60 STAT. Act No. 644, § 28(B), (1978 General Appropriations Act, permanent section) which amends the original Education Finance Act of 1977 provides: Each year of the phase-in period the General Assembly shall specify the base student cost and the percentage of the difference between current funding and full funding of the defined minimum program which shall be achieved each year. It is the intent of this act that full implementation of the foundation program from present funding level in present financing plans, in terms of real dollars, be achieved in substantially equal annual intervals over a period of five years;

provided, that if a district increases its local effort annually by at least five percent in real dollars, the period of time for full implementation may be extended five years. However, it is recognized that, during periods of abnormally low growth in state revenue, appropriations may necessarily have to be reduced below the anticipated trend and that during periods of abnormally high revenue growth an effort would be made to restore progress in funding to achieve full implementation during the five year phase period. It is recognized further that, should the trend of growth in state revenue diverge substantially from historical experience, then the length of the phase period might be increased or decreased accordingly. Each local school district shall progress annually in eliminating the difference between its current funding and full funding of the defined minimum program at the same percentage as mandated by the General Assembly for statewide progress toward full funding; provided, that each district shall increase its local effort annually by at least the amount required in this section or by five percent in real dollar terms, or shall increase its millage for the local share of expenditures under the foundation program by at least two and one-half mills. Any district failing to make either the required local effort or the five percent increase in real dollar terms or the two and one-half mill increase will have its entitled increase in state aid reduced by the proportion that its actual increase in local effort falls below its required increase of five percent in real dollars, or two and one-half mills, whichever is less.

*2 The question has arisen under said Section whether the school district may increase its local effort by five percent of the prior year's local effort or by five percent of the difference between the prior local effort and the cost of the full implementation of the defined minimum program. This opinion is limited to the interpretation of the five percent requirement. The Act makes reference to the requirement that a local school district increase its local effort towards meeting the defined minimum program and penalizes any district for failing to meet the required minimum increase. The Act defines three alternative methods for determining the minimum allowable increase. The Act, as an alternative, requires 'each district shall increase its local effort annually by at least the amount required in this section or by five percent in real dollar terms (emphasis added).'

It is clear that the local effort will never reach full implementation if the district had to increase its local effort by only five percent of the difference between the cost of full funding and present local funding. The construction of a statute which effectuates rather than defeats the legislative purpose should be adopted. [Beaufort County v. Jasper County, 220 S.C. 469, 68 S.E.2d 421 \(1952\)](#). Furthermore, the true guide to statutory construction is not the phraseology of an isolated section or provision, but the language of a statute as a whole considered in light of its manifest purpose. [City of Columbia v. Niagara Fire Ins. Co., 249 S.C. 388, 154 S.E.2d 674 \(1967\)](#).

CONCLUSION:

Under the Education Finance Act of 1977, as amended, a district's local effort toward full implementation of the defined minimum program must be equal to the percentage of effort by the General Assembly in implementing the state effort toward full funding of the defined minimum program in terms of real dollars or equal to an increase of five percent in real dollars over the local effort of the previous fiscal year or equal to the revenue generated by an increase in the millage for the local share of the expenditures generated under the foundation program by at least two and one-half mills.

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