

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

406A0126

HOUSE EDUCATION COMMITTEE ENGROSSED

NO. **HB1126** - 2/7/97

Introduced by: Representatives Richter, Brooks, Brown (Richard), Davis, and Eccarius and
Senators Olson, Everist, Munson (David), and Paisley

1 FOR AN ACT ENTITLED, An Act to revise the definition of average daily membership in the
2 state aid to education formula.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 13-13-10.1 be amended to read as follows:

5 13-13-10.1. Terms used in this chapter mean:

6 (1) "Average daily membership," the average number of kindergarten through twelfth
7 grade pupils enrolled in the school district during the previous regular school year,
8 minus average number of pupils for whom the district receives tuition, except pupils
9 described in subdivision (1A) and plus the average number of pupils for whom the
10 district pays tuition;

11 (1A) Nonresident students who are in the care and custody of the Department of Social
12 Services, the Unified Judicial System, the Department of Corrections, or other state
13 agencies and are attending a public school may be included in the average daily
14 membership of the receiving district when enrolled in the receiving district ~~for more~~
15 ~~than thirty school days~~. When counting a student who meets these criteria in its

1 average daily membership, the receiving district may begin the enrollment on the first
2 day of attendance. The district of residence prior to the custodial transfer may not
3 include students who meet these criteria in its average daily membership after the
4 student ceases to attend school in the resident district ~~for more than thirty school~~
5 ~~days;~~

6 (2) "Adjusted average daily membership," calculated as follows:

7 (a) For districts with an average daily membership of two hundred or less, multiply
8 1.2 times the average daily membership;

9 (b) For districts with an average daily membership of less than six hundred, but
10 greater than two hundred, raise the average daily membership to the 0.8293
11 power and multiply the result times 2.98;

12 (c) For districts with an average daily membership of six hundred or more,
13 multiply 1.0 times their average daily membership;

14 (3) "Index factor," is the annual percentage change in the consumer price index for urban
15 wage earners and clerical workers as computed by the Bureau of Labor Statistics of
16 the United States Department of Labor for the year before the year immediately
17 preceding the year of adjustment or three percent, whichever is less;

18 (4) "Per student allocation," for the period January 1, 1997, to June 30, 1997, inclusive,
19 is \$1,675. For school fiscal year 1998, beginning on July 1, 1997, the per student
20 allocation shall be \$3,350 increased by the index factor. Each school fiscal year
21 thereafter, the per student allocation shall be the previous fiscal year's per student
22 allocation increased by the index factor;

23 (5) "Local need," the per student allocation multiplied by the adjusted average daily
24 membership;

25 (6) "Local effort," the amount of ad valorem taxes generated in a school fiscal year by

1 applying the following levies:

2 (a) The levy for school district purposes is sixteen dollars and seventy-five cents
3 per thousand dollars of taxable valuation subject to the limitations on
4 agricultural property as provided in subsection (b) and owner-occupied
5 property as provided in subsection (c);

6 (b) The tax levy on agricultural property for the school district is five dollars and
7 seventy-five cents per thousand dollars of taxable valuation;

8 (c) The tax levy for owner-occupied single-family dwelling for the school district
9 is nine dollars and twenty cents per thousand dollars of taxable valuation.

10 For the period January 1, 1997, to June 30, 1997, inclusive, local effort shall be
11 one-half of the amount of ad valorem taxes generated in calendar year 1997 by
12 applying the following levies:

13 (a) The levy for school district purposes is sixteen dollars and seventy-five cents
14 per thousand dollars of taxable valuation subject to the limitations on
15 agricultural property as provided in subsection (b) and owner-occupied
16 property as provided in subsection (c);

17 (b) The tax levy on agricultural property for the school district is five dollars and
18 seventy-five cents per thousand dollars of taxable valuation;

19 (c) The tax levy for owner-occupied single-family dwelling for the school district
20 is nine dollars and twenty cents per thousand dollars of taxable valuation.

21 All levies shall be based on valuations including valuations pursuant to §§ 13-13-10.2 and
22 13-13-20.4 such that the median level of assessment represents eighty-five percent of market
23 value as determined by the Department of Revenue. The total amount of taxes that would be
24 generated at the levies pursuant to this section shall be considered local effort.

1 **BILL HISTORY**

2 1/28/97 First read in House and referred to Education. H.J. 170

3 1/31/97 Scheduled for Committee hearing on this date.

4 2/4/97 Scheduled for Committee hearing on this date.

5 2/6/97 Scheduled for Committee hearing on this date.

6 2/6/97 Education Do Pass Amended, AYES 12, NAYS 0. H.J. 337