

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

406A0126

HOUSE BILL NO. 1126

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, or other state agencies and are attending a
13 public school may be included in the average daily membership of the receiving
14 district when enrolled in the receiving district ~~for more than thirty school days~~. When
15 counting a student who meets these criteria in its average daily membership, the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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