

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

119J0566

HOUSE EDUCATION COMMITTEE ENGROSSED NO.

HB 1307 - 02/10/2004

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Representatives Teupel, Klaudt, McCaulley, McLaughlin, and Peterson (Bill) and Senators Knudson, Bogue, and McCracken

1 FOR AN ACT ENTITLED, An Act to revise the calculation of state aid to education.

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

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

4 13-13-10.1. Terms used in this chapter mean:

5 (1) "Average daily membership," the average number of resident and nonresident

6 kindergarten through twelfth grade pupils enrolled in all schools operated by the

7 school district during the previous regular school year, minus average number of

8 pupils for whom the district receives tuition, except pupils described in subdivision

9 (1A) and pupils for whom tuition is being paid pursuant to § 13-28-42 and plus the

10 average number of pupils for whom the 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. When



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

6 (2) "Adjusted average daily membership," calculated as follows for all districts except
7 those defined in subdivision (2A):

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

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

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

15 (2A) "Adjusted average daily membership," calculated as follows for districts larger than
16 three hundred square miles and that serve grades kindergarten through twelfth grade:

17 (a) For districts with an average daily membership of one hundred thirty or less,
18 multiply 1.3 times the average daily membership;

19 (b) For districts with an average daily membership of less than six hundred, but
20 greater than one hundred thirty, raise the average daily membership to the
21 0.8284523 power and multiply the result times 2.9963;

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

24 (3) "Index factor," is the annual percentage change in the consumer price index for urban

1 wage earners and clerical workers as computed by the Bureau of Labor Statistics of
2 the United States Department of Labor for the year before the year immediately
3 preceding the year of adjustment or three percent, whichever is less;

4 (4) "Per student allocation," for school fiscal year 2004 is \$3,967.88. Each school fiscal
5 year thereafter, the per student allocation is the previous fiscal year's per student
6 allocation increased by the index factor;

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

9 (6) "Local effort," the amount of ad valorem taxes generated in a school fiscal year by
10 applying the levies established pursuant to § 10-12-42;

11 (7) "General fund balance," the unreserved fund balance of the general fund, less general
12 fund exclusions plus, beginning with transfers made in fiscal year 2001, any transfers
13 out of the general fund for the previous school fiscal year;

14 (8) "General fund balance percentage," is a school district's general fund balance divided
15 by the school district's total general fund expenditures for the previous school fiscal
16 year, the quotient expressed as a percent;

17 (9) "General fund base percentage," is the general fund balance percentage as of June 30,
18 2000. However, the general fund base percentage can never increase and can never
19 be less than twenty percent;

20 (10) "Allowable general fund balance," the fund base percentage multiplied by the
21 district's general fund expenditures in the previous school fiscal year;

22 (11) "Imputed interest rate," the average prime rate for the preceding fiscal year minus 2.5
23 percentage points;

24 (12) "General fund exclusions," revenue a school district has received from the imposition

1 of the excess tax levy pursuant to § 10-12-43; revenue a school district has received
2 from gifts, contributions, grants, or donations; revenue a school district has received
3 under the provisions of §§ 13-6-92 to 13-6-96, inclusive; and any revenue in the
4 general fund set aside for a noninsurable judgment.