

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

264J0501

SENATE BILL NO. 152

Introduced by: Senators Duxbury, Dennert, Kooistra, Olson (Ed), and Symens and Representatives Hargens, Bartling, Begalka, Bradford, Burg, Elliott, Engels, Gassman, Gillespie, Glenski, Hanson, Hundstad, Kroger, Lange, Miles, Nesselhuf, Peterson (Jim), Sigdestad, Thompson, Valandra, Van Gerpen, and Van Norman

1 FOR AN ACT ENTITLED, An Act to allow school districts to purchase property insurance
2 using capital outlay funds.

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

4 Section 1. That § 13-16-6 be amended to read as follows:

5 13-16-6. The capital outlay fund of ~~the~~ a school district is a fund provided by law to meet
6 expenditures which result in or from the acquisition or lease of, or additions to, real property,
7 plant, or equipment. ~~Such an expenditure shall be~~ School districts may expend from their capital
8 outlay funds for land, existing facilities, improvement of grounds, construction of facilities,
9 additions to facilities, remodeling of facilities, ~~or for~~ the purchase or lease of equipment. ~~It may~~
10 ~~also be used,~~ or for insurance on either property or equipment School districts may also expend
11 from their capital outlay funds for installment or lease-purchase payments for the purchase of
12 real property, plant, or equipment, which have a contracted terminal date not exceeding twenty
13 years from the date of the installment contract or lease-purchase and for the payment of the
14 principal of and interest on capital outlay certificates issued pursuant to § 13-16-6.2.



1 ~~Any~~ A school district may pay any purchase of one thousand dollars or less ~~may be paid~~ out
2 of the general fund. The total accumulated unpaid principal balances of such installment
3 contracts and lease-purchase and the outstanding principal amounts of such capital outlay
4 certificates may not exceed three percent of the taxable valuation. The school district shall
5 provide a sufficient levy each year under the provisions of § 13-16-7 to meet the annual
6 installment contract, lease-purchase, and capital outlay certificate payments, including interest.

7 A school district which contracts its student transportation may expend from the capital
8 outlay fund an amount not to exceed fifteen percent of the contract amount.

9 ~~The~~ A school district may use its capital outlay fund ~~may be used~~ to purchase textbooks and
10 instructional software. ~~The capital outlay fund may be used~~ and to purchase warranties on
11 capital assets if the warranties do not include supplies.