

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

753J0756

SENATE ENGROSSED NO. **SB 169** - 02/17/2004

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

Introduced by: Senators Bogue, Apa, Brown, Duniphan, Jaspers, Kleven, Koskan, LaPointe, McCracken, Napoli, and Olson (Ed) and Representatives Rave, Dykstra, Hackl, Juhnke, Klaudt, LaRue, Lintz, Peterson (Bill), Rhoden, and Teupel

1 FOR AN ACT ENTITLED, An Act to provide a sparsity factor when distributing certain school
2 district revenue.

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 resident and nonresident
7 kindergarten through twelfth grade pupils enrolled in all schools operated by the
8 school district during the previous regular school year, minus average number of
9 pupils for whom the district receives tuition, except pupils described in subdivision
10 (1A) and pupils for whom tuition is being paid pursuant to § 13-28-42 and plus the
11 average number of pupils for whom the district pays tuition;
- 12 (1A) Nonresident students who are in the care and custody of the Department of Social
13 Services, the Unified Judicial System, the Department of Corrections, or other state
14 agencies and are attending a public school may be included in the average daily



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

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

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) "Sparse school district," a school district which: levies ad valorem taxes at the
16 maximum rates allowed pursuant to § 10-12-42; has an average daily membership
17 of less than six hundred; has a geographical area of more than five hundred square
18 miles; and has an average daily membership per square mile of 0.5 or less;

19 (2B) "Sparsity average daily membership," calculated as follows:

20 (a) For sparse school districts, divide the average daily membership by the area
21 of the school district in square miles;

22 (b) If the result of subsection (a) of this subdivision is 0.50 or less, multiply the
23 quotient obtained in subsection (a) times negative 0.25;

24 (c) Add 0.125 to the result of subsection (b) of this subdivision; and

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

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

5 (12) "General fund exclusions," revenue a school district has received from the imposition
6 of the excess tax levy pursuant to § 10-12-43; revenue a school district has received
7 from gifts, contributions, grants, or donations; revenue a school district has received
8 under the provisions of §§ 13-6-92 to 13-6-96, inclusive; and any revenue in the
9 general fund set aside for a noninsurable judgment.

10 Section 2. That chapter 13-13 be amended by adding thereto a NEW SECTION to read as
11 follows:

12 Notwithstanding the provisions of § 13-13-10.1, the adjusted average daily membership of
13 a sparse school district with an average daily membership of more than fifty and less than one
14 hundred thirty is one hundred fifty-six.