

State of South Dakota

EIGHTY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2006

767M0448

HOUSE BILL NO. 1182

Introduced by: Representatives Jerke, Boomgarden, Brunner, Davis, Deadrick, Dykstra, Fryslie, Glover, Hackl, Hills, Howie, Hunhoff, Jensen, Koistinen, Nelson, Novstrup, Olson (Ryan), Pederson (Gordon), Putnam, Rausch, Rhoden, Rounds, Tidemann, Tornow, and Vehle and Senators Lintz, Bartling, Duenwald, Hansen (Tom), Koskan, and Sutton (Dan)

1 FOR AN ACT ENTITLED, An Act to allow school districts to expend from the capital outlay
2 fund for some of their mileage reimbursement costs.

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

14 Any purchase of one thousand dollars or less may be paid out of the general fund. The total



1 accumulated unpaid principal balances of such installment contracts and lease-purchase and the
2 outstanding principal amounts of such capital outlay certificates may not exceed three percent
3 of the taxable valuation. The school district shall provide a sufficient levy each year under the
4 provisions of § 13-16-7 to meet the annual installment contract, lease-purchase, and capital
5 outlay certificate payments, including interest.

6 A school district which contracts its student transportation may expend from the capital
7 outlay fund an amount not to exceed fifteen percent of the contract amount. In addition, a school
8 district which reimburses for mileage instead of providing transportation pursuant to § 13-30-3,
9 may use the capital outlay fund to pay for fifteen percent of its mileage reimbursement costs.

10 The capital outlay fund may be used to purchase textbooks and instructional software.

11 The capital outlay fund may be used to purchase warranties on capital assets if the
12 warranties do not include supplies.