State of South Dakota

EIGHTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2007

400N0226

SENATE BILL NO. 32

Introduced by: The Committee on Education at the request of the Department of Education

1   FOR AN ACT ENTITLED, An Act to revise certain provisions relating to the distribution of

2   funds to sparse school districts.

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

4   Section 1. That § 13-13-78 be amended to read as follows:

5   13-13-78. Terms used in § 13-13-79 mean:

6   (1)   "Sparse school district," a school district that meets each of the following criteria:

7   (a)   Has an average daily membership per square mile of 0.50 or less;

8   (b)   Has an average daily membership of five hundred or less;

9   (c)   Has an area of four hundred square miles or more;

10   (d)   Has at least fifteen miles between its secondary attendance center or centers

11   and that of an adjoining district;

12   (e)   Operates a secondary attendance center;

13   (f)   Levies ad valorem taxes at the maximum rates allowed pursuant to § 10-12-42

14   or more; and

15   (g)   Has a general fund balance percentage of thirty percent or less excluding

16   revenue received from opting out of property tax limitations pursuant to

1   chapter 10-12;

2   (2)   "Sparsity average daily membership <u>for sparse school districts with an adjusted</u>

3   <u>average daily membership as defined in subdivision 13-13-10.1(2) of less than one</u>

4   <u>hundred or greater than two hundred seventy-five</u>," calculated as follows:

5   (a)   ~~For sparse school districts with an adjusted average daily membership as~~

6   ~~defined in subdivision 13-13-10.1(2) of less than one hundred or greater than~~

7   ~~two hundred seventy-five, divide~~ <u>Divide</u> the average daily membership as

8   defined in subdivision 13-13-10.1(1) by the area of the school district in

9   square miles;

10   (b)   Multiply the quotient obtained in subsection (a) times negative 0.125;

11   (c)   Add 0.0625 to the product obtained in subsection (b); and

12   (d)   Multiply the sum obtained in subsection (c) times the average daily

13   membership;

14   (3)   "Sparsity adjusted average daily membership <u>for sparse school districts with an</u>

15   <u>adjusted average daily membership as defined in subdivision 13-13-10.1(2) of greater</u>

16   <u>than or equal to one hundred and less than two hundred seventy-five</u>," calculated as

17   follows: ~~For any sparse school district with an adjusted average daily membership as~~

18   ~~defined in subdivision 13-13-10.1(2) of no less than one hundred, but no more than~~

19   ~~two hundred seventy-five, the sparsity adjusted average daily membership is two~~

20   ~~hundred seventy-five~~ <u>Subtract the school district adjusted average daily membership</u>

21   <u>as defined in subdivision 13-13-10.1(2) from two hundred seventy-five</u>.

22   Section 2. That § 13-13-79 be amended to read as follows:

23   13-13-79. At the same time that foundation program state aid is distributed to school

24 districts pursuant to §§ 13-13-10.1 to 13-13-41, inclusive, the secretary of the Department of

1   Education shall distribute funds to sparse school districts by multiplying ~~either the sparsity~~

2   ~~average daily membership calculation or the sparsity adjusted average daily membership~~

3   ~~calculation in § 13-13-78~~ <u>the result of the calculation in subdivision (2) or (3) of § 13-13-78</u> by

4   the per student allocation as defined in § 13-13-10.1. However, no sparse school district may

5   receive a sparsity benefit in any year that exceeds two hundred fifty thousand dollars.