## State of South Dakota

## EIGHTY-THIRD SESSION LEGISLATIVE ASSEMBLY, 2008

668P0464

## SENATE BILL NO. 154

Introduced by: Senators Nesselhuf, Jerstad, and Olson (Ed) and Representatives Lucas, Bradford, Burg, Dennert, Elliott, Engels, Gassman, Gillespie, Halverson, McLaughlin, Miles, Nygaard, Sigdestad, and Thompson

1	FOR AN ACT ENTITLED, An Act to allow public schools to maintain pre-kindergarten
2	programs, to provide the Board of Education with rule making authority for pre-kindergarten
3	programs, and to provide funding through the state aid to education formula for students in
4	accredited pre-kindergarten programs.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
6	Section 1. That § 13-33-3 be amended to read as follows:
7	13-33-3. The school board of any school district may maintain as a part of the public schools
8	adult education courses, summer schools, kindergartens, and nurseries pre-kindergarten
9	programs under the rules adopted promulgated pursuant to chapter 1-26 by the South Dakota
10	Board of Education.
11	Section 2. That chapter 13-33 be amended by adding thereto a NEW SECTION to read as
12	follows:
13	The South Dakota Board of Education shall promulgate rules pursuant to chapter 1-26 to
14	establish standards for the accreditation of pre-kindergarten programs and to establish standards

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1 for preparation of certified personnel for pre-kindergarten programs. Rules promulgated to

- establish standards for the accreditation of pre-kindergarten programs shall ensure that any child
- 3 under the minimum age for kindergarten pursuant to § 13-28-2 is not required to attend a pre-
- 4 kindergarten program.

- 5 Section 3. That § 13-13-10.1 be amended to read as follows:
- 6 13-13-10.1. Terms used in this chapter mean:
  - (1) "Average daily membership," the average number of resident and nonresident kindergarten through twelfth grade pupils enrolled in all schools operated by the school district during the previous regular school year, minus average number of pupils for whom the district receives tuition, except pupils described in subdivision (1A) and pupils for whom tuition is being paid pursuant to § 13-28-42.1 and plus the average number of pupils for whom the district pays tuition;
  - (1A) Nonresident students who are in the care and custody of the Department of Social Services, the Unified Judicial System, the Department of Corrections, or other state agencies and are attending a public school may be included in the average daily membership of the receiving district when enrolled in the receiving district. When counting a student who meets these criteria in its general enrollment average daily membership, the receiving district may begin the enrollment on the first day of attendance. The district of residence prior to the custodial transfer may not include students who meet these criteria in its general enrollment average daily membership after the student ceases to attend school in the resident district;
  - (2) "Adjusted average daily membership," calculated as follows:
    - (a) For districts with an average daily membership of two hundred or less, multiply 1.2 times the average daily membership;

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

- (c) For districts with an average daily membership of six hundred or more, multiply 1.0 times their average daily membership;
- in all schools operated by the school district on the last Friday of September of the previous school year plus the number of three and four-year old students enrolled, on the last Friday of September of the previous school year, in pre-kindergarten programs within the school district that meet the accreditation and certification standards established pursuant to section 2 of this Act minus the number of students for whom the district receives tuition, except nonresident students who are in the care and custody of a state agency and are attending a public school and students for whom tuition is being paid pursuant to § 13-28-42.1, plus the number of students for whom the district pays tuition. When computing state aid to education for a school district under the foundation program pursuant to § 13-13-73, the secretary of the Department of Education shall use either the school district's fall enrollment or the average of the school district's fall enrollment and the school district's fall enrollment from the prior year, whichever is higher;
- (2B) "Current fall enrollment," the number of kindergarten through twelfth grade students enrolled in all schools operated by the school district on the last Friday of September of the current school year <u>plus</u> the number of three and four-year old students enrolled, on the last Friday of September of the previous school year, in pre-kindergarten programs within the school district that meet the accreditation and

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1		certification standards established pursuant to section 2 of this Act minus the number
2		of students for whom the district receives tuition except nonresident students who are
3		in the care and custody of a state agency and are attending a public school and
4		students for whom tuition is being paid pursuant to § 13-28-42.1, plus the number of
5		students for whom the district pays tuition;
6	(2C)	"Small school adjustment," calculated as follows:
7		(a) For districts with a fall enrollment of two hundred or less, multiply 0.2 times
8		\$4,237.72;
9		(b) For districts with a fall enrollment of greater than two hundred, but less than
10		six hundred, multiply the fall enrollment times negative 0.0005; add 0.3 to that
11		result; and multiply the sum obtained times \$4,237.72;
12	(3)	"Index factor," is the annual percentage change in the consumer price index for urban
13		wage earners and clerical workers as computed by the Bureau of Labor Statistics of
14		the United States Department of Labor for the year before the year immediately
15		preceding the year of adjustment or three percent, whichever is less;
16	(4)	"Per student allocation," for school fiscal year 2008 is \$4,528.80. Each school fiscal
17		year thereafter, the per student allocation is the previous fiscal year's per student
18		allocation increased by the index factor;
19	(5)	"Local need," is the sum of:
20		(a) The per student allocation multiplied by the fall enrollment; and
21		(b) The small school adjustment, if applicable, multiplied by the fall enrollment;
22		and
23		(c) The payment distributed pursuant to § 13-13-80, if applicable;
24	(6)	"Local effort," the amount of ad valorem taxes generated in a school fiscal year by

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1		applying the levies established pursuant to § 10-12-42;
2	(7)	"General fund balance," the unreserved fund balance of the general fund, less general
3		fund exclusions plus, beginning with transfers made in fiscal year 2001, any transfers
4		out of the general fund for the previous school fiscal year;
5	(8)	"General fund balance percentage," is a school district's general fund balance divided
6		by the school district's total general fund expenditures for the previous school fiscal
7		year, the quotient expressed as a percent;
8	(9)	"General fund base percentage," is the lesser of:
9		(a) The general fund balance percentage as of June 30, 2000; or
10		(b) The maximum allowable percentage for that particular fiscal year as stated in
11		this subsection.
12		For fiscal year 2008, the maximum allowable percentage is one hundred percent; for
13		fiscal year 2009, eighty percent; for fiscal year 2010, sixty percent; for fiscal year
14		2011, forty percent; for fiscal year 2012 and subsequent fiscal years, twenty-five
15		percent. However, the general fund base percentage can never be less than twenty-
16		five percent;
17	(10)	"Allowable general fund balance," the general fund base percentage multiplied by the
18		district's general fund expenditures in the previous school fiscal year;
19	(11)	"General fund exclusions," revenue a school district has received from the imposition
20		of the excess tax levy pursuant to § 10-12-43; revenue a school district has received
21		from gifts, contributions, grants, or donations; revenue a school district has received
22		under the provisions of §§ 13-6-92 to 13-6-96, revenue a school district has received
23		as compensation for being a sparse school district under the terms of §§ 13-13-78 and
24		13-13-79, inclusive; and any revenue in the general fund set aside for a noninsurable

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1 judgment.