

State of South Dakota

EIGHTY-THIRD SESSION LEGISLATIVE ASSEMBLY, 2008

956P0052

SENATE BILL NO. 169

Introduced by: Senators Garnos, Gray, Nesselhuf, Olson (Ed), and Sutton and
Representatives McLaughlin, Bradford, and Elliott

1 FOR AN ACT ENTITLED, An Act to revise the index factor in the state aid to education
2 formula and to establish a minimum salary schedule for teachers.

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 § 13-28-42.1 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
15 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;

(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;

(2A) "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 previous school year 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 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;

(2C) "Small school adjustment," calculated as follows:

(a) For districts with a fall enrollment of two hundred or less, multiply 0.2 times \$4,237.72;

(b) For districts with a fall enrollment of greater than two hundred, but less than six hundred, multiply the fall enrollment times negative 0.0005; add 0.3 to that result; and multiply the sum obtained times \$4,237.72;

(3) "Index factor," is ~~the annual percentage change in the consumer price index for urban wage earners and clerical workers as computed by the Bureau of Labor Statistics of the United States Department of Labor for the year before the year immediately preceding the year of adjustment or three percent, whichever is less~~ three and one-half percent;

(4) "Per student allocation," for school fiscal year 2008 is \$4,528.80. Each school fiscal year thereafter, the per student allocation is the previous fiscal year's per student allocation increased by the index factor;

(5) "Local need," is the sum of:

(a) The per student allocation multiplied by the fall enrollment; and

(b) The small school adjustment, if applicable, multiplied by the fall enrollment;

1 and

2 (c) The payment distributed pursuant to § 13-13-80, if applicable;

3 (6) "Local effort," the amount of ad valorem taxes generated in a school fiscal year by
4 applying the levies established pursuant to § 10-12-42;

5 (7) "General fund balance," the unreserved fund balance of the general fund, less general
6 fund exclusions plus, beginning with transfers made in fiscal year 2001, any transfers
7 out of the general fund for the previous school fiscal year;

8 (8) "General fund balance percentage," is a school district's general fund balance divided
9 by the school district's total general fund expenditures for the previous school fiscal
10 year, the quotient expressed as a percent;

11 (9) "General fund base percentage," is the lesser of:

12 (a) The general fund balance percentage as of June 30, 2000; or

13 (b) The maximum allowable percentage for that particular fiscal year as stated in
14 this subsection.

15 For fiscal year 2008, the maximum allowable percentage is one hundred percent; for
16 fiscal year 2009, eighty percent; for fiscal year 2010, sixty percent; for fiscal year
17 2011, forty percent; for fiscal year 2012 and subsequent fiscal years, twenty-five
18 percent. However, the general fund base percentage can never be less than twenty-
19 five percent;

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

22 (11) "General fund exclusions," revenue a school district has received from the imposition
23 of the excess tax levy pursuant to § 10-12-43; revenue a school district has received
24 from gifts, contributions, grants, or donations; revenue a school district has received

1 under the provisions of §§ 13-6-92 to 13-6-96, revenue a school district has received
2 as compensation for being a sparse school district under the terms of §§ 13-13-78 and
3 13-13-79, inclusive; and any revenue in the general fund set aside for a noninsurable
4 judgment.

5 Section 2. Each school district shall adopt a teacher salary schedule that provides a
6 minimum annual base salary for each fully certified teacher working full-time within the district
7 as follows:

8 (1) For school fiscal year 2009, the minimum base salary is twenty-nine thousand dollars
9 (\$29,000);

10 (2) For school fiscal year 2010, the minimum base salary is thirty-one thousand dollars
11 (\$31,000);

12 (3) For school fiscal year 2011, the minimum base salary is thirty-three thousand dollars
13 (\$33,000); and

14 (4) For school fiscal year 2012, the minimum base salary is thirty-five thousand dollars
15 (\$35,000).

16 The minimum base salary for any fully certified teacher employed by a school district for
17 less than full-time is a prorated share of the minimum base salary that teacher would receive for
18 full-time employment under the provisions of this section.

19 Section 3. Section 2 of this Act is repealed on July 1, 2012.