

## 2026 South Dakota Legislature

**Senate Bill 106****AMENDMENT 106A  
FOR THE INTRODUCED BILL**

1 **An Act to modify the amount required to be set aside for extraordinary expenses**  
2 **incurred in providing special education programs.**

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

4 **Section 1. That § 13-37-40 be AMENDED:**

5 **13-37-40.** Subject to the ~~limitation~~ limitations provided below and in § 13-37-42,  
6 the secretary of the Department of Education shall, ~~for school fiscal year 2014 and each~~  
7 ~~year thereafter~~ beginning July 1, 2026, set aside ~~four~~ five million dollars of the state aid  
8 to districts for special education appropriation for extraordinary expenses incurred in  
9 providing special education programs or services to ~~one or more~~ children with disabilities,  
10 with expenditures to be made as ~~recommended by an oversight board and approved by~~  
11 ~~the secretary of the Department of Education~~ provided in § 13-37-60. ~~Beginning July 1,~~  
12 ~~2027, and each year thereafter, the amount that the secretary shall set aside for~~  
13 ~~extraordinary expenses increases by the index factor, as defined in § 13-37-35.1.~~

14 Any funds not expended or obligated pursuant to this section ~~shall~~ are not be  
15 subject to reversion pursuant to § 4-8-19. ~~The total amount set aside for extraordinary~~  
16 ~~expenses each fiscal year plus the total amount not reverted from previous fiscal years~~  
17 ~~may,~~ provided that the total amount reserved each year for extraordinary expenses does  
18 not exceed five million five hundred thousand dollars.

19 The amount appropriated for extraordinary expenses shall be recalculated at the  
20 same time as the amount of the allocations for disability levels as provided in § 13-37-  
21 ~~35.2.~~ ~~Beginning July 1, 2027, and each year thereafter, the maximum amount that may~~  
22 ~~be reserved for extraordinary expenses increases by the index factor, as defined in § 13-~~  
23 ~~37-35.1.~~