

AN ACT

ENTITLED, An Act to revise the procedure to initiate a school district boundary change.

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

Section 1. That § 13-6-18.1 be amended to read:

13-6-18.1. If a plan of reorganization is approved pursuant to § 13-6-18, a boundary change pursuant to § 13-6-84.2 may be allowed by a school board only if:

- (1) The plan has been rejected by the voters;
- (2) The school boards of each district which voted and approved the reorganization plan concur by majority vote and the minor boundary change is recognized in the plan; or
- (3) The plan is operative pursuant to § 13-6-61.

Section 2. That § 13-6-84 be amended to read:

13-6-84. The school board of a school district may propose to change the boundary of the school district and exchange land with another school district under criteria described in §§ 13-6-84.1 to 13-6-84.3, inclusive, and 13-6-86.

Section 3. That § 13-6-84.1 be amended to read:

13-6-84.1. In each proposed change in a school district's boundary or land exchange, the boundary of the area proposed to be detached, annexed, or exchanged must have a common boundary with the common boundary of the two involved school districts. Land owned by the federal, state, or local governments and unoccupied land may be included in the proposal.

Section 4. That § 13-6-84.2 be amended to read:

13-6-84.2. Nothing in this Act compels a school board to act if the school board is unwilling to exchange any land within its boundary. The exchange of land between each school district may only be made if each school board is willing to exchange the land. If a school district is willing to detach, annex, or exchange land, the involved school district shall adopt a resolution of intent to exchange

land with the other school district. The resolution of intent shall contain the following:

- (1) The name of each school district involved and a legal description of the land in each school district proposed to be exchanged through the detachment and annexation of land by each school district;
- (2) A map of the area proposed to be detached and annexed by each involved school district;
- (3) A statement certified by the county auditor setting forth the amount of the assessed valuation of the area to be detached and annexed, the total assessed valuation of the school district from which the area is proposed to be detached and the school district to which the area is proposed to be annexed, and the amount of any bonded indebtedness or judgments against each school district; and
- (4) A statement that the school district will request an appraisal to be completed by a certified appraiser that shows the fair market value of the land proposed to be detached and annexed by each of the involved school districts. Each of the involved school districts shall approve the certified appraiser completing the appraisal, and shall pay one-half of the cost of the appraisal. If a school district does not agree with an appraisal, the school district may, within thirty days of the receipt of the appraisal and at its own expense, order another appraisal from a different certified appraiser.

The school board of each involved school district shall, within five days of the passage of the resolution of intent, forward a copy of the resolution to the other school district and to the Department of Education. The school board of each involved school district shall acknowledge receipt of the resolution of intent at its next school board meeting, and representatives from both of the involved school districts shall meet and mutually agree on a certified appraiser to complete the appraisal.

A school board may object to the appraisal within forty-five days of acknowledging the receipt

of the appraisal. Unless a school board objects, the school board of each involved school district shall, within sixty days of acknowledging the receipt of the appraisal, schedule a public hearing to consider the proposed land exchange. Following the public hearing, the school board of each involved school district shall either approve or reject the land exchange. Notwithstanding any other provision in law, a decision by a school board to reject the land exchange does not create any cause of legal action against the school district or school board, or constitute grounds for an appeal pursuant to § 13-46-1. If the action of each of the involved school districts approves a land exchange and no petition for an election is filed pursuant to § 13-6-84.3, the resolutions approving the land exchange shall be forwarded to the county commissioners having jurisdiction over the involved school districts. The county commissioners shall act pursuant to § 13-6-87.

Section 5. That § 13-6-85 be repealed.

Section 6. That § 13-6-85.1 be repealed.

Section 7. That § 13-6-86 be amended to read:

13-6-86. A resolution for a proposed boundary change includes the following information based on the final plan for detachment and annexation:

- (1) The names of the school districts involved and the legal description of the area proposed for detachment and annexation;
- (2) A map of the area proposed for detachment and annexation, including a portion or all of the district from which the area is to be detached and the district to which the area is to be annexed;
- (3) A statement certified by the county auditor setting forth the amount of the assessed valuation of the area to be detached, the amount of the assessed valuation of the area to be annexed, the total assessed valuation of the school district from which the area is proposed to be detached, and the amount of any bonded indebtedness or judgments

against the school district;

- (4) An appraisal completed by a certified appraiser that shows the fair market value of the land proposed to be detached and annexed. The appraisal shall be completed by a certified appraiser approved by the school board of each involved school district, and each involved school district shall pay one-half of the cost of the appraisal. If an involved school district does not agree with the appraisal, the school district may, within thirty days of receipt of the appraisal and at its own expense, request another appraisal from a different certified appraiser. The appraisal shall include the potential fair market value of the land to be detached and annexed as if the land was fully developed as determined by consideration of the current zoning, the nearest municipality's proposed zoning for the next ten years, and the nearest municipality's comprehensive plan; and
- (5) The ownership interests in the land.

Section 8. That § 13-6-86.1 be repealed.

Section 9. That § 13-6-89 be repealed.

Section 10. That chapter 13-6 be amended by adding a NEW SECTION to read:

Nothing in §§ 13-6-84, 13-6-84.1, and 13-6-84.2 affects a school district's authority to reorganize pursuant to §§ 13-6-10, 13-6-13, and 13-6-18.

Section 11. That chapter 13-6 be amended by adding a NEW SECTION to read:

If a school district proposes to close a rural attendance center, any landowner who has students attending the attendance center that is proposed to be closed may petition the school board to transfer their land to an adjacent school district with a common boundary with the landowner. Notwithstanding any other provision of law, a decision by a school board to reject the petition, in total or in part, does not create a cause of action against the school district or school board, or constitute grounds for an appeal pursuant to § 13-46-1. For the purposes of this chapter, a rural

attendance center is an attendance center that is at least ten miles from the corporate limits of any incorporated municipality.

Section 12. That § 13-6-13 be amended to read:

13-6-13. The plan shall contain:

- (1) A map or maps showing the boundaries of the proposed district or districts, the boundaries of the existing districts involved, the location of existing and proposed attendance centers and a description of the facilities, and the proposed school bus routes, if any;
- (2) A legal description of the boundaries of the proposed district or districts;
- (3) Estimates of the school age population within the proposed district or districts;
- (4) The assessed valuation of all taxable property of each existing district and of the proposed district or districts;
- (5) Outstanding general obligation bonds of any component district, funds in all school accounts and estimated receipts in all accounts in process of collection;
- (6) If a joint district, the designation of the county of jurisdiction;
- (7) The official name of the proposed district;
- (8) A statement with regard to a proposed method of adjustment of assets and liabilities;
- (9) The proposed number of school board members if a new entity is to be created;
- (10) A description of the proposed educational program;
- (11) A reasonably detailed budget showing estimated annual receipts and expenditures for the operation of the proposed district or districts;
- (12) A process for a landowner to request their land be transferred to another school district when their land is adjacent to a school district other than a school district involved in the reorganization;

(13) Such additional information as may be necessary to show compliance with the standards for school districts as adopted by the South Dakota Board of Education.

If the plan proposes the dissolution and annexation of a school district to one or more school districts, the school board of the receiving district, or districts, shall by resolution express their acceptance or rejection of all or part of the district to be dissolved as set forth in the proposed plan.

If the school boards of two or more school districts are developing a plan to consolidate, and two-thirds of the members of each affected school board agree, the plan may also include the provisions of an excess tax levy authorized in § 10-12-43 if an excess tax levy currently exists in one or more of the school districts. If the plan is approved by the voters, the proposed excess tax levy may be applied in the new consolidated school district. If a proposed excess tax levy is included in the plan, the plan shall state the amount of the proposed excess tax levy. The proposed excess tax levy may be applied for taxes payable in any of the five years following the date of reorganization. In addition, each school board involved in the development of the plan shall announce the inclusion of the proposed excess tax levy in the plan to the taxpayers in the manner set forth in § 10-12-43.

Section 13. That chapter 13-6 be amended by adding a NEW SECTION to read:

Notwithstanding any other provision of law, a decision by a school board to reject the request to transfer land submitted pursuant to subdivision 13-6-13(12), in total or in part, does not create any cause of action against the school district or school board, or constitute grounds for an appeal pursuant to § 13-46-1.

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I certify that the attached Act
originated in the

SENATE as Bill No. 5

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 5
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State