

State of South Dakota

NINETY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2017

400Y0189

HOUSE APPROPRIATIONS ENGROSSED NO. **SB 33** - 3/6/2017

Introduced by: The Committee on Appropriations at the request of the Bureau of Finance and Management

1 FOR AN ACT ENTITLED, An Act to revise the state aid to special education formula.

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

3 Section 1. That § 13-37-16 be amended to read:

4 13-37-16. For taxes payable in ~~2017~~ 2018, and each year thereafter, the school board shall
5 levy no more than one dollar and ~~fifty and five~~ forty-five and eight tenths cents per thousand
6 dollars of taxable valuation, as a special levy in addition to all other levies authorized by law
7 for the amount so determined to be necessary, and such levy shall be spread against all of the
8 taxable property of the district. The proceeds derived from such levy shall constitute a school
9 district special education fund of the district for the payment of costs for the special education
10 of all children in need of special education or special education and related services who reside
11 within the district pursuant to the provisions of §§ 13-37-8.2 to 13-37-8.10, inclusive. The levy
12 in this section shall be based on valuations such that the median level of assessment represents
13 eighty-five percent of market value as determined by the Department of Revenue. The total
14 amount of taxes that would be generated at the levy pursuant to this section shall be considered



1 local effort. Money in the special education fund may be expended for the purchase or lease of
2 any assistive technology that is directly related to special education and specified in a student's
3 individualized education plan. This section does not apply to real property improvements.

4 Section 2. That § 13-37-35.1 be amended to read:

5 13-37-35.1. Terms used in chapter 13-37 mean:

- 6 (1) "Level one disability," a mild disability;
- 7 (2) "Level two disability," cognitive disability or emotional disorder;
- 8 (3) "Level three disability," hearing impairment, deafness, visual impairment, deaf-
9 blindness, orthopedic impairment, or traumatic brain injury;
- 10 (4) "Level four disability," autism;
- 11 (5) "Level five disability," multiple disabilities;
- 12 (5A) "Level six disability," prolonged assistance;
- 13 (6) "Index factor," is the annual percentage change in the consumer price index for urban
14 wage earners and clerical workers as computed by the Bureau of Labor Statistics of
15 the United States Department of Labor for the year before the year immediately
16 preceding the year of adjustment or three percent, whichever is less;
- 17 (7) "Local effort," shall be calculated for taxes payable in ~~2016~~ 2018 and thereafter using
18 a special education levy of one dollar and ~~thirty and five~~ twenty-five and eight tenths
19 cents per one thousand dollars of valuation;
- 20 (8) "Allocation for a student with a level one disability," for the school fiscal year
21 beginning July 1, ~~2016~~ 2017, is \$5,456. For each school year thereafter, the allocation
22 for a student with a level one disability shall be the previous fiscal year's allocation
23 for such child increased by the ~~lesser of the index factor or three percent~~;
- 24 (9) "Allocation for a student with a level two disability," for the school fiscal year

- 1 beginning July 1, ~~2016~~ 2017, is \$12,592. For each school year thereafter, the
2 allocation for a student with a level two disability shall be the previous fiscal year's
3 allocation for such child increased by the ~~lesser of the index factor or three percent~~;
- 4 (10) "Allocation for a student with a level three disability," for the school fiscal year
5 beginning July 1, ~~2016~~ 2017, is \$16,049. For each school year thereafter, the
6 allocation for a student with a level three disability shall be the previous fiscal year's
7 allocation for such child increased by the ~~lesser of the index factor or three percent~~;
- 8 (11) "Allocation for a student with a level four disability," for the school fiscal year
9 beginning July 1, ~~2016~~ 2017, is \$15,564. For each school year thereafter, the
10 allocation for a student with a level four disability shall be the previous fiscal year's
11 allocation for such child increased by the ~~lesser of the index factor or three percent~~;
- 12 (12) "Allocation for a student with a level five disability," for the school fiscal year
13 beginning July 1, ~~2016~~ 2017, is \$27,799. For each school year thereafter, the
14 allocation for a student with a level five disability shall be the previous fiscal year's
15 allocation for such child increased by the ~~lesser of the index factor or three percent~~;
- 16 (12A) "Allocation for a student with a level six disability," for the school fiscal year
17 beginning July 1, ~~2016~~ 2017, is \$8,007. For each school year thereafter, the allocation
18 for a student with a level six disability shall be the previous fiscal year's allocation
19 for such child increased by the ~~lesser of the index factor or three percent~~;
- 20 (13) "Child count," is the number of students in need of special education or special
21 education and related services according to criteria set forth in rules promulgated
22 pursuant to §§ 13-37-1.1 and 13-37-46 submitted to the Department of Education in
23 accordance with rules promulgated pursuant to § 13-37-1.1;
- 24 (14) "Fall enrollment," the number of kindergarten through twelfth grade students enrolled

1 in all schools operated by the school district on the last Friday of September of the
2 previous school year minus the number of students for whom the district receives
3 tuition, except any nonresident student who is in the care and custody of a state
4 agency and is attending a public school and any student for whom tuition is being
5 paid pursuant to § 13-28-42.1, plus the number of students for whom the district pays
6 tuition;

7 (15) "Nonpublic school," a sectarian organization or entity which is accredited by the
8 secretary of education for the purpose of instructing children of compulsory school
9 age. This definition excludes any school that receives a majority of its revenues from
10 public funds;

11 (16) "Nonpublic fall enrollment," the number of children under age eighteen, who are
12 approved for alternative instruction pursuant to § 13-27-2 on the last Friday of
13 September of the previous school year plus:

14 (a) For nonpublic schools located within the boundaries of a public school district
15 with a fall enrollment of six hundred or more on the last Friday of September
16 of the previous school year, the number of kindergarten through twelfth grade
17 students enrolled on the last Friday of September of the previous regular
18 school year in all nonpublic schools located within the boundaries of the
19 public school district;

20 (b) For nonpublic schools located within the boundaries of a public school district
21 with a fall enrollment of less than six hundred on the last Friday of September
22 of the previous school year, the number of resident kindergarten through
23 twelfth grade students enrolled on the last Friday of September of the previous
24 school year in all nonpublic schools located within the State of South Dakota;

- 1 (17) "Special education fall enrollment," fall enrollment plus nonpublic fall enrollment;
- 2 (18) "Local need," an amount to be determined as follows:
 - 3 (a) Multiply the special education fall enrollment by 0.1 and multiply the result
 - 4 by the allocation for a student with a level one disability;
 - 5 (b) Multiply the number of students having a level two disability as reported on
 - 6 the child count for the previous school fiscal year by the allocation for a
 - 7 student with a level two disability;
 - 8 (c) Multiply the number of students having a level three disability as reported on
 - 9 the child count for the previous school fiscal year by the allocation for a
 - 10 student with a level three disability;
 - 11 (d) Multiply the number of students having a level four disability as reported on
 - 12 the child count for the previous school fiscal year by the allocation for a
 - 13 student with a level four disability;
 - 14 (e) Multiply the number of students having a level five disability as reported on
 - 15 the child count for the previous school fiscal year by the allocation for a
 - 16 student with a level five disability;
 - 17 (f) Multiply the number of students having a level six disability as reported on the
 - 18 child count for the previous school fiscal year by the allocation for a student
 - 19 with a level six disability;
 - 20 (g) When calculating local need at the statewide level, include the amount set
 - 21 aside for extraordinary costs defined in § 13-37-40;
 - 22 (h) When calculating local need at the statewide level, include the amount set
 - 23 aside for the South Dakota School for the Blind and Visually Impaired;
 - 24 (i) Sum the results of (a) to (h), inclusive;

1 (19) "Effort factor," the school district's special education tax levy in dollars per thousand
2 divided by ~~\$1.305~~ \$1.258. The maximum effort factor is 1.0.