ENTITLED, An Act to revise certain provisions relating to state aid to education.

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

Section 1. That chapter 13-37 be amended by adding thereto a NEW SECTION to read as follows:

Notwithstanding the provisions of § 13-37-35, for the purposes of computing state aid for special education for the school fiscal year beginning July 1, 1997, the allocation for a student with a mild disability is \$1,643 and the allocation for a student with a severe disability is \$19,713. This section shall be repealed effective June 30, 1998.

Section 2. That § 13-13-73 be amended to read as follows:

13-13-73. The secretary of the Department of Education and Cultural Affairs shall compute state aid to education for each school district under the foundation program according to the following calculations:

- (1) Determine each school district's average daily membership;
- (2) Multiply the per student allocation by the adjusted average daily membership to arrive at the local need per district;
- (3) State aid is (a) local need minus local effort, or (b) zero if the calculation in (a) is a negative number;
- (4) If the state aid appropriation for the general support of education is in excess of the entitlement provided for in this section, the excess shall be used to fund any shortfall of the appropriation as provided for in §§ 13-37-36 and 13-37-43. The secretary shall report to the Governor by January seventh of each year, the amount of state aid necessary to fully fund the general aid formula in the current year. If a shortfall in the state aid appropriation for general education exists that cannot be covered by § 13-37-45, the Governor shall inform the Legislature and provide a proposal to eliminate the shortfall.

SB No. 72

Section 3. That § 13-37-45 be amended to read as follows:

13-37-45. Any funds appropriated as state aid for special education which are not distributed according to §§ 13-37-36 or 13-37-43 shall be used to fund any shortfall of the appropriation provided for in § 13-13-73. The remaining funds shall be allocated by the secretary of the Department of Education and Cultural Affairs for the purposes specified in §§ 13-37-38, 13-37-39 or 13-37-40. The secretary shall report to the Governor by January seventh of each year, the amount of state aid necessary to fully fund the special education formula in the current year. If a shortfall in the state aid appropriation for special education exists that cannot be covered by § 13-13-73, the Governor shall inform the Legislature and provide a proposal to eliminate the shortfall.

Section 4. This Act is effective June 25, 1997.

SB No. 72

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I certify that the attached Act originated in the	Received at this Executive Office this day of,
SENATE as Bill No. 72	19 at M.
Secretary of the Senate	By for the Governor
President of the Senate	The attached Act is hereby approved this day of, A.D., 19
Attest:	
Secretary of the Senate	Governor
	STATE OF SOUTH DAKOTA, ss. Office of the Secretary of State
Speaker of the House	·
Attest:	Filed, 19 at o'clock M.
Chief Clerk	
	Secretary of State
	By
Senate Bill No File No Chapter No	Asst. Secretary of State