

State of South Dakota

SEVENTY-SIXTH SESSION LEGISLATIVE ASSEMBLY, 2001

307E0387

SENATE BILL NO. 153

Introduced by: Senators Olson (Ed), de Hueck, Dennert, Duxbury, Ham, Hutmacher, Koetzle, McIntyre, Moore, Munson, Reedy, Sutton (Dan), Symens, and Vitter and Representatives Brown (Richard), Davis, Elliott, Flowers, Gillespie, Hennies (Don), Hennies (Thomas), Holbeck, Kooistra, Lintz, Madsen, McCoy, Murschel, Nesselhuf, Olson (Mel), and Pederson (Gordon)

1 FOR AN ACT ENTITLED, An Act to revise the index factor in the state aid to education
2 formula.

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 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

1 agencies and are attending a public school may be included in the average daily
2 membership of the receiving district when enrolled in the receiving district. When
3 counting a student who meets these criteria in its general enrollment average daily
4 membership, the receiving district may begin the enrollment on the first day of
5 attendance. The district of residence prior to the custodial transfer may not include
6 students who meet these criteria in its general enrollment average daily membership
7 after the student ceases to attend school in the resident district;

8 (2) "Adjusted average daily membership," calculated as follows:

9 (a) For districts with an average daily membership of two hundred or less, multiply
10 1.2 times the average daily membership;

11 (b) For districts with an average daily membership of less than six hundred, but
12 greater than two hundred, raise the average daily membership to the 0.8293
13 power and multiply the result times 2.98;

14 (c) For districts with an average daily membership of six hundred or more,
15 multiply 1.0 times their average daily membership;

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

20 (4) "Per student allocation," for the period January 1, 1997, to June 30, 1997, inclusive,
21 is \$1,675. For school fiscal year 1998, beginning on July 1, 1997, the per student
22 allocation shall be \$3,350 increased by the index factor. Each school fiscal year
23 thereafter, the per student allocation shall be the previous fiscal year's per student
24 allocation increased by the index factor;

(5) "Local need," the per student allocation multiplied by the adjusted average daily membership;

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

Section 2. Any school district that receives revenue resulting from the enrollment adjustment shall use the resulting revenue to increase teachers' salaries. The Department of Education and Cultural Affairs shall certify to each school district the amount of revenue it will receive from general state aid to education resulting from the enrollment adjustment.

Section 3. School districts shall certify to the Department of Education and Cultural Affairs that the revenue received resulting from the enrollment adjustment is used to increase teachers' salaries.

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

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

(1) "Level one disability," a mild disability;

(2) "Level two disability," a mental retardation or emotional disorder;

(3) "Level three disability," hearing impairment, deafness, visual impairment, deaf-blindness, orthopedic impairment, or traumatic brain injury;

(4) "Level four disability," autism;

(5) "Level five disability," multiple disabilities;

(6) "Index factor," is two percent plus 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;~~

(7) "Local effort," is the amount of taxes payable each year, using a levy for the special

education fund of a school district of one dollar and thirty cents per thousand dollars of taxable valuation;

(8) "Allocation for a student with a level one disability," for the school fiscal year beginning July 1, 1999, is \$3,504. For each school year thereafter, the allocation for a student with a level one disability shall be the previous fiscal year's allocation for such child increased by the ~~lesser of the index factor or three percent~~;

(9) "Allocation for a student with a level two disability," for the school fiscal year beginning July 1, 1999, is \$7,914. For each school year thereafter, the allocation for a student with a level two disability shall be the previous fiscal year's allocation for such child increased by the ~~lesser of the index factor or three percent~~;

(10) "Allocation for a student with a level three disability," for the school fiscal year beginning July 1, 1999, is \$10,116. For each school year thereafter, the allocation for a student with a level three disability shall be the previous fiscal year's allocation for such child increased by the ~~lesser of the index factor or three percent~~;

(11) "Allocation for a student with a level four disability," for the school fiscal year beginning July 1, 1999, is \$14,705. For each school year thereafter, the allocation for a student with a level four disability shall be the previous fiscal year's allocation for such child increased by the ~~lesser of the index factor or three percent~~;

(12) "Allocation for a student with a level five disability," for the school fiscal year beginning July 1, 1999, is \$15,808. For each school year thereafter, the allocation for a student with a level five disability shall be the previous fiscal year's allocation for such child increased by the ~~lesser of the index factor or three percent~~;

(13) "Child count," is the number of students in need of special education or special education and related services according to criteria set forth in rules promulgated

pursuant to §§ 13-37-1.1 and 13-37-46 submitted to the Department of Education and Cultural Affairs in accordance with rules promulgated pursuant to § 13-37-1.1;

(14) "Average daily membership," the average number of kindergarten through twelfth grade pupils enrolled in all schools operated by the school district during the previous regular school year plus the average number of pupils for whom the district pays tuition;

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

(16) "Nonpublic average daily membership," the average number of children under age sixteen who are approved for alternative instruction pursuant to § 13-27-2 during the previous school year plus:

(a) For nonpublic schools located within the boundaries of a public school district with an average daily membership of six hundred or more during the previous school year, the average number of kindergarten through twelfth grade pupils enrolled during the previous regular school year in all nonpublic schools located within the boundaries of the public school district;

(b) For nonpublic schools located within the boundaries of a public school district with an average daily membership of less than six hundred during the previous school year, the average number of resident kindergarten through twelfth grade pupils enrolled during the previous school year in all nonpublic schools located within the State of South Dakota;

(17) "Special education average daily membership," average daily membership plus

1 nonpublic average daily membership;

2 (18) "Local need," an amount to be determined as follows:

3 (a) Multiply the special education average daily membership by 0.089 and multiply
4 the result 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 the
6 child count for the previous school fiscal year by the allocation for a student
7 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 the
12 child count for the previous school fiscal year by the allocation for a student
13 with a level four disability;

14 (e) Multiply the number of students having a level five disability as reported on the
15 child count for the previous school fiscal year by the allocation for a student
16 with a level five disability;

17 (f) Sum the results of (a) through (e);

18 (19) "Effort factor," the school district's special education tax levy in dollars per thousand
19 divided by \$1.30. The maximum effort factor is 1.0.