

State of South Dakota

EIGHTY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2006

938M0445

HOUSE BILL NO. 1175

Introduced by: Representatives McLaughlin, Elliott, Frost, Hanks, Hennies, Hills, McCoy, Roberts, Schafer, Thompson, and Van Etten and Senators Adelstein, Dempster, Gant, Gray, Hundstad, and Nesselhuf

1 FOR AN ACT ENTITLED, An Act to increase the school term and to compensate school
2 districts for the increase.

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

4 Section 1. That § 13-26-1 be amended to read as follows:

5 13-26-1. The school fiscal year shall begin July first and end June thirtieth. Each local
6 school board shall set the number of days in a school term, the length of a school day, and the
7 number of school days in a school week. The local school board or governing body shall
8 establish the number of hours in the school term for kindergarten programs. The Board of
9 Education shall promulgate rules pursuant to chapter 1-26 setting the minimum number of hours
10 in the school term for grades one through three. The number of hours in the school term for
11 grades four through twelve may not be less than ~~nine hundred sixty-two and one-half~~ nine
12 hundred sixty-eight hours in school fiscal year 2007, nine hundred seventy-nine hours in fiscal
13 year 2008, and nine hundred ninety hours in school fiscal year 2009 and thereafter, exclusive
14 of intermissions. An intermission is the time when pupils are at recess or lunch.

15 Section 2. That § 13-13-10.1 be amended to read as follows:



1 13-13-10.1. Terms used in this chapter mean:

2 (1) "Average daily membership," the average number of resident and nonresident
3 kindergarten through twelfth grade pupils enrolled in all schools operated by the
4 school district during the previous regular school year, minus average number of
5 pupils for whom the district receives tuition, except pupils described in subdivision
6 (1A) and pupils for whom tuition is being paid pursuant to § 13-28-42 and plus the
7 average number of pupils for whom the district pays tuition;

8 (1A) Nonresident students who are in the care and custody of the Department of Social
9 Services, the Unified Judicial System, the Department of Corrections, or other state
10 agencies and are attending a public school may be included in the average daily
11 membership of the receiving district when enrolled in the receiving district. When
12 counting a student who meets these criteria in its general enrollment average daily
13 membership, the receiving district may begin the enrollment on the first day of
14 attendance. The district of residence prior to the custodial transfer may not include
15 students who meet these criteria in its general enrollment average daily membership
16 after the student ceases to attend school in the resident district;

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

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

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

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

- 1 (3) "Index factor," is the annual percentage change in the consumer price index for urban
2 wage earners and clerical workers as computed by the Bureau of Labor Statistics of
3 the United States Department of Labor for the year before the year immediately
4 preceding the year of adjustment or three percent, whichever is less;
- 5 (4) "Per student allocation," for school fiscal year 2006 is \$4,237.72. Each school fiscal
6 year thereafter, the per student allocation is the previous fiscal year's per student
7 allocation increased by the index factor. For school fiscal year 2007, the per student
8 allocation shall be increased by an additional \$24.94, and for school fiscal years 2008
9 and 2009, the per student allocation shall be increased by an additional \$49.88;
- 10 (5) "Local need," the per student allocation multiplied by the adjusted average daily
11 membership;
- 12 (6) "Local effort," the amount of ad valorem taxes generated in a school fiscal year by
13 applying the levies established pursuant to § 10-12-42;
- 14 (7) "General fund balance," the unreserved fund balance of the general fund, less general
15 fund exclusions plus, beginning with transfers made in fiscal year 2001, any transfers
16 out of the general fund for the previous school fiscal year;
- 17 (8) "General fund balance percentage," is a school district's general fund balance divided
18 by the school district's total general fund expenditures for the previous school fiscal
19 year, the quotient expressed as a percent;
- 20 (9) "General fund base percentage," is the general fund balance percentage as of June 30,
21 2000. However, the general fund base percentage can never increase and can never
22 be less than twenty percent;
- 23 (10) "Allowable general fund balance," the fund base percentage multiplied by the
24 district's general fund expenditures in the previous school fiscal year;

- 1 (11) "Imputed interest rate," the average prime rate for the preceding fiscal year minus 2.5
2 percentage points;
- 3 (12) "General fund exclusions," revenue a school district has received from the imposition
4 of the excess tax levy pursuant to § 10-12-43; revenue a school district has received
5 from gifts, contributions, grants, or donations; revenue a school district has received
6 under the provisions of §§ 13-6-92 to 13-6-96, inclusive; and any revenue in the
7 general fund set aside for a noninsurable judgment.