

State of South Dakota

EIGHTY-SECOND SESSION LEGISLATIVE ASSEMBLY, 2007

848N0243

HOUSE BILL NO. 1146

Introduced by: Representatives Dykstra, Brunner, Cutler, Elliott, Gillespie, Halverson, Heineman, Krebs, Lust, McLaughlin, Pitts, Rhoden, and Wick and Senators Olson (Ed), Albers, Dempster, Heidepriem, Jerstad, Knudson, Koetzle, Maher, McCracken, McNenny, Peterson (Jim), and Turbak

1 FOR AN ACT ENTITLED, An Act to establish education service agencies to provide services
2 to school districts on a regional basis and to make an appropriation therefor.

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

4 Section 1. The secretary of the Department of Education shall establish seven education
5 service agencies to provide services and leadership to school districts on a regional basis. Each
6 education service agency shall serve the school districts in a particular region of the state as
7 determined by the secretary of education, and the secretary shall ensure that every school district
8 is served by an education service agency. Each education service agency may be incorporated
9 in the state of South Dakota as a nonprofit corporation organized under chapters 47-22 to 47-28,
10 inclusive, which is exempt from taxation pursuant to 501(a) of the Internal Revenue Code, 26
11 U.S.C. Section 501(a), and may be listed as an exempt organization in Section 501(c) of the
12 Internal Revenue Code, 26 U.S.C. Section 501(c), or an education service agency may be
13 directed by an educational cooperative.

14 Section 2. Education service agencies are hereby authorized and empowered to develop,



1 manage, and provide support services and programs as determined by the needs of the local
2 school districts and as approved by the secretary of education. An education service agency may:

- 3 (1) Act primarily as a service agency in providing services and programs as identified
4 and requested by the school districts it serves, including professional development,
5 instructional materials, educational technology, curriculum development, and
6 alternative educational programs;
- 7 (2) Provide for economy, efficiency, and cost effectiveness in the cooperative delivery
8 and purchase or lease of educational services, materials, and products; the services
9 may include purchasing cooperatives, insurance cooperatives, business management
10 services, auditing and accounting services, school safety and risk prevention training,
11 data processing, and assistance with student records;
- 12 (3) Provide administrative services such as communications and public relations
13 services, employee background checks, grants management services, printing and
14 publication services, and internship services;
- 15 (4) Provide educational services through leadership and research and development in
16 elementary and secondary education;
- 17 (5) Work cooperatively with the Department of Education, institutions of higher
18 education, local school districts, and other educational organizations to support,
19 develop, and implement long-range plans and strategic goals for the enhancement of
20 educational opportunities in elementary and secondary education; and
- 21 (6) Serve, when appropriate and if funds are available, as a repository, clearinghouse,
22 and administrator of federal, state, local, and private funds on behalf of school
23 districts that may participate in special programs, projects, or grants in order to
24 enhance the quality of education in South Dakota schools.

1 Section 3. Each education service agency shall have an advisory board. The advisory board
2 shall meet at least twice a year, and its membership shall include the superintendent or a
3 designee of the superintendent from every school district served by the agency. The advisory
4 board shall provide guidance to the agency relative to the needs of the school districts and how
5 the education service agency might address those needs.

6 Section 4. Beginning in 2008, the advisory board for each education service agency shall,
7 upon receiving the approval of the secretary of education, appoint a fiscal agent to oversee the
8 daily operations of the education service agency. Once appointed, the fiscal agent shall serve
9 at the pleasure of the board. However, a board's decision to rescind a fiscal agent's appointment
10 shall be approved by the secretary of education.

11 Section 5. A statewide leadership board, composed of the fiscal agent from each education
12 service agency and a representative from the Department of Education, shall be created to
13 establish uniform policies among the education service agencies and to allow for
14 communication and the exchange of ideas.

15 Section 6. Upon receiving approval from the Department of Education, each education
16 service agency, with input from both the advisory board and the statewide leadership board,
17 may, as funding permits, contract with other entities to provide services to the school districts
18 it serves.

19 Section 7. Each year, the Department of Education shall conduct an assessment and a
20 performance evaluation of each education service agency and submit its findings in writing to
21 the Legislature.

22 Section 8. The South Dakota Board of Education shall promulgate rules pursuant to chapter
23 1-26 establishing the evaluation process and the criteria and performance measures the
24 department will use to evaluate the education service agencies.

1 Section 9. There is hereby appropriated from the general fund the sum of one million seven
2 hundred thousand dollars (\$1,700,000), or so much thereof as may be necessary, to the
3 Department of Education to fund the seven education service agencies.

4 Section 10. The secretary of the Department of Education shall approve vouchers and the
5 state auditor shall draw warrants to pay expenditures authorized by this Act.

6 Section 11. Any amounts appropriated in this Act not lawfully expended or obligated by
7 June 30, 2008, shall revert in accordance with § 4-8-21.