

State of South Dakota

SEVENTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2002

451H0359

HOUSE BILL NO. 1100

Introduced by: Representatives Richter, Begalka, Brown (Richard), Eccarius, Flowers, Heineman, Madsen, Murschel, Olson (Mel), Sutton (Duane), and Teupel and Senators McCracken, Albers, Dennert, Hutmacher, Koetzle, McIntyre, Moore, Munson, Olson (Ed), Sutton (Dan), and Symens

1 FOR AN ACT ENTITLED, An Act to allow for certain warranties to be purchased out of a
2 school district's capital outlay fund.

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

4 Section 1. That § 13-16-6 be amended to read as follows:

5 13-16-6. The capital outlay fund of the school district is a fund provided by law to meet
6 expenditures which result in the acquisition or lease of or additions to real property, plant, or
7 equipment. Such an expenditure shall be for land, existing facilities, improvement of grounds,
8 construction of facilities, additions to facilities, remodeling of facilities, or for the purchase or
9 lease of equipment. It may also be used for installment or lease-purchase payments for the
10 purchase of real property, plant or equipment, which have a contracted terminal date not
11 exceeding twenty years from the date of the installment contract or lease-purchase and for the
12 payment of the principal of and interest on capital outlay certificates issued pursuant to
13 § 13-16-6.2.

14 Any purchase of one thousand dollars or less may be paid out of the general fund. The total



1 accumulated unpaid principal balances of such installment contracts and lease-purchase and the
2 outstanding principal amounts of such capital outlay certificates may not exceed three percent
3 of the taxable valuation. The school district shall provide a sufficient levy each year under the
4 provisions of § 13-16-7 to meet the annual installment contract, lease-purchase and capital outlay
5 certificate payments, including interest.

6 A school district which contracts its student transportation may expend from the capital
7 outlay fund an amount not to exceed fifteen percent of the contract amount.

8 The capital outlay fund may be used to purchase textbooks and instructional software.

9 The capital outlay fund may be used to purchase warranties on capital assets if the warranties
10 do not include supplies.