

## 2013 Legislature: Summary

Updated: March 11, 2013

### Funding Summary

#### Per-Student Allocation:

- K-12: \$4,625.65 (3% increase)
- Postsecondary technical institutes: \$3,210.41 (3% increase)

#### One-Time Dollars in HB 1137:

- \$5.8 million in one-time funds for school districts / approximately \$46 per pupil
- \$200,000 in one-time funds for postsecondary technical institutes
- \$250,000 to fund Teach for America grant program

#### Funding in HB 1185:

- \$330,295,934 General state aid to education
- \$53,045,141 State aid to special education
- \$21,554,542 Postsecondary technical institutes
- \$1,844,206 Sparsity payments
- \$56,400 Consolidation incentives
- \$6,883,786 Technology in schools, including \$500,000 for bandwidth
- \$500,000 Non-recurring technology grants
- \$500,000 Non-recurring postsecondary technical institute funding

See page 4 for additional items funded through DOE budget

#### Other Funding Highlights:

- Funding for English language learners – additional 25% of PSA (SB 235)
- Funding for career and technical education grants (SB 235)
- Classroom innovation grant program -- \$500,000 (HB 1164)
- Critical teaching needs scholarship program -- \$1.5 million (SB 233)
- Need-based scholarship program -- \$1.5 million (SB 237)

### Bill Summary

#### SB 15 – SPED bill

This bill encompasses three changes to the state aid to special education funding formula. These changes are designed to ensure the long-term sustainability of the program.

- Allows for districts to use up to 15 percent of local need under the state aid to special education allocation, to provide services for children who are at risk of being identified as needing special services.

- Revises certain fund balance criteria for eligibility for districts to apply for funding from the Extraordinary Cost Fund.
- Clarifies the process for setting levies and maintenance of state and local share under the state aid to special education formula, and sets a new maximum levy of \$1.552/\$1,000 and local effort levy of \$1.352/\$1,000 for FY 14. The levy will be adjusted annually with the goal of maintaining the state effort at 39.3%.

#### **SB 28 – Levies bill**

This bill sets the maximum levies for the general fund of a school district for FY 14.

- Commercial and utilities levy: \$9.20 per \$1,000 of taxable valuation
- Ag levy: \$2.09 per \$1,000 of taxable valuation
- Owner-occupied levy: \$4.296 per \$1,000 of taxable valuation

#### **SB 80 – Impact Aid**

This bill reinstates certain language related to Impact Aid that was repealed last year.

#### **SB 96\*– Joint powers bill**

SB 96 exempts districts that fall below the 100-student minimum from having to consolidate, provided they enter into a joint powers agreement or intergovernmental cooperation agreement with other districts. Agreements must be approved by the secretary of education. Criteria for approval shall take into account “any significant cost savings that may be achieved through such an agreement and the educational needs of the students in the districts.”

#### **SB 158 – Parent placement**

SB 158 addresses who is responsible for the cost of the educational program of students who are not on IEPs and who are placed by parents into a residential treatment center. Under this bill, the public school district where the student is enrolled at the time of placement pays a pro-rated amount of the PSA multiplied by the number of days the student is in the program; in addition, the public school district providing the educational program would receive an amount equal to the PSA multiplied by the ADM, from the prior school year, for residentially placed students for whom tuition is paid by another district.

#### **SB 235 – Economic development bill**

SB 235 is the economic development bill brought forward by a coalition of Republicans and Democrats. Its purpose is “building and reinvesting in South Dakota’s economy and to create high quality jobs.”

Section 10 of the bill sets up the workforce education fund to do the following:

- 1) Provide additional funding for students who are limited English proficient (FY 2014, 15 & 16)
- 2) Provide grants for secondary career and technical education programs
- 3) Provide additional one-time funds for schools

The bill indicates that if, after funding the state’s share of the limited English proficiency adjustment noted above, the balance of the workforce education fund exceeds \$2 million, the amount of money in excess of \$1 million shall be allocated as follows:

- 1) No more than \$1.5 million for new and existing CTE programs
- 2) Funding to districts based on fall enrollment

#### **SB 194 – Capital outlay sunset**

This bill extends the sunset date for districts to use the capital outlay fund for property and casualty insurance, energy and utilities costs, and motor fuel and transportation costs. This flexibility was slated to expire June 30, 2014. The new expiration date is June 30, 2018.

#### **HB 1060 – Adjustments to FY 13**

Passage of HB 1060, which makes adjustments to the General Appropriations Act for FY 13, will allow the Department of Education to move forward with:

- Expanding the Jobs for America’s Graduates program in the state
- Covering the initial one-time costs of providing districts with teacher evaluation software

In addition, the bill provides funding to cover shortfalls in funding for state aid to general education, state aid to special education, and sparsity, and adjusts funding of technical institutes for FY 13 down.

#### **HB 1064\*– Flexible spending accounts**

Under HB 1064, any health insurance plan or policy provided by a district for its officers and employees may include the use of flexible spending accounts, including payment or reimbursement through the use of debit cards, direct deposit to financial institutions and/or check.

#### **HB 1087\*– School sentinel bill**

HB 1087 allows districts to establish a school sentinel program. Its language is permissive, allowing boards to provide for the arming of school personnel, hired security personnel or volunteers. Any such plan must be approved by the law enforcement official who has jurisdiction over the school premises, and any person acting as a sentinel must complete a specific training course.

#### **HB 1137 – One-time funding**

This bill provides school districts with \$5.8 million in one-time funds to be distributed based on fall enrollment in FY 2012. It also includes \$200,000 in one-time funds for the postsecondary technical institutes, and \$250,000 for the Teach for America grant program. An emergency clause ensures that the funding becomes available immediately, rather than July 1, 2013, the standard effective date.

#### **HB 1164 – Classroom innovation grants**

This bill establishes a classroom innovation grant program with an appropriation of \$500,000. The purpose of the program is to provide funding “to allow classroom teachers to utilize technology in creative and innovative ways to enhance the learning and achievement of their students.” Applications may be submitted by individual teachers, school districts or education service agencies.

#### **HB 1185 – Budget bill**

This bill encompasses the Governor’s budget and includes funding for the Department of Education to:

- Provide software to districts for teacher evaluation purposes
- Cover the cost of online remedial work for about 800 high school students

- Administer the National Career Readiness Certificate/Work Keys assessment
- Fund the offering of certain Advanced Placement courses via the SD Virtual School

### **Higher Education and Miscellaneous**

#### **SB 3, 4 & 5 – Summer study/higher education**

Senate bills 3, 4 and 5 are a package of bills that came out of a legislative summer study related to postsecondary education. SB 3 and 4 are designed to tighten up reporting related to the performance of degree completers and job placement of postsecondary graduates. SB 5 establishes statewide goals for public postsecondary institutions, creates a Council on Higher Education Policy Goals, Performance, and Accountability, and provides a performance funding mechanism for higher education.

#### **SB 41\*– School bus inspection**

This bill makes a change to SDCL 13-29-6 related to school bus inspection and allows the Highway Patrol to establish standards and requirements for school bus inspectors. Further, any person who performs a school bus inspection without being approved by the Highway Patrol is guilty of a Class 2 misdemeanor.

#### **SB 233 – Critical teaching needs scholarship**

This bill establishes a critical teaching needs scholarship program to encourage high school graduates to pursue a postsecondary education in teaching. Scholarship recipients must agree to teach in a critical teaching needs area in South Dakota for five years after graduation. It appropriates \$1.5 million for the purpose of setting up the program.

#### **SB 237 – Need-based scholarship**

This bill provides funding for a need-based scholarship for qualified resident students who attend participating postsecondary institutions in South Dakota. Scholarships range from \$500 to \$2,000 per year. The bill includes an appropriation of \$1.5 million to establish a specific fund within the education enhancement trust fund. It also allows for institutions to create a matching program.

#### **HB 1098**

HB 1098 changes the process of bonding for the four technical institutes. It requires legislative approval for any *new* bonds, notes or other obligations, and it requires the South Dakota Board of Education to establish a method for forecasting anticipated contributions and projected payments.

#### **HB 1110**

This bill requires any public entity that keeps an electronic records system to make certain information available to the public, upon request, to aid the public in determining what categories of information exist within the records system.

#### **HB 1158\***

HB 1158 requires that the posted agenda of a public meeting include meeting date, time and location.

\*Indicates a bill has been signed by the Governor.