

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

767S0475

HOUSE BILL NO. 1175

Introduced by: Representatives Perry, Brunner, Schaefer, Sly, Tulson, Venner, and White
and Senator Gray

1 FOR AN ACT ENTITLED, An Act to establish a co-curricular fund and a co-curricular
2 property tax levy for school districts to meet expenditures for co-curricular activities.

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

4 Section 1. That chapter 13-16 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The co-curricular fund of the school district is a fund provided by law to meet expenditures
7 for activities sanctioned by an association exercising the authority granted pursuant to § 13-36-4
8 to control, regulate, and organize interscholastic high school activities. For the purpose of
9 continuing to meet expenditures for activities pursuant to this section, a school district may levy
10 an annual tax not to exceed one dollar and forty cents per thousand dollars of taxable valuation
11 for the school district. Beginning on July 1, 2013, all expenditures for co-curricular activities
12 shall be paid from the co-curricular fund, and no school district may expend money from the
13 general fund for co-curricular activities.

14 Section 2. That § 13-16-2 be amended to read as follows:

15 13-16-2. All school district funds shall be placed in either the general fund, capital outlay



1 fund, co-curricular fund, special education fund, public service enterprise fund, trust or agency
2 fund as defined in § 4-4-4, bond redemption fund, or 874 fund as hereinafter defined.

3 Section 3. That § 13-16-26.2 be amended to read as follows:

4 13-16-26.2. Notwithstanding the provisions of § 13-16-26, no school district may transfer
5 any funds, exclusive of federal funds, from the general fund to the capital outlay fund, co-
6 curricular fund, bond redemption fund, or the capital projects fund.

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

8 13-13-37. Each school district shall submit its final financial report to the secretary of the
9 Department of Education before August first for the school fiscal year ending June thirtieth of
10 that year. The final financial report shall detail total expenditures and total revenues.

11 The financial report shall be submitted on forms prescribed by the secretary. The provisions
12 of this section are subject to the provisions of § 13-8-44. The total general fund expenditures
13 may not include any co-curricular fund expenditures as defined in section 1 of this Act, or any
14 capital outlay fund expenditures as defined in § 13-16-6, except for any school district that
15 receives money under Public Law 81-874 § 3(d)2(B). However, no school district that receives
16 money under Public Law 81-874 § 3(d)2(B) may expend general fund money for new
17 construction.

18 Section 5. That § 13-16-3 be amended to read as follows:

19 13-16-3. The general fund of the school district is a fund provided by law to meet all the
20 operational costs of the school district, excluding capital outlay fund, co-curricular fund, and
21 special education fund expenditures pursuant to § 13-13-37, and to redeem all outstanding
22 warrants against the general fund. Notwithstanding the provisions of § 13-16-6, the general fund
23 may be used to purchase or lease computer hardware and software.

24 Section 6. That § 13-11-3 be amended to read as follows:

1 13-11-3. The school district shall report the amount budgeted to the county auditor before
2 October first on forms prescribed by the county auditor. The county auditor shall spread a levy
3 in dollars and cents over the taxable property of the school district sufficient to raise the money
4 requested by the school district subject to the legal dollars and cents limitations on any of the
5 funds as provided by law. For the general fund , special education fund, capital outlay fund, co-
6 curricular fund, and pension fund, the school district may report the levy in dollars or dollars
7 per one thousand dollars of taxable valuation.

8 Section 7. For fiscal year 2012, an amount of funding equal to fifty percent of a school
9 district's total expenditures for co-curricular activities in fiscal year 2010 as reported to the
10 Department of Education shall be deducted from the amount of funding to which the school
11 district is entitled under the state aid to education funding formula pursuant to chapter 13-13.

12 Section 8. For fiscal year 2013 and for each fiscal year thereafter, an amount of funding
13 equal to one hundred percent of a school district's total expenditures for co-curricular activities
14 for the fiscal year just preceding the previous fiscal year as reported to the Department of
15 Education shall be deducted from the amount of funding to which the school district is entitled
16 under the state aid to education funding formula pursuant to chapter 13-13.

17 Section 9. For fiscal years 2012 and 2013, the provisions of §§ 13-13-71, 13-13-72, and 13-
18 13-72.1 do not apply.

19 Section 10. Sections 4 and 5 of this Act are effective on July 1, 2013.