

# State of South Dakota

NINETY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 2018

900Z0695

## HOUSE APPROPRIATIONS ENGROSSED NO. **HB 1128** - 2/20/2018

Introduced by: Representatives Ahlers, Bartling, Brunner, Hawley, Peterson (Sue), Smith,  
and Wismer and Senators Haverly, Nesiba, Peters, Sutton, and Tidemann

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding increases in teacher  
2 compensation.

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

4 Section 1. That § 13-13-73.6 be amended to read:

5 13-13-73.6. The Department of Education shall calculate the ~~following for each school~~  
6 ~~district:~~

7 ~~—(1)—~~ The average teacher salary; for each school district based on data collected pursuant  
8 to §§ 13-8-47 and 13-3-51;

9 ~~—(2)—~~ The increase in local need pursuant to § 13-13-10.1, excluding any effect due to  
10 change in the school district's fall enrollment and less the amount of revenue  
11 generated in school fiscal year 2016 pursuant to § 13-10-6 as a percentage increase,  
12 from fiscal year 2016 to fiscal year 2017; and

13 ~~—(3)—~~ The increase in average teacher compensation as a percentage increase, as defined in  
14 § 13-8-47, from fiscal year 2016 to fiscal year 2017.



1 ~~— For each school district, the district's increase in average teacher compensation from fiscal~~  
2 ~~year 2016 to 2017 shall be equal to at least eighty-five percent of the district's increase in local~~  
3 ~~need, as defined in subdivision (2), from fiscal year 2016 to fiscal year 2017 and,~~  
4 ~~notwithstanding any negotiated agreement, at least eighty-five percent of the increase in state~~  
5 ~~aid to general education funding the school district receives for fiscal year 2017 less the amount~~  
6 ~~of revenue generated in fiscal year 2016 pursuant to § 13-10-6 shall be used to increase~~  
7 ~~instructional salaries and benefits for certified instructional staff.~~

8 ~~— If a district fails to comply with the requirements of this section, state aid to general~~  
9 ~~education funding to the district in fiscal year 2018 shall be decreased by an amount equal to~~  
10 ~~fifty percent of the amount calculated in subdivision (2). For fiscal years 2019, 2020, and 2021~~  
11 ~~year 2019 and for each fiscal year thereafter, if a district's average teacher compensation is less~~  
12 ~~than the district's average teacher compensation in the prior fiscal year 2017 when increased by~~  
13 ~~sixty-five percent of the actual percent change in the target teacher salary, as defined in 13-13-~~  
14 ~~10.1, state aid to general education funding to the district in the following fiscal year shall be~~  
15 ~~reduced by an amount equal to five hundred dollars for each teacher employed in the school~~  
16 ~~district.~~

17 A school district may request a waiver from any penalty imposed under this section from  
18 the School Finance Accountability Board.

19 If a school district's average teacher compensation is greater than the target teacher  
20 compensation outlined in § 13-13-10.1, the school district is exempt from the accountabilities  
21 outlined in this section for the following fiscal year.