

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

767S0475

SENATE EDUCATION

ENGROSSED NO. **HB 1175** - 2/17/2011

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

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

1 FOR AN ACT ENTITLED, An Act to establish the jump start scholarship program.

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

3 Section 1. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
4 follows:

5 There is hereby established the jump start scholarship program to be administered by the
6 Board of Regents. The purpose of the program is to allow a student who graduates from a public
7 high school in three years or less to receive a scholarship funded with a portion of the money
8 saved by the state in state aid to education funding pursuant to chapter 13-13 as a result of the
9 student's early graduation if the student enrolls at any college, university, or technical school
10 accredited by the North Central Association of Colleges and Schools that provides instruction
11 from a campus located in South Dakota.

12 Section 2. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
13 follows:

14 To be eligible for the jump start scholarship program, a student shall:



- 1 (1) Be a resident of South Dakota;
- 2 (2) Complete the requirements of the recommended high school program as established
3 by the Board of Education pursuant to § 13-1-12.1, and be awarded a high school
4 diploma by a public high school in three years or less;
- 5 (3) Have attended a public high school in South Dakota on a full-time basis for at least
6 two semesters prior to graduating; and
- 7 (4) Within one year of graduating from high school, excluding any time served on active
8 duty in the armed forces of the United States, enroll in a college, university, or
9 technical school accredited by the North Central Association of Colleges and Schools
10 that provides instruction from a campus located in South Dakota.

11 No student who enrolls in a high school for all or any part of a fourth year is eligible for the
12 jump start scholarship program.

13 Section 3. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
14 follows:

15 The amount of the scholarship shall be calculated as follows:

- 16 (1) Multiply the per student allocation as defined in subdivision 13-13-10.1(4) by
17 seventy-five percent; and
- 18 (2) Multiply the result of subdivision (1) by the percentage of the statewide local need
19 as defined in subdivision 13-13-10.1(5) that is paid with funds appropriated for state
20 aid to general education pursuant to chapter 13-13.

21 One half of the award shall be paid to an approved institution on behalf of any eligible
22 student there enrolled at the beginning of the fall semester, and the other half shall be paid in
23 the same manner at the beginning of the spring semester. A student must be enrolled full-time
24 during the spring semester in order to receive the second installment.

1 Section 4. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
2 follows:

3 Any eligible student seeking to obtain a jump start scholarship shall, by September first of
4 the year following the student's graduation from high school, apply for admission to an approved
5 postsecondary education institution. The institution shall determine the student's initial
6 eligibility, and once the student is admitted into the jump start scholarship program, the
7 executive director of the Board of Regents shall make scholarship payments to the institution
8 on behalf of the student. The approved institutions shall submit to the Board of Regents the
9 names of all eligible students by October first for the first semester and by February twenty-fifth
10 for the second semester, and once the eligibility of each student is verified, the executive
11 director of the Board of Regents shall distribute the funds necessary to award the scholarship
12 to each eligible student to the approved institutions for the first semester on October fifteenth
13 or the first working day thereafter, and for the second semester on March fifteenth or the first
14 working day thereafter.

15 Section 5. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
16 follows:

17 The secretary of the Department of Education shall transfer to the executive director of the
18 Board of Regents, on a noncash basis, from funds appropriated for state aid to general education
19 pursuant to chapter 13-13, the amount of money necessary to award the jump start scholarships
20 to all students admitted into the scholarship program for that fiscal year. One-half of the
21 necessary amount shall be transferred by October fifteenth for distribution for the first semester,
22 and one-half of the necessary amount shall be transferred by March fifteenth for distribution for
23 the second semester. Upon receipt, the executive director of the Board of Regents shall
24 distribute the funds pursuant to section 4 of this Act.

1 Section 6. That chapter 13-13 be amended by adding thereto a NEW SECTION to read as
2 follows:

3 The secretary of the Department of Education shall transfer on a noncash basis to the
4 executive director of the Board of Regents the amount of foundation program funds necessary
5 to award jump start scholarships pursuant to this Act to all students admitted into the
6 scholarship program for that fiscal year. One-half of the necessary amount shall be transferred
7 by October fifteenth for distribution for the first semester, and one-half of the necessary amount
8 shall be transferred by March fifteenth for distribution for the second semester.

9 Section 7. That § 13-13-73 be amended to read as follows:

10 13-13-73. The secretary of the Department of Education shall compute state aid to education
11 for each school district under the foundation program according to the following calculations:

- 12 (1) Determine each school district's fall enrollment;
- 13 (2) To arrive at the local need per district:
 - 14 (a) Multiply the per student allocation by the fall enrollment;
 - 15 (b) Multiply the small school adjustment, if applicable, by the fall enrollment; and
 - 16 (c) Add the product of subsection (a) to the product of subsection (b);
- 17 (3) State aid is (a) local need minus local effort, or (b) zero if the calculation in (a) is a
18 negative number;
- 19 (4) If the state aid appropriation for the general support of education is in excess of the
20 entitlement provided for in this section and the entitlement provided for in section 6
21 of this Act, the excess shall be used to fund any shortfall of the appropriation as
22 provided for in § 13-37-36.3. The secretary shall report to the Governor by January
23 seventh of each year, the amount of state aid necessary to fully fund the general aid
24 formula in the current year. If a shortfall in the state aid appropriation for general

1 education exists that cannot be covered by § 13-37-45, the Governor shall inform the
2 Legislature and provide a proposal to eliminate the shortfall.