



2025 South Dakota Legislature

Senate Bill 208

SENATE ENGROSSED

Introduced by: **Senator Peterson (Sue)**

1 **An Act to amend provisions pertaining to a school district's proposed opt out, capital**
 2 **outlay certificate, or other agreement.**

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

4 **Section 1. That § 10-12-43 be AMENDED:**

5 **10-12-43.** The governing body of the school district may raise additional revenues
 6 for general fund purposes only, from property tax through the imposition of an excess tax
 7 levy. The governing body of a school district may impose the excess tax levy with an
 8 affirmative two-thirds vote of the governing body on or before July fifteenth of the year
 9 prior to the year the taxes are payable. ~~On any excess tax levy approved after July 1,~~
 10 ~~2002, the~~ The governing body of the taxing district shall specify in the resolution the year
 11 or number of years the excess tax levy ~~will~~ is to be applied.

12 The requirements for an announcement made pursuant to this section are as
 13 follows:

- 14 (1) The decision of the governing body to originally impose or subsequently increase
 15 an excess tax levy ~~shall~~ must be first published within ten days of the decision;
- 16 (2) Publication ~~shall~~ must be made at least twice in the legal newspaper designated
 17 pursuant to § 13-8-10, with no fewer than five days between publication dates,
 18 before the ~~opt out takes effect~~ referendum election occurs;
- 19 (3) The announcement ~~shall~~ must be at least three newspaper columns in width and
 20 four inches in length or at least one-sixth of a page in size, whichever size is
 21 greater; and
- 22 (4) The announcement ~~shall~~ must be headed with the following statement in a typeface
 23 no less than ~~eighteen point~~ eighteen-point type: "ATTENTION TAXPAYERS: NOTICE
 24 OF PROPOSED PROPERTY TAX INCREASE OF \$(fill in amount)." The remainder of
 25 the announcement ~~shall~~ must consist of a reproduction of the "Resolution for Opt
 26 Out," including the amount that property taxes ~~will~~ are to be increased annually by

the proposed opt out and a statement of the right to refer the decision of the board to a vote of the people as ~~provided~~ required in this section. The secretary of ~~revenue~~ the Department of Revenue, in rules promulgated pursuant to chapter 1-26, shall prescribe a uniform form to be used by the school district for notification of taxpayers as required by this section.

~~However, the~~ The requirements of subdivisions (3) and (4) ~~shall be~~ are waived if:

(A) ~~(a)~~ The opt out is for less than fifteen thousand dollars; or

(B) ~~(b)~~ A copy of the resolution for opt out is mailed to every property taxpayer in the local governmental unit, by first class mail or bulk mail, within twenty days of the decision to opt out; ~~and~~

~~(C) A copy of the resolution for opt out is printed in each official newspaper in the local governmental unit's boundaries.~~

For the purposes of ~~subsections (A), (B), and (C)~~ subsection (4)(b), the first publication is not deemed to have occurred until three days after the mailing is sent or the resolution is delivered to the official newspaper.

The opt out decision ~~may~~ must be referred to a vote of the ~~people upon a resolution of the governing body of the school district or by a petition signed by at least five percent of the registered voters in the school district and filed with the governing body within twenty days of the first publication of the decision.~~ The referendum election ~~shall~~ must be held on or before October first of the year prior to the ~~time~~ year the taxes are payable. Approval of the question of the opt out requires an affirmative vote of a majority of the voters casting a vote on the question.

Section 2. That § 13-16-6.4 be AMENDED:

13-16-6.4. ~~Approval to enter into an agreement or issue capital outlay certificates to which § 13-16-6.3 applies is subject to a referendum if five percent of the registered voters, based upon the total number of registered voters at the last preceding general election, petition, within twenty days thereafter, to have the question of approval or disapproval of the agreement or issue of capital outlay certificates or the lease-purchase agreement placed upon the ballot. The board of a school district may enter into an agreement or issue capital outlay certificates pursuant to § 13-16-6.3 only if the question to enter into the agreement or issue the capital outlay certificates is approved by the voters of the district at the next regular election or at a special election called for that purpose.~~

1 The business manager shall give notice ~~of the fact~~ that the question ~~will~~ is to be on
2 the ballot at a regular or special election as provided by law for school elections and
3 prepare official ballots therefor according to the provisions of this title relating to elections
4 and the issue shall be decided by sixty percent of those voting thereon.