

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

956U0430

SENATE EDUCATION ENGROSSED NO. **SB 233** - 02/05/2013

Introduced by: Senators Rave, Adelstein, Heineman (Phyllis), Jensen, Johnston, Kirkeby, Lucas, Maher, Novstrup (Al), Olson (Russell), Rampelberg, Soholt, and Vehle and Representatives Cronin, Bartling, Bolin, Ecklund, Greenfield, Hansen, Hawks, Heinert, Johns, Kirschman, Lust, Nelson, Novstrup (David), Ring, Schaefer, Schoenfish, Schrempp, Sly, Stevens, Tulson, Tyler, Wick, and Wink

1 FOR AN ACT ENTITLED, An Act to create the critical teaching needs scholarship program
2 and to make an appropriation to the education enhancement trust fund to provide for the
3 annual funding of the scholarships.

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

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

7 There is hereby created the South Dakota critical teaching needs scholarship program. The
8 purpose of the program is to encourage South Dakota's high school graduates to obtain their
9 postsecondary education in South Dakota for teaching, to remain in the state upon completion
10 of their education, and to contribute to the state and its citizens by working in a critical need
11 teaching area.

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



1 follows:

2 The South Dakota critical teaching needs scholarship program shall be administered by the
3 Critical Teaching Needs Scholarship Board, which is hereby established. The board shall consist
4 of five members appointed by the Governor for a term of five years, except that the initial
5 appointments shall be for periods of one, two, three, four, and five years. A majority of the
6 board shall be present either personally or by teleconference to constitute a quorum. The
7 secretary of education shall routinely collect data from school districts to determine the critical
8 need teaching areas, and the board shall use this data when selecting eligible critical need
9 teaching areas.

10 The Board of Regents shall provide necessary support services to the board.

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

13 From the total pool of applicants, the Critical Teaching Needs Scholarship Board shall
14 award scholarships based on the requirements of sections 5 and 6 of this Act, the filling of
15 critical need teaching areas, other academic and personal characteristics of each applicant as
16 determined by the board, and the amount of funding available for the scholarships.
17 Notwithstanding the provisions of this section, if the board rescinds a scholarship that has been
18 awarded, the board may award the amount of the rescinded scholarship to an alternate.

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

21 All accredited South Dakota public and nonpublic postsecondary institutions which offer
22 a baccalaureate degree in elementary or secondary education are eligible to participate in the
23 scholarship program. Each institution may choose whether to participate in the program and may
24 limit the number of scholarship recipients the institution will accept in each academic year.

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

3 In order to be eligible for a critical teaching needs scholarship, a student shall:

- 4 (1) Agree, in writing, to stay in South Dakota and work in a critical teaching needs area
5 for five years after graduation from a participating postsecondary institution;
- 6 (2) Agree, through a promissory note, that failure to abide by the provisions of
7 subdivision (1) will result in the scholarship being converted into an interest-bearing
8 loan;
- 9 (3) Attend a participating South Dakota postsecondary institution as an undergraduate
10 enrolled in the student's final two years of postsecondary education and be enrolled
11 in an elementary or secondary education program at the institution that is preparing
12 the student to work in a critical need teaching area; and
- 13 (4) Be a United States citizen or lawful permanent resident.

14 For purposes of subdivision (3), the student shall be fully admitted into a teacher education
15 program at the institution and shall successfully complete a student teaching experience within
16 the final two years of attendance.

17 A student is eligible to participate in the South Dakota critical teaching needs scholarship
18 program for the equivalent of two academic years (four consecutive spring and fall terms) or
19 until the attainment of a baccalaureate degree in elementary or secondary education in a critical
20 need teaching area, whichever comes first. However, the Critical Teaching Needs Scholarship
21 Board may grant exceptions to the continuous enrollment requirements for good cause.

22 Scholarships are not provided for summer session students enrolled in traditional four-year
23 programs.

24 Section 6. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as

1 follows:

2 In addition to the eligibility criteria identified in section 5 of this Act, applicants shall have
3 maintained a minimum cumulative grade point average of 2.8 on a 4.0 scale, and a grade point
4 average of 2.8 for all major course work. The Critical Teaching Needs Scholarship Board may
5 require applicants to submit a written essay or other information by which to judge the academic
6 and personal qualifications of the applicant.

7 Section 7. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
8 follows:

9 The amount of the scholarship shall be determined by calculating the student's remaining
10 financial need, and may not exceed the tuition and generally applicable fees for thirty credit
11 hours at a South Dakota public postsecondary institution as of July 1, 2014. The scholarship
12 amount paid to a recipient attending a participating nonpublic postsecondary institution shall
13 equal the amount paid to a recipient attending a public postsecondary institution.

14 During each year of eligibility, one-half of the annual scholarship shall be paid to public
15 postsecondary institutions on behalf of eligible students there enrolled or directly to eligible
16 students enrolled at nonpublic postsecondary institutions at the beginning of the fall semester,
17 and the other half shall be paid at the beginning of the spring semester.

18 If, in any year, the total funds available to fund the critical teaching needs scholarships are
19 insufficient to permit each eligible recipient to receive the full amount provided in this section,
20 the available moneys shall be prorated and distributed to each recipient in proportion to the
21 entitlement contemplated by this section. The total amount of the scholarship may not exceed
22 the amount stipulated in this section.

23 Section 8. That chapter 13-55 be amended by adding thereto a NEW SECTION to read as
24 follows:

1 In order to maintain eligibility for the critical teaching needs scholarship program, a student
2 shall:

- 3 (1) Maintain a cumulative 2.8 grade point average on a 4.0 scale. The student shall
4 complete consecutive fall and spring terms in order to remain eligible for
5 continuation of the scholarship program from term to term; and
6 (2) Maintain full-time status, or demonstrate continued satisfactory progress toward
7 degree completion within the scholarship funding period.

8 If factors beyond the control of a student who has been awarded a critical teaching needs
9 scholarship prevent the student from meeting any of the requirements in subdivisions (1) and
10 (2), the Critical Teaching Needs Scholarship Board may temporarily waive the requirements of
11 those subdivisions. The board may rescind a scholarship award if the student does not maintain
12 eligibility as prescribed in those subdivisions.

13 Section 9. There is hereby appropriated from the general fund the sum of five million dollars
14 (\$5,000,000), or so much thereof as may be necessary, to the education enhancement trust fund
15 created pursuant to S.D. Const., Art. XII, § 6 to allow the funds to be invested to fund the
16 critical teaching needs scholarship program created in this Act.

17 Section 10. The state treasurer shall approve vouchers and the state auditor shall draw
18 warrants to pay expenditures authorized by this Act.

19 Section 11. That § 4-5-29.2 be amended to read as follows:

20 4-5-29.2. Pursuant to S.D. Const., Art. XII, § 6, the state investment officer shall determine
21 the market value of the education enhancement trust fund as of December 31, 2003, and each
22 calendar year thereafter less the investment expenses transferred pursuant to § 4-5-30. The state
23 investment officer shall calculate an amount equal to four percent of that market value, without
24 invading principal, as eligible for distribution. For the purpose of this section, the term,

1 principal, means the sum of all contributions to the fund. Beginning with the distribution in
2 fiscal year 2008, the market value shall be determined by adding the market value of the trust
3 fund at the end of the sixteen most recent calendar quarters as of December thirty-first, and
4 dividing the sum by sixteen. Upon notice of that amount by the state investment officer, the state
5 treasurer shall transfer the amount from the education enhancement trust fund to the state
6 general fund as soon as practicable after July first of the next fiscal year.

7 Beginning in fiscal year 2015, a portion of the funds annually distributed to the general fund
8 pursuant to this section representing the percentage of the appropriation in section 9 of this Act,
9 when deposited, to the total fair value of the education enhancement fund applied to the
10 distribution amount shall be used to fund the critical teaching needs scholarship program created
11 in this Act.