

**Fifty-fifth Legislative Assembly, State of North Dakota, begun in the
Capitol in the City of Bismarck, on Monday, the sixth day of January,
one thousand nine hundred and ninety-seven**

HOUSE BILL NO. 1154

(Education Committee)

(At the request of the Superintendent of Public Instruction)

AN ACT to create and enact sections 15-27.3-07.5 and 15-27.3-13.5 of the North Dakota Century Code, relating to voting on the issuance of bonds by school districts contemplating reorganization; and to amend and reenact sections 15-27.1-10, 15-27.1-11, subsection 2 of section 15-27.2-01, sections 15-27.3-10, 15-27.3-12, 15-27.3-20, 15-27.4-02, and 15-27.4-03 of the North Dakota Century Code, relating to the annexation, reorganization, and dissolution of school districts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-27.1-10 of the North Dakota Century Code is amended and reenacted as follows:

15-27.1-10. Transfer of land upon annexation ~~or~~, reorganization, or dissolution. The legal title to all land owned by an original school district which has been annexed to another district ~~or~~, included in a reorganized district, ~~or dissolved~~ which is not subject to a possibility of reverter or right of reentry if title is held by other than the original district, vests in the school board of the reorganized school district or the district to which the property is annexed or attached upon approval of the reorganization proposal by the electors or upon orders of the county superintendent of schools or the reorganization committee, as the case may be. If the reorganized district or district to which the property is annexed or attached includes less than the whole of the former district, legal title to the land of the former district vests in the school board of the district in which the land is situated after reorganization ~~or~~, chapter 15-27.2 annexation, or chapter 15-27.4 dissolution. A certificate prepared by the county superintendent of schools of the county wherein the land in question is located, stating the legal description of the land involved, and the fact that the school district formerly owning the land has become either annexed, attached, or reorganized with another school district, may be recorded in the office of the register of deeds of the county in which the land is located.

SECTION 2. AMENDMENT. Section 15-27.1-11 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-27.1-11. Reorganization or dissolution of school district not operating a school - Transportation. Any school district that, for a period of one year, does not operate either an elementary or high school, must become by the end of that year, through the process of reorganization or dissolution, part of a school district operating an approved elementary or high school. Any student who resides within a school district which is reorganized with another district or districts pursuant to this section, or dissolved pursuant to this section and section 15-27.4-01, whose school district has been sending the students to a school district in a bordering state, county, or district, because of proximity or terrain, ~~shall be permitted to~~ may attend or continue to attend school in the district in the bordering state, county, or district, subject to the provisions of section 15-40.2-09. The students residing within a school district that is reorganized with another district or districts pursuant to this section, or dissolved pursuant to this section and section 15-27.4-01 must be provided transportation in the same manner transportation is provided to students in the school district the nonoperating district is attached to.

~~The county committee of the county encompassing the major portion of any~~ If a school district affected by this section, which school district does ~~has~~ has not reorganized with an operating school district ~~been reorganized or dissolved within the time limit prescribed in this section, the school district shall dissolve be dissolved and attach the nonoperating school district attached~~ to an operating school district in accordance with chapter 15-27.4.

This section does not apply to school districts established pursuant to chapter 15-27.5.

SECTION 3. AMENDMENT. Subsection 2 of section 15-27.2-01 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The annexation petition must:
 - a. Be obtained from the county superintendent;
 - b. Identify all of the territory to be annexed before it is circulated. The territory must constitute one land area, with no territory identified in the petition separate from other territory identified in the petition;
 - c. Identify one student who ~~resides~~ lives in the area to be annexed and who will attend a public school in the receiving school district during the school year following ~~approval~~ the effective date of the petition annexation if it is approved by the state board;
 - d. Be signed in the presence of the carrier of the petition; and
 - e. Be submitted to the county superintendent of the county in which the majority of land identified in the petition is located.

SECTION 4. Section 15-27.3-07.5 of the North Dakota Century Code is created and enacted as follows:

15-27.3-07.5. Vote on issuance of bonds when voting on reorganization proposal.

1. If the reorganization proposal contemplates the issuance of bonds pursuant to chapter 21-03, the question of the issuance of the bonds may be voted on at the same election as that for which approval of the reorganization is sought, provided:
 - a. Each of the school boards involved in the reorganization adopts, by a majority vote, an identical initial resolution required by chapter 21-03; and
 - b. All of the terms of chapter 21-03 are complied with, except that if there is a conflict with section 15-27.3-08 regarding how the election will proceed, the terms of section 15-27.3-08 prevail.
2. If the reorganization is not approved, the result of the vote on the issuance of bonds is ineffective.

SECTION 5. AMENDMENT. Section 15-27.3-10 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-27.3-10. Transportation provisions effective until changed by majority vote. Any provision in a reorganization proposal relating to the transportation of students ~~effective before August 1, 1995~~, must remain in effect until changed in accordance with section 15-27.3-19.

SECTION 6. AMENDMENT. Section 15-27.3-12 of the North Dakota Century Code is amended and reenacted as follows:

15-27.3-12. School boards in reorganized and original districts. After the establishment of any new school district, the school board for the new school district must be elected at the regular annual school district election or at a special election called by the county superintendent of schools for that purpose. The first election to elect a school board in a newly reorganized district is governed by chapter 15-28. Members of school boards elected in the newly reorganized districts may not enter upon the duties of office until the time specified in section 15-27.3-15 except as provided by ~~section~~ sections 15-27.3-13 and 15-27.3-13.5. School boards in original school districts included within a reorganized district continue and remain in existence until the time specified in section 15-27.3-15 at which time the new school board elected for the newly reorganized district as provided in this section becomes the governing body of ~~such~~ the school districts. Prior to the completion of the reorganization of any school district under this chapter, the existing school board of any school district may not

contract or place the district under any obligation, except upon the recommendation of the county committee. Subsequent annual elections in the school district are governed by the laws pertaining to such elections.

SECTION 7. Section 15-27.3-13.5 of the North Dakota Century Code is created and enacted as follows:

15-27.3-13.5. Board may proceed in accordance with chapter 21-03. The school board for a new school district established pursuant to this chapter may, before the effective date of the reorganization, proceed in accordance with chapter 21-03 for the issuance of bonds for purposes specified in that chapter if the issuance of the bonds is contemplated by the approved reorganization proposal.

SECTION 8. AMENDMENT. Section 15-27.3-20 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-27.3-20. Powers of school board in reorganized district - Exceptions. After five years from the effective date of the reorganization proposal, the school board of a reorganized district ~~shall~~ may exercise the powers granted to a school board by section 15-29-08 or any other provisions of law regardless of limitations contained in the reorganization proposal. ~~This~~ However, this section does not authorize the school board of a reorganized district to ~~exercise any powers prohibited or limited by~~ change geographic voting areas except in accordance with section 15-27.3-17 or 15-27.3-19 nor does it authorize a change in transportation except in accordance with section 15-27.3-10.

SECTION 9. AMENDMENT. Section 15-27.4-02 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-27.4-02. Notice of hearing - Order of attachment - Joint county action.

1. The county superintendent of the county in which the administrative headquarters of the dissolving school district is located, upon order of the county committee, shall notify the business manager of each school district adjoining any district which is to be dissolved pursuant to section 15-27.4-01, and any unorganized territory recommended for attachment as provided by that section, that a hearing will be held and the time and the place of the hearing by the county committee, for the purpose of determining to which school district or districts the dissolved or unorganized territory will be attached.
2. The county committee shall receive testimony at the hearing for the purpose of determining and considering the factors listed in subsection 3 of section 15-27.2-04 as they relate to the dissolution proceeding. At the hearing, the school district to be dissolved may propose a particular manner of dissolution.
3. After the hearing, the county committee shall by resolution order the district dissolved and its territory attached, or the unorganized territory attached, to one or more adjoining school districts in such manner as will, in its judgment, provide the best educational opportunities for ~~pupils~~ students of the public schools and the wisest use of public funds for the support of the public school system in the school districts and attached territory. The county committee may not order the attachment of any territory unless a minor resides within the boundaries of the territory to be attached.
4. The district to be dissolved must be attached to a contiguous operating school district.
5. The order becomes effective July first following the date of the order or resolution and after approval by the state board, unless another effective date is provided for by the county committee, as provided in section 15-27.4-01.
6. If that portion of the order providing for attachment of the dissolved or unorganized territory is rendered ineffective or suspended for any reason, the portion of the order providing for the dissolution is suspended until such time as the attachment becomes effective.

7. ~~If any of the adjoining district is situated wholly or partly in a county other than that which included the district to be dissolved or the unorganized territory affected, any order attaching territory to the adjoining school district becomes effective only upon the adoption of a concurring resolution by the county committee of the other county in which it is situated.~~
8. If the school district to be dissolved is located in more than one county, the county committees of the counties in which twenty-five percent or more of the taxable valuation of the dissolving school district is located, shall hear the dissolution. After the hearing, if a majority of the county committees hearing the dissolution cannot agree upon an order attaching the territory to adjoining districts, the county superintendent of the county in which the majority administrative headquarters of the dissolving school district being dissolved is located, shall submit the dissolution and attachment to the state board, and in such instance the state board shall, after holding a hearing such as the one described in subsections 1 and 2, dissolve and attach the district to be dissolved, or the unorganized territory, in the manner as will, in its judgment, provide the best educational opportunities for ~~pupils~~ students of the public school system in the school districts and attached territories.
9. ~~The action of the state board has the same effect as approval by all county committees.~~

SECTION 10. AMENDMENT. Section 15-47-39 of the North Dakota Century Code is amended and reenacted as follows:

15-47-39. Agreements between school district and school district of adjoining states - Provisions - Election - Tax levy. Notwithstanding any other ~~provisions~~ provision of law, subject to the provisions of this section, the board of any school district with boundaries touching upon a school district in another state may enter into a written agreement with the board of such school district for the joint operation and maintenance of school facilities and activities in either district. ~~Such~~ The agreement must be submitted to the superintendent of public instruction and, in approving or disapproving ~~such~~ the agreements, must take into consideration the enrollment, valuation of the district and future possibilities of the district and, if approved and endorsed by ~~him~~ the superintendent of public instruction, must be submitted to the electorate of the school district at any annual election or at a special election. There must be published by the school board in a newspaper having general circulation within the district, at least fourteen days next preceding ~~such~~ the election, a statement of the purpose of the election and the terms of the agreement. The question on the ballot must be:

Shall the proposed agreement between this school district and school district number _____ in _____ County, state of _____, as approved by the superintendent of public instruction by endorsement dated _____ be executed?

Yes _____
No _____

Upon approval by the electorate, the board of the school district may levy and collect taxes to carry out the provisions of the agreement pursuant to chapters 15-48 and 57-16 and sections 57-15-13 and 57-15-14. In the event that a school district which has entered into an agreement with an out-of-state district is ~~annexed dissolved and attached to~~ or reorganized into another school district, the school board of the attaching or reorganized or annexing district shall have all powers, duties, and responsibilities of the board of the district which executed the agreement in effect at the time of the ~~annexation~~ dissolution or reorganization.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-fifth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1154.

House Vote: Yeas 91 Nays 0 Absent 7

Senate Vote: Yeas 44 Nays 0 Absent 5

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 1997.

Approved at _____ M. on _____, 1997.

Governor

Filed in this office this _____ day of _____, 1997,

at _____ o'clock _____ M.

Secretary of State