

Introduced by

1 A BILL for an Act to provide for the distribution of hold harmless payments to certain high  
2 school districts eligible to receive supplemental payments; to amend and reenact subsection 1  
3 of section 15.1-27-11 of the North Dakota Century Code and section 37 of chapter 667 of the  
4 2003 Session Laws, relating to the formula for calculating supplemental payments to high  
5 school districts and the provision of contingent payments; and declare an emergency.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Subsection 1 of section 15.1-27-11 of the North Dakota  
8 Century Code is amended and reenacted as follows:

- 9 1. The superintendent of public instruction shall calculate the average valuation of  
10 property per student by dividing the number of students in average daily  
11 membership in grades one through twelve in a high school district into the sum of:  
12 a. The district's latest available net assessed and equalized taxable valuation of  
13 property; plus  
14 b. All tuition payments and county ~~and unrestricted federal~~ revenue received by  
15 the district, divided by the total of the district's general fund levy, high school  
16 transportation levy, and high school tuition levy.

17 **SECTION 2. DISTRIBUTION OF DIFFERENCE IN SUPPLEMENTAL PAYMENTS -**  
18 **HOLD HARMLESS.**

- 19 1. The superintendent of public instruction shall calculate the payment to which a  
20 school district was entitled under section 14 of chapter 667 of the 2003 Session  
21 Laws, from July 1, 2003 through to the effective date of this Act.
- 22 2. The superintendent of public instruction shall calculate the payment to which a  
23 school district would have been entitled under section 1 of this Act if that section  
24 had been in effect from July 1, 2003 through to the effective date of this Act.

3. If a school district received less money under section 14 of chapter 667 of the 2003 Session Laws than it would have received under section 1 of this Act if section 1 had been in effect from July 1, 2003 through to the effective date of this Act, the superintendent of public instruction shall forward the difference to the school district.

4. If a school district received more money under section 14 of chapter 667 of the 2003 Session Laws than it would have received under section 1 of this Act if section 1 had been in effect from July 1, 2003 through June 30, 2005, the superintendent of public instruction may not recoup the difference.

**SECTION 3. AMENDMENT.** Section 37 of chapter 667 of the 2003 Session Laws is amended and reenacted as follows:

**SECTION 37. CONTINGENT PAYMENTS - DISTRIBUTION.** If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in Senate Bill No. 2013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2003, and ending June 30, 2005, the superintendent of public instruction shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first \$700,000, or so much of the amount as necessary, for the purpose of providing supplemental aid-hold harmless payments to school districts pursuant to section 2 of this Act.

2. The superintendent of public instruction shall use the ~~first~~ next \$250,000, or so much of that amount as is necessary, for the purpose of providing reimbursements to the chief administrators of joint powers agreements pursuant to section 19 of this Act.

~~2.~~ 3. The superintendent of public instruction shall use the next \$1,000,000, or so much of that amount as is necessary, for the purpose of providing reorganization bonuses, pursuant to section 15.1-12-11.1, to school districts having reorganizations effective after July 1, 2003, and before July 1, 2005. If insufficient moneys exist to fully meet the requirements of this subsection, the superintendent of public instruction shall prorate the payments according to that percentage of the amount available to which a school district is entitled.

- 1       ~~3.~~ 4.   The superintendent of public instruction shall use the remainder of the moneys to  
2                   provide additional per student payments on a prorated basis, according to the  
3                   average daily membership of each school district during the 2004-05 school year.

4       **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.