MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
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ROLL NUMBER

DESCRIPTION

1154

2005 HOUSE EDUCATION

HB 1154

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ☑ Other DPI Work Session

House Education HB 1154

Date **10 Jan 05**

Tape Number	Side A	B Side	Meter #
2	X		0 - end
		X	0 - 900

Committee Clerk Signature Jan Prindle

Minutes: **Vice Chair Johnson** called the House Education Committee to order.

Tom Decker and Jerry Coleman of DPI were in attendance to answer questions regarding the school foundation funding formula.

Jerry Coleman gave an overview of the purpose of the foundation aid system in ND. **(See attached School Financial Update.)** It provides a level financial support for elementary and secondary education programs. Currently those payment are $2623 for the current school year. There are 210 districts in the state and 206 operate schools.

Rep. Herbel: What is the obligation of the nonoperating districts?

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Coleman: They still have financial responsibility for their students in that they pay tuition to those districts that educate their students. An example is the two Air Force bases. They use their impact aid to send their students to Minot and Grand Forks. After a district is non operating they can three years but they have to pay tuition. After that they have to dissolve and go through a process outlined in state law.

The prime reason for enrollment decline is a lower birth rate.

Funding is about 50/50 state/local. Foundation method sends more $ to property poor districts.

Transportation is now a block grant, trying to find another method to distribute. Other states vary in their percentage support of school districts.

Foundation aid for current biennium is $666 million. The largest piece is the per student aid, that's about 70% of the whole foundation aid package.

Teacher compensation is $52 million, distributed on fte employees per biennium.

Special Ed is at $50 million, 75% of that is distributed computed on average daily membership (fte student). About 25% is held in a risk pool for high cost students and is falling short.

Rep. Sitte: What would happen if we up foundation aid and school districts use however.

Coleman: Special Ed is a separate line item and is intended to go to spec ed, there is no special restriction or accountability on how they actually use that money.

Rep. Haas: Isn't it true that districts are needing to put in a lot of their own money for special ed costs.

Coleman: That's true. When you look at state contribution it's only about 28% whereas for regular ed its more like 45%. Preschool is considered special ed.

Coleman gave an example of mill levy differences in districts, and how the formula levels these differences. The formula is based on educational expenditures for a rolling five year average. Coleman will provide further written information to the committee to include mill levy caps and ending fund balances. The state cannot use impact aid in equalization. Mill levy deduct very controversial, but most valuable in equalization.

Tom Decker, DPI, discussed some of the law suits about funding equity. **(See attached Financial Evolution.)** It used to be that funding needed only to be equitable, and rationally related to the cost of educating public school students. Today the thinking has evolved. Educational adequacy is being challenged. Lawsuits are being brought forward about the constitutionality of funding systems. A judge in WY very briefly ruled: "Define what every student needs to know when they leave grade 12, and fund it." A strong national precedence has been set.

A consultant was hired to study educational adequacy in ND to see where we were at in relation to the developing trend in education funding. They used a professional assessment model using 75 - 80 of the best minds in the state to see what results we should be looking for. Their determination that base cost of providing an adequate education in small K - 8s is $11,600 per regular ed student. If that students happens to be special ed with mild disability, you add $6,032, if moderate disability you add $5600, severe $11,000. You would roll up the dollars a district in ND needed based on its size and enrollment using this formula. The consultants recommendation at the end of the study is that we need to spend $200 million more dollars per year than we are spending now.

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Court decisions across the country uniformly involved very significant increases in funding. Education in the whole country is struggling with the issue of how do we fund an adequate education. It appears that the courts are not going to back away from the idea of educational adequacy. The struggle for state legislatures is how do we organize ourselves and deliver education services in order that we can achieve adequacy affordably. That's where I think we are headed. We are not even close to achieving equity, we haven't even started on adequacy.

Rep. Mueller: It seems that the state as done what it can in terms of educational adequacy if you are looking at contributions to the cause. How does state constitution impact the local effort.

Decker: The fundamental assumption in the whole movement has to be that 100% of the obligation for funding K-12 education is the state's responsibility. Our goal should be that every student should has the dollars that have been determined necessary to provide that adequate education school-by-school. The state takes the full responsibility for that. That means changes some things in ND pretty dramatically. We must look at all the money, you use the local dollars and then you provide state dollars to make sure every student has an adequate legislation. This will be an evolving situation, it's complicated, but that's where we are going. We need to become globally competitive.

Vice Chairman Johnson closed the discussion.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

❑ Conference Committee

Hearing Date **11 Jan 05**

Tape Number	Side A	Side B	Meter #
1	x		0 - end
		X	0 - end
2	x		0-760
3	x		0-380

Committee Clerk Signature Jan Pendleton

Minutes:

Chairman Kelsch opened the hearing on HB 1154. All members present.

Joe Morrisette, budget analyst, OMB (Testimony attached.) His testimony included an amendment that corrects a typo in the bill, and adds the minimum salary amounts omitted from the bill.

Lt. Gov. Dalrymple commented on 3 sections regarding changes in weighting factors. These changes are designed to build more equity in the weighted factor area. One of the criticisms we received from the ND Supreme Court when we had 3 of 5 judges rule against the state in the early 90s was that our weighting factor system was inequitable. Since that time we have not

made any significant changes to it and that issue still remains. There are four reasons why these changes produce more equity: (1) Greater equity is derived by obtaining a truer average of each size category. We rely on average cost of education and that means when your school is compared to the average it's very important that average is the correct average for a school of your type. By having larger pools of categories the average migrates more to the correct mean and by adjusting the categories it is also possible to be sure that each school is in a pool of schools that is comparable to them in terms of size and mission. We have also attempted, with the help of DPI, to determine a break point where a school becomes perhaps small than desirable that is a HS below 120 and elem below 100 is when we begin to see a noticeable increase in the cost per pupil. So reason #1 is you get better averages by having correct categories and larger categories.

(2) No school under this system would get less than 1 whole foundation aid payment. Any less than one in a court review implies that we are penalizing a category of schools or a school for something that they have done wrong or improperly and in no way should our weighting factor system imply that any school is not deserving of at least a full foundation aid payment. Where this issue shows up the most is in the area of the medium-sized high school. HS grades 9-12 in size category of 150 - 549 receive a foundation aid payment multiplied by .9387. We have heard frequently from the schools in that category they feel their average cost of education is not lower than other high schools they feel that they just have less resources to spend on their students and therefore it distorts the picture and creates the impression that they are saving money when in fact they are just short of money. It's not a coincidence that several of the plaintiff districts in

our current law suit are in that particular category. So no school should receive less than one full foundation aid payment of 1.0.

(3) Since we have lumped all HS under 120 in the same category, we want to be sure we are not hurting schools that have no options. We looked at provisions regarding isolated schools and we find that their own cost evaluation is not fair either. When we say an isolated school deserves their own cost evaluation, that is correct, but to say we are not going to recognize it on their students, is a severe penalty. So, isolated should have their own cost evaluation and not be compared to schools that options. Overall you will find when you analyze this, that for the very small schools, there is probably more money going into that group overall through the combination of these proposals than there is right now.

(4) This is a bit more intellectual but an important reason. Collapsing the categories into three distinct groups on the elementary and three groups on the high school side is a necessary preparation for revising the overall school funding formula. Before we are going to be able to determine adjustments for schools and the funding formula, we must be sure that we have the size categories the way we want them and we must be sure they are logical and create pools of schools that are truly comparable to each other. This is the one really important preparation for revising the overall formula, the other one is to achieve uniformity in the mission and the responsibility of all school districts so that every school district indeed faces the same education mission.

Rep. Hanson: Would you support kindergarten at a full day?

Lt. Gov.: That is a separate policy question that is not addressed in this bill. We've been through that debate before and I would welcome a discussion, but it's not part of this bill.

Rep. Hawken: In this document first year teachers are given a $1000 and teachers thereafter $3000, there is a glitch in that there will be a bill proposed this session to change that oversight. That would make a difference in the amount. Would you be willing to look at that as an amendment.

Lt. Gov.: The notion of a first year teacher came about when the per teacher payment was created because of the fact that the funding was geared to increases in teacher compensation year to year. Obviously a first year teacher is not eligible for or is it possible to compute an increase over their prior salary so at the time that was plugged because the theory was that there would always be a few first year teachers. If that no longer works, I would certainly invite you to take a look at it. I would not think the fiscal effect of that would be too great unless I misunderstand what you are saying.

Rep. Hawken: I don't know what the fiscal note is but there are a number of school districts who say there is a glitch in this and asked that we look at it again.

Rep. Herbel: What defines an isolated school?

Lt. Gov.: The isolated school is 20 miles for high school and 15 for elementary. Not as far as you might think but that's because we have to be careful of larger schools that are near each other for a reason.

Rep. Haas: The fourth reason you gave for the changes in the weighting factors had to do with an anticipation of a total change in school funding formula. Can you elaborate on that?

Lt. Gov.: I don't have any master plan in mind, but those who were around during the Shaeffer administration may recall their attempt to rework the funding formula. What they found was they had to base it on pools of schools, we would have weighting factors, deducts. You would

simply be compared to a group of peers and your funding would be according to the category of school you fit in. That makes it extremely important if we go back to that approach that the categories are correct and they are truly comparable. It is important that all schools have a uniform mission.

Rep. Solberg: Regarding the change in weighting factor on line 21 and 22 on page 1, what was the reason for changing 75 to 120.

Lt. Gov.: It was a decision made with the people at DPI who have done a lot of analysis over the years about the cost of delivering education, it was also a question of delivering curriculum in varying size schools. DPI were the ones that suggested the 120 level, I suspect it has to do with the notion of 30 pupils per grade and that divided in sections. Once you go below 15 students per section, you are probably adding to cost in a fairly dramatic way.

Rep. Solberg: We have a diverse representation on this committee and in the northwest we have a lot of small but necessary category schools and that was why I was concerned.

Lt. Gov.: Under this bill the isolated school which is the old small but necessary school would actually do better. If you are isolated, we are not going to harsh on you, we will treat you better. For those who have no options, we are going to treat them as well as we possibly can.

Rep. Sitte: Would you support and give insight on raise from the bottom teacher all the way up the schedule and would cost an enormous amount of money for the district.

Lt. Gov.: It is a dilemma but the real cause of that situation is declining enrollment. It is a problem and issue unto itself and needs to be address but we don't want to mistake other issues for the issue of declining enrollment. What is being proposed here is to put resources behind joint powers agreements and you will see that bill in this committee. That concept is the first

real concept that I've seen that would allow funds to flow to schools that would allow them to provide quality education in the face of declining enrollment. It's only with cooperation with other schools that they have any hope of providing the curriculum they wish to over time. What this bill does is provide an increase in the minimum salary and that's all it does. What's happening out there in the real world is that it having an effect on salary negotiations but we say that is a positive thing. Ultimately that negotiation is done locally and they are going to have to determine how to deal with it as part of their negotiations.

Gloria Lokken, president of NDEA. (Testimony attached.)

Rep. Sitte: What insight do have if we raise the minimum base. Is your organization looking at any policy changes.

Lokken: Our help would be to strive to put more money into this bill, to put more money into foundation aid, to look to the resources of ND to raising the level of compensation for public education overall and provide our districts with more revenue.

Rep. Sitte: Don't you think when they're going to be $42,000 short, that they are going to wind up cutting staff? Aren't you actually hurting your profession by pricing yourself out of the market.

Lokken: I think as the lt. Gov. said, it's a local issue, it's pricey, but at the same time they have to be competitive in the field of recruiting and retaining people. We would hope that the state can see their way to funding this bill and looking at the weighting factors, looking at supplemental pay, maybe there's some creative piece to be put into the mix to let districts make it work. FTE works, sending money to the classroom works in every district.

Joe Westby, Ex Dir., NDEA, testified in support of HB 1154. **(Testimony attached.)** Showed progression of teacher salary increases through the years as compared to other professions.

Bev Nielson, ND School Boards Association testified in support of HB 1154. **(Testimony attached.)** The index salary schedule causes problems for districts and the committee should take this into consideration.

Chairman Kelsch: When you talk about the woes of a school district and the increases in cost to school districts, has your organization looked at alternatives to the funding formula that would set up a couple of separate categories e.g., where schools losing students are funded one way and others that are gaining would get funding another way. Have you looked into any type of funding formula that you believe would address all the needs of your organization.

Neilson: If we look at the level required for the funding of education we need to fund at a higher level overall for adequacy and were serious at funding that at 70% in most cases it becomes less burdensome to the local district to try to raise money to continue. Every state is struggling with this. We are certainly more than happy to get into discussions on new funding formulas. Many members objected to the FTE formula, however the mandate was funding. What's happened now the funding mechanism is gone, but the mandate stays.

Chairman Kelsch: As we look back at the last session when your people didn't want the FTE payments we can say it was the better way to go because it was funded. The second question is you are looking at more money here perhaps we should look at some bills that are being proposed that have a few million dollars and perhaps not fund those initiatives and take that money and put it into foundation aid. Would that be a better use of the money?

Nielson: I never liked the concept of this is all the bigger your pie is going to get, so you tell us which of these valuable programs you want. There are programs requesting millions which we think are to the benefit overall to the provision of quality education in the state. When we talk about additional money to meet these salary requirements, we're talking about a lot of money or an entirely different mechanism for distributing the money. We believe the pie can get bigger this session. If you mandate salary increases, you must fund the mandates.

Doug Johnson, Council of Education Leaders, testified in support of HB 1154. **(Testimony attached.)**

Rep. Mueller: You state that the increase is based on an average increase over the past three biennium. How did you come to that conclusion?

Johnson: I looked at the governor's proposed budget.

Rep. Herbel: You've got here that additional funding comes from increased income tax and sales tax, what were those increases?

Johnson: We did not look at specific amounts for those. We suggested that those would be places the legislature would have to look. I would certainly be glad to do that for you if you would like that information.

Chairman Kelsch: I hear from districts across the states and one of the constant complaints I hear is that they don't have enough money for teacher pay, but yet they can give administrators 10, 15, 18% in their salaries. It rubs people the wrong way. Perhaps we should look at freezing these salaries.

Johnson: Looking to people to take on administrative positions is getting to be more difficult. This year we had 8 high schools looking for principals. Part of the problem was applications

were not big enough, so they had to raise the salary level. What's driving the increases is the demand to get those people. There is a problem in getting qualified teachers and administrators. When you look at what top teachers are making they may be the same in some cases.

Rep. Solberg: We're going to move the under 75 to 120. What's your thought to changing that category?

Johnson: Our organization has not discussed that. My own personal opinion is that we are facing the issue of declining enrollments and there is going to be increasing pressure on our legislature on how we delegate funds to schools, human resources in the future and we need to be prepared for that.

Chairman Kelsch: Does your organization look at school districts and make suggestions for possible consolidations?

Johnson: We help in the dialog, but it's an individual school district choice. We plan a summit meeting in Rapid City this summer that will address that.

Rep. Hanson: Can you give us a list in the number of administrator for the last four years, are they declining at all.

Johnson: We have remained pretty steady. We will see a change in that.

Rep. Sitte: I have a chart here that shows students enrollment has dropped but the number of employees has gone up. We understand how that can happen, but is that going change.

Johnson: You see a classic example of what happens to sustain education. There is a certain point where you have to have a number of people there regardless of the number of students.

Rep. Herbel: Shouldn't joint powers agreements take care of some of that problem.

Johnson: Some of those issues, yes. Those are things to come. There is a bill to come that will address some of those issues.

Steve Swiontek, Supt. of Devils Lake Public Schools, addressed the committee in regards to HB 1154 and how it would impact his school. **(Testimony attached.)**

Chairman Kelsch: Is the increased cost of $100,000 for your school for one year or two years?

Swiontek: One year.

Rep. Hanson: Do you have declining enrollment?

Swiontek: We have remained steady and expect to remain so. What I wanted to demonstrate here is that we are capped out at the general fund so where do we find the funds to come up with this difference.

Chairman Kelsch: I know you support raising the cap. What is we raise the minimum mill this session.

Swiontek: That would help us, we would be able to go there, but you have to be careful of that cap as you will look at more percentage of dollars coming from local districts and you might increase you inequity in ND.

Rep. Sitte: What efficiency could you create if we would freeze you from burdensome regulations. Have we done this to you?

Swiontek: The federal government has done a lot of it with special ed and title requirements and those people that go with that. The cost of special ed is astronomical. There are many special ed students that are served on a one-to-one basis.

Rep. Sitte: Will the reading screening help?

Swiontek: We're never going to get out of it. There are too many federal requirements. We are going to be involved in special ed forever. The number of spec ed students remains the same while other students decline.

Vince Reep, director of finance, Dickinson School District #1: I would like you to know how this bill would impact us. **(Testimony attached.)**

Chairman Kelsch: If we accept that changes in the weighted pupil category, you would be a little bit ahead.

Reep: We might show a slight increase but it would account for the cost of the mandate of increasing our base $1500. We work collaboratively with our teachers and have been very successful that. There is resistance to compressing the beginning scale.

Rep, Hanson: What's the enrollment of private schools in Dickinson ? Home schooled?

Reep: About 600 private. Home schooled: 30-40, open enrollment we slightly gain students.

Joe Sykora, business manager, Jamestown Public Schools, testified on the impact of HB1154 on Jamestown Public Schools. **(See attached.)**

Rep. Mueller: The theme here is obvious, we need to put in more money. You have some feeling how the citizens of your district feel about raising taxes?

Sykora: Jamestown has a strong support for education and probably would not object. The present weighting factor would help Jamestown.

Rep. Hanson introduced his wife and several students who were exhibiting in the main hall. Mrs. Hanson offered to have the students check the committee's blood pressure.

Dean Bard, on behalf of small organized schools, provided the committee with the legislative program of small schools. **(Copy attached.)** There are about 75 school districts that are

members. They consist of schools that educate less than 75 students in high school settings. They have a concern with the change of categories, raising cap may not help and may be not be corrected by the upsurge in money to the small but necessary school. It may not catch all the schools that are hurt by the down sizing of categories. Is in favor of going foundation aid. I keep hearing "smaller than desired schools" and that philosophy bothers because it is subjective analysis and does not help their situation which is compounded by declining enrollments. There is a symbiotic relation between schools and rural elements. If we are going to keep people in rural areas, we need to provide them with good educational services. Would like to see 70% funding from the state rather than 43%.

Sandy Clarke, ND Farm Bureau, testified that FB is concerned with funding mechanism. Too heavy on property taxes. Need additional state funding. FB supports state funding of core curriculum. FB does not support property tax increase, but could support income tax increase with a concurrent decrease in property tax. We need to get some property tax relief. Not opposed to teacher salary increase. This bill makes it worse in that causes unfunded mandates and causes prop tax increases at the local level. Changes in weighting factors detrimental to rural schools

Jerry Coleman, DPI, presented student aid projections. **(Copy attached.)**

Rep. Haas: Why are your figures different than Morrissette's information.

Coleman: His was last year's data. This was just updated to most recent year. This would be the data we use. No one would have a weighting factor of less than 1.0. This also shows our most recent taxable evaluation.

Chairman Kelsch: We will then use this data as being the most correct for our discussions.

Coleman: More detail on this presentation and because I knew that people would ask I did a comparison schedule of the current factor system and with the proposed recatagorization. I must update and fix the correct year headings.

Chairman Kelsch: Headings wrong but figures okay. Do not redo. I would like a list of ending fund balances from last two years with increments plus or minus. Also mill levy information for the districts. And those mill levies that are capped.

Coleman: I have that for the last 6 years and will provide it..

Chairman Kelsch asked committee members to request information of DPI through her. It is very expensive to provide "runs." Please come to the chair in order to avoid duplication and provide consistency of information.

Hearing on HB 1154 closed.

Chairman Kelsch called the House Education Committee back to order at 2:30.

She distributed some information regarding:

(1) NBCT (National Board Certified Teachers) research, **(See attachment.)**

(2) a list of the 23 certified teachers in ND showing their schools and the subject they teach, **See attachment.)** and (3) a list of web sites that show other organizations that have developed certification processes. **(See attachment.)**

Rep. Sitte: May I bring in some of my data tomorrow?

Chairman Kelsch: Yes, you may. I would like to make sure that you all know that two of my three children had the number one teacher on the list of the NBCT as a fourth grade teacher--Awesome. The third one couldn't get in because everyone requested him.

Rep. Sitte: I would like the record to show that the three NBCT I know are absolutely above reproach. They are remarkable teachers. This is not way an affront to those who have gained the certification. It is just a discussion about dollars being attached to certain people for certification and no way an affront.

The hearing on HB 1164 was closed.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☐ Conference Committee

Hearing Date **2 February 05**

Tape Number	Side A	Side B	Meter #
2		x	1400 - 3600

Committee Clerk Signature Janet Rindle

Minutes:

Chairman Kelsch opened the discussion of HB 1154. She asked the Committee to have HB 1033 at hand as well.

Chairman Kelsch: I'll walk you through the amendment: Section 1, the PPP, nothing changes from the way the Governor introduced it. The weighting factors on pp 1-6, that all stays the same as the Governor introduced it. Section 5: There's a change in the language and the amount from the Governor's budget. The first year the minimum salary level would go to $22,000, the second year of the biennium it would go to $22,500. Section 6: Remains the same as the Governor's budget. Section 7: Is the new transportation which is half the moneys go out in foundation aid and half will go out in a grant. Section 8: Is the contingency payment if there's money left over at the end of the biennium. The first $600,000 will be for reorganization bonuses, the second $300,000 will go to school districts serving English Language Learners, and then the rest is distributed out on a ADM. Section 9: Is $30,000 to have the Superintendent of

the DPI to go to the lead center for efficiency training for transportation. The reason the $300,000 for ESL is in there is that we sent that bill to Appropriations and we're fairly certain that they are going to just put it in at the same level they had it. We thought that if we could have a little bit more to give to those school districts, we would try to get that $300,000 we suggested to those districts. We tried to listen to all the concerns of everyone while still trying to achieve our educational goal. That is to ensure we get the money into the classroom for the students, make sure school districts were still receiving funding for transportation thinking that putting out half and half it would still follow the student. Doing it that way we think school districts will become more efficient. As we see some school districts getting larger and larger some of these superintendents are going to have to become very creative in transportation delivery to all those students. We tried to be mindful of all those things. We have become a body that believes that raising teacher compensation is very important. We did have some of those smaller districts that said teacher compensation is becoming an unfunded mandate so we wanted to move those numbers forward and continue to make that progress. Perhaps we can't make it as quickly as we would like to make it happen. So again you see in this bill a somewhat complicated issue where again we address per student payments, transportation payments, teacher pay, etc. We're not dealing with each individual item.

Rep. Mueller: We're going to distribute half of the transportation on foundation aid, how is it that the numbers on the bill don't change.

Rep. Haas: The transportation money is separate in this bill and distributed in foundation aid.

Chairman Kelsch: It will change on the base payment. Jerry, (Coleman) can you get that information for us. We can adopt this and that can be something we can put on Friday morning.

Rep. Hunskor: What happens as we go through the process and we're moving ahead with this one and HB 1512, somewhere down the road we will have to get together and figure out what's best because they're doubling here.

Rep. Haas: We'll have a huge conference committee.

Rep. Mueller: How does this work in Appropriations, can we send two of them?

Rep. Haas: HB 1512 is revenue neutral in that it doesn't affect the bottom line. It's a wash. Would it appropriate to move Pollert's amendment at this time?

Chairman Kelsch: Yes, go ahead.

Rep. Haas: I move we accept Pollert's amendment (58036.0103) The change is in the way isolated schools are weighted. This would reduce the number of miles from a 20 mile radius to a 15 mile radius. So any student living beyond 15 miles, the school district would receive the additional 25%. I'm moving this amendment for purposes of discussion.

Rep. Herbel: I second.

Rep. Hawken: I don't think this is a very good idea. There isn't a school district out there that couldn't come in with an amendment just like this one. I know Rep. Pollert is being a good representative and I laud him for that. I don't think we can do this.

The question was called on the amendment:

A voice vote was taken.

Yes: 0 No: 14 Absent: 0 The amendment failed.

Rep. Haas: I will report to Rep. Pollert.

Rep. Hawken: I move the proposed amendment to HB 1154 (LC58232.0101)

Rep. Hanson: I second.

Rep. Solberg: Maybe I missed it but you mentioned the mandate for teachers.

Chairman Kelsch: We added $500 per year.

Rep. Mueller: I'm wondering how we ended up with the transportation in here. Was it the result of the subcommittee? It might be a good idea but I have some reservations on that. It worked pretty good the way we did it last time so why would we change it.

Chairman Kelsch: There may be one that way again. My guess is there will be several of those "after a bill" before this legislative session is over.

The question was called.

A voice vote was taken.

Yes: 13 No: 1 Absent: 0 The motion to amend passed.

The amendment will be held over to the 4 February work session.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☐ Conference Committee

Hearing Date **4 February 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 -500

Committee Clerk Signature Jan Prindle

Minutes:

Chairman Kelsch opened discussion of amended HB 1154. She called for any further amendments:

Rep. Sitte: I **move to change** from $300,000 to $600,000 the portion for English Language Learners on page 7, Section 2.

Rep. Horter: I second.

Chairman Kelsch: The reason to this is in case we do not find that $270,000 for the testing, school districts would still be able to be reimbursed.

A voice vote was taken.

Yes: 14 No: 0 Absent: 0 The amendment passed.

Chairman Kelsch: We now have amended HB 1154 before us, what are the wishes of the Committee?

Rep. Hawken: I **move a Do Pass as Amended and rerefer to Appropriations**

Rep. Meier: I second

A roll call vote was taken.

Yes: 14 No: O Absent: 0 The motioned passed and HB 1154 was passed as amended.

Chairman Kelsch will carry the bill.

FISCAL NOTE

Requested by Legislative Council
04/25/2005

Amendment to: Reengrossed HB 1154

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$699,354,879	$0	$699,354,879	$0
Appropriations	$0	$0	$2,189,000	$0	$0	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$699,354,879	$0	$0	$699,354,879

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill sets the base per student payment rate for state aid payments to school districts at $2,765 the first year and $2,879 the second year of the 2005-2007 biennium, reconfigures the weighting factor categories, increases the weighting factor adjustment percentage for isolated schools, establishes the reimbursement rates for teacher compensation reimbursement, establishes the transportation grant distribution, provides for contingent payments, and provides appropriations for reorganization bonuses, joint powers organizations and transportation efficiency studies, and repeals the reorganization bonus statutes.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Funding for HB 1154:

Per Student $482,703,759
Transportation $33,500,000
Limited English proficiency $650,000

- HB 1013 Grants - State aid to schools $517,553,759
- HB 1013 Grants - Teacher compensation payments $50,912,120
- HB 1013 Grants - Special education $52,500,000
- HB 1013 Grants - Tuition apportionment $71,600,000
- HB 1013 Grants - Revenue supplement $5,000,000

TOTAL HB 1013 $696,865,879

- HB 1154 Grants - Education associations $1,000,000
- HB 1154 Grants - Reorganization bonuses $759,000
- HB 1154 Grants - Transportation efficiency $30,000
- HB 1154 Grants - Per Student $700,000
TOTAL Grants to Schools $699,354,879

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Executive Budget $697,165,879
HB 1154 HB 1013 $699,354,879

Increase over executive recommendation $2,189,000

Name:	Jerry Coleman	**Agency:**	Public Instruction
Phone Number:	328-4051	**Date Prepared:**	04/25/2005

FISCAL NOTE

Requested by Legislative Council
03/25/2005

Amendment to: Reengrossed HB 1154

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$698,654,879	$0	$698,654,879	$0
Appropriations	$0	$0	$7,759,000	$0	$0	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$698,654,879	$0	$0	$698,654,879

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill sets the base per student payment rate for state aid payments to school districts at $2,900 the first year and $3,015 the second year of the 2005-2007 biennium, reconfigures the weighting factor categories, increases the weighting factor adjustment percentage for isolated schools, establishes the reimbursement rates for teacher compensation, provides for the distribution basis for tuition apportionment funding, provides a distribution basis for transportation funding, provides for contingent payments, and provides appropriations for reorganization bonuses, joint powers organizations and transportation efficiency studies, and repeals the reorganization bonus statutes.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Funding for HB 1154:

Per Student $518,457,395
Transportation $33,500,000
Limited English proficiency $650,000

- HB 1013 Grants - State school aid $552,607,395
- HB 1013 Grants - Teacher compensation payments $35,638,484
- HB 1013 Grants - Special education aid $52,500,000
- HB 1013 Grants - Tuition apportionment $50,120,000
- HB 1013 Grants - Revenue supplement $5,000,000

TOTAL HB 1013 $695,865,879

- HB 1154 Grants - Joint Powers incentives $2,000,000
- HB 1154 Grants - Transportation efficiency training $30,000
- HB 1154 Grants - Reorganization bonuses $759,000
TOTAL HB 1154 $2,789,000

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Changes from the House
House HB 1013 = 690,865,879, Senate HB 1013 = 695,865,879, Change 5,000,000

House HB 1154 = 30,000, Senate HB 1154 = 2,789,000, Change 2,759,000

Name:	Jerry Coleman	**Agency:**	Public Instruction
Phone Number:	328-4051	**Date Prepared:**	03/28/2005

FISCAL NOTE

Requested by Legislative Council
02/17/2005

Amendment to: Engrossed HB 1154

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$510,853,759	$0	$510,853,759	$0
Appropriations	$0	$0	$30,000	$0	$0	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$510,853,759	$0	$0	$510,853,759

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill sets the base per student payment rate for state aid payments to school districts at $2,813 the first year and $2,912 the second year of the 2005-2007 biennium, reconfigures the weighting factor categories, increases the weighting factor adjustment percentage for isolated schools, increases the minimum salary level for full time teachers, provides that 70% of the increase in state aid and tuition apportionment must be used for increasing teacher compensation, provides a distribution basis for transportation funding, and provides for contingent payments for reorganization bonuses, English language learner programs, joint powers agreements, and additional per student payments.

HB 1154 also appropriates $30,000 for providing transportation efficiency training to school district personnel.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Funding for HB 1154:

Per Student $493,453,759
Transportation $16,750,000
Limited English proficiency $650,000

- HB 1013 Grants - State school aid $510,853,759
- HB 1154 Grants - Transportation efficiency training $30,000

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on*

the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

An additional appropriation of $30,000 for the purpose of contracting to provide transportation efficiency training to school district personnel is authorized under this bill.

Name:	Jerry Coleman	**Agency:**	Public Instruction
Phone Number:	328-4051	**Date Prepared:**	02/22/2005

FISCAL NOTE

Requested by Legislative Council
02/07/2005

Amendment to: HB 1154

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$512,183,759	$0	$512,153,759	$0
Appropriations	$0	$0	$30,000	$0	$0	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$512,153,759	$0	$0	$512,153,759

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill sets the base per student payment rate for state aid payments to school districts at $2,726 the first year and $2,826 the second year of the 2005-2007 biennium, reconfigures the weighting factor categories, increases the weighting factor adjustment percentage for isolated schools, increases the minimum salary level for full time teachers, provides that 70% of the increase in state aid and tuition apportionment must be used for increasing teacher compensation, provides a distribution basis for transportation funding, and provides for contingent payments for reorganization bonuses, English language learner programs, and additional per student payments.

HB 1154 also appropriates $30,000 for providing transportation efficiency training to school district personnel.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Funding for HB 1154:

HB 1013 Grants - State school aid $512,153,759
HB 1154 Grants - Transportation efficiency training $30,000

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

An additional appropriation of $30,000 for the purpose of contracting to provide transportation efficiency training to school district personnel is authorized under this bill.

Name:	Jerry Coleman	**Agency:**	Public Instruction
Phone Number:	328-4051	**Date Prepared:**	02/09/2005

FISCAL NOTE

Requested by Legislative Council
01/03/2005

Bill/Resolution No.: HB 1154

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$512,153,759	$0	$512,153,759	$0
Appropriations	$0	$0	$0	$0	$0	$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$512,153,759	$0	$0	$512,153,759

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill sets the per student payment amount for state aid payments to school districts at $2,726 the first year and $2,826 the second year of the 2005-2007 biennium, reconfigures the weighting factor categories, increases the weighting factor adjustment percentage for isolated schools, provides that 70% of the increase in state aid and tuition apportionment must be used for increasing teacher compensation and provides for contingent payments for reorganization bonuses and additional per student payments.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures related to this bill are $512,153,759. This is the amount appropriated in the executive budget recommendation for State school aid - per student and transportion. Because the bill provides that all funding appropriated will be distributed to school districts, the amendments only impact the method in which funding is distributed among the school districts.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

C APPROPRIATIONS:

	2005-06	2006-07
Foundation aid factors: - Per student rate	$2,726	$2,826

- Projected weighted pupil units 107,312 105,970
- Mill deduct 38 40

Name:	Jerry Coleman	**Agency:**	Public Instruction
Phone Number:	328-4051	**Date Prepared:**	01/10/2005

58036.0103
Title.

Prepared by the Legislative Council staff for
Representative Pollert
January 28, 2005

PROPOSED AMENDMENTS TO HOUSE BILL NO. ~~1013~~ 1154

Page 1, line 4, replace "section" with "sections" and after "15.1-02-02" insert "and 15.1-27-15"

Page 1, line 5, after "instruction" insert "and payments for isolated schools"

Page 8, after line 5, insert:

"**SECTION 13. AMENDMENT.** Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by twenty percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty mile [32.2 kilometer] fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by twenty percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students."

Renumber accordingly

Date: 2 Feb
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 58036.0103 Pollert Amend

Action Taken

Motion Made By Haas Seconded By Herbel

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch			**Rep. Hanson**		
Vice Chairman Johnson			**Rep. Hunskor**		
Rep. Haas			**Rep. Mueller**		
Rep. Hawken			**Rep. Solberg**		
Rep. Herbel					
Rep. Horter					
Rep. Meier					
Rep. Norland					
Rep. Sitte					
Rep. Wall					

Total (Yes) 0 No 14

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Failed

58232.0101
Title.

Prepared by the Legislative Council staff for
Representative R. Kelsch
February 2, 2005

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 15.1-27-04, 15.1-27-06, 15.1-27-07, 15.1-27-15, and 15.1-27-39 of the North Dakota Century Code and section 38 of chapter 667 of the 2003 Session Laws, relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~ twenty-six dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three twenty-six dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 2. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1 27 04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 3. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this

subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year

average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 4. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 5. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-two thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-two thousand five hundred dollars.

SECTION 6. AMENDMENT. Section 38 of chapter 667 of the 2003 Session Laws is amended and reenacted as follows:

SECTION 38. TEACHER COMPENSATION.

1. During the ~~2003-05~~ 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district ~~on or~~ after July 1, 2003 June 30, 2005.

2. For purposes of this section,"new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the ~~2001-03~~ 2003-05 biennium and the ~~2003-05~~ 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 7. TRANSPORTATION GRANTS - DISTRIBUTION.

1. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, to each school district in the state an amount equal to fifty percent of the state transportation block grants received by the school district during the 2003-05 biennium.

2. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to fifty percent of the total state transportation block grants received by all school districts during the 2003-05 biennium. The superintendent shall distribute the amount in the same manner that per student payments are distributed under chapter 15.1-27.

3. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute fifty percent of the payments required by subsections 1 and 2 to school districts at the same time and in the same manner as required for state aid payments under section 15.1-27-01.

SECTION 8. CONTINGENT PAYMENTS - REORGANIZATION BONUS - ENGLISH LANGUAGE LEARNERS. If any moneys appropriated for per student payments and transportation payments in the grants-state school aid line item contained in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $600,000 for the purpose of providing reorganization bonuses, pursuant to section 15.1-12-11.1, to the school districts having reorganizations effective after June 30, 2005, and before July 1, 2007, and for the purpose of providing reorganization bonus advanced payments, pursuant to section 15.1-12-11.2, to school districts studying reorganization during the biennium beginning July 1, 2005, and ending June 30, 2007. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to that percentage of the amount available to which a school district is entitled. Any money distributed under this section is in addition to any money otherwise appropriated by the legislative assembly for the purpose of reorganization bonuses.

2. The superintendent of public instruction shall use the next $300,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year.

SECTION 9. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to

school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

Cancellation

Date: 2/16/05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 58232.0101

Action Taken Amend.

Motion Made By Hawken Seconded By Hanson

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch	✓		**Rep. Hanson**	✓	
Vice Chairman Johnson	✓		**Rep. Hunskor**	✓	
Rep. Haas	✓		**Rep. Mueller**		✓
Rep. Hawken	✓		**Rep. Solberg**	✓	
Rep. Herbel	✓				
Rep. Horter	✓				
Rep. Meier	✓				
Rep. Norland	✓				
Rep. Sitte	✓				
Rep. Wall	✓				

Total (Yes) 13 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 4 Feb 05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number pg 7, SS 2 increase from 300,000 to 600,000

Action Taken Amend per above

Motion Made By Sitte Seconded By Horter

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch	✓		**Rep. Hanson**	✓	
Vice Chairman Johnson	✓		**Rep. Hunskor**	✓	
Rep. Haas	✓		**Rep. Mueller**	✓	
Rep. Hawken	✓		**Rep. Solberg**	✓	
Rep. Herbel	✓				
Rep. Horter	✓				
Rep. Meier	✓				
Rep. Norland	✓				
Rep. Sitte	✓				
Rep. Wall	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 4 Feb 05
Roll Call Vote #: 1154

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do pass as amended + refer to approp

Motion Made By Hawken Seconded By Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch	✓		**Rep. Hanson**	✓	
Vice Chairman Johnson	✓		**Rep. Hunskor**	✓	
Rep. Haas	✓		**Rep. Mueller**	✓	
Rep. Hawken	✓		**Rep. Solberg**	✓	
Rep. Herbel	✓				
Rep. Horter	✓				
Rep. Meier	✓				
Rep. Norland	✓				
Rep. Sitte	✓				
Rep. Wall	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Kelsch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1154: Education Committee (Rep. R. Kelsch, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1154 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 15.1-27-04, 15.1-27-06, 15.1-27-07, 15.1-27-15, and 15.1-27-39 of the North Dakota Century Code and section 38 of chapter 667 of the 2003 Session Laws, relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~twenty-six dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three~~twenty-six~~ dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 2. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of

education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1 27 04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 3. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from

multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor.905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and ~~the factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. ~~The~~ payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor.50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education

among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 4. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 5. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~twenty-two thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~twenty-two thousand five hundred dollars.

SECTION 6. AMENDMENT. Section 38 of chapter 667 of the 2003 Session Laws is amended and reenacted as follows:

SECTION 38. TEACHER COMPENSATION.

1. During the ~~2003-05~~ 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district ~~on or~~ after July 1, 2003 June 30, 2005.

2. For purposes of this section,"new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03

between the ~~2001-03~~ 2003-05 biennium and the~~2003-05~~ 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 7. TRANSPORTATION GRANTS - DISTRIBUTION.

1. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, to each school district in the state an amount equal to fifty percent of the state transportation block grants received by the school district during the 2003-05 biennium.

2. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to fifty percent of the total state transportation block grants received by all school districts during the 2003-05 biennium. The superintendent shall distribute the amount in the same manner that per student payments are distributed under chapter 15.1-27.

3. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute fifty percent of the payments required by subsections 1 and 2 to school districts at the same time and in the same manner as required for state aid payments under section 15.1-27-01.

SECTION 8. CONTINGENT PAYMENTS - REORGANIZATION BONUS - ENGLISH LANGUAGE LEARNERS. If any moneys appropriated for per student payments and transportation payments in the grants-state school aid line item contained in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $600,000 for the purpose of providing reorganization bonuses, pursuant to section 15.1-12-11.1, to the school districts having reorganizations effective after June 30, 2005, and before July 1, 2007, and for the purpose of providing reorganization bonus advanced payments, pursuant to section

15.1-12-11.2, to school districts studying reorganization during the biennium beginning July 1, 2005, and ending June 30, 2007. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to that percentage of the amount available to which a school district is entitled. Any money distributed under this section is in addition to any money otherwise appropriated by the legislative assembly for the purpose of reorganization bonuses.

2. The superintendent of public instruction shall use the next $600,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year.

SECTION 9. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

2005 HOUSE APPROPRIATIONS

HB 1154

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1154

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date February 10, 2005

Tape Number	Side A	Side B	Meter #
1	X		17.3-22.8

Committee Clerk Signature

Minutes: Chairman Martinson opened hearing on HB1154.

Rep. Kelsch There are amendments pending on HB1154.

Chairman Martinson We will talk about the amendments when they arrive. Have you added anything into the bill that will increase the governor's general fund budget appropriations?

Rep. Kelsch No but we made a change to the contingency dollars at the end of the biennium. It is left over dollars from the per people payments. That is the only change we did.

Roxanne Section Nine states a $30,000 appropriations

Rep. Kelsch Section Nine $30,000 appropriation used to go to the LEAD to learn to be more efficient with transportation.

Chairman Martinson So that's it? You did add $30,000?

Rep. Aarsvold I missed the issue with left over foundation aid dollars. How are they handled?

Rep. Kelsch The first $600,000 goes out for organizational bonuses. The second $600,000 would go out for school districts that have English language learners programs.

Rep. Aarsvold Do we have a projection on the left over funds?

Rep. Kelsch Around $5,000,000.

Chairman Martinson Closed hearing on HB1154.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1154
Per Student Payments

House Appropriations Full Committee

☐ Conference Committee

Hearing Date February 15, 2005

Tape Number	Side A	Side B	Meter #
3	X		#46.6 - # end
3		X	#0 - #10.7
3		X	#30.1 - 42.4

Committee Clerk Signature Chris Alexander

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on HB1154.

Rep Kelsch explained that section 1 pertains to the per student payments which there is an amendment to change that will be coming up. Section 2 and the n pages 2-7 deals with the leader factor categories. Section 5 amended the minimum amount for teacher's salaries to go up $500 the first year of the biennium and then another $500 during the second year. Section 6 is the teacher compensation and we have a technical correction amendment that deals with this because when we started the FTE payments in 2001 we didn't have a preceding year to base those payments on so we put in a statue the years. Legislative counsel has since said that this was too cumbersome and that we didn't need to go into this every legislative session and changing the years, so we can put in statute that these payments are based on the prior year. Section 7 deals with the transportation grants. 50% of transportation would go out based on

foundation aid and 50% of foundation aid would go out based on grants. Section 8 deals with contigency payments. At the end of the biennium, due to not being able to fully calculate the exact number of student we'll have, we always have left over contingency dollars. These are sometimes used for projects that were unable to be funded through general funds. The first $600,000 would go for reorganization bonuses. The second subsection was $300,000 but our committee increased that to $600,000 because there wasn't the $300,000 requested for the English proficiency program and also the program needs $275,000 to set up the testing assessment and then to administer the test. But now apparently the $275,000 was found to pay for this so we may not need the full $600,000 we changed this to. This would then bring this back to the $950,000 level to get them through this year. There is also a $30,000 appropriation for superintendents to come up with more efficient ways to provide transportation.

Rep. Ole Aarsvold asked why the transportation grant distribution was cut by 50%

Rep Kelsch answered that 50% of transportation goes out based on foundation aid so it is equalized and the other 50% goes out as grants. They receive 100% of the money it is just that it is distributed differently.

Rep. Ole Aarsvold commented that this would most negatively impact those districts where transportation was most needed

Rep Kelsch explained that the biggest complaint is that the money needs to be equalized. The money then follows the student and yes it would be the rural schools with the lesser number of students that would be most effected by this. That is why we decided to only put 50% of the money in the foundation aid formula and distribute the other 50% in block grants to help those districts ease out of their current pattern and get ready for when it might all be distributed

through foundation aid. There was concern about this in the last session but we had superintendents telling us that this forced them to become more efficient.

Rep Kelsch introduced amendment #0202 and explained that this was the technical correction amendment that changes the statute from stating the year to saying it is based on the preceding year, and it clarifies the distribution that is in effect for the FTE payments. This also put in the amended dollars out of the contingency fund for the English proficiency program.

Rep. Ken Svedjan, Chairman commented that this includes everything that was mentioned before except changing the $600,000 back to the $300,000.

Rep Kelsch commented that this was correct and said that if Rep Brusegaard did not have this amendment already written, she would suggest that this change be made to replace the $600,00 with the original $300,000.

Rep. Bob Martinson moved to adopt amendment #0202 to HB1154.

Rep. Tom Brusegaard seconded (meter Tape #3, side B, #4.2)

Rep. Francis J. Wald asked if page one 3A should be a more specific date.

Rep Kelsch answered that it was okay because that it turns out to be September 15.

Rep. Ken Svedjan, Chairman called for a voice vote on the motion to adopt amendment #0202 to HB1154. Motion carried

Rep. Tom Brusegaard moved to further amend HB1154 on page 11, line 9 of the engrossed bill to replace the $600,000 with $300,000.

Rep. Bob Martinson seconded

Rep. Pam Gulleson asked what the new total appropriation was

Rep Kelsch answered $950,000

Rep. Ken Svedjan, Chairman called for a voice vote on the motion to further amend HB1154. Motion carried.

Rep. Ken Svedjan, Chairman commented that this bill will be set aside until we deal with the budget for the Department of Instruction (HB1013).

Rep. Ken Svedjan, Chairman reopened discussion on HB1154.

Rep. Tom Brusegaard explained that this amendment #0204 changes the per student payment numbers. (meter Tape #3, side B, #32.5)

Ms Roxanne Woeste explained the first year change in per student payments goes from $2726 to $2895 and the second year changes go from $2826 to $2995.

Rep. Tom Brusegaard explained that this bill also changed the language in statute to say "based on preceding year" so that the years don't have to be changed every biennium, and this amendment adds the JPA payments from the contingency fund after all other moneys from that are spent. Rep Brusegaard moved to adopt amendment #0204 to HB1154

Rep. Bob Martinson seconded

Rep. Jeff Delzer asked the teacher compensation in section 1 under section 5

Rep. Tom Brusegaard answered that this was money given out per teacher 4 years ago. This deals with how we give that money out to the schools.

Rep. Jeff Delzer asked if there was any discussion about lowering this number if the number of students lower.

Rep. Tom Brusegaard responded no, but we need to continue what we started. The total amount is going down as the teachers retire.

Rep. Al Carlson asked if there were more or less teachers falling into the program this year

Rep. Tom Brusegaard answered fewer

Rep. Ken Svedjan, Chairman called for a voice vote on the motion to adopt amendment #0204 to HB1154. Motion carried.

Rep. Tom Brusegaard moved a Do Pass As Amended motion to HB1154

Rep. Bob Martinson seconded

Rep. Clark Williams asked if there was anything in this bill that addressed the equity issue raised in the court case..

Rep Kelsch answered that there were two areas in this bill that addressed this issue and it was also addressed in the DPI budget. (meter Tape #3, side B, #37.7)

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass As Amended motion for HB1154. Motion carried with a vote of 12 yeas, 9 neas, and 2 absences. Rep Kelsch and Rep Brusegaard will carry this bill to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on HB1154.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1154
Per Student Payments

House Appropriations Full Committee

☐ Conference Committee

Hearing Date February 16, 2005

Tape Number	Side A	Side B	Meter #
1	X		#0 - #5.5

Committee Clerk Signature Chris Alexander

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on HB1154 and the clerk took roll call.

Rep. Bob Martinson moved to reconsider committee actions on HB1154

Rep. Blair Thoreson seconded.

Rep. Bob Martinson explained that there was a new report from the Department of Public Instruction on the level of the foundation payments and they effect the numbers a little bit so we need to reconsider our Do Pass on HB1154.

Rep. Ken Svedjan, Chairman commented that the incorrect numbers do not effect the dollars appropriation but it effects the per pupil figure.

Rep. Tom Brusegaard commented that this is correct. There is a pool of foundation aid funds that is distributed as per student payments. Somewhere in that procedure we got the wrong per student payment that plugs into that formula. It should be fixed.

Rep. Francis J. Wald asked if item 3 on back page where it says "$2 million or so much of that amount as is necessary" shouldn't say "as is available." If there is money left over from foundation aid because of a drop in enrollment that money will be used to fund this $2 million.

Rep. Ken Svedjan, Chairman commented that the discussion on the bill needed to wait until the bill was brought before us so he called for a voice vote on the motion to reconsider the committee actions on HB1154. Motion carried.

Rep. Jeff Delzer you need the "necessary" because it might not take the full $2 million to do what you need so if you change it, it should read "available and necessary."

Rep. Bob Martinson moved to adopt amendment #0206 to HB1154.

Rep. Tom Brusegaard seconded.

Ms Roxanne Woeste explained that the only change is in page 1 line 10-12. We adjusted these numbers to reflect the proper per student number that we received from the Department of Public Instruction. Yesterday we changed the first year of the biennium per student payment to $2895 and the second year to $2995. These numbers were incorrect. Now we are changing them to the first year's payment of $2813 and the second year's to $2912.

Rep. Ken Svedjan, Chairman called for a roll call vote on the motion to adopt amendment #0206 to HB1154. Motion carried with a vote of 20 yeas, 1 nea, and 2 absences.

Rep. Bob Martinson moved a Do Pass As Amended motion for HB1154.

Rep. Tom Brusegaard seconded.

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass As Amended motion to HB1154. Motion carried with a vote of 12 yeas, 10 nea, and 1 absence. Rep Kelsch and Rep Brusegaard will carry this to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on HB1154.

Rep. Ken Svedjan, Chairman adjourned the meeting. (meter Tape #1, side A, #5.5)

Date: **February 16, 2005**
Roll Call Vote #: **0 3**

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1154

House Appropriations - Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number **58232.0206**

Action Taken **DO PASS AS AMENDED**

Motion Made By **Rep Martinson** Seconded By **Rep Brusegaard**

Representatives	Yes	No	Representatives	Yes	No
Rep. Ken Svedjan, Chairman	X		Rep. Bob Skarphol	X	
Rep. Mike Timm, Vice Chairman	X		Rep. David Monson	X	
Rep. Bob Martinson	X		Rep. Eliot Glassheim		X
Rep. Tom Brusegaard	X		Rep. Jeff Delzer		X
Rep. Earl Rennerfeldt	AB		Rep. Chet Pollert	X	
Rep. Francis J. Wald	X		Rep. Larry Bellew		X
Rep. Ole Aarsvold		X	Rep. Alon C. Wieland	X	
Rep. Pam Gulleson		X	Rep. James Kerzman		X
Rep. Ron Carlisle	X		Rep. Ralph Metcalf		X
Rep. Keith Kempenich	X				
Rep. Blair Thoreson	X				
Rep. Joe Kroeber		X			
Rep. Clark Williams		X			
Rep. Al Carlson		X			

Total Yes **12** No **10**

Absent **1**

Floor Assignment **Rep Kelsch / Rep Brusegaard**

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1154, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 10 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1154 was placed on the Sixth order on the calendar.

Page 1, line 2, after the comma insert "15.1-27-37,"

Page 1, line 10, replace "seven" with "eight"

Page 1, line 11, replace "twenty-six" with "thirteen"

Page 1, line 12, replace "eight" with "nine" and replace "twenty-six" with "twelve"

Page 8, after line 29, insert:

"**SECTION 5. AMENDMENT.** Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the 2003-04 school year, the The reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September ~~15, 2003.~~

   ~~b.~~ For the 2004-05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2004.

   ~~c.~~ For the 2003-04 school year, the fifteenth of the current school year.

   b. The reimbursement under this section for each individual employed as of September ~~15, 2003~~ fifteenth of the current school year, as a full-time equivalent teacher for the first school year since becoming

licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

~~d.~~ For the 2004 05 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section."

Page 10, line 23, after "**LEARNERS**" insert "**- JOINT POWERS ASSOCIATIONS**"

Page 11, line 9, replace "$600,000" with "$300,000"

Page 11, after line 11, insert:

"3. The superintendent of public instruction shall use the next $2,000,000 or so much of that amount as is necessary, for the purpose of providing payments under 2005 Senate Bill No. 2168, as approved by the fifty-ninth legislative assembly, to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28."

Page 11, line 12, replace "3." with "4."

Renumber accordingly

2005 SENATE EDUCATION

HB 1154

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

❑ Conference Committee

Hearing Date 03/07/05

Tape Number	Side A	Side B	Meter #
1	x		50-5745
1		X	0 - end

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on HB 1154

Joe Morrissette : OMB introduced the bill. Briefly went through the bill section by section, explaining each section.

See attached : written testimony

(meter 0-520

Senator Seymour : What was total % increase in this package.

Joe Morrissette : In terms of dollars or per student payments?

Senator Seymour : Total dollars.

Joe Morrissette : That is a good question and I should know it off the top of my head but I am afraid I don't. I would have to calculate it and I am not quite that good with numbers without a calculator in front of me.

Senator Freborg : Perhaps you can provide that for us.

Joe Morrissette : I'd be glad to get that to you. I know that the increases in the per student payments were about 4 ½ %.

Senator Flakoll : On pg. 10 the top, what was taken out in respect to those pymts VS sub section b of that same section?

Joe Morrissette : This may have been changed by the House, I think. Maybe Anita can answer that. That takes out the limitation that a first yr. teacher receive only, that the district can only claim a thousand dollar reimbursement for that, unless I am reading that wrong. Looks like section b does keep that limitation in there. A first yr. teacher reimbursement is one thousand dollars, perhaps that is no longer necessary, b/c refers to a specific school yr. and now section b refers to the current school yr. It looks like limitation is still in there for the 1000.00 first yr. teacher.

Senator Flakoll : Section 4 relates to the isolated schools? Sub section one of section 4, we are saying that if no school in that section, they must receive a pmt. equal to fifteen students, regardless of it they have six or twelve. Correct?

Joe Morrissette : Correct, that is continued from current law. What was changed in there is the limitation, that they don't get it for anymore than fifteen students.

Lt. Governor Jack Dalrymple : Adding a few comments about education funding, that is certainly governed by this bill. The status of funding of school aid in general has changed a bit

since the beginnning of the sesssion. You will note that on the summery sheet that Joe attached to the back of his testimony, a few of the major changes, for the right hand column, you will see that the per student payments were actually increased by 16 million 7 hundred and 50 thousand. Transportation aid was decreased by 18 million 50 thousand. You have lost 1.3 million net there to state school aid. Not sure why those #'s don't match up, there is a net lose there. In regards to transportation aid, the only comment that we would have from the Governors office is that we would have some concern weather taking away ½ of transportation aid, my create some undue hardships on larger districts in terms of geography, that have many miles of transportation. So we would encourage you to look that over, in terms of the Senate did decrease, the proposed enhancement to revenue supplement to be called at the supplemental payments. This is our main source of school equity that we have been trying to gradually increase over the years. These are payments that go directly to the schools that we feel have the most difficulty generating their own resources for school funding. In order to qualify for that program, your spending per pupil must be below state wide average and your taxable valuation per pupil must be below state wide average. So these schools are the neediest and we feel that an increase of 2 ½ million dollars is very important particularly in our situation where we, next winter we'll be probably trying to make a case with our attorney, that we do have an equitable school funding plan. That 2 ½ million dollars is a very key piece of showing any court that we not only have an equitable plan but also an improving plan in terms of equity. So we would encourage you. Although it is not contained directly in this bill, it is certainly a big part of the school funding package, we would encourage you to take this up Senate colleagues. Reorganization bonuses, were decreased by 500 thousand, I believe those are funded on a contingency basis, somewhere in the bill, and in that

case it is not hard dollars, it will depend on weather there is a surplus of per pupil payments. Over all the Governors budget provided an increase in school funding 37.5 million dollars and that is not including the funds that are redistributed within the system, due to declining enrollment in some school districts. Those are hard new dollars regardless of rearrangement of dollars due to declining enrollment. The impact of that by the way is something of the order of 23 million dollars in shifting. You can see that we have included this money not only in foundation aid but in some important areas like supplemental payments, special education went up by 2.6 million, JPA we are recommending at 2 million dollars. We also have an additional 2.3 million dollars in career and technical education. Some of those areas were in essence rated by the House and the funds transferred over to foundation aid. We feel although it is always a good idea to try and increase foundation aid as much as possible, when you do that sacrificing equity, sacrificing school cooperation, and sacrificing the opportunity for schools to work together, you are not making the right kind of progress. So we would encourage you to keep up foundation aid funding but not at the expense of some of the other important incentive programs. This bill is the bill that contains the suggestions on increasing the minimum salary in statute. The Governor recommended an increase of 1500.00 dollars per year, getting to 24,500.00 by the second yr. The House concluded that the increase in the minimum should be 500.00 dollars per yr. We feel that is no more than a token gesture, it will not move the ball forward in that regards, and the questions rises for many corrections is, can schools afford to deal with us. We have done an analysis that shows that for the districts that are currently below 24,500.00, the estimated cost of the increasing salaries, to the level of 24,500.00 in the upcoming biennium would be 18 million 3 hundred thousand dollars. In the same analysis we found that for the schools that are affected

their proportionate share of the foundation aid increased, the school funding increase would be 18 million 9 hundred and 36 thousand. We do feel that whenever schools are receiving enough school funding to deal with an increase in minimum salary. That is assuming not just an increase of three thousand dollars, we have applied a ration of 1.5 to that which would indicate an increase 4,500.00 dollars for the average teacher across the schedule. The counter to this is that this is an aggregate this is total funds of all schools and obviously some schools have different circumstances than others. Those differences are primarily in enrollment, where schools have a declining enrollment, which is now a majority of our schools. It will create an additional hardship, this is not due to a lack of funding in aggregate, it is due to differences in the # of students. We would encourage you to look at this, and see the effects of this statutory change, we feel it is warranted, we are making good progress in moving teachers salaries up. We have moved up a couple of notches since that last session and we feel we need to continue that progress, we will not be able to unless we continue to work diligently, on all fronts in creating incentives for higher teacher pay. In regard to sections 2 and 3 the changes in weighting factors, this is very much an equity issue, we are not interested in fooling around with formulas for the fun of it. There are some hidden flaws of weighting factor scheme which is on pg. two of Joe's testimony, this old chart is flawed in a couple of ways. The main fact is there are certain schools under our system are deemed to be low cost school simply by virtue of the fact that they spend less money per pupil than other schools. I think common sense tells you that that is not exactly the same tool. If you have less spending it is b/c you have less money, not b/c you are so called lower cost. If you look at the two categories of .9346 for elementaries between 100 and 999 and further down, .9405 high schools 150-549, several of the plaintiff districts are in those categories. The

complaint they have is that they are being penalized b/c they are able to spend less, we think that analysis is correct and therefore this schedule proposes that no school receive less than 1.0 per student payment. Another reason why this is an important equity measure is that by shrinking the categories you statistically get larger sample of the school in more appropriate groupings. The larger sample for those of you that understand statistics know that it provides a more accurate, or equitable means for comparison purposes. It clearly shows up when you add more schools to a group. Finally the third reason why this is important for equity is that we feel as we go forward, these are the categories, that we would want to use in any rewrite of the school funding formula. We will one day be looking we believe at a small, medium and large categories, and a fourth category of small but isolated. We feel in order to build a new formula, we need those categories to be correct, we strongly encourage you to consider that change in the factors. The reason we are being more favorable to small but isolated by allowing them the bonus payment on all their students is that we feel in any scheme where we raise the payment to 1.0 we are now asking schools to compare themselves to their peers and in that context we want stay small but isolated, we recognize that you have no other options. Consolidation, cooperation is generally is not a possibility for your school and therefore we want to treat you fairly and treat you well, b/c you have a problem that cannot be solved, by any other means. Section 7 contains the language that we had today on 70 % of new money going to teacher compensation, that was worded exactly as it was worded at the end of the special session. We feel that was a very wise compromise, we feel that it has worked well, and ask that you continue with that same language.

Senator Freborg : Please stick to the bill, what it does to you, your school, your association or whatever.

Gloria Lokken : President of the NDEA standing in support of this bill indicated that we cannot have equity without adequacy. Support this with funding.

See attached : written testimony

(meter 2150-2645)

Joe Woestby : NDEA provided salary data.

See attached: written testimony

(meter 2735-3790)

Senator Seymour : Why do you think they took that money out of transportation and moved it out to foundation aid as far as your view goes.

Joe Woestby : I suppose it was to make foundation aid part of the formula look a little better, have larger per pupil payments. It does hurt the rural districts.

Senator Flakoll : Looking at the data here with respect to Masters VS Bachelors individuals, it looks like there is an 8 thousand dollar differential. Have you ever looked at a scenario where you apply that with a realization that ND probably has lowest # of teachers with Masters degrees that are around 20 % VS a national average of nearly 50 % and taking that 30 % differential and applied that 8000.00 dollars towards that and see where we rank?

Joe Woestby : No, we have not done that calculation, however that is something the low % of Masters degrees that you talked about has been a concern of our for sometime. Basically if you look at our salary schedule you can see why that there are so few folks that go ahead do get their Masters degrees b/c there is very little incentive in the salary schedules to make that happen. So we would suggest whatever that differential is it ought to be even larger to encourage people to go there. It takes a lot of money to go back to school for a full year and get a Masters degree.

Senator Flakoll : Looks like according to your #'s it is about 8500.00 dollars per/yr does that seem right?

Joe Woestby : Correct, BA maximum is 29.

Doug Johnson : I think we are in support of this of bill. We do feel there should be some changes made to this bill and particularly there needs to be significant increases of foundation aid and then reconsideration of the transportation the shifting of the dollars. NDCEL firmly believes we need to get funding for public education in the state of ND. Last year total state appropriation, public education from all sources reached about 42 % total of educating students in our state. Current bill has been amended, budgets about 22.8 million dollars in additional moneys for elementary and secondary education and it derives the increases based on the average of increases provided during the last previous state biennium. On Governors budget when he put that together, they look at the last biennium average it and that is how they came up with increase they recommended for their budget increase of the bill. We do not believe this is enough to meet the demanding needs of current educational funding in our schools. The NDCEL feels it is important that 70 % goal be reached, we would need and increase to the per pupil pymt. looking at it, to the 50 million dollars that we discussed earlier, we need to increase the per pupil payment to 2948.00 for the first yr. and 3048.00 of the second yr. of the biennium to do that. The substantial increase over what we currently proposed in the budget, we also think it is an important one to get us to that level, that needs to help schools to get where they need to be to help funding education. We also have concerns about the transportation with the block granting being shifted, as you know 16.75 million was shifted and put into ADM pymts. I will provide to you a printout of how that will look for the school districts based on information that was

provided by DPI. The impact it will have on school districts, we do have concern about that, we know there is a need to have efficiency studies in our school districts to make sure we get the best bang for our buck in the transportation process. Need to help these schools to get as efficient as they possibly can, we don't think at this point and time switching the current block grant to the ADM pmts. is the way to do that. We would like two more yrs. to study that. Doug explained the handout to the committee members.

Senator Flakoll : Dealing mostly with the supply side, anything in terms of distribution we should be looking at? Taking out of HB 1512, and moving any of these?

Doug Johnson : Yes, we do need to start looking at this, 1512 did open our eyes and some of our ears.

Senator Flakoll : More specifically there were items with special education, spending side, distribution.

Doug Johnson : When we looked at that, we had some concerns with those. We need to look at the whole funding, if you put all the dollars into it. You have to look at the equity side of it, the concern we had with 1512 was the 80 mills that the school districts could levy to get to the level they needed to or have additional dollars. We think that needs to be equalized as well.

Dean Koppleman : Supt. of Schools of Dickinson Public Schools. Specifically would like to talk or walk through on HB 1154 analysis how this would affect Dickinson Public. On the surface this looks like this would be a fair package in terms of moving the transportation to the foundation aid formula b/c it does generates some additional dollars. The problem is by looking at the total package you need to look at the total funding mechanism for school districts across the board which includes transportation, which includes tuition apportionment, which includes

supplemental payments, special payments. Where our tax base is and our cost per pupil, those kinds of things we do qualify for some supplemental equity pmts. Special Education is also a significant factor, so analyzing the whole thing we are gainers on the foundation aid side of it, we do lose about 90,000.00 in transportation b/c of the 50 % the mandated 500.00 increase on the base. I support higher teachers salaries and any mechanism that is workable to accomplish that 500.00 increase on the base for Dickinson Public b/c every salary schedule is different, compounds over 250 thousand in added costs. Depending on other resources that are available, when you do the calculation that increase to the district b/c of declining enrollment and other issues is probably less than 25,000.00. So you look at a 250,000.00 unfunded mandate, the bottom line in my opinion is that there is not enough money in the system to be able to do what we do, based on the approach that is being used. Transportation for example as far as I can recall hasn't had an increase since the 2001 session or before. Looking at the price of fuel and price of busses and the salary and wages, we can't continue to operate with the level amt. of funding there with the other issues that are going on.

Senator Flakoll : For every one dollar at the base, how much will that translate at the top end for you?

Dean Koppelman : Our salary schedule is an index type of system so it more than doubles in 15 yrs as you move from the Bachelors to a Masters. It is a factor of about 2.0 something but pretty much a factor of 2. We have 208 teachers, licensed people that we get compensated for. 500 dollars on the base actually translates to about 250 thousand in terms of costs.

Rick Diegel : Supt. of Edgley, would like to say how much losing the transportation aid would hurt our district. Small district with large miles to run. Calculations with the increase in the

foundation aid pmt. in compared to the lose in the transportation aid, we would lose about 16,000.00 dollars next yr. in total money. For us this is a lot of money, with the mill deduct we would lose another 10 thousand dollars and all that adds up. I think in current way of declining enrollment, we have other surrounding schools that are closing and with that comes bus miles will increase. This seems to be going in the opposite direction, of what is happening in rural ND by cutting the transportation aid. It would negatively affect us, and in some districts it would help, if you have a lot of students and short bus routes, that's a good thing. If you have few students and long bus routes it is a bad thing. I would urge you to consider changing or amending that to be more sympathetic to the schools out in the rural areas that have long bus routes.

Senator Flakoll : Are you a net gain or net lose on the mill levy redistribution formula?

Rick Diegel : What was withheld from us last yr. was a hundred and ninety thousand dollars in the mill deduct being withheld, we don't get anything back.

Senator Flakoll : Can we keep what you don't get back. If you don't think you get anything back.

Rick Diegel : I don't know how much of it is in the foundation aid is the mill deduct redistribution.

Senator Freborg : It all goes back into foundation aid and redistributed. To find out your net lose you need to figure out what's redistributed to your district, and subtract from what the mill deduct of the way.

Rick Diegel : I knew that was the formula, I don't know how much that specifically is, I know we don't get 190 thousand back.

Allen Burgad : Supt. of Schools of Northern Cass is against HB 1154 but for this if it is amended.

See attached : written testimony He also indicated that the block grant rolled into Foundation Aid would hurt rural schools.

Senator Freborg : I see that you used the mill deduct, as everyone does, what's your redistribution? What do you get back when the redistribution is out of those dollars.

Allen Burgad : When you calculate redistribution you have to calculate all what you have increase or what the legislation has increase foundation aid by. Correct? As a redistribution or is it 9 or 10 dollars per mill? When you calculate redistribution?

Senator Freborg : You get it back on per student payment, it is thrown into foundation aid and it is redistributed. On a 40 mill deduct, I am not sure you would have whatever, 45 million dollars? What is your share of that?

Allen Burgad: For us to calculate the redistribution you could take here exactly what we are getting in the 05-06 school year and we are going to see an increase of 54 thousand. That is what our increase will be. Our mills will go from 348 to 373, 348,000.00 and 373,000.00 which is a difference of 30,000.00 that's the increase in our mill deduct, so our foundation aid went up total dollars 54,000.00 and mill deduct is right around 28,000.00 so it is about half in our situation as I calculate it out.

Senator Freborg : I have a print out I will tell you what it is.

Allen Burgad : I'd like to see that b/c that is the second time you hammered me on that on.

Senator Freborg : We continually hear about losing for instance in your case 373,000.00 dollars on the mill deduct.

Allen Burgad : Right.

Senator Freborg : You do not lose that, amt.

Allen Burgad : We lose about half of that.

Senator Freborg : Then why didn't you tell us that? In our total calculation you have 185,000.00 dollars less than what you really get, b/c you show a deduct of 373,000.00 dollars, half is 185,000.00.

Allen Burgad : Correct

Senator Freborg : That is a lot of money, to say that you are not gettting.

Allen Burgad : I am not saying that we are not getting that.

Senator Freborg : Yes you did.

Allen Burgad : No, I said.

Senator Freborg : You have it right here in your calculation.

Allen Burgad : Right, it is a deduct, I understand we are getting it back in foundation aid, no doubt about it.

Senator Freborg : What we are saying is that the committee knows that.

Allen Burgad : Oh I know.

Senator Freborg : Time after time after time, people get up and say we have lost 100,000.00 dollars on the deduct. They did not, they might have lost 20, 30, or 40.

Allen Burgad : Right, and I know we lose about half of it. The way I have it calculated out to be.

Senator Freborg : We know exactly how much you lost, I just wanted to make sure you know you understand that.

Allen Burgad : I understand that, we get it back on foundation aid, with increase foundation aid.

Senator Freborg : I wanted make sure you would go through life not knowing.

LAUGHTER !!!!!!!!!!!!!!!!!!!!

Senator Freborg : This testimony is in favor of HB 1154 we will eventually get to opposition.

Rep. Kelsch : Dist 34 and apologized for being late, Chairman of House Education. I will explain some of the reason of the changes that we made and some of the most significant changes were made is on transportation. One thing over the years, we haven't talked about the pockets of moneys being run through the funding formula, people out there that believe that b/c they are not run through the foundation aid formula, that those moneys aren't equitable moneys and perhaps we should be putting all moneys into foundation aid and run them through the formula and then they would be equalized and then sent out to the school districts that way. We had a data and development study that came out of the interim committee and when we looked at that data development study, rural schools saw how much money they were losing under that study and were devastated. They wanted us to do something better, we put together a subcommittee together on that legislation and decided that perhaps the best thing to do was, there were two choices, leave it as a block granting to see how that would go for another session, or take it down the road and take transportation and run it through the foundation aid formula. House Education Committee decided that we would take half of those transportation dollars and run it through the foundation aid formula the other part under block grants, with the understanding that if that would pass through both sides, we know there is a long ways to go, but perhaps if it did that, that was a preparation for two yrs. from now, for us to realize that all that transportation was going to be under foundation aid. Two things that came out of the block grant in transportation last time, was #1 school districts became more efficient. There was superintendent after superintendent that

stood up and told us that we became more efficient, I think that by block granting the money during the last legislative session we perhaps did what was the right thing. We got these school districts to become more efficient, the other thing that they said was, we started thinking outside the box for transportation. So I really feel what we did the last time really helped, that was an issue for us as legislators. This session we thought that maybe we should try something different, and try to equalize as many dollars as possible, so we decided to put half in foundation aid and half in the block grant. With the hope that we would move further ahead on efficiency for transportation for these school districts. One thing that came up after the bill came over to the Senate was a possibility if this was something that we decided to do, a possibility of amending a lot and currently the school districts have the ability to contract with the parent, to take their school and to allow them to receive mileage to drive their child to school. One thing that came up afterwards was perhaps we should amend the law to allow a school district to contract with a family, b/c a lot of times what is happening right now is there is a 16, 17yr old student driving to school also at the same time his parents are driving to school. It would save money for the parents and simply be something that is more workable, I threw that out as a though b/c it came up after we had passed it out. House bill proposal that came from the original, raised the minimum salary for teachers, 1500.00 the first yr. and 1500.00 the second yr. We felt as though there are a lot of school districts that came in and said they just could not afford that with the money they were getting this session. We felt like we wanted to continue, with the increasing of the minimum phase b/c we think that has been good move on our part, which by the way Senator that is something that you had started and thought that it was good to continue so we changed that to 500.00 the first yr and 500.00 the second yr. that is a change we made from the original

bill. Some of the other and last changes that we made to the original bill that was brought into us was in the contingency dollars, we put the 600 thousand dollars for the reorganization bonuses, we put 300 thousand dollars in for the English language learners, that may not be necessary to have that if the Senate is able to find additional dollars, when the group came in for the LEP programs and spoke before us, they were requesting 950,000.00 dollars, the line item was 650,000.00. We know that it is a vital program and one of the individuals that testified said that, that group makes up the 16 th largest school district in the state. So we know that it is an important program and so we thought that perhaps we could come up with 300 thousand dollars and then, probably #3 on pg 12 is somewhat of pt. in this stage, house deliberation on the DPI budget, they removed the two million dollars from the line item for the JPA and this was one way for us to put back the funding for those, however the Senate kept the 2 million dollar appropriation in the JPA bill and we have that in the House committee sitting on that right now. Those are the basic changes that we made, we kept the waiting factor category the same as what the Governor brought into us and obviously the per student payments went up, based on the fact that we took half of the transportation dollars and put them into foundation aid. I know this isn't the end of the bill, I just wanted to you know we will be seeing a lot more of the bill, but just wanted to kind of lay out points and kind of understood where we were coming from.

Senator Freborg : That's good.

Rep Kelsch : Sometimes I know that you are wondering where we are coming from. We are in the same book but not on the same page.

Senator Freborg : Certainly we are, would it be fair to say that b/c I am getting for starting this increase in the base, I should also amend the allowance of the discontinue.

Rep. Kelsch : I remember that you thought that was an important thing to start, so.

Senator Freborg : I think that we have little school that are up to speed, that we are starting teachers at 15 to 16 thousand, so. We have taken care of that.

Senator Seymour : Where do you feel the Joint Powers Agreement will go, do you have any idea, will it be funded or not funded? Is it moving forward?

Rep Kelsch : I am not exactly sure where it is going, we had a really good hearing on the bill and it is kind of sitting there, we don't know if we will put it into a subcommittee or not.

Senator Flakoll : If we pass the bill out this afternoon, then we can work on the JPA on the house side then later?

Rep. Kelsch : That's exactly correct.

Senator Flakoll : Were there some appropriation changes?

Rep. Kelsch : One reason it needed to be sent down to appropriation is b/c the bill as it was written had designated half of the dollars to go to foundation aid, as the bill was sent to appropriations those #'s needed to be changed. There was also a technical correction that we missed and I brought the amendment down to appropriations and asked them to put it on rather than bringing it back to committee. That was dealing with the per teacher payment, of how we have typically done that as we have in state code, we have always had the previous yr. listed in there and every yr. we have to go back in and change the yr. Legislative Council came to us and said that it would be much cleaner and much easier if you just put in previous yr. so we made that technical correction and that's what came down from appropriations.

John Pretzer : Superintendent at the Scranton Public School, I am not here to testify about the mill deduct, and I will leave that one alone. I would like to talk with my board tomorrow

morning, about this legislation. Foundation Aid is always appreciated, and we appreciate the efforts of the legislator s and increasing the aid. My district is about 500 quare miles and every yr. we look at how can we change that or what can we do. One of the main consideration every yr. is ride time. Maybe we should consider ride time, we don't want our elementary younger students riding and hour and half one way on the bus. Our block grant this yr. is 103 thousand, currently as it is written in 1154 that would move to 50,000.00. Obviously with seven routes, if you replace a bus every other yr. your oldest bus is 14 yrs old. If 1154 passes as written how are we going to handle transportation in our district? Quite possibly we will not be offering transportation in our district. B/C for 50,000.00 dollars a yr. you just can't do it. We are not coming out on 103,000.00 dollars, there is a limit as to what the state can provide we understand that, so when it comes to foundation aid, we are losing probably 5-10 kids a yr. We are losing 8 kids this yr. a break even point for us in foundation aid is about as much as we can ask for. Our local tax payers have made up the burden for any increases in teachers salaries, and by the way my district has been very supportive of increasing teachers salaries where on a two year contract we are not even negotiating this yr. Our salaries, right now will hit the marks no matter what 1154 comes out as. The teachers do a fine job and they do need to get paid for what they do. We are concerned about the over all loss of funding primarily transportation, in 1154.

Senator G. Lee : Rep. Kelsch spoke before you and indicated that the block granting transportation in the school districts may have increased their efficiency and methods in which they transported routes. How has that affected your districts in what you are doing in compared to what you use to.

John Pretzer : The farmers and ranchers in rural ND don't really have the common courtesy to move closer to one another. It is very difficult, so how do you become more efficient unless you cut routes? When you cut routes you increase ride time and in our districts I heard the # 16 ½ hours would actually by taking 50 % of the block transportation, 16 ½ dollars would be added to the foundation aid pmt. You would know better than I if that is a correct #. If that is true, in my district we would gain roughly 2,800.00 dollars more in foundation aid but we will lose 48,000.00 in transportation. So really when you are taking block grant dollars and you are putting that money in foundation aid are you really affecting the schools with 170 students populous or the schools with 1500-2000 school populous.

Senator G. Lee : You didn't change anything and based on what you had done before, when it was based on rider ship and miles compared to what the block grant was?

John Pretzer : We looked at it and we didn't want to increase out ride time. I would like to address the issue of students that drive to school, we do have a # of students that do drive to school in High School, and most of these students have younger siblings. So when these kids drive into school and they might have an activity whether it is extra curricular or FBLA, FFA their younger brothers and sisters still need to have a ride home.

Testimony in Opposition :

Bev Neilson : SBA, I have decided to get up b/c we are not in favor of 1154 the way it is currently written. I wanted to comment about what Senator Flakoll had asked about 1512 and if there was anything in the distribution formula that could end up in 1154 that could be helpful like the special ed categories. We have talked about that and had discussions about it, the 1512 distribution formula only works with the state funding level that were in 1512, b/c otherwise you

will have smaller schools that will not get the correct return on the special ed dollars b/c of their enrollment. You have to have a very high level of state funding in order for that distribution formula to work. 2005-2007 proposed foundation aid increases that were proposed in the original 1154 would fall far short of funds districts will require in the upcoming biennium to face several new challenges aside from teachers salaries. Increase mandate course offerings which begin in the Fall of 2005 implementation of NCLB mandates, professional development, testing, school improvement and so on. Special Education cost increases and short falls in state reimbursement which has to be made up of local money and whatever state foundation aid we get, declining enrollment, reducing state aid payment. With this information as a back ground it brings me to the manner in which the house answered our call for significant increases in the foundation aid portion of HB 1154. We do not believe this foundation, that the problem of adequate foundation aid is solved by cutting 7 million dollars from the Governors budget in HB 1013 and taking 1//2 of the transportation already budgeted by districts and adding it to foundation aid. There's no way to make up the losses with district of declining enrollment, also cause confusion regarding the 70 % new foundation aid language, having to do with teachers compensation. Real New Money must be found to enhance foundation aid pymts to schools.

See attached : written testimony

Senator G. Lee : Do you know how many school districts didn't fit into that 70 % of money going toward teachers.

Bev Neilson : They have to report to DPI and I am not sure there may have been one or two that took advantage of the waiver. I think the others made it work. It is more a policy issue than anything.

Jim Grosz : Litchfield-Marion School

One of the things we talked about when we reorganized is that we have to transport kids. Our boundaries are about 520 square miles, so if anyone knows our area, we go about 15-17 miles out of Edgily and Katherine ND and to I-94 so that is quite a distance, and we did reduce a bus route. I commend you for putting the dollars in foundation aid, but not for taking it out for transportation. Yes, we do have some students that drive but it's the same thing for activities too. Also some of those students do have younger brothers and sisters and to get back home they need to ride a bus. We have people on the far end of our districts on each one, and I think when we talk about equity of miles, I don't know you would create equity of miles, we still have to travel miles. I think that at the same cost, if I have to drive that mile to and from school it should be the same cost for one big school or all schools. I don't know how you get equity in dealing with that, I don't think that is the way it should be dealt with. If you could see that in our projection for next yr., we lose three students, this could go up or down, we don't know how that will be affected, but yet in actuality I lose 60,000.00 just in transportation. I don't know what the weighted factors are, but something doesn't seem right here. If I lose three students I lose 60,000.00 dollars and usually it is less than that, and then we have to pick it up with property taxes. I just hope you do something with transportation, this still cost to drive a mile.

Senator Freborg : Did I hear you right, how many students would you lose to lose how much money?

Jim Grosz : The projections are without kindergarten, we have 170 kids and next yr. 127 and currently we receive 126,147.00 on transportation, and by going to half of that we would go to 60 thousand.

Sandy Clark : Represents ND Farm Bureau

We stand in opposition to this bill, but we do support part of this bill, the state funding for the k-12 education. We appreciate the efforts to increase foundation aid. However we do have some real concerns with a couple of sections, and like most folks you heard this morning on school transportation is an issue for us. As a farm organization we concern ourselves with issues that are like to rural communities with rural students and rural families. Transportation is a critical issue for rural families in rural ND. Please give serious consideration to restoring the funding for school transportation in the form of block grants, we feel that with teachers compensation with a non-funded mandate, ND Farm Bureau is opposed to unfunded mandates b/c many local districts have to raise property taxes to meet these minimums and this pushes the salary schedules.

Dean Bard : ND small organized schools

There are changes that need to be made on the bill. We are opposed to the bill except we hope you don't kill the bill. Let me remind you that one of our legislative goals is for 70 % of the cost of education being met for the state foundation aid program. We understand that that is very mythical in this day and age, but when it has slid to where it is today, being around 43 % that it has come down a long ways over the years of what it use to be. When we talk about HB 1154 which would bring the per pupil payment up 190.00 dollars for the next yr. of the biennium, in other wards going from 2623- to 2813.00 dollars, we don't feel that is enough. I heard this morning that when the Lt. Governor spoke his calculation was at 4 %. A 4 % increase was about what the bill would provide for, and when you look at the CPI I suppose you would say 4 % is adequate and I guess if it weren't for the changes within the bill and the changes that it properties to make, especially with group of schools that I represent, I think 4 % would be enough. I am

sure you get tired of those of us in educational community coming before you b/c we are always asking for more money it seems like, and frankly I get tired of that too. None the less we have that situation before us and we need to recognize it. When we go to the teachers minimum salary for instance as set out in the bill, and when we hear that the 18-20 million dollars, that is a lot of money that schools are going to have to deal with. Not every school will have that cost, b/c some of them are above the minimum salary level already. In the aggregate that is a 20 million dollar obligation. The lowest category of 075 is student 1.625 % factor is rolled in there as it has been over the years. taking that factor and running it down to someplace 1.00 is going to affect a lot of smaller school districts. Sec. 8 this will be hurtful to smaller school districts suffering most from declining enrollment, they will suffer the most. This is not appropriate and feel it ought to be changed. We would ask you to leave the mandatory minimum as the House has set it.

Wayne Stanley : Stanley Public School Superintendent, I didn't buy the town. Approximately 840 square miles running 9 bus routes, w/ a study over the summer, it requested or mandated nothing more than 60 min. ride time. We are currently running 100 % efficiency by the rt. index. We still have 4 routes that are running at a minimum of 70 min. a piece. With us to stay within the guide lines we would need to add more routes and become less efficient. This is a catch 22 when you look at it. Explained the Stanley location, 340 mile NW of Fargo which makes us a student poor district instead of a property rich district. We understand that the fact of where we lie, we do not have a large population and it is going to decrease. 1154 does do some great things, looking to increase the per pupil payment, we do want to encourage that to continue on. When we look at our school district we are tested through mandatory testing to meet adequately yearly progress. I would like to challenge the legislative committee to look at what

you are being tested on as far as adequate yearly progress. Don't leave it up to the court system to decide what you will give us. We are opposed to not having enough funding and I would hate to see it come down to a situation to where the courts dictate how it will be distributed and what will happen to the school districts when the states gets hold of this.

Woman from the audience asked a question.

Senator Freborg : Said she is not at liberty to ask a question, she would need to be elected,

Senator Freborg indicated that she could speak with him out in the hall.

Sophia Preszler : I am a concerned citizen from Bismarck, I do feel that if there is a broader problem why we don't know why we don't have enough funds. I think I have mentioned this before and it revolves around the fact that we are under the state legislative program that the wider commission on inter government relations, which actually is a program which is outside the bounds of the constitution. Because of this, rest assured that if we don't come within the bounds of the constitution there will be lawsuits, and rightfully there should be, if we are not under the constitution, then we should rightfully be called accountable. I honestly and truly feel that if we would get out of the state legislative program on the wider commission of inter government relations, we would have sufficient funds. Because of state legislative report on advisory commission on inter government position, if you are not satisfied with one program, you just pick another one and if you don't like that you pick another one. It is very costly to do that. It is like a runaway train a very costly one. That train must be stopped, and it must be stopped in education and expelled and I believe that we could go under a course of study. We would then have sufficient funds for education, and I Thank You, do you have any questions?

Chuck Brickner : Supt. of Schools in Carrington, ND

I oppose certain portions of this bill but not all of it. I am very concerned about transportation as well as other schools are. I am also concerned about reorganization bonuses. We plan to add three bus routes, we expect to cut from 165,000.00 for Carrington they add 33,000.00 dollars for Sykston, to about 50 % of that. I do realize that some of that has been transferred to student foundation aid per pupil. I am going to be increasing the budget, from 250,000.00 to over 300 thousand. We will be adding three bus routes working some shuttles. We reorganized, knowing that we are going to add more property but not many students, probably 50. The fact of the matter is, in order to reorganize, we have to expand our bus routes, if you are going to encourage reorganization, you encourage transportation payments, you encourage reorganization bonuses. They all work out, school districts, rural districts, in my frame of reference and going to be getting larger, not smaller. We are mandated as you all know to pick up our students, and we will do the best that we can. I would ask you to reconsider and rewrite the transportation portion, we simply lose too much money on that. Also, on reorganization bonus, when we are anticipating 259,000.00 dollars as a one time payment, right now is down to about 175,000.00. We do appropriate this into our budget. We would appreciate your support to rewrite the transportation bill and to get that reorganization bonus back up to where it should be.

Senator G. Lee : Point of curiosity, when you reorganized, what did it do to your mill levy?

Chuck Britner : Mill levy really decreased, Carrington ran 160 last yr., and 172 this yr. hopefully we will be 155 to for the first yr. to 150 depends on the reorganizational bonuses of transportation but next yr. we lose 17,000.00 dollars in the current funding we would expect that to bounce our mill levy up. I am saying the same state aid the formula that you have with this bill, I would expect that it would probably go back up at least another ten mills to 165 or so. I

don't know about negotiations, we negotiated 2 yr. contracts three to five % perhaps depends on the funding. We had 94 % approval rating in Carrington and 62 % approval rating in Sykston.

Senator G. Lee : That should help your local property tax.

Chuck Britner : Yes, it does.

Senator Flakoll : How much extra do you estimate in cost in transportation with the merger?

Chuck Britner : 20,000.00 that includes a 10 % raise in fuel tax, that is how I figured it out, that is not including purchasing a bus. We have busses that are pretty well shot, but if you prorate 22,000.00 over an 7-8 yr period that is what it costs for a bus route.

Senator Flakoll : So 1200.00 dollars plus per student, plus busses??

Chuck Britner : That sounds right, we are already running a bus through Fessenden.

Senator Freborg : Closed the hearing on HB 1154

No further discussion

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

☐ Conference Committee

Hearing Date 03/09/05

Tape Number	Side A	Side B	Meter #
3	X		106-5560

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

Section 2 Discussion,

Senator Freborg : Student payments will adjust when we are all through with the bill.

Senator Taylor : Does anyone recall, which testimony showed that the five yr. Averages turned out to be, b/c of the categories on the weighting factors.

Senator Freborg : I don't believe that we got that but we can. Categories have changed of course but the five yr. average will prevail.

Senator Flakoll : I think there is some information from Joe Morrisette, OMB, that probably help us out in that regard.

Senator Freborg : OK lets go to Section 6 minimum base, do we want to increase it or not. I am

talking about where it is from today not the bill. Should we do anything here or leave it?

Senator Taylor : Was there testimony, of how many schools have a pay schedule that would have a rippling effect by moving the base?

Senator Freborg : I think there was, someone testified that it would be at about 1.5 and someone else said it would be closer to 2.5 so maybe it is in the middle, like 2.

Senator Flakoll: For every dollar of competition there is probably average state wide, 14,000.00. 35-37 thousand dollars worth so we're at 47%, so we're at say 25%. If you raise that amount, it will affect a lot of other things. Workers comp, TFFR.

Senator Freborg: Could very well be. Senator Lee, I think the minimum salary push over, over the last couple sessions has had some benefit. Moving in salary scales, especially from bottom upward. I wouldn't support what's here.

Senator Erbele: I did support it when it first came around, because there were huge discrepancies out there. I felt we needed to have more of an attractive entry level starting salary for teachers. I would be more inclined at the level we are now to let the local boards decide what they want to have for their base again. Not going below of what we currently are of course.

Senator Taylor : At no point in history in the bill I don't think there is an appropriation to go along with this increase and did anyone testify as to what would be an appropriate increase in foundation aid to help support an increase in the base salary.

Senator Freborg : You can see the increase in the payments, of course that includes a lot of things besides the 22 million dollars in foundation aid.

Senator Seymour : I would like to say that the Governor has taken the lead on this over the past few years and it has worked. A friend of mine who is retiring this yr. is making 139,000.00

dollars a year as a teacher in Palatine, Illinois. So I don't think that anyone can pat themselves on the back of how great they have been with salaries in ND.

Senator Freborg : Do you know what my 60,000.00 house in Underwood is worth in Chicago? I am serious.

Senator Seymour : I do believe that if you would have moved there your house would appreciate and it would be worth that.

Senator Freborg : I think I could move my house to Chicago and make money.

Senator Freborg : Any more discussion? Minimum salary base? Assume this is where it is, several days to prepare.

Senator Flakoll : Could we go over section 4, with Tom Decker here.

Senator Freborg : We'll get there Senator Flakoll.

Senator Lee : Is it your intent to go over each section, resolve it and then move on?

Senator Freborg : That is what I would like to do Senator Lee, is take the bill section by section. Section 1 will be last.

Senator Lee: Are you ready for a motion on section 6?

Senator Freborg : I am .

Senator Lee: I would move to leave the salary base at what it is currently at for this year, which would be 21,500.00.

Senator Erbele seconded the motion

Senator Freborg : We would be removing the overstrike and underline language.

Senator Flakoll : I wish I had a little more idea of where we are at in terms of the data.

Senator Freborg : There is a motion.

Senator Taylor : I don't know if I am so opposed to the increases in there as I think we could tolerate them if we could find some dollars to support those increases. I too would like to see how many schools have a higher base.

Senator Freborg : I am assuming there are printouts available on what this would do.

No further discussion

Hearing None, Clerk took roll: Vote 3 Yea 3 Nay 0 Absent

Motion failed.

Senator Freborg : Senator Flakoll wants to go to Section 4.

Senator Flakoll : Could we have Tom Decker come up? To explain, I am not sure what the necessity is.

Senator Freborg : Tom.

Tom Decker : DPI, I really need to take those two home, we have a provision in law that we go through every yr. to determine what schools are isolated and what % of the enrollment are isolated and qualify for a payment and now they get, those schools and students get 120 % of foundation aid payment. Jerry could help me with the numbers here, but the total amt. of money we pay here is very nearly inconsequential. A very small amt. of money, and I am not convinced that this whole piece has been all that beneficial. There are probably other ways to do this, but what we need to do in my estimation is actually define, what a small but necessary school is. To put some real money into them instead of doing this little mapping drill that provides a few x-tra dollars to a small group of schools each yr. I am not it from 20 to 25. If you leave it I would say leave it at 20.

Senator G. Lee : If 2333 would happen to pass how would that affect this section with the first, #1 go away, or if there is an isolated elementary school that belongs to a district would they be qualified for those kinds of payments?

Tom Decker : Well, it does say an elementary school, so presumably if 2333 passes and these K-8 districts become part of a High School Administrators structure but the elementary schools are still open, those districts would be eligible for these dollars.

Senator Flakoll : Section 4 subsection 1, if you have 50 students and 15 % of them live outside the radius, you would qualify, so initially they would get, 1.3619 and then add to that would be an additional 25 % weighting factor?

Tom Decker : It would be 25 % of that amount, 25 % of the base factor.

Senator Flakoll : So you take that # but times 1.25 essentially. On a guarantee of 15 students?

Tom Decker : Right, that makes it look like there was some intent for this to apply to the district if 2333 passes then these schools become part of high school districts who are already running a K-12 operation, and have staffing and services for at least one school already. If necessary at all they guarantee a minimum of 15. You would need guarantee of enrollment of that school that was there. Taking the factor times 1.25 doesn't produce a lot of x-tra revenue.

Senator Taylor : With the definitions as they are right now do you have the number of schools with elementary, how many elementary and how many high schools actually qualify for this?

Tom Decker : There are twice as many elementary schools as there are High Schools that qualify. Partly because of the mileage factor, I could check on the total dollars it is just not a lot of money. In the billions that we spend on education it really doesn't make that much difference.

Senator Taylor : If we are looking at making a change in this to where it is maybe more valuable or serves more of a real purpose, it seems to me that a High School with less than 35 students and I have one in my district. You are going to get to a point where these schools aren't going to be around to take advantage of it. We might give them a little extra credit, so do you have anything in mind as to rather than doing a population and a radius of going to a square miles basis by districts or something to do with time in transportation, rather than distance or what are your thoughts.

Tom Decker : I did thought for quite a number of years is what we really need to do is, meaningfully define what small but necessary school is in ND. No offense but the definition of a small and necessary school is any small school in my legislative district. This is a standing joke, this doesn't work, we need to be more definitive about what schools need to be open b/c of some factors of geography that we can define, and then we need to provide them with some real money. We need to look at what it is going to staff and run these schools but not like they were a free standing operation, so there is another issue to deal with. If you are talking about running a small and necessary high school, that we have decided for whatever reason needs to provide say K-12 services for maybe who knows 60 students, someplace of like Grenora, ND. To do that on a basis that provides educational adequacy, you are talking about a factor that's way beyond 1.25. The other side of the issue is there are not too many of those places.

Senator Taylor : These schools are also having rates of declining enrollment of course, could an adjustment to a weighting factor compensate for that in a small but necessary school? Adequacy is one thing but how big is that number going to have to be to protect the school that geographically needs to survive?

Tom Decker : You will need to be looking at the capability to provide a comparable set of services to those students that students of any other high school in ND would be providing for them. Say if we are talking about a high school of 120 students which is really the smallest number that really operates truly economically and pretty effectively educationally, you are going to half that you would be looking at doubling the cost in round numbers to provide a comparable set of services.

Senator Freborg : Remember that Tom is here for informational purposes only, not to make up our minds on how to vote or whether this is good or bad.

Senator Freborg : Senator Flakoll this is your Section, have you decided anything like you would like to go to section 7 or something?

Senator Flakoll : After fully reviewing I thought what I would like to do is go to section 7.

Senator Freborg : OK committee, section 7, teachers compensation.

Senator Flakoll : Well, this has been? I like transportation Mr. Chairman.

Senator Freborg : Does everyone like transportation? They could have used some of that money, that we could have saved on raising the base to pay for what they will be losing on transportation.

Senator Erbele : My 12 schools want the transportation back 100 %. The block grant of 100 %.

Senator Freborg : Tom are the printouts ready on the old formula?

Tom Decker : I don't but I can find out quickly.

Senator Freborg : We need the total dollars in transportation, to see if we would say a couple million dollars, we should have a few less students b/c we are not losing them in town. Jerry should have about 10 printouts that we are waiting on, Tom could you relay that message to him?

Tom Decker : Yes.

Senator Flakoll : I think one of the big problems with the block grants are we are paying for children that aren't there any more and if I don't stick up for West Fargo you will. If WF continues to grow they don't get any additional transportation money for the students that they are bringing in, so that doesn't seem like a very fair system that doesn't allow for those additional students that they have.

Senator Freborg : So you would support going back to the old formula?

Senator Flakoll : I think it was getting better but it still had problems with like a 48 passenger bus in one part of the state would get paid more per mile than a 48 passenger bus with exact same bus with exact same pin number, and license plate in another part of the state. We kind of took possibly the easy way out, as we block granted that out.

Senator Taylor : I would need to correct my colleague to the left, that I doubt that it had the exact same license plate. There would be some ownership issues there. (Laughter) I think on a policy stand, six folks are not to just represent just our schools, it is wrong headed policy to take dollars that schools are already getting on a transportation basis, considering the cost of fuel and even if a district has fewer students we know they are covering just as many miles in a lot of areas of the state at an increase in cost. Shuffling that in to a per student basis where also, my colleague who I am pretty sure voted against 1048, could have attacked a childhood obesity by having more students walk to school, in those quote crowded urban areas.

Senator Flakoll : I will correct my colleague to my right, b/c actually you can have the same vin # b/c when that same bus goes and transports say if you are in WF and they bring him in from the outlying areas, that bus is paid at a different rate I believe than when they run an intercity route.

Senator Freborg : Are you waiting for my comment?

Senator Flakoll : Nope.

Senator Freborg : Ok, lets move onto section 10

Senator Flakoll : That seems like a pretty reasonable section to me and **I would move to adopt, section 10 found on pg. 15 of reengrossed House bill 1154**

Senator Taylor second the motion.

Hearing no other discussion, clerk took the roll. vote: 6 yea 0 nay 0 absent.

Senator Flakoll : As long as we have Tom could we go to section 9? I have a couple questions on the reorganization bonus. In testimony in section 9, b/c they have received ½ million dollars reorganization bonus, this allowed them financial freedom to lower their levies. Does that occur very often? This seems going contrary to the intent of providing these bonuses. What are the provisions to this?

Tom Decker : There is going to be a variety of the circumstances, of different districts that we have given bonuses to, but when a district reorganizes all the assets of the multiple of the all districts become the assists of the new districts and sometimes that results in a fair amt. of carry over. You drop 500,000.00 dollars on top of that and they could conceivable be over their limit for a carry over and subject to a deduct and based on that. If they knew that was coming or anticipated that appropriately one of the things they could do to stay under that ceiling is maybe give their taxpayers a momentary break, is to reduce their levy a little bit. Yes, it could happen and I don't think it is usual and I haven't heard about that, it doesn't mean that it doesn't happen but I also haven't heard that this hasn't happened.

Senator Flakoll : Do they have the option or not? Do they have to take the one lump summing of that? Either on the books or otherwise? If they say this is going to take a two yr. process, roll ½ of it this yr. and ½ next yr. there are options that exits?

Tom Decker : It has been a single payment option. Dec. 1 following your reorganization, you get the full amt. of the money they have got coming.

Senator Taylor : Tom is there a stated bill of providing reorganization bonuses knowing that I would imagine that when schools reorganize, they had to mention the economies scale and the scale would come into play and they could become more efficient in providing services, or is there a stated goal of putting these carrots out for districts.

Tom Decker : Back two yrs. ago when this was being discussed and put into law, the discussion had to do with getting enough land mass and students together to create long term solution. That was the goal, this was the idea of to get three districts together instead of two, get them to think longer term solutions.

Senator Taylor : In Section 7 on teachers compensation the new dollars being pretty strict defined as increase in per student payments. The feelings of the rest of the committee that all those transportation money going to be transferred to 70 % of it as teacher pay?

Senator Freborg : Could be if it is new money in foundation aid.

Senator Taylor : New old money?

Senator Flakoll : This would be like a minimum of 12.6 million would go from transportation to compensation.

Senator Erbele : Could you repeat that again.

Senator Flakoll : 18 million dollars in money would be slid over to foundation aid and if you take 70 % minimum of that 7 times 10 million this would be 7 million, and the other one is 5.6 so you would have 5.6 million plus 7 million, this would be 12 million plus. So give or take a few.

Senator Flakoll : I am prepared to make a motion on Section 3, weighting payments for elementary school districts, unless there are some amendments on the horizon.

Senator Flakoll moved to adopt Section 3 of House Bill 1154.

Senator G. Lee second the motion.

Discussion?

Senator G. Lee : Just an observation for elementary school districts less than 100 would that change the whole mix of things again in 2333 if it would happen to pass?

Senator Freborg : I wouldn't worry too much about that. They may not even get that out of committee.

Senator Taylor : If I am reading this correct it deals with any district operating an elementary school, rather than just elementary districts. Would that be encompassing all the elementary schools?

Senator Flakoll : These are numerical averages based on actual data, unless we want to go, we could change say a four year statistical average or whatever. Unless we want to go in there and tinker with the weighting, or we could tinker with the number of students but the students numbers seem to align with what we did in some other bills.

No further discussion

Hearing note roll call was taken, vote: 6 yea 0 nay 0 absent

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

❑ Conference Committee

Hearing Date 03/14/05

Tape Number	Side A	Side B	Meter #
2	x		1870-end
2		x	0-5900

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

Senator Freborg : How about Section 2 committee weighting factors and categories.

Senator Flakoll : I move to adopt Section 2 to reengrossed **HB 1154**

Senator Erbele second the motion.

discussion on the motion :

Senator Taylor : Looking at the changes and I know it's another one of those deals where there are going to be some winners and some losers. If anyone has got some information, I assume this takes us to more of a real world cost of education, but of course it is going to affect the small school, at least the ones that I can tell that are under 70 students going from 1.44 to 1.28. I guess I would entertain some folks telling me why that is a good thing, or if that is even a needed move.

Senator Freborg : Well, we go to the five year average cost pertaining to the category.

Senator Taylor : OK

Senator Flakoll : I think we have kind of changed the category sizes and I don't know that the numbers per say are any different, but with the school just because of reconfiguration of categories, and probably tie the actual numbers to them and I think that is why, there isn't any change in terms of someone on the House side saying lets add here or there, which is something that is sent down from DPI based upon actual numbers.

Senator Freborg : This is for a Do Pass on Section 2

No further discussion

Hearing None, Clerk took roll: Vote 4 Yea 1 Nay 1 Absent

Senator Freborg : Other discussion on the bill, this is a direct appropriation for reorganization bonuses. Contingency money is wonderful except most of it will be too late, that is two yrs. down the road the end of the next biennium. We need money before that and after all if there is a contingency it costs the same. One thing we could do if it would make you more comfortable, simply to say that and I am not sure without looking where we are in the line for contingency payments I would have to look, we could say that the first seven hundred fifty nine thousand on the contingency, where ever this comes in line and goes back to the general fund. Because we are paying this out of the general fund. By getting the signal by all of our help in the audience we are #1 in the contingency. This would be the first thing paid out of any contingency money, but we need the money upfront. We can say that the first 759,000.00 on the contingency goes into the general fund to replace this appropriation, that might be wise if we want to get it passed. I believe that will be the end of bonus payments.

Senator Taylor : The 759,000.00 would make all the couple is the two reorganization.

Senator Freborg : Yes,

Senator Freborg : The 600 thousand dollars on the contingency is not sufficient to cover the cost.

Senator Flakoll : Base upon testimony earlier, what's the 759,000.00 dollars is that, I wish there would be something that would protect them and protect us, from lowering their mill levies b/c they have x-tra money now. Either by providing them with an exemption from the carry over for one year or something to that effect that, we heard testimony earlier that b/c we gave them this reorganization money, they had x-tra money that they didn't need to (meter 2378) and that is one of the reasons why they went with the 140 mills.

Senator Freborg : Do you think that it is Senator Flakoll?

Senator Flakoll : That was included in testimony, so I am looking for, what I am thinking more along the lines would be is if they were, the reason why they went down is b/c there is some reorganization that went on, and through this they may try to bring it back down so they don't get way past their cap of the ending fund balance and get fewer dollars from the state. I was just wondering that if we should have or if someone has the bonus money coming in that they should have the one yr. or two yr. exemption from that provision.

Senator Freborg : We can put that on Senator Flakoll and for all of you just for information purposes, we cannot call Tom b/c he is home sick, and we really can't wait for him either, or we'll be home sick.

Senator Taylor : On that topic, from my knowledge of the case, one reorganized district probably are going to become more efficient levy dollars not mills. I am sure if you through more

dollars in there they may be lowering their mills. The instance he is referring to, although it was mentioned that some mills were lowered it really had more so to do with an increase in valuation, to do a pipeline coming through the district. I think, I am not sure of the instances, of the 759,000.00 are going to but I think it would be unlikely that they are going to have the stars aligned in the same way that we wouldn't have to worry about it.

Senator Flakoll : Was it 759,000.00 dollars, we're looking at how many different districts?

Senator Freborg : Two that I know of. Districts? or Reorganizations?

Senator Flakoll : Districts?

Senator Freborg : I am not sure Senator Flakoll maybe five.

Senator Flakoll : Logically a greater number of these tend to go to a smaller school district, so it is an amount such as we are looking at here, would have or could have a more significant impact in their ending fund balance.

Senator Freborg : We can put that amendment on if that is what you wish, we can try to put the amendment on Senator Flakoll.

Senator Flakoll : The other question is again walking through how 759,000.00 dollars and put it toward the appropriation but not or would it impact your per pupil payments?

Senator Freborg : I assume, Senator Flakoll that if you put that all in your ending fund, it certainly could if that came in an ending fund balance.

Senator Flakoll : New topic, what I am looking at with section 13 were adding 560,000.00 bucks approximately are we looking to be revenue neutral in the total budget with that or would we have to take 750,000.00 dollars approximately out of per student payments, to cover that early on so that we could maybe get it back to later on, is that how that will play out or what.

Senator Freborg : Senator Flakoll this is a general fund appropriation, are you wondering if this coming out of foundation aid. This is a general fund appropriation.

Senator Flakoll : So this is added onto the existing?

Senator Freborg : This is separate from the amt. of money that is in foundation aid. You need to make those questions simple for me. Especially when it is a simple question.

Senator Flakoll : That's what the other money comes out of too. I would be less inclined to vote for it if it was a redistribution of the 510 million dollars give or take a few here and there.

Senator Freborg : As far as I can remember Senator Flakoll it never has been. It's always been a line item of approriation or paid out of the contingency. Your thoughts on an amendment are perhaps very appropriate.

Senator Flakoll : I will try to muddle through this with the committee, I think everyone kind of knows what I am trying to get at. With respect to those that are in a reorganization that eventually that money not be included as part of the formula for ending fund balances where in they are, penalized for have an ending fund balance in excess of the numbers of whatever section it is in. For two yrs. So the yr. they get it is yr. one and the yr. after would be yr. two. So the ending fund balance wouldn't be held against them. I think Tom said that they get the money the end of December, that would be per school yr and the yr. after. So for the 05-06 school yr. this money wouldn't be held against. Also for the 06-07 it wouldn't for thereafter it would. This will give them a little time for them to get the money spent for what our intentions are of it.

Senator Taylor : To refresh my memory ending fund balance is limited to what? 40 % of the annual budget.

Senator Freborg : I believe it is 40 % plus 20,000.00, I may be wrong. I will tell you in a minute, If I can find it. I believe it is 50 % right now but will go to 45 % and then eventually 40 %.

Senator Freborg : Senator Flakoll what did you say the first time?

Senator Flakoll : By 2007 we go down I think.

Senator Freborg : It doesn't say that. It says 45 % after June 30th 2008. So now it is 50 % plus 20,000.00 dollars after June 30th 2008, it will be 45 % .

Senator Taylor : Of total revenue or total expenditures.

Senator Flakoll : What about 40 % when does that start?

Senator Freborg : I don't see that Senator Flakoll, I think you missed that. We don't have a 40 %.

So now that we are all educated, Senator Flakoll did you put that in the form of a motion?

Senator Flakoll : Yes.

Senator G. Lee : Could we hear the motion again.

Senator Flakoll : To the effect of the ending fund balance that would increase the ending fund balance that could be caused by the influx of the reorganization money that it wouldn't be held against them, for two yrs.

Senator G. Lee : Second the motion.

Senator Freborg : Ok now that we understand the motion. Bonus pymts won't count against the ending fund balance for two yrs. It will give you that much time to do what ever with it, cut your levy and spend the money.

Senator G. Lee : Would the three school districts that other bill that we had earlier would of that made a difference for them in terms of getting the money?

Senator Taylor : The dissolution bill.

Senator Freborg : No

Senator Freborg : Was that an amendment to the amendment Senator Flakoll?

Senator Flakoll : Yes that was to further amend .0304.

Senator Freborg : The motion is to further amend 58232.0304 with the Flakoll

No other discussion

Hearing None, Clerk took roll: Vote 6 Yea 0 Nay 0 Absent

Senator Freborg : Now committee any questions?

Senator Flakoll : As far as this 759,000.00 that's kind of committed and what is the general intent of who that might go to.

Senator Freborg : Schools that are in the process, who will complete reorganization in the coming biennium.

Senator Flakoll : How does number obtained, without saying the word Tom.

Senator Freborg : Tom could tell us, I am assuming that they know how many students they have within the reorganization, they'll have all of the qualifications to receive whatever amt. of money. They know the three different areas, I believe that they can be paid for, they will know how the schools meet those standards.

Senator Taylor : Looking at the amendment as a whole, I could grab the book, what are the two repealers referring to again? Past sections on reorganizations. 12-11.1 ?

Senator Freborg : Perhaps does away with reorganizations. It has to do with reorganization bonuses, eligibility and distribution. 11.1 this is the language for that. 11.2 is the reorganization of advanced payments. It does away with reorganization bonuses in the future, I think that is what I stated when I said there would be no more reorganization. What would we like to do with this amendment committee.

Senator Flakoll : The proposed amendments the .0304 amendments still leave in tact all the que lines, distribution, ranking order so that if you take # 1 out of there, so on pg. 12 section 9 subsection 2,3,4 are they still in there.

Senator Freborg : I would believe that they would move right up in ranking. They would have to renumber those, as well as change the language.

Senator Freborg : Senator Flakoll I believe this becomes automatic if we do this. Legislative Council will have to make all the corrections and changes to comply with the amendment. Of course we could leave, 2, 3, and 4 and not pay out any money.

Senator Flakoll : The .304 amendments the effective date on section 9 and them become on Jan, 06. The other one becomes effective when the law kicks in, right? I am curious as to why one would have a later effective date VS the other one. It's not like I am going to vote differently on this.

Senator Freborg : Do we need a five minute break so we can see the bill a little bit better.

Senator G. Lee : I move the amendment 58232.0304 the Freborg amendment or should I say with the Flakoll amendment.

Senator Taylor second the motion.

No further discussion

Senator Freborg : A Do Pass on the amended amendment.

Hearing None, Clerk took roll: Vote 5 Yea 1 Nay 0 Absent

Senator Freborg : Can we talk about transportation, Senator Flakoll will we need to put this off for a week or two?

Senator Flakoll : I thought you meant to leave it as in the way (meter 6030)

Senator Freborg : No, we don't have to take action or discussion on transportation, we have plenty of other to look at in this bill. Is anyone here serious about providing additional equity? I know we have people in the room that are not, but I am wondering about the committee?

Senator Erbele : I am not.

Senator Freborg : I am sure there are multitude so people, however I am remember back to when we had 1512 and we had about 40 people upstairs that would have given both arms to kill that bill than raise the mill deduct a little bit. B/C 1512 did the exact same thing. I just wonder if we are just interested in doing a tiny bit in the area equity or do we want to do a whole done after the courts get done with us. I don't think they will but what if they said to raise the mill deduct to equally the 195 state wide average mill? Those of us that are here wouldn't have to worry about it, after one election cycle. There are people in back just screaming to do that, they are screaming and I am not sure what it is about.

Senator Flakoll : Screaming to change the mill levy, or to get rid of us.

Senator Freborg : To raise the deduct. Are we interested at all in doing that?

Senator Taylor : Does equity always have to come from redistributing local property taxes around the state or can equity also be achieved by other state wide.??

Senator Freborg : I am more than willing to look at any process that we can dream up that will provide some equity and I have several amendments that will do just that. If we adopted all of them we would be in pretty good shape, we will hear 121 reasons why we shouldn't do it. b/c of the computer age and all the printouts that float around the building. I can tell you exactly how it will divide up. I think we need to decide if we want to try provide some equity or not. I think we should raise the escalator 1 mill.

Senator Flakoll : Equity you are essentially referring to the mill levy redistribution and not, I suppose we could argue that the House by putting money from transportation to the foundation aid they ran more money through the formula, or those kinds of things

Senator Freborg : We haven't addressed transportation yet, we were going to put some equity in there too, if any votes around that want to do it.

Senator Flakoll : If one were to agree, that our formula provides some level of equity, we still have a fair amt. of money out there that doesn't go through that formula.

Senator Freborg : We have today, prior to any amendments being offered to change that. I don't know what money you are talking about Senator Flakoll, but we have a lot of money that does not go through the formula. Perhaps I could get rid of one of the envelopes, even if you don't want to do it. This raises the deduct 2 mills, I would prefer today to only consider one mill on the escalators.

Senator Flakoll : When you talk about raising you talk about increasing the rates,?

Senator Freborg : Increasing the escalator by one mill.

Senator Flakoll : So it would go from two mills per yr to three mills per yr.

Senator Freborg : Correct, and I know the House can't vote against it b/c they tried so hard to provide equity.

Senator Taylor : Adding the transportation aid into the sum of paymts before you subtract the mill levy deduct would have what results.

Senator Freborg : Adding transportation aid.

Senator Taylor : There is new language here if you add up the payments due. It does add transportation aid in there.

Senator Freborg : I will read the amendment. Your right it does add transportation aid, I would prefer the amendment it not add transportation aid. I had no on the deduct on a little note to myself and not remembering why. I do have another amendment that will affect transportation aid.

Senator Flakoll : The part of the amendment that's drafted would run the money through the formula right?

Senator Freborg : In this amendment?

Senator Flakoll : Run the transportation right through the formula to see what would happen to the per student payment. The reason for snickering, it does talk about the 45 % plus 20,000.00 dollars.

Senator Freborg : That's possible Senator Flakoll.

Senator Erbele : One subsection A where we have the overstrike on 36-38 mills is that what we would currently go to with the two mill escalator that we currently have?

Senator Freborg : That is the two mill escalator driven through 2008 I think it says. It is up two mills per yr. now.

Senator Erbele : Per biennium,??

Senator Freborg : No, per yr. Senator Erbele , this amendment calls for an increase of two and I don't want that. I prefer it was one yr.

Senator Flakoll : Current two, plus and additional of one, so a total of three per year.

Senator Erbele : So then the line with what you would want would be 39 instead of 38?

Senator Freborg : No,

Senator Erbele : Then this would go to 42, instead of 40 for next yr.??

Senator Freborg : No Senator Erbele

Senator Erbele : All right.

Senator Freborg : The two mills we are talking about are included in that subsection A. Senator Taylor it does include the deduct on transportation aid. I don't care if we do that or not, I have another bill that affects transportation.

Senator Taylor : Has transportation aid been included in that sum before and this is just a matter of adding the language here, or has this been held separate previously.

Senator Freborg : No, the deduct has not applied. That is new language on those area that the deduct applies to. However I think we should apply the deduct, there is so much money out there, were there is no equalization tracked on it, but I am not hung up on that Senator Taylor.

Senator Flakoll : Could you help me out on that is that the right # under section 2 subsection one A. Right now we are at 36 mills, when does the 38 start? When you are looking at the 38 there is no 38 here. There is only 36 and increase by 4 mills in the amendment, it should go to 40 the first yr. of the biennium.

Senator Freborg : No Senator Flakoll I don't think that we are speaking to the additional formulas, I think this is what the present escalator will do. We can call Anita and find out.

Senator Flakoll : No, don't do that.

Senator Seymour : In #2 there it says beginning July 1, 2006 that is when the 4 will kick in.

Senator Flakoll : Philosophically, we don't need Anita down here for me. That will kick in July of 06 but what about July 05.

Senator Freborg : Two mills.

Senator Flakoll : So two the first yr. and four there after.

Senator Freborg : This will go into effect this yr.

Senator Flakoll : I was thinking that when you quoted the amt., that this would be equal throughout the biennium.

Senator Freborg : Anyone else? How about transportation?

Senator Seymour : I have a statement that something should be done with transportation, for the rural areas, it isn't fair. I don't have the answer but something needs to be done.

Senator **Flakoll :** I do have some amendments coming soon on transportation.

Senator Erbele : For what I represent I would like to see it restored.

Senator Freborg : I am assuming Senator Flakoll would do something on his amendments.

Senator Flakoll : No, we won't put it all to foundation aid, it is interesting that it made if from the House.

Senator Freborg : Do you already have the amendment? I wonder what this one does,?

Senator Flakoll : I have a similar one.

Senator Freborg : Over a five yr. period I think it is, a long studied and expensive formula if you would call it that, this would be phased in over a five year period. I am trying to get a print out from Anita from applying the old formula that we used four years ago to establish the base for block grants, and run that formula on present data to see how much money it would take today under that formula. The formula doesn't exit any more but we could still find out what it would provide if we had the formula. If it is fewer dollars we could establish that as a new base for grants or we could do something like this, or we could do nothing Senator Flakoll.

Senator Taylor : Without the benefit of having the author of that analysis to present to the committee, I'd be very nervous about giving any approval to a phase, to my understanding when session first started, I gleamed a little bit from House members but mostly from districts what data envelopment analysis would amt. to. One it was much much less, and two no one understood it. This may be a decent phase in plan, but I need to know more about DEA before I would be able to vote for it.

Senator Freborg : What it did, and some of us were surprised that we rewarded deficient districts and gave them more money than they normally get. My thinking was when they requested funds every year or every biennium to continue that study, that we would save money b/c we became more efficient, and then it wouldn't take as much to fund transportation, unfortunately that is not the way it turned out. They continued to use all the money under this program and reward deficient districts. I don't know what would happen after they all became efficient. If we were to reward them all it would take a new appropriation. A larger appropriation, I am not hung up on this at all, it is processed we paid 2 or 3 hundred thousand dollars for over a period of 6 to 8 yrs to have the study done. Not much has happened since.

Senator Taylor : I have a hard time believing that even the transportation institute out in Fargo is going to know better how to allocate resources than the Superintendent in his or her own district. The block grant is stable, it is not right for a static amt. of money to be put out into the future, that would be a starting point. Added to a CPI for fuel or some kind of an escalator to that and stay with the Superintendent having their say so of how to distribute that transportation in three district, I would believe that would be better than what would come out of the transportation institute.

Senator G. Lee : Assuming there is some information available and #'s and how this would affect or how this is rolled out, that the House had benefit of.

Senator Freborg : If you remember, that was passed out for our interim committee sometime back. I don't have it and I didn't get it for this amendment. I am not necessarily a strong supporter of DEA. I think that it is great that they have all that information and can tell how many miles each district has to drive to pick up all their students. They know where the live and what have you, I think for instance what Senator Taylor said makes more sense. B/C of the dollars we spent to do this, I thought we certainly should consider so that the committee has not just thrown that out the window. Now that it has been considered we can put it away. We will continue to talk about transportation.

Senator Flakoll : If we were explore that option we could always apply a sunset. I think part of the, Senator Taylor had stated that one of the problems with it is that it is a challenge to understand exactly what the heck was in this.

Senator Freborg : I know you could understand it Senator Flakoll.

Senator Flakoll : What people don't understand they vote against.

Senator Freborg : Does that mean you would vote for this?

Senator Flakoll : I am not sure if I want to understand this.

Senator Freborg : Anything else committee?

Senator Taylor : Unless you have something else in your red envelopes I would be willing to go get another amendment for transportation. I don't want to duplicate if you have something else.

Senator Freborg : I have quite a few other amendments but probably wouldn't do what you want to do Senator Taylor. We will be getting the information today to see what the formula would do. It is possible that it could save a million dollars I don't know if it did we could put it back in the general fund.

Senator Taylor : No, never

(Laughter)

Senator Freborg : Or turn it back into foundation aid. So that you know committee, some of you might, I have taken the position that we are putting all the money back in this bill that the House took out. I am not sure where we'll put it, but it is coming back, so that when our bill goes to the floor it will be in.

Senator Flakoll : Does that include the 759,000.00 that you spent earlier today? Or haven't you decided yet.

Senator Freborg : I think Senator Flakoll that they took out about 4.3 I would have to look. That we would have enough in there to cover, b/c my bid was for 5 million dollars.

Senator Flakoll : I think it is about 6.3 or so.

Senator Freborg : That I took out? I don't think so, no. You are getting a lot of help from the audience but I don't think so.

Senator Flakoll : I looked at some data last night that we received somewhere that was talking about the executive recommendation that VS the crossover allocations, I thought that was the #'s that I remembered, so.

Senator Freborg : Well, I hate to dig through my untidy file to find it. but I have that statement from both DPI and OMB. From Joe Morrissette, showing what it is and it doesn't exceed 5 million, however if I am wrong, I will have to go back and fight that battle again, and I don't know that I can do that.

Senator Flakoll : Maybe some of that had to do with some of the other moneys floating around out there too, that aren't control like in the JPA's, 1489 or other things.

Senator Freborg : Could very well be, that it was other money for education, they perhaps took out but not in what we considered the budget for elementary and secondary education. We will find out.

Senator Freborg : It took 1.3 out of transportation and 2.5 out of supplemental payments and ½ million dollars from bonuses. That's about 4.3?

Senator Taylor : Then the two million that was in JPA is going to stay in tack in another bill, we won't have to worry about that in here.

Senator Freborg : That is in another bill, we do have to worry about it.

Senator Flakoll : Supplemental payments aren't in this one right now either, they are 1013.

Senator Freborg : We have to worry about that too.

Senator Flakoll : We have a lot of worrying to do, Mr. Chairman.

Senator Freborg : Not if we keep this bill long enough.

(Laughter)

Senator Freborg : The dollars are in this particular bill, 4.3 million dollars.

Senator Flakoll : Are you ready for a motion?

(Laughter)

Senator Freborg : I have another eye-opener for you.

Senator Flakoll : You might be down to your last eight amendments.

Senator Freborg : This puts the approximately 71 million dollars in the tuition apportionment through the formula. Distributed on foundation aid rather than census.

Senator Taylor : When you say foundation aid that is actual pupils VS instead of census?

Senator Freborg : That's right, it is weighted pupil units rather than census. Committee if you want to know what it does I can tell you a little bit about what it does, and first you need to understand on any printout that you look at that again, declining enrollment is devastating in some districts, not just some but in a lot of districts. The declining enrollment takes the new money, in some of the cases it takes part of the new money and something like this could take the rest. However it does help a lot of districts and it doesn't necessarily follow big little districts. I did another thing in the printout that I have and went through to see how many districts would actually lose money. A typical district is perhaps 10-12 thousand dollars but we do have a few districts that are 16 and up to 22 thousand dollars that they will lose, one is 24 thousand. The interesting thing is that out of the districts that lose and there are about 50 maybe 60, out of that group in looking at the mill levies in those districts, there was one at 191, one at 189, and so forth, remember that the statewide average is 195 and the cap is 185. There are five at 185. Eight of the districts were over the cap. Two at 184 one at 183 two at 181 and all the rest are below 180 mills, some were far below, I am talking about districts that lost money, and I did that so they

have some room. They either have 18 % or they can increase their levy all except 8 districts, are able to increase their levy to cover at least a portion of those loses. I wanted to check every district to see who was losing money to see how many mills it would take to put them on the other side. If we do nothing to take any of the dollars, we still have quite a few districts that declining enrollment is going to be a major factor, in how many dollars they get. Talking about providing equity, here is another opportunity, 71 million dollars through the formula. You cannot do this without it hurting, so that you understand what I just quoted to you was doing this all at once right now, my proposal would be to spread this over six years. You may want to jot that down on the amendment, it doesn't say that, and I would prefer that it would phase it in over six yrs.

Senator Flakoll : I think we are looking at 350.00 dollars per pupil right now. How much of a sweep are we looking at. Are there net gainers and net losers? How much range is there.

Senator Freborg : Yes there is some range there but I don't know how big, it won't be millions of dollars. I could give you an example but not totally accurate, b/c of declining enrollment. The worst case scenario, is a small district at twelve weighted pupil units and they were getting 3880.00 dollars. That isn't right, this would be for another amendment. Sorry I have so many amendments, I am looking for your district Senator Flakoll, 04-05 in Fargo, tuition apportionment 26,198.000.00, they would go to 27,742,000.00.

Senator Flakoll : Could you explain, it isn't like we get the 26 out of the 71 million.

Senator Freborg : This is per student and tuition apportionment, but you gain some students. Tuition apportionment 2,641,000.00 against, well they don't break this out separately. I won't be able to tell you.

Senator Flakoll : Numbers on print out don't really explain.

Senator Freborg : I don't know why they didn't put tuition apportionment separately.

Senator Flakoll : Say if we phase that in over six yrs.

Senator Freborg : 1/6 1/5 ¼ and on the sixth yr you would take it off.

Senator Flakoll : Wouldn't this be 1/6 1/3

Senator Freborg : No you take 1/5 th of the balance the second yr b/c there are five yrs. left. Third yr would be ¼ th. Now I am confused. You start with 1/6 th.

Senator Flakoll : I would think that you would pick up 16 th every yr.

Senator Freborg : No, you don't

Senator G. Lee : 1/6th would be accumulative for every yr.

Senator Freborg : I don't know who they are agreeing with but one of us is right. (Laughter) One up on the calendar for me.

Senator Flakoll : For the record, you say 1/6 th 1/5 th of the remaining balance.

Senator Freborg : ¼ th of the remaining dollars and 1/3 rd of the remaining dollars. The second to the last yr. you take half, and the sixth yr. you take it all. I been giving you credit that wasn't due?

Senator Flakoll : Do you consider those equal every yr. then, is that your intent.

Senator Freborg : It could be, so if there was 60,000.00 you would take 10,000.00 a yr.?

Senator Flakoll : Increase principal?

Senator Freborg : We would be taking an equal proportion would we not? We would be taking equal amts.

A lot of confusion on the formula.

Senator Flakoll : You are talking apples and bananas and you are talking remainder and I am talking of the entire amt.

Senator Freborg : You will be taking from the remainder.

Senator Flakoll : If you have allocations of 60 million dollars, you are still cutting into the pie.

Senator Freborg : I don't care how we take it, I don't think that is the issue, I would still phase it in over six yrs if we will do it. I think we should do it.

Senator Taylor : Back on the guts of the initiative, tuition apportionment going out on census, if you have a higher weighted pupil unit number in the district they are going to do better, I don't know how you would be able to argue against that. Dollars collected to fund public schools, you would have to go to the students that are actually enrolled in public schools and that would be equitable correct? Otherwise you paying for students who aren't necessarily there.

Senator Freborg : They are on equal per pupil basis, but there is that provides no equity, we have so much money that is not going through the formula. If we put another seventy one million dollars on the formula and we are looking at five and a half million that's going to make a tremendous difference. This is in a two yr. period, the 71 million, in the biennium, but % wise we are putting a good % more of the total into or under the formula.

Senator Taylor : Even with declining enrollment, it is not going matter whether a school on census or district they will take that hit anyway, but they would a least be getting paid for students who are coming through the door on weighted pupil units.

Senator G. Lee : Your rational for a six yr. phase in VS any other?

Senator Freborg : B/C of the districts that are going to take a hit. It will be a whole lot easier on them to phase it in. I am not so concerned if we are providing equity and we have a plan that say

takes six yrs. to phase in, I am sure the courts will look favorably on that plan. Must you know if you happen to be in a smaller to mid size school that loses 10 % of its fund they would rather lose 1/6 th of that the first yr.

Senator Flakoll : I think I have a meeting soon.

Senator Freborg : They will miss you., there is an advantage to take care of this kind of business as soon as possible b/c the longer it goes the worse it gets. This is a matter of running the money through the formula and to see how it fits, and that's what your share becomes.

Senator Freborg adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

❑ Conference Committee

Hearing Date 03/15/05

Tape Number	Side A	Side B	Meter #
1		x	770-3168 tape failed
1		x	3168-3468 later tape failed discussion insignificant. 3468-end taped failed again

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

Side B starting at meter 1110 but tape had failed, picked up some discussion between 3168-3458 nothing significant. Minutes are from notes taken.

Started talking about Section 4 in the bill

Senator Flakoll : Questioned about some things in this section.

Senator Freborg : Indicated that they wouldn't get the money.

Senator Flakoll : Said he didn't like that, and asked if they should amend it?

Senator Freborg : Said he would like to see the 759,000.00 in the contingency to go back to the general fund to replace this in appropriations. If we want this paid for it to be paid in a timely manner.

Senator Taylor : Asked if Historically there is always left over dollars.

Senator Freborg : Said we don't know if there is, and a % of the time there has been as long as we use if for some purpose, instead of it going back to the general fund. Also said we need to amend it or we won't get it.

Senator Flakoll : Yesterday we spoke of 10 mills plus.

Senator Freborg : Had a comment, but didn't catch all of it, he indicated that if we put the contingency onto foundation aid, either way if we pay bonuses, it would be paid out of the foundation aid.

Senator Flakoll : Had a concern about paying bonuses.

Senator Freborg : Said we have pd bonuses, that this would need to be amended this or the money won't be there.

Senator Flakoll : Your thinking this would be #1 line?

Senator Flakoll : 759,000.00 in general fund is first on the list.

Senator Freborg : Said I think it is 600,000.00, they won't get the money until the end of the biennium.

Senator Erbele : Where would we put that? Is there a separate line item in here?

Senator Flakoll : Pg. 12 line 9 subsection, strike and insert.

Senator Erbele : Moved that 759,000.00 first money goes to the general funds.

Senator G. Lee : Second this motion.

Senator Erbele : Is there time to understand section 5?

Senator Freborg : Dollars from there, the state pays the teacher, the total is 50 million, I believe this is going down.

Senator Erbele : Is this a direct compensation that we need to put into place.

Senator Flakoll : We won't cut the check to the teachers, we pay per FTE.

Senator Freborg : Said this is compensation.

Senator Erbele : Asked if this would be the first payment?

Senator Freborg : Indicated that there is a sustaining payment of 3,000.00 dollars and the schools get the money and then they pay out however they want to do it. Said this is a huge setup away from equity.

Senator Freborg : Handed out an old formula chart w/ new data. Asked Senator Flakoll if he had any amendments and Senator Flakoll said yes, that they were being drafted. Senator Freborg also indicated that this dollar amt. comes up to 31 ½ million.

Senator Taylor : Asked if the schools have submitted. the data just yet?

Senator Freborg : Said that they are not 100 % accurate b/c of the block grant transportation.

Senator Taylor : Asked if the block grant is before the House took off the 1.3 million?

Senator Freborg : Said this was 36 million.

Senator Flakoll : Said even through the block grant we asked for them to report yet to get data into us.

Senator Freborg : The request for the executive budget is 34.8 the appropriations is for 03-05. Prior to this it was 36 million, we have come up with 32.4 and the House had is @ 33.5

Senator Erbele : Asked if the block grant was stable or was it moving with declining enrollment?

Senator Freborg : Said that the grant doesn't move on its own that we would have to move it.

Senator Erbele : Asked if this was based on a sliding formula.

Senator Freborg : Said this was based on the formula from four yrs. ago.

Senator Taylor : Asked about the amt. that was allocated for different size buses b/c these #'s could give us $ figures.

Senator Freborg : We will perhaps see some minor changes, said if anyone would start to use figures, don't come with amendments to lose dollars. You may come with amendments to take out of transportation.

Senator Flakoll : Asked Tom Decker a question, if there are four children in school and only two ride is there any restrictions for this?

Tom Decker : When we adopted the block grant, the district could be paid for the family.

Senator Flakoll : The block grant?

Tom Decker : We couldn't pay a family over miles on a bus route.

No further discussion

Other discussion later that day.

Senator Flakoll : Was referencing the HB 1013

Senator Freborg : Asked if this was the only amendment he was talking about, would this be transportation as well?

Senator Freborg : Do we want to talk of the increasing of the base salary? We need to hold off on transportation. Amendments are coming for the contingency this will all be in amendments. We'll need to adopt section 10

Senator Flakoll : said as far as minimum salary this could be less problematic this could be a chain reaction up the pay scale, and could create some challenges

Senator Freborg : Indicated that yes in some cases this could ratchet up the scale, it is at 2.5 now.

Senator Erbele : Said after meeting with a group of teachers, he understands how it affects when they move up the scale. Thinks this could be attractive to bring new teachers in. Asked if there was anyway to box it out?

No further discussion.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

☐ Conference Committee

Hearing Date 03/15/05

Tape Number	Side A	Side B	Meter #
3	x		1050-5200
3	x		5400-end
3		x	0-750
3		x	1120-2464

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

Senator Taylor : Just a comment on the handout you gave us this morning, I ran the #'s on the transportation, back to the 01 formula, as we look at to in my preference to restore transportation funding to 100 % of block grants or what not, these new #'s show 32.4 million the House has 33.5 million version in front of us. From the school district that I have visited with and continue to lose money on the transportation programs as a whole, with fuel and gasoline prices have done. I think it is reasonable to leave it at the higher # for what we are in for, for transportation cost. Just to get things going here.

Senator Erbele : To follow up, I would lean strongly toward this restoration moving in that direction.

Senator G. Lee : Were you talking about going back to the 34.8 that was budgeted.

Senator Taylor : The amendment that I have in mind would change the language in section 8 so that we would be at that 50 % sliding into per student aid, referring to HB 1013 the ones I have in mind would be at 33.5.

Senator Freborg said that is what is in the HB.

Senator Seymour : I am not understanding transportation, like with the block grant, Minot doesn't need much transportation, so is it more like a cafeteria plan, having a choice to do with the money?

Senator Freborg : It is Senator Seymour as long as you transport the kids.

Senator Seymour : I think we should keep that in mind to have flexibility, I don't know how to do it yet, I just wanted to mention it.

Senator Taylor : Having discussion about restoring all the $ that the House took out and that included 1.3 million dollars taken out of transportation. I am for restoring all these dollars taken out of when in the House.

Senator Freborg : If we restore the $ it will all go to elementary and secondary education regardless of what area we put them in. Before we are through with the bill we will wish that we had a million or two to put someplace, it doesn't mean that if we act on transportation that there were 4 or 5 doesn't mean we can't increase it before the bill goes out.

Senator G. Lee : I don't have an amendment prepared, but if you are looking for something in transportation, I would be in favor of moving it back to the block grant at the level that the House rate of 33.5.

Senator Freborg : I don't know that we need a prepared amendment. I misstated the amt. of money, the House was at 33.5 I believe.

Senator Flakoll : I have a transportation amendment coming.

Senator Freborg : Would it have an affect no matter what we did with transportation, I think I know what you are doing, but I am not sure. If we were to adopt something like Senator G. Lee proposes would your amendments not still fit?

Senator Flakoll : They may, but my won't have things in foundation aid.

Senator Freborg : Would you prefer we wait?

Senator Flakoll : Yes

Senator Freborg : We'll honor that request. Please have all your motions and amendments ready.

Senator Freborg : Any desire to run the $'s through foundation aid? This is on the hand out I gave you.

Senator Taylor : On that note the .0301 amendment taken tuition apportionment into weighted pupil units. 71 million was mentioned this morning on the school land trusts bill they were talking 66 million. Do you know what our actual disbursement is suppose to be? The intent the $ doesn't matter as far as the intent of the amendment. Unless we have a printout.

Senator Freborg : I believe that the request in the executive budget has and the crossover had 71.6 million.

Senator Taylor : There is a talk of a 6 year phase in, if committee is serious about doing this would we need to have that drawn up before we act on it?

Senator Freborg : We wouldn't have to if we act on it but we would want it to be phased in 5 or 6 years if we do it.

Senator Taylor : We don't need to go by printout b/c I will have 1 school to lose and 7 to gain, would it make the committee to feel better?

Senator Freborg : I will explain the printout the chart before you.

Senator Flakoll : Does this include the changes to the census of the wpu's?

Senator Freborg : Yes it does. First two columns.

Senator Flakoll : WPU's does this include them?

Senator Freborg : Yes, and remember there is radical-declining enrollment

Senator Flakoll : I am brainwashed, I must have been wrong what I though census VS wpu. Could you or someone else explain this to me again?

Jerry Coleman : DPI explained the difference between wpu's and the census. Census is a count that is taken by school districts every odd # of years, so this is a 2 yr count. They count the # of resident students that they have in the school district, so whether they go to school there or not, they count the home schools or private, residence school or students in that school district that would be the census. Census of students age 6-17 years are used for curricula school age census is used to distribute the tuition apportionment dollars. Weighted pupil units is what we use in the formula, that is the weighting factors, that would be in the bill right now is 8 weighting factors based on district size and categories, based on rolling 5 yr. average cost. Develop an index for those, adjusting the students for relative costs in smaller districts will get a

higher payment when we weight that out. We use this in the foundation aid formula, the per student payments.

Senator Flakoll : Based on enrollment??

Jerry Coleman : Per Average Daily Membership if we really get down into detail. The student count times the weighting factor, generates the weighted pupil units and that times the base payment rate is what we use to adjust the payments.

Senator G. Lee : On this particular handout, the enrollment for the first one that is the census figure?

Jerry Coleman : The enrollment is the Fall enrollment count is what we use to deal with our projections, that is the actual student count. The next column is wpu applying to the factors of various students. That is the drive for per student payments or foundation aid payments. Census is not listed on there, just calculate in the tuition apportionment. There are two distribution payments.

Senator Taylor : School districts with increasing enrollment are still going to see an increase in aid. The schools that have decreasing enrollment, it is not necessarily going to matter, census or weighted per pupil units, there will be a decrease in both of those numbers, is that correct?

Jerry Coleman : The student counts are declining so they will decline, the differences are that one is a resident district count. Difference would be a school district that might have a large # of private school students will probably benefit from a residence census, a K-8 district may be another one.

Senator G. Lee : In the 04-05 used here are based on weighting factors that we have now the wpu. Then the 05-06 is that based on the is that base on the unit census where nothing is less that one?

Jerry Coleman : That is correct, we are using the weighting factors that are in the bill, the current year is based on weighting factors as they current are this current yr.

Senator Freborg : That raised the payment, I believe they had 28.13 and raised it to 30.69 the first yr.?

Jerry Coleman : That would be true, the payment rate is on, I used the executive recommendation, going with the House version VS the executive recommendation then we need to deal with 16.75 million in transportation money put into per student payment.

Senator Freborg : What you are saying is that the 28.13 includes transportation in HB1154 it was about 17 million dollars and the second yr. payment was 29.12 and what was that 31.73?

Senator Flakoll : Could you go over the #'s again of what we are paying out with tuition apportionment per pupil saying what we are projecting that we will have available for the upcoming biennium.

Jerry Coleman : The estimate for our current biennium for our tuition apportionment payment which is 335.00 dollars per student as we are projecting 351.00 dollars for the next biennium. Much of that increase is due to a decline, we will a new census to take back. There are areas where there is about a 3 % increase in the distributions on that common schools trust fund. Most of the change is due to declining enrollment.

Senator Taylor : Enrollment would also take into account your open enrollee's is that why I have a few census #'s for some of my schools of higher enrollment. Is that b/c of open enrollment?

Jerry Coleman : The enrollment count will be the count of the students that a district is educating, so those open enrolled students would be in that enrollment count of the educating district.

Senator Taylor : We don't have a weighting factor less than one, in this spread sheet right?

Jerry Coleman : The weighting factor less than one is what is in 1154 this came out of the term, we changed the weighting factors from basing them on a five yr. ave. the state average, the index was based on the state average. We simply changed it to the lowest factor category, so no one was less than one.

Senator Taylor : In the spread sheet does that compare my enrollment #'s to the weighted pupil # next to it, and I have got schools that should be at a 1.28 or 1.02. I guess I having a hard time why some of these weighted pupil units are less than the enrollment, when I know these schools aren't weighted.

Jerry Coleman : The first yr. on the spread sheet are the current, then the other ones are contemplated in 1154 so they are 05-06. Going to that will increase the # of wpu's.

Tom Decker : I was just observing that there is a very close relationship between the pymts we make and the census through tuition apportionment, that goes to every kid, 6-17 and those kids tend to be in larger places, there is really a limited number of kids beyond enrollment in most of those districts, so if you move this census basis to a wpu basis, the money will be moving fairly strongly from bigger places to smaller places. It is a pretty direct offset to declining enrollment.

Senator Flakoll : So like home school students would be included in the census but not the ADM?

Tom Decker : That is correct, they are receiving tuition apportionment payments, but not foundation aid, unless half that payment they are monitored.

Senator Flakoll : The average mill levy in the state of ND is that base weighted on students or schools?

Tom Decker : School census divided into valuation. Total valuation per pupil or expenditure divided by census. Levy is local $.

Senator Flakoll : Please repeat that.

Tom Decker : OK 1.5 billion so you would divide total expenditures into taxable valuation, you get the mills that it takes to raise that money.

Senator Taylor : On the moving the tuition apportionment to the wpu's would be more equitable in your opinion in terms of equity VS census?

Tom Decker : The Supreme Court in the middle 90's was very clear about that. Tuition pd on the bases of census is not rationally related in their words to the cost of education per student in public schools.

Senator Seymour : Have you had a chance or the department to go out and see how these districts are taking census, have you done that lately?

Tom Decker : I am reminded here of making hot-dogs, the process is not as consistent as we want it to be.

Senator Taylor : We can always vote it up or down, but given the #'s on equity, I would move the amendment .0301 with a phase in period of 5 years.

Senator G. Lee second the motion.

No further discussion

Hearing None, Clerk took roll: Vote 6 Yea 0 Nay 0 Absent

Senator Freborg : Another good piece of information committee. If there is a DE there it is the difference in declining enrollment and when there is a $ figure there that is what they will lose once they consider declining enrollment.

Senator G. Lee : Does this include the tuition apportionment $'s.

Senator Freborg : This is strictly teachers comp. 50.9 million.

Senator G. Lee : Is this the # of FTE's? 3000 and 1000 taken times the # of FTE's?

Senator Freborg : Yes. This is the .0303 committee and if you look at sec. 8 page 2 this is to make sure that this money continues to get paid out.

Senator Flakoll : With your amendments and printout is that considering a 5 yr. phase in.

Senator Freborg : No, and remember that, none of the printouts are a phase in of any kind, so the printouts look a whole lot different. As we go through the phase in we will have additional declining enrollment, that you would need to apply.

Senator Erbele : On this handout if you would just again restate, where you said on the right hand column declining enrollment, what would be affective of #'s enrolled. On page 3 I am trying to get clarity, Kulm, then on the right does both the DE and 50,000.00 apply to Kulm there?

Senator Freborg : Declining enrollment they don't show any loss that declining enrollment didn't take away from them, but then on the next one down, the 50,000.00 dollars, but b/c of

declining enrollment is subtracted first. They would lose 50,000.00 dollars after taking in consideration declining enrollment.

Senator Erbele : So the DE above is for Edgley.

Senator Flakoll : So your intent would be to phase in over a period of years to run through the formula, the same as we did for tuition apportionment?

Senator Freborg : Yes, over whatever, 5 or 6 yrs. is reasonable. They don't have to be the same # of years.

Senator Erbele : The handwritten #'s on the far left?

Senator Freborg : That is their mill levy, and I did that b/c these are all the schools that are losing money. There were about 10 or 12 schools that were over 180 mills. Explaining the rest of the levies.

Senator G. Lee made a motion for the amendment of .0303 with a 5 yr. phase in.

Senator Flakoll second this motion.

Senator Taylor : As we look at the teacher FTE # here, the teacher comp pymts will be about 3000.00 per FTE, is that correct?

Senator Freborg : That is what they can collect for each teacher, they might spend it all together different than 3000.00 dollars per teacher. They don't have to compensate each teacher 3000.00 dollars, they can give first yr teacher 1000.00 dollars. They can draw for each teacher from the state.

No other discussion

Hearing none the clerk took the roll. Vote : 4 yea, 2 nay, 0 absent

Senator Flakoll : On of the interesting and intriguing portions of 1512 is the income side and

the expenditure side. I seem to be the dog that is continually being kicked on the Special education, taking that contract money and putting it into three categories with current methodology.

Senator Freborg : That is not the first amendment you are speaking of?

Senator Flakoll : That is true, the first is on transportation.

Senator Freborg : Do we want to talk about increasing the base salary today? That woke a few people up.

Senator Freborg and the committee continued to go over the bill, on the sections, Section 6 was to leave as is.

Senator Erbele : I understood it to leave it at the 21,000.00 dollars for 05-06 and then go to 21,500.00 for 06-07 is that right?

Senator Freborg : The clerk has in the minutes to leave as is.

Senator G. Lee the motion was to leave it at where it is today.

Senator Freborg : Do you support Senator G. Lee motion?

Senator Erbele : I understood it to go up for 06-07.

Senator Freborg : Don't feel like the lone ranger if you are somewhat confused.

There was some talk of the dissolving schools amongst the committee.

Senator Freborg said we were holding transportation, talked about the contingency fund. We adopted section 10 and Senator Freborg pretty much indicated what we have covered. General discussion of HB 1154.

Senator Freborg adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

❑ Conference Committee

Hearing Date 03/16/05

Tape Number	Side A	Side B	Meter #
1		x	4120-4145 then tape failed-5950 tape worked till the end..
2	x		0-2331
2	x		2390-2830
2		x	890-3022

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

Senator Freborg : indicated they are waiting for more amendments for **HB 1154** on transportation

Senator Taylor : indicated that he had some amendments on transportation as well.

Senator Flakoll : Sec. 6 pg. 10 Moved to pass 1500-1500 for the first yr. and then the second yr.

Senator Seymour second this motion.

Clerk took the roll. Vote was 2 yea, 4 nay, 0 absent.

Senator Freborg : Asked how did you come up with that.

Senator Flakoll : Said that he visited with the Governor about this

Senator Freborg : Didn't Governors proposal get into this bill?

Senator G. Lee : stated that the first yr would be 25,000.00

Senator Flakoll : said that this would be 23,000 the first yr. and 24,500 the second yr.

Senator Taylor : Asked what would this cost if there was an increase in financial aid.

Senator Flakoll : said it would be an escalator effect or multiply

Vote on this amendment, failed 2-4-0

Senator Flakoll : handed out an amendment explaining that on HB1512 that Moderate, Modest and Severe. Explaining that the moderate would be 7.8 modest would be 1.4 and severe would be 2.83 would be put onto what they already get.

Senator Freborg : indicated to the present, that this doesn't add or take away, said that 25 million doesn't touch per student per payment.

Senator Flakoll moved amendments .0311

Senator G. Lee second the motion.

Senator Seymour : asked who wins?

Senator Flakoll : said that he doesn't have a printout on this, that the #'s are based on actual needs. This appears to be the only solution.

Senator Taylor : indicated that the gifted, talented in sub sec 2 would be changed?

Senator Flakoll : said he didn't ask for this to be changed.

Senator Taylor : I assume as we apply the factors everyone gets the same amt. as we juggle things around.

Senator Flakoll : Said there will be the same.

Senator Freborg : Asked if this was in 1512?

Senator Flakoll : Said yes, in 6 categories and I took the totals.

Senator G. Lee : Just trying to understand what these #'s would do too. Senator Taylor asked the question that if I had a mild disability student they would get .78 % of a whole distribution, whatever that would be, that would be 12 % or 22 % less than what they are getting now for that student?

Senator Flakoll : That would actually be an add on. So if it was 3000.00 dollars in normal payment they would get that. This is all added on top of that.

Senator Taylor : I was wondering where the 3000.00 comes from, where does the base pymt come from, somehow that has to come into the 15 million then there has got to be a left over part of the 15 million that is applied to these factors, I mean where does that base pymt come from?

Senator Flakoll : I am more confused by the question of like, we have had a lot of printouts here on foundation aid pymts. and based upon those, this is a nice round #. We have had some higher and lower, this money comes out of the 15 ½ million dollars that is prorated, in the event that there is more money needed for that based upon the payments they would have to equally pull all of them down. Maybe 90 % of the 1.34 factor can play into it, b/c I don't know as there are any ability to put additional moneys in there and we don't know from always from yr. to the next one biennium to the next how many students there may be in each categories that are established.

Senator Taylor : So the base payment is the foundation aid?

Senator Flakoll : Yes. But then again, if they would all equally be slid down based upon available money.

Senator Freborg : They would all get a % of their eligibility?

Senator Flakoll : Correct.

Senator Freborg : B/C foundation payment may fluctuate all the way from 27 or 28 hundred dollars to 36.

Senator Seymour : What does this do in theory when you look at small schools large schools, people who haven't been participating will now be participating in the state, any thing.

Senator Flakoll : I think anyone that has participated before and I think it is virtually all schools that have had at least mild disabilities, could include speech therapy. All schools have been involved in the past, this is just a plan that provides for those that, I don't think it is generally agreed that a mild student doesn't need as much help as a severely disabled student. I think this would provide a little more clear guidelines from each of those, I think every school has them, enrollment of disabled students, large or small. No provision in here for medically fragile.

Senator Freborg : There is probably a greater of % is mild and the next category is moderate.

Senator Flakoll : Yes, that is true.

Senator Freborg : We do have a motion.

Senator Seymour : So what is the advantage of doing this, why don't we just keep doing what we have been doing. What is this actually going to do for ND this plan.

Senator Flakoll : I think from a policy making standpoint we are saying that we want to insure that those with a greater need receive a greater amount of money.

Senator G. Lee : Just wondering more about the definitions of these mild and moderate is the distinction clear between these two so that, if there is an advantage to move kids to a different level b/c of the payment structure, will we see that kind of a creep in formula here or is the distinction clear enough?

Senator Flakoll : The department has indicated to me that there are distinctions that would be quantifiable, sometimes you can get a larger sweep. There can always be an influx in services, so % wise you can get whacked on some of those things. Especially with moving around from one school to another.

Senator Taylor : A final comment and we will need to vote, but this is a very intricate area, and I will have a tough time voting for something that doesn't' have the benefit of Bob Rutten or someone who works on this on a daily basis to tell me how this is going to play out.

Senator Flakoll : I think a lot of the data that came out in 1512 was kind of a collaborative effort of the department. That may help some, and actually some of the early numbers I got from the dept. were much more rigorous in terms of separation between the different categories. Rather than take that very aggressive approach, I backed the #'s down significantly from what they had with some of the earlier discussions with them.

Senator Freborg : In talking about the measure of cost from one category to the other.

Senator Flakoll : Correct, originally they were talking about a second category being at, 1st one being at one, and the second one at 2.5 and the 3rd category being most severe at 5. That just seems like a bit of a challenge in terms of making some sweeping changes that I didn't know if we were comfortable in doing.

No other discussion

Hearing none, clerk took the roll. Vote: 4 yea, 2 nay, 0 absent.

Senator Flakoll : introduced the 310 amendments saying that this sweeps all the money back into transportation, if I walk you through letting you know what this actually does. Family trans. will receive .20 cents per mile all small buses receive .25 cents per mile, large bus in city gets .35

cents per mile, and all other buses get .67 cents per mile. This would take all the money and change it, in some cases schools can use smaller more appropriate buses, again releasing that the mileage amt. is less than the Federal amt. this would increase all the amt.'s. Family from .20 to .35 cents, small buses from .25 to .40 cents and in the other category in city large bus from .35 to .50 cents.

Senator Taylor : I can understand the with this amendment that the calculations that were mentioned here about changing mileage rates to come up with the figure, I also see pg. 11 line 24 replace 50 with 80 so we will be decreasing the amt. Looking at 80 % of the state transportation block grant is that correct? that was received and then just to through this out pg. 11 line 29 replacing an amount equal to 50 % of the total state with essentially distributing to each school district in accordance with calculations determined by data envelopment analysis, then I am not a big fan of DEA and that does bother me, and explain the 80 % part.

Senator Flakoll : 80 % is what was in the law before hand. Before we changed to block grants. This goes back to the old formula, with new #'s per mile.

Senator Freborg : I am not sure I understand your 80 either, lets hope Tom does.

Tom Decker : The cap on what we reimburse? Is that the question? I think this is at 90 %.

Senator Flakoll : Didn't we take the cap off and then we went to block grants, to my understanding we were reverting back to old language. I thought the cap had changed and this reflects the most recent #.

Tom Decker : I need to double check this, when we went to block grants a whole bunch of specifics went away and they simply got the same amount of money that they were getting. Some small # of districts were at the cap, very small #. I think the cap was 90 % of their cost.

Senator Flakoll : I thought it was less, this is what my intent would be is to have it at whatever that # was.

Senator G. Lee : The rates that are proposed here, not sure if this makes any sense or not, but are we moving the rates close enough so that we would just be adding more routes and more busses, rather than doing what you are anticipating doing, making it more efficient. Just b/c the payment is better, adding two busses at .50 cents per mile instead of running one bus and now we are running two, I am not sure we are accomplishing anything, and how do we know we are getting any efficiency by doing this.

Senator Flakoll : Not sure that we will, schools could possible afford them that opportunity but understandably running two routes when they significant changes in terms of staff, I am not sure of what the cost of a bus is these days.

Senator Freborg : Not sure that it is 80% Senator Flakoll but would like to read the language on both sides of it.

Senator Flakoll : Not sure what the schedule is for the rest of the morning but I could run up and talk to Tom to find out if it is 85 % or 90 % ?

Senator Seymour : In this you are going back to June 30, 2001 and most recently we talked about block grants, so what is your direction here, when you look at what is best for ND why are we heading back to 2001 or what are we trying to do here.

Senator Flakoll : B/C prior to or is that at that time we had the overall formula in place, after the option we had word for word or reference that old language. Again it is a viable question of do I continue to make the amt. of payments per student relative to per mile, yes. How long should we block grant for with differences in terms of like the West Fargo schools that are growing. Is it fair

to them to be locked into that the rest of their life? So we know some schools that it will work with. This just basically references put in place with new mileage #'s.

Senator Freborg : You are initiating data element analysis?

Senator Flakoll : I have two things I would like to ask Anita about and that was one of them.

Senator Freborg : It says so here.

Senator Flakoll : I know.

Senator Freborg : It says that the superintendent shall distribute the grants to school aid line items to be approved by the 59th legislative assembly, to each school district according to the calculations determined using data and element analysis.

Senator Flakoll : That was not requested.

Senator Freborg : However it is there.

Senator Flakoll : For now.

Senator Taylor : I was trying to read that as well, I am thinking that it is just any amount remaining of the total dollars, after the mileage and ride are paid out. What ever is left over would be distributed, and the DEA is what we will find out for sure.

Senator Freborg : Perhaps Senator Flakoll you need to visit with Anita to get her understanding of what it is doing, and if you have the time you perhaps could engross a couple pages of the bill for us, with the amendment so we can clearly understand what it is doing.

Senator Freborg : Any other questions.

Senator Flakoll : Looking under 15-40.1-18 and they are referencing 90 % of the after cost incurred to the provisional transportation services. So we will have to see if this was just an inadvertent typo.

Senator Freborg closed the meeting on **HB 1154**

Senator Freborg reopened the meeting on **HB 1154**

Senator Freborg : Has anyone completed their mission?

Senator Seymour : I haven't

Senator Freborg : I don't think you were on a mission.

Senator Seymour : Then I think I am OK.

Senator Freborg : indicated that he has been busy drafting amendments for this bill.

Senator Freborg asked Senator Flakoll so that we could be thinking about this, did he find anything out about the 80 %?

Senator Flakoll : Yes I did. Through various discussions there was a combination of difference components from various discussions of various days with respect to transportation.

Senator Freborg : Do you have an easy answer?

Senator Erbele : Using various?

Senator Taylor : Use the EASY button.

Senator Freborg : Do you have an easy explanation to the answer?

Senator Flakoll : No

Senator Freborg : Is there a new number?

Senator Flakoll : Anita inadvertently thought I was looking to slowly meld in the DEA information, and I was not. So that is where some of the extra verbiage came from.

Senator Freborg closed the hearing.

Senator Freborg opening the meeting once again.

Senator Flakoll : These are the amendments that I believe that I had earlier this morning that I had taken what I though previously was known as transportation money. Half of that was moved over to foundation aid, and made the changes as earlier known that by increasing family transportation, which is now at .35 cents per mile, increase for the so called small buses, to .40 cents per mile and increase the larger bus in city to .50 per mile. This amendment is .0313.

Senator Seymour : Where do you, you know your cost per mile again like right at 50 cents per mile is that current with the gas prices as they are today and so on?

Senator Flakoll : Not necessarily, according to the .50 cent ones, it would most likely be under, with the .67 cents, many of those schools are losing proposition. So I would guess at less than their actual cost.

Senator Taylor : With the amt. equal to what was the block grant in 03-05, yet we are going to run it through a formula, with increased mileage rates, which is probably the right thing to do. I would want some assurance that there is enough $'s of 03-05 block grant for a new disbursement with higher mileage rates.

Senator Freborg : There is never enough money to fund education in spite of the cap we have they do not reach the cap, perhaps are closer to 60 % of reimbursement. I don't believe it makes any difference what we do. It will be prorated under the old formula. This is only to determine what each individual district would get, and these dollars would be divided up on that basis. The block grants are based on that formula. When we started the block grants if I remember right, we paid out the amt. that we paid in the previous yr. except we sent it out without reapplying the formula.

Senator Flakoll : The previous biennium I think, divided in half. B/C that was done to kind of take care of the sway back and forth that existed in some of the school districts.

Senator Freborg : The total dollars were based on the last biennium that we used the formula.

Senator Taylor : I can see the fairness or the unfairness of, you know a mile in the city is harder or as hard on a bus as a mile in the country. Apparently the difference was in there b/c it is a lot easier to fill up a bus in an urban area, than in a rural area, so you will have less rider ship #'s which is the other part of the formula. If some of the rural districts are getting 60 % of their cost reimbursed or 70 % is it roughly the same under the old formula without this increase for the urban programs, I would assume that the urban programs are losing money on their transportation system also. I would like for someone tell me if this is roughly the same, before we increase it or after.

Senator Freborg : I couldn't tell you if it is roughly the same, but I guess if we were to compare districts any districts in the state there wouldn't be much rhyme nor reason to what their cost were, they would vary considerably. If you and I think you have the printout, some are extremely efficient, and others were far from it. That alone would cause a radical difference the cost in various districts.

Senator Flakoll : I would move amendment .0313 to HB 1154.

Senator Erbele second the motion.

Senator Flakoll : In terms of the total $'s we are kind of pecking around the fringes a little bit b/c I think the ones that it would affect $ amt. wise in terms of increases, are those that are the least used. In terms of small buses are not used historically significantly, so in terms of $ sweep I don't know that it will, I don't know if anyone that has any printouts.

Senator Taylor : Would this amendment, are the schools still left to manage the some dollars that they get as a block grant? We use this formula to come to the $ amt., there lies even having that formula in place. We talk about that in the last biennium that maybe we did see, superintendents manager, transportation systems a little differently in terms of bus sizes. It behooved them to use a block grant to the best of their ability, does this follow their line of thinking?

Senator Freborg : I am not sure.

Senator Flakoll : This would go back more to the original than the block grant $'s are based on, formula, unless someone here knows differently.

Senator Freborg : As I read the amendment we do go back to the old formula, and it is no longer a block grant. When a district receives there will only be a % of their cost, but it is based on that formula.

No other discussion :

Hearing none, the clerk took the roll on the amendment .0313 to re-engrossed HB 1154

Vote : 5 yea, 0 nay, 1 absent.

Senator Freborg : Some one asked me about the transportation and the $'s. We can always adjust the $'s as we see fit before the bill goes out.

Senator Freborg : Does anyone else waiting for amendments?

Senator Taylor : I have some at my desk, and they do have to do with transportation. I have something I would like to present.

Senator Freborg : Remember you won't want to get into the middle of something and then have to quit. So we would have a good 20 minutes if you want to do that.

Senator Taylor : What I have is an .0312 amendment and the numbers will vary, but I think it is at least worthy of discussion, speaking with my superintendents back home and they said, we are reshuffling some dollars into foundation aid. Their idea and we are looking at some teacher salary things and different things we put on these folks, but they say that if we would add another hundred dollars or a hundred and fifty dollars in foundation aid, it would make some of these things a little more palatable, besides declining enrollment. So the amendment is to put another 15 million dollars into foundation aid which would amount to 150 dollars, over the two years. We have the commercials on television asking for 50, and I went 15. We can talk about the revenue forecast of whether the money is out there or not. It is just an appropriation at this point.

Senator Freborg : The first question will be of course is where are you going to get the money. I have told you that I have made a commitment to get back what the House took out. That alone will be a never ending battle, I was chastised when I said it and I am determined and I will not give up on those dollars. I was telling you that b/c they were in the bill once and they will be hard to get back. The bill goes to so many places after we handle it, that by book or by crook, they will change that bill and take the $'s out again. We'll have to fight the battle on the floor, just to get back what the House took out, I would love to put 15 million dollars in there, I would guess that is a battle that we can't win.

Senator Taylor did move the amendments .0312

Senator Seymour second this motion.

Discussion :

Senator Taylor : I just think that it is an investment whether or not the revenue forecast comes to light. I think education should have a toe hold in there, or at least ask for it. We won't get what

we don't ask for, and to this point I have support the $500.00 increase in base pay. Making the jobs more attractive, I did vote against the 1500.00 but if we are going to have any kind of a movement here, our schools are going to have to have something to work with, if we are going to move anything like that forward in the bill. Visiting with our superintendents we have done some good things with equity in terms of tuition apportionment dollars and etc. I think another 150.00 dollars in foundation aid is not extravagant it is still a total of 15 million dollar bill, but I think the cost of educating our youth are increasing and I support it.

Senator Freborg : We won't find anyone here that doesn't support it and I find some that may not vote for it.

No other discussion :

Hearing none, clerk took roll : Vote, 2 yea, 3 nay, 1 absent

motion failed

Senator Freborg : You may work on Senator G. Lee.

Senator Taylor : OK

Senator Freborg adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

❑ Conference Committee

Hearing Date 03/17/05

Tape Number	Side A	Side B	Meter #
1	x		0-4391

Committee Clerk Signature Patty Wilkes

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

All members were present.

Senator G. Lee moved amendment **.0314**

Senator Erbele second this motion

Discussion : This has to do with minimum salaries, first page, line 2 this removes this section and on page 10, removes line 13-23. Section 6. In essences it leaves the salary at the current level.

Senator Seymour : I believe this is a poor amendment b/c we are already down at the bottom of the heap, why would we keep it where it is at?

Senator G. Lee : School districts can do whatever they would like to do, we leave it at their discretion, we gave them a good starting point, they could move forward if they want too.

Senator Freborg : When we started this we moved some very minimum salary people to about 15 or 16 thousand of what it is today.

Senator Flakoll : 15,700.00 is the lowest.

Senator Erbele : I would be curious do we have the #'s who has this 21,000.00 as their base or hovering in that area?

Senator Freborg : Senator Taylor handed that out it is on there.

Hearing no other discussion, clerk took the roll: Vote, 4 yea, 2 nay, 0 absent.

Senator Freborg indicated that in section 3 subsection 2 to raise the escalator form 2 to 3 mills per yr.

Senator G. Lee took control of the meeting.

Senator Freborg : moved to move the escalators from 2 to 3, raising the mill levy deduct by one.

Senator Flakoll second this motion.

Senator Seymour : Will everyone like this?

Senator Freborg : Most of mine won't, but we need to provide some tiny stuff toward equity we're going to see a whole lot worse than on the escalator. If this passes we will see another 122 million on the formula.

Senator Freborg discussed how the escalator is going to work.

Senator G. Lee indicated so if you are property poor you will get the money.

Senator Seymour was concerned about the mill deduct, he was wondering if there is a better system.

Senator Freborg indicated that there is nothing as pure as the deduct, we could call it a redistribution of wealth maybe they would understand that better.

Senator Taylor indicated that when you use the word wealth b/c we are dealing with property tax, I don't think this is an adequate picture of wealth for that community, getting back to portions of 1512 this would be getting back to how people live, property poor VS property rich.

Senator Flakoll said this isn't about sending $ into the state it is just redistribution of the state money, correct?

Senator Freborg : yes

Senator Freborg said to Senator Taylor would you rather these districts be poor districts?

Senator Taylor : said no, but would like there to be a better balance, of what they collect in property tax, but also what they would want to see rather than their property taxes from that corner of the state being redistributed to an area that is property poor but has an average per capita income of 26,000.00 or 27,000.00 where as it is 6,000.00 I would have a tough time in seeing the fairness. Source of equity needs to come from somewhere else rather than property tax.

Hearing no other discussion, clerk took the roll, Vote: 2 yea, 4 nay, 0 absent.

The committee had other general discussion about the bill nothing more was adopted that day.

Senator Freborg adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

☐ Conference Committee

Hearing Date 03/21/05

Tape Number	Side A	Side B	Meter #
1	x		0-3740-end
1		x	0-2400

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

All members were present.

Senator Flakoll moved to reconsider .0311

Senator G. Lee second the motion.

Discussion

Senator Flakoll we need to add the provision that needs to be included in there, that schools would receive 2 ½ times plus 20 % and the state to cover the remainder of that w/ money that is available, and we would need that in subsection 3 of that. Pull this back and redo.

Clerk took the roll call, hearing no other discussion. Vote: 6 yea, 0 nay, 0 absent.

Senator Flakoll : confirming .0316 amendments prior to the adoption of .0311

Senator Freborg indicated yes, explaining to the committee that the payments haven't been adjusted.

Senator G. Lee wanted to know how we got to 351,000.00.

Senator Freborg said he didn't know but that we would be more than that if they put 122 million dollars in.

Senator Flakoll said this wasn't immediate indicated this would be a phase in of over five yrs.

Senator Freborg indicated that is correct, looking at section 7 subsection 3 this was the new distribution of teacher pay, or comp.

Jerry Coleman explained some things of the weighting factors.

Tom Decker got up as well and explained or tried to, also referred some of the ?'s to LC.

Anita Thomas had explained the hog house amendment to the committee, they had some discussion about the 20 % being phased in over the five yr. period. Calculations take on a per district basis. Formulas and distribution.

Senator Flakoll asked about pg. 8 subsection F didn't fully understand the 400.00 that is referenced in there.

Anita Thomas : That particular section is dealing first yr. teachers being reimbursed of 1000.00 dollars.

Senator Flakoll moving into weighting factors.

Senator G. Lee asked Anita how they came up with 600.00 dollars

Anita Thomas : indicated the 20 % of the 5 yr phase in.

Senator Flakoll : What about the weighting factors in a variety of places throughout the bill. Having some schools at .96 up to 1.0, referencing proportionately increase is .04 or .04 times something %?

Anita Thomas : The bottom of pg. 6 is going to tell you this. That was nothing that we had prepared that came right out of the bill, the 1.0 could go up or down. Depended on how the money was appropriated.

Senator Freborg : When you increase that category to one lets just say that 3.8 % increase or say 4, is that what means when it says proportionately increase factors?

Anita Thomas : My understanding is as this was first conceived, if there is a 5 % difference between the categories, and you want to say that the higher one is at 1.0 and the lower one is 5% below that. If referencing the first category at .92 the second should be 5 % below that.

Senator Freborg indicated we should leave this alone we were wearing this out. Onto another subject. Asked if we could take 759,000.00 out of the contingency fund.

Anita Thomas : Told them they may.

Senator Freborg asked Anita to draft that amendment, and that they wanted the emergency on that amendment. So if we lose it.

Anita Thomas : Well if you don't have a back up plan?

Senator Freborg : We need this changed prior to conference committee.

Anita Thomas : said she would put that together for them.

Senator G. Lee : introduced to the committee the JPA amendment, adding language that was in

the Senate version that includes the 1.36 million dollars for payment of those staff and chief administrator as the section was in 2168. This would be new money.

Senator G. Lee moved these amendments.

Senator Taylor second this motion

Discussion:

Senator Seymour : Does this reduce our dollars?

Senator Freborg said good ?

Senator Flakoll would the terminology be it wouldn't be new money in the sense that we already as a full body acted on that same provision in supporting that amt. of money?

Senator G. Lee that is correct, we had put 2 million in our bill that went out of this committee before, so this wouldn't be new to us. House took a million out.

Senator Seymour : The strategy is that what we are getting already in the House we might want to do what we are doing so we don't lose that million right?

Senator Freborg : That is one way to look at it and to be fair it could take a small portion of money that you were asking about. I have a higher goal than what I stated in the beginning.

Hearing no other discussion, clerk took the roll: Vote: 6 yea, 0 nay, 0 absent.

Senator Flakoll : In respect to the supplemental payments to increase the minimum mill levy # of mills, I move to modify from 150 minimum to 180 mills.

Senator G. Lee second this motion.

Senator Flakoll this still puts a cap on this, there are some above that, again with the theory that we will do our part but the school needs to do their part.

Senator Freborg : Could we get some thoughts from Jerry Coleman to see where the money might go?

Senator Flakoll : Yes that would be good.

Jerry Coleman : Explained to the committee where the $ was going, and how it was distributed. Doing a quick run there were 17 districts being the poorest in the state.

There being some discussion on the numbers amongst the committee members and Jerry.

Hearing no other discussion, clerk took the roll, Vote: 6 yea, 0 nay, 0 absent.

Senator Flakoll : Moved to qualify for supplemental payments that a school cannot carry over more than 35 % of ending fund balances meaning 35 % relative to the operating costs plus 20,000.00 dollars.

Senator Seymour second this motion.

Discussion, there was some about the ending fund balances.

Senator Flakoll indicated that this is for supplemental payments only.

Senator Freborg asked if it was fair to not give them at least a year to reduce their ending fund balance?

Senator Flakoll : You could argue both sides of that. You could have a problem that if you drain yourself down to below 35 % then you may on the flip side be above state average of spending per student.

Senator Seymour : In theory could you decline supplemental payments because of ending fund balance?

Senator Freborg : Good question.

Senator Freborg : Senator Flakoll so if they are 2 dollars over this in EDB they don't get any payments.

Senator Flakoll : Correct. This is the gatekeeper.

Senator Erbele : Are there any districts that are at 35 %?

Senator Freborg : There could be quite a few.

Senator Flakoll : Some are at zero and some in the teen area.

Senator Freborg said there are printouts available.

Hearing no other discussion, clerk took the roll, Vote: 6 yea, 0 nay, 0 absent.

Senator Flakoll : Indicated that on pg. 11 the contingency payments. Sec.13 subsec. 2 relating to English language learners to strike 300 thousand and to insert 450 thousand.

Senator G. Lee second this motion.

Discussion to follow amongst the committee.

Senator Flakoll this is on the contingency not hard dollars at this point.

Hearing no other discussion, clerk took the roll, Vote: 4 yea, 2 nay, 0 absent.

Senator Freborg adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

☐ Conference Committee

Hearing Date March 21, 2005

Tape Number	Side A	Side B	Meter #
2	X		1-END
2		X	1-345

Committee Clerk Signature

Minutes:

Chairman Freborg opened the committee meeting to discuss HB 1154. All Senators were present.

Senator Lee presented amendments concerning the Joint Powers Agreement, (58232.0318). He would like some discussion on the compensation portion of the bill before being moved as an amendment.

Senator Flakoll- Do they need our legislative approval for that to occur?

Senator Lee- Yes, the language needed to be there to pay for those types of services.

Senator Flakoll- Where did the section 2 amendments come from? Do we want to cap that amount?

Senator Lee- They came from existing JPA's. Placing a cap on the amount is an issue that needs to be discussed.

Senator Flakoll- What would normally be the case in terms of payment?

Senator Lee- The school district would already pay for those services if they chose to. This provision would just say the JPA could pay for those services.

Senator Flakoll- Is there any concern that someone may be going to a national convention representing the school district, and who pays for it, would it be prorated?

Tom Decker, representing the Department of Public Instruction appeared before the committee.

He informed the committee that the number of states that have services resembling JPA's is in the high 20's. The concern was if the JPA wanted to send someone to a national meeting, the JPA should pay for the expenses.

Chairman Freborg- The board is made up of members from several different districts, and I'm sure there would be a variety of views on the issue.

Senator Flakoll- Would 10% or less of the JPA money be a reasonable expectation? Would a cap on the amount still allow them to carry out their duties? At this point, a JPA can receive no more $250,000 from us. 5% is $12,500, and right now there is no cap on it.

Senator Taylor- The Board of JPA's will be provide decent oversight on these dollars, maybe we should let the individual boards handle it.

Senator Lee- Part of the bill is the JPA needs to have a detailed report of expenses occurred.

Chairman Freborg- Perhaps representatives of JPA's would not be attending state administrator meetings and state school board meetings.

Senator Seymour- However, the executive director might be going to some of those meetings.

Senator Lee moved a Do Pass recommendation on the amendments (58232.0318).

Seconded by Senator Taylor. The vote was 5-1-0, on the amendment.

Chairman Freborg- There is currently no money in JPA's other than the $1.3 million we put in this morning. Does anyone know whether or not they have contingency funds available in the House for JPA's?

Jerry Coleman, representing the Department of Public Instruction appeared before the committee. In Section 14, of House Bill 1154, there is language that allows $2 million in contingency for JPA's. However, there is no funding in the House, it was taken out of the Appropriations bill.

Senator Flakoll moved to strike the $1.6 million that was applied to the amendment and insert $2 million dollars in its place. Seconded by Senator Seymour.

Discussion:

Senator Lee- I don't think we should put it all into salaries for individuals, like the director and staff. In the original bill, it was divided out to help fund the staff along with a $10 per student award to help with the expenses.

Senator Flakoll withdrew his motion.

Senator Lee moved to direct $590,000 distributed to JPA's on a per student basis, along with an additional sum of $50,000 for new educational associations formed after July 1, 2005. Seconded by Senator Flakoll.

Senator Taylor- I thought we once had a $3 million proposal for JPA's at the beginning?

Senator Lee- It was removed by Senate Appropriations. There was originally $500,000 set aside.

The vote was 6-0-0 on the amendment.

Senator Lee moved the contingency fund on page 12, section 14, subsection 3, that the amount be reduced from $2 million to $1 million. Seconded by Senator Taylor.

The amendment passed 6-0-0.

Senator Flakoll- There is quite a significant disconnect between high schools and colleges in the state. 25-27% of high school students have taken remedial courses upon entering higher education institutions. It would be interesting to get a better handle on this issue. Not sure if it is possible to get a report that says the percentage of students in each school district who take remedial courses.

Chairman Freborg- That information was received at an interim committee meeting.

Senator Flakoll- Could the Board of Higher Education supply that information to the Department of Public Instruction, so it would be available to the individual schools?

Senator Seymour- There is an increasing amount of students who go out of state for higher education, how would you handle that?

Senator Flakoll- We can only control so much, however there is a pretty good amount of students that stay in state for higher education. Different institutions have different levels with respect to remedial courses.

Senator Taylor- I'm not sure how significant that data would be, it would be difficult to get usable data to help the school out.

Senator Flakoll- Most of the determinations are made by a pre-entrance exam, for different courses.

Senator Seymour- There are different ACT score requirements for different colleges in our state.

Senator Lee- Last session we put into the code certain educational standards for the school to meet. Have we allowed this curriculum to be in place long enough to make a difference?

Senator Flakoll- No. I don't think there are a lot of incentives in higher education to solve this problem. If an institution has 3,000 students, ¼ of them are there longer than 4 years, for example.

Senator Lee- It shouldn't take 5 years to get through a 4 year system.

Chairman Freborg- Any final amendments will be taken into consideration tomorrow morning for HB 1154.

Senator Lee- On the per student payments, will that spell out through 5 years what the payments will be.

Chairman Freborg- It will only project payments through the biennium. We need to look at per student payments and the contingency.

Jerry Coleman, representing the Department of Public Instruction appeared before the committee. The teacher compensation line has its own line in the compensation bill. The appropriation bill has a per student aid line, along with a line for tuition apportionment. If there is no language to deal with it, it would revert to the general fund at the end of the biennium.

Senator Flakoll- I would hate to see unused money going to the general fund.

Chairman Freborg- We will have an amendment for the $759,000, along with an emergency clause that would come out of the present biennium.

Senator Taylor- How much is in the contingency for this biennium?

Jerry Coleman- The approximate amount is $2 million.

Senator Flakoll- So, at this rate, the $759,000 will remain in the bill. If it passes with a 2/3 vote, will that remove the previous language?

Chairman Freborg- Yes.

Chairman Freborg closed the meeting on HB 1154. No further action was taken.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

☐ Conference Committee

Hearing Date 03/22/05

Tape Number	Side A	Side B	Meter #
1	x		0-3878
1	x		5200-end
1		x	0-291

Committee Clerk Signature Patty Wilkens

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

All members present.

Senator Flakoll so moved amendment .0322 after speaking with Jerry Coleman yesterday, taking any unused teacher compensation money that was set aside earlier in 1013 rather than send it to the general fund to go out on ADM in school districts in 06-07

Senator Erbele second this motion.

Discussion on this motion took place amongst the committee. Wanting to make sure they have enough money in there b/c of declining enrollment.

Hearing no other discussion, clerk took the roll, Vote : 6 yea, 0 nay, 0 absent.

Jerry Coleman needed some time to make some adjustments.

Senator Flakoll had some simple amendments after speaking with Mr. Decker that we probably need a back up plan in the event that the reorganization money, that the schools don't qualify for reorganization money.

Senator G. Lee second the motion

Discussion

Hearing none, clerk took the roll, Vote : 6 yea, 0 nay, 0 absent.

Senator Flakoll explained another amendment to the committee on the family transportation. This after reviewing, this reverts back to current allocation for family transportation. End of the section all payments will be prorated out. I move those amendments to HB 1154 as shown.

Senator Erbele second this motion.

Senator Flakoll on page 18 of the 300 and 320 amendment, the language will be in section 16 under transportation grants.

Hearing no other discussion clerk took the roll, Vote: 6 yea, 0 nay, 0 absent.

Anita Thomas asked the committee to turn to the hog house amendments dated March 21st. this would be the .0320 version. She explained the bonus language as of July 1, 2006 this would repeal this, this could potentially cause some confusion, with districts believing that they may be eligible for bonuses beyond this realm. The proposal is to change the effective dt. of Dec. 31, 2005.

Some questions were asked of Jerry Coleman about the weighting factors. (meter #2377-3878)

Senator Flakoll moved the .0324 amendment.

Senator Erbele second this motion.

Hearing no other discussion roll call was taken, Vote : 5 yea, 1 nay, 0 absent.

Senator Freborg adjourned the meeting.

Anita Thomas explained quickly the hog house amendment of .0325. a few questions followed.

Senator Freborg adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Education Committee

❑ Conference Committee

Hearing Date 03/23/05

Tape Number	Side A	Side B	Meter #
1	x		0-6181
1		x	0-1000

Committee Clerk Signature Patty Wilkins

Minutes : Relating to per student payments and weighting factors and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; and to provide an appropriation.

Senator Freborg : Call the meeting to order on **HB 1154**

All members were present.

Senator Freborg : Asked Anita Thomas once again to come up and tell the committee of the changes from yesterday to today.

Anita Thomas : Said she would be able to do that she walked the committee through all of the changes. Talked about the tuition apportionment, teachers comp.

Senator Flakoll : Is this the five yr. phase in?

Anita Thomas : Tuition apportionment is a lump sum of the per student payment. Teachers comp is the 5 yr. phase in.

Senator Taylor : I was almost sure that the tuition apportionment was 5 yr. phase in.

Anita Thomas : There was discussion last night about this.

Senator Freborg : As a committee I don't believe we changed that.

Anita Thomas : DPI was concerned about how the money was being moved.

Senator Freborg : I think we have an amendment to do that. This will need to be changed, would this be in 0326? The committee agrees. We will continue on.

Anita Thomas continued to explain the changes that took place. She discussed the transportation and the JPA. The escalators were discussed as well as the start date of the two yr. biennium. Weighting factors were discussed as well. Talked about the FTE's change and discussion follow with the committee and Anita.

Tom Decker from DPI came up to discuss some issues on transportation with the committee.

More discussion on the transportation wanted clarification

Senator Flakoll made a motion to move this amendment to add that to and from school only, not for special events.

Senator G. Lee second this motion.

Hearing no other discussion, clerk took the roll, Vote: 6-0-0

Senator G. Lee moved to adopt portion 15.1-09-42 of section 24 that this be included about the NDEA conference, repealed out of the code. Everyone should be aware of this. I so move to include that section.

Senator Erbele second this motion.

Senator Taylor indicated that it also included 15.1-09-42.

Senator G. Lee : That is correct, that was included with 2358.

Senator Taylor : So in repealing this in 2358 language was also added that dictated professional development days in place of that repeal, so with this repeal we are taking away paid days for the conference and not adding anything for professional development. So we are removing what little professional development there is in the school yr. for administrators and teachers.

Senator G. Lee : It could be viewed that way, but some teachers will take advantage of that.

Senator Seymour : Senator G. Lee what about the administrators?

Senator G. Lee : This doesn't say that they can't go.

Senator Seymour : They just won't be pd.

Senator G. Lee : Correct.

Senator Taylor : I urge to deny this repealer.

Senator Freborg : This might give us time to discuss this in conference.

Hearing no other discussion, clerk took the roll, Vote: 4-2-0

Senator Freborg brought meeting back to order. Discussion on how to get all the $ in and the phase in as well.

Senator Freborg brought up the escalators of the mill levy, going from 36 to 38, waiting for **Jerry Coleman,** some discussion amongst the committee until Jerry got there.

Jerry Coleman explained the chart, table and ADM to the school districts. He also explain the FTE the changes that are different. He explained that the distribution is the same.

Senator Flakoll asked for Tom Decker.

Tom Decker : DPI had discussion with the committee on the changes on JPA's and how the $'s are all allocated to the school districts. State law that all the schools have a home improvement plan.

Senator Freborg brought the meeting back to order.

Committee had some discussion on the financial aid. Running the $ through the formula.

Senator Freborg indicated that we need both teachers comp and tuition apportionment.

Senator Taylor mentioned that we wouldn't need to change any thing on the 5 yr. phase in.

Senator Freborg : Yes, that is correct, but we may need to change some numbers.

Senator Freborg : We only need to change the numbers to the biennium so we will need to change the date.

Senator Flakoll : Moved to change the %'s to 30 % going to the formula first biennium 70 % second biennium and 100 % there after. So the phase in is still over 5 yrs.

Senator Taylor second this motion.

Senator G. Lee so this is both teachers comp. and tuition apportionment?

Senator Freborg : Just tuition apportionment. We don't have to change the other one.

Hearing no other discussion, clerk took the roll. Vote : 6-0-0

Senator Freborg asked if they wanted time to read the latest engrossment.

Senator Erbele : Would the re-engrossment be .0328?

Senator Freborg indicated yes, the things in that is the changes from 0327-0328

Senator Seymour : There were some things in there that were left out.

Senator Freborg : There were some things as well that I would have liked in there. Many things could change in conference committee.

Senator Erbele made a motion to adopt .0328 amendment.

Senator G. Lee second this motion.

Hearing no further discussion, clerk took the roll, Vote: 4-2-0

Senator Flakoll : Made a motion for a Do Pass on re-engrossed HB 1154 as amended and to re-refer it to appropriations.

Senator Erbele second the motion.

Senator Seymour : I don't think we were thinking of rural teachers and rural schools when we did this bill. I think we took a step back.

Senator Freborg : Are you talking about the minimum base?

Senator Seymour : Yes.

Senator Freborg : The 3000.00 dollars is still there. We did not freeze the base, it could be as high as they want it.

Senator Seymour : But they have needed leadership to move it in the past.

Senator Freborg : We will correct any problems even if we need an extension.

Hearing no further discussion, clerk took the roll, Vote : 4-2-0

Senator Flakoll will carry the bill.

Senator Freborg adjourned the meeting.

Prepared by the Legislative Council staff for
Senator Freborg
March 3, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "to" insert "create and enact six new sections to chapter 15.1-27 of the North Dakota Century Code, relating to state transportation payments; to"

Page 1, line 3, replace "and" with a comma and after "factors" insert a comma

Page 1, line 4, remove "to provide for the distribution of transportation grants;"

Page 11, replace lines 21 through 30 with:

"**SECTION 8.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Transportation payments - Determination - First year of 2005-07 biennium.

1. During the first year of the 2005-07 biennium, the superintendent of public instruction shall:

   a. Determine the amount of state transportation aid that the school district received during the second year of the 2003-05 biennium; and

   b. Determine the amount of state transportation aid to which the district would be entitled, using data envelopment analysis, for transportation services provided to students during the second year of the 2003-05 biennium.

2. If the amount in subdivision b of subsection 1 is greater than the amount in subdivision a of subsection 1, the superintendent of public instruction shall forward to the school district an amount equal to:

   a. The state transportation aid that the school district received during the second year of the 2003-05 biennium; plus

   b. Twenty percent of the difference between the amount received under subdivision a and the amount to which the district would be entitled, using data envelopment analysis, for transportation services provided to students during the second year of the 2003-05 biennium.

3. If the amount in subdivision a of subsection 1 is greater than the amount in subdivision b of subsection 1, the superintendent of public instruction shall forward to the district an amount equal to:

   a. The state transportation aid that the school district received during the second year of the 2003-05 biennium; less

   b. Twenty percent of the difference between the amount received under subdivision a and the amount to which the district would be entitled, using data envelopment analysis, for transportation services provided to students during the second year of the 2003-05 biennium.

SECTION 9. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Transportation payments - Determination - Second year of 2005-07 biennium.

1. During the second year of the 2005-07 biennium, the superintendent of public instruction shall:

   a. Determine the amount of state transportation aid that the school district received during the first year of the 2005-07 biennium; and

   b. Determine the amount of state transportation aid to which the school district would be entitled, using data envelopment analysis, for services provided during the first year of the 2005-07 biennium.

2. If the amount in subdivision b of subsection 1 is greater than the amount in subdivision a of subsection 1, the superintendent of public instruction shall forward to the school district an amount equal to:

   a. The state transportation aid that the school district received during the first year of the 2005-07 biennium; plus

   b. Forty percent of the difference between the amount received under subdivision a and the amount to which the school district would be entitled, using data envelopment analysis, for services provided during the first year of the 2005-07 biennium.

3. If the amount in subdivision a of subsection 1 is greater than the amount in subdivision b of subsection 1, the superintendent of public instruction shall forward to the school district an amount equal to:

   a. The state transportation aid that the school district received during the first year of the 2005-07 biennium; less

   b. Forty percent of the difference between the amount received under subdivision a and the amount to which the district would be entitled, using data envelopment analysis, for services provided during the first year of the 2005-07 biennium.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Transportation payments - Determination - First year of 2007-09 biennium.

1. During the first year of the 2007-09 biennium, the superintendent of public instruction shall:

   a. Determine the amount of state transportation aid that the school district received during the second year of the 2005-07 biennium; and

   b. Determine the amount of state transportation aid to which the district would be entitled, using data envelopment analysis, for transportation services provided to students during the second year of the 2005-07 biennium.

2. If the amount in subdivision b of subsection 1 is greater than the amount in subdivision a of subsection 1, the superintendent of public instruction shall forward to the school district an amount equal to:

a. The state transportation aid that the school district received during the second year of the 2005-07 biennium; plus

b. Sixty percent of the difference between the amount received under subdivision a and the amount to which the district would be entitled, using data envelopment analysis, for transportation services provided to students during the second year of the 2005-07 biennium.

3. If the amount in subdivision a of subsection 1 is greater than the amount in subdivision b of subsection 1, the superintendent of public instruction shall forward to the district an amount equal to:

a. The state transportation aid that the school district received during the second year of the 2005-07 biennium; less

b. Sixty percent of the difference between the amount received under subdivision a and the amount to which the district would be entitled, using data envelopment analysis, for transportation services provided to students during the second year of the 2005-07 biennium.

SECTION 11. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Transportation payments - Determination - Second year of 2007-09 biennium.

1. During the second year of the 2007-09 biennium, the superintendent of public instruction shall:

a. Determine the amount of state transportation aid that the school district received during the first year of the 2007-09 biennium; and

b. Determine the amount of state transportation aid to which the school district would be entitled, using data envelopment analysis, for services provided during the first year of the 2007-09 biennium.

2. If the amount in subdivision b of subsection 1 is greater than the amount in subdivision a of subsection 1, the superintendent of public instruction shall forward to the school district an amount equal to:

a. The state transportation aid that the school district received during the first year of the 2007-09 biennium; plus

b. Eighty percent of the difference between the amount received under subdivision a and the amount to which the school district would be entitled, using data envelopment analysis, for services provided during the first year of the 2007-09 biennium.

3. If the amount in subdivision a of subsection 1 is greater than the amount in subdivision b of subsection 1, the superintendent of public instruction shall forward to the school district an amount equal to:

a. The state transportation aid that the school district received during the first year of the 2007-09 biennium; less

b. Eighty percent of the difference between the amount received under subdivision a and the amount to which the district would be entitled, using data envelopment analysis, for services provided during the first year of the 2007-09 biennium.

SECTION 12. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Transportation payments - Data envelopment analysis. Beginning July 1, 2010, the superintendent of public instruction shall determine the amount of state transportation aid to which a school district is entitled by using data envelopment analysis.

SECTION 13. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Transportation payments - Distribution. The superintendent of public instruction shall forward to each school district any amount to which the district is entitled under sections 8 through 12 of this Act at the same time and in the same manner as required for state aid payments under section 15.1-27-01."

Page 12, remove lines 1 through 6

Renumber accordingly

Prepared by the Legislative Council staff for
Senate Education
March 18, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota Century Code, relating to teacher compensation levels; to amend and reenact subsection 4 of section 15.1-07-28 and sections 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-15, 15.1-27-37, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code, relating to per student payments, tuition apportionment, and teacher compensation; to repeal sections 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to reorganization bonuses and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 4 of section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

4. The joint powers agreement provides for the employment and compensation of a chief administrator and other staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37.

SECTION 2. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is ~~two~~ three thousand ~~five~~ hundred nine fifty-one dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand ~~six~~ one hundred twenty three fifty-four dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 3. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition

purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 4. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that

results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in

section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 5. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 7. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The

superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to

teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 8. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 9. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2006, the superintendent of public instruction shall ~~apportion~~:

   a. Apportion eighty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27~~; and

   b. Distribute twenty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2006, and ending June 30, 2007, the superintendent of public instruction shall:

   a. Apportion sixty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute forty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2007, and ending June 30, 2008, the superintendent of public instruction shall:

a. Apportion forty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute sixty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

5. Beginning July 1, 2008, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion twenty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute eighty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

6. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 10. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 11. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

   d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 12. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents, reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile, and reimbursement for family transportation at the rate of thirty-five cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

SECTION 13. CONTINGENT PAYMENTS - RETURN TO GENERAL FUND - ENGLISH LANGUAGE LEARNERS - JOINT POWERS ASSOCIATIONS. If any moneys appropriated for per student payments and transportation payments in the grants-state school aid line item contained in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall return to the state general fund the first $759,000, or so much of that amount which is equal to the sum provided by the superintendent as reorganization bonuses to any school districts having reorganizations effective on July 1, 2005.

2. The superintendent of public instruction shall use the next $300,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

3. The superintendent of public instruction shall use the next $2,000,000 or so much of that amount as is necessary, for the purpose of providing payments under 2005 Senate Bill No. 2168, as approved by the fifty-ninth legislative assembly, to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

4. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year.

SECTION 14. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 15. APPROPRIATION - REORGANIZATION BONUSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 16. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 17. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 18. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 19. EFFECTIVE DATE. Section 17 of this Act becomes effective on July 1, 2006.

SECTION 20. EFFECTIVE DATE. Sections 1 and 18 of this Act becomes effective on July 1, 2009."

Renumber accordingly

Prepared by the Legislative Council staff for
Senate Education
March 21, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota Century Code, relating to teacher compensation levels; to amend and reenact subsection 4 of section 15.1-07-28 and sections 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code, relating to per student payments, supplemental payments, tuition apportionment, and teacher compensation; to repeal sections 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to reorganization bonuses and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 4 of section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

4. The joint powers agreement provides for the employment and compensation of a chief administrator and other staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37.

SECTION 2. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is ~~two~~ three thousand ~~five~~ hundred nine fifty-one dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand ~~six~~ one hundred twenty three fifty-four dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 3. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 4. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 5. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

   a. The district's latest available net assessed and equalized taxable valuation of property; plus

   b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

   a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

   b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

   c. The district has a general fund levy of at least one hundred eighty mills; and

   d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

   a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

   b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

   c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

   d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 7. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 8. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15,

2006, in the same manner as per student payments under chapter 15.1-27.

c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction

shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 9. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 10. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2006, the superintendent of public instruction shall ~~apportion~~:

   a. Apportion eighty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27~~; and

   b. Distribute twenty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2006, and ending June 30, 2007, the superintendent of public instruction shall:

   a. Apportion sixty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

   b. Distribute forty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2007, and ending June 30, 2008, the superintendent of public instruction shall:

   a. Apportion forty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

   b. Distribute sixty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

5. Beginning July 1, 2008, and ending June 30, 2009, the superintendent of public instruction shall:

   a. Apportion twenty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

   b. Distribute eighty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

6. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 11. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 12. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

b. The student relocates to another district;

c. The student's parent applies for enrollment in another school district; or

d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 13. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents, reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile, and reimbursement for family transportation at the rate of thirty-five cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

SECTION 14. CONTINGENT PAYMENTS - RETURN TO GENERAL FUND - ENGLISH LANGUAGE LEARNERS - JOINT POWERS ASSOCIATIONS. If any moneys appropriated for per student payments and transportation payments in the grants-state school aid line item contained in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall return to the state general fund the first $759,000, or so much of that amount which is equal to the sum provided by the superintendent as reorganization bonuses to any school districts having reorganizations effective on July 1, 2005.

2. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

3. The superintendent of public instruction shall use the next $2,000,000, or so much of that amount as is necessary, for the purpose of providing payments under 2005 Senate Bill No. 2168, as approved by the fifty-ninth legislative assembly, to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

4. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year.

SECTION 15. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 16. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,360,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of assisting eligible educational associations with hiring and compensating staff, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. No eligible educational association may receive more than $250,000 under this section during the biennium.

3. For purposes of this section, an eligible educational association is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 17. APPROPRIATION - REORGANIZATION BONUSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 18. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 19. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 20. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 21. EFFECTIVE DATE. Section 19 of this Act becomes effective on July 1, 2006.

SECTION 22. EFFECTIVE DATE. Sections 1 and 20 of this Act become effective on July 1, 2009."

Renumber accordingly

Date: 3/9/05
Roll Call Vote #: /

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Section 6 Do Pass leave as is.

Motion Made By Lee Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG			SENATOR SEYMOUR		
V-CH- SENATOR G. LEE			SENATOR TAYLOR		
SENATOR ERBELE					
SENATOR FLAKOLL					

Total (Yes) 3 No 3

Absent

Failed

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/9/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Section 10 Do Pass

Motion Made By Flakoll Seconded By Taylor

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/9/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Section 3 Do Pass

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0305
Title.

Prepared by the Legislative Council staff for
Senator Freborg
March 10, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after the first comma insert "15.1-27-05,"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", the school district equalization factor,"

Page 1, after line 14, insert:

"**SECTION 2. AMENDMENT.** Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, and transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ four over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ four over the number of mills used in determining the product required by that subdivision the previous year."

Renumber accordingly

Date: 3/14/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Section 2 DoPass

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 1

Absent 1

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senator Freborg
March 7, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 4, after the first semicolon insert "to repeal sections 15.1-12-11.1 and 15.1-12-11.2 of the North Dakota Century Code, relating to reorganization bonuses;"

Page 1, line 5, remove "and" and after "appropriation" insert "; and to provide an effective date"

Page 12, after line 6, insert:

"**SECTION 9. REPEAL.** Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 10. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed."

Page 12, line 7, remove "**REORGANIZATION BONUS -**"

Page 12, line 14, remove "$600,000 for the purpose"

Page 12, remove lines 15 through 25

Page 12, line 26, remove "2. The superintendent of public instruction shall use the next"

Page 12, line 29, replace "3." with "2."

Page 13, line 4, replace "4." with "3."

Page 13, after line 11, insert:

"**SECTION 13. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. If any moneys appropriated for reorganization bonus payments under subsection 1 remain after payments are made to all eligible school districts, the superintendent of public instruction shall use the remainder to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year.

SECTION 14. EFFECTIVE DATE. Section 9 of this Act becomes effective on January 1, 2006."

Date: 3/14/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken further amend .0304

Motion Made By Flakoll Seconded By LEE

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/14/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass Amended Amendment

Motion Made By Lee, Seconded By Taylor

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL		✓			

Total (Yes) 5 No 1

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/15/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Section 4

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0308
Title.

Prepared by the Legislative Council staff for
Senator Freborg
March 16, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 4, after the first semicolon insert "to repeal sections 15.1-12-11.1 and 15.1-12-11.2 of the North Dakota Century Code, relating to reorganization bonuses;"

Page 1, line 5, remove "and" and after "appropriation" insert "; and to provide an effective date"

Page 12, after line 6, insert:

"**SECTION 9. REPEAL.** Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 10. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed."

Page 12, line 7, replace "**REORGANIZATION BONUS**" with "**RETURN TO GENERAL FUND**"

Page 12, line 14, replace "use the first $600,000 for the purpose" with "return to the state general fund the first $759,000, or so much of that amount which is equal to the sum provided by the superintendent as reorganization bonuses to any school districts having reorganizations effective on July 1, 2005."

Page 12, remove lines 15 through 25

Page 13, after line 11, insert:

"**SECTION 13. APPROPRIATION - REORGANIZATION BONUSES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 14. EFFECTIVE DATE. Section 9 of this Act becomes effective on January 1, 2006."

Renumber accordingly

Date: 3/15/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1164

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken First 759,000.00 goes into general fund .0308

Motion Made By Erbele Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senator Freborg
March 3, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after the first comma insert "15.1-27-05,"

Page 1, line 2, remove the first "and" and after "15.1-27-39" insert ", 15.1-28-03, 15.1-29-02, and 15.1-31-03"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", tuition fund payments,"

Page 1, after line 14, insert:

"**SECTION 2. AMENDMENT.** Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionmcnt fund payments, per student payments, special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionmcnt fund payments, per student payments, special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year."

Page 10, after line 23, insert:

"**SECTION 8. AMENDMENT.** Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment Payment Per student payments. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall ~~apportion~~ distribute all moneys available in the fund among the school districts of the state in proportion to the number of school age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time and in the same manner as the per student payments required under chapter 15.1-27.

SECTION 9. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 10. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

   d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment."

Page 10, line 29, overstrike "apportionment" and insert immediately thereafter "fund"

Page 11, line 5, overstrike "apportionment" and insert immediately thereafter "fund"

Renumber accordingly

Date: 3/15/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken .0301 amendment to engrossed 54yrs. phase in

Motion Made By Taylor Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0303
Title.

Prepared by the Legislative Council staff for
Senator Freborg
March 3, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 15.1-27 of the North Dakota Century Code, relating to the maintenance of teacher compensation levels;", after "reenact" insert "subsection 4 of section 15.1-07-28,", after the first comma insert "15.1-27-05,", and after the third comma insert "and"

Page 1, line 2, remove ", 15.1-27-37, and 15.1-27-39" and remove "and section 38 of"

Page 1, line 3, remove "chapter 667 of the 2003 Session Laws", replace "and" with a comma, and after "factors" insert a comma

Page 1, line 4, after the first semicolon insert "to repeal sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to teacher compensation;"

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Subsection 4 of section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

4. The joint powers agreement provides for the employment and compensation of a chief administrator and other staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37."

Page 1, line 10, overstrike "two" and insert immediately thereafter "three", remove "eight", and overstrike "hundred"

Page 1, line 11, replace "thirteen" with "fifty-one"

Page 1, line 12, overstrike "two" and insert immediately thereafter "three", replace "nine" with "one", and replace "twelve" with "fifty-four"

Page 1, after line 14, insert:

"**SECTION 3. AMENDMENT.** Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year."

Page 8, remove lines 30 and 31

Page 9, removes lines 1 through 30

Page 10, remove lines 1 through 12

Page 10, replace lines 24 through 30 with:

"**SECTION 8.** A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school

year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services."

Page 11, remove lines 1 through 20

Page 13, after line 6, insert:

"**SECTION 11. REPEAL.** Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed."

Renumber accordingly

Date: 3/15/05
Roll Call Vote #: 4

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken .0303 5th. phase

Motion Made By Lee Seconded By Flakoll

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/16/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Section 6 increase base pay 1500 1st yr. plus 1500 2nd yr

Motion Made By Flakoll Seconded By Seymour

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG		✓	SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE		✓	SENATOR TAYLOR		✓
SENATOR ERBELE		✓			
SENATOR FLAKOLL	✓				

Total (Yes) 2 No 4

Absent Failed

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senator Flakoll
March 16, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 4, after "grants" insert "and special education aid"

Page 13, after line 6, insert:

"SECTION 10. DISTRIBUTION OF SPECIAL EDUCATION AID.

1. The superintendent of public instruction shall distribute fifteen million five hundred thousand dollars of the sum included in the grants - special education line item in subdivision 1 of section 3 of House Bill No. 1013, as approved by the fifty-ninth legislative assembly, to school districts as reimbursement of costs incurred in providing services to students with disabilities. The superintendent shall apply a factor of .78 to students with mild disabilities, a factor of 1.34 to students with moderate disabilities, and a factor of 2.83 to students with severe disabilities.

2. The superintendent of public instruction shall distribute four hundred thousand dollars of the sum included in the grants - special education line item in subdivision 1 of section 3 of House Bill No. 1013, as approved by the fifty-ninth legislative assembly, to reimburse school districts or special education units for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction. The superintendent of public instruction shall encourage cooperative efforts for gifted and talented programs among school districts and special education units.

3. The superintendent of public instruction shall distribute any amount remaining in the grants - special education line item in subdivision 1 of section 3 of House Bill No. 1013, as approved by the fifty-ninth legislative assembly, on a per student basis, as required by section 15.1-27-10. The superintendent of public instruction shall reduce payments under section 15.1-27-10 by the amount of matching funds required to be paid by school districts or special education units for students participating in the medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by the superintendent of public instruction to the department of human services on behalf of the school district or unit."

Renumber accordingly

Date: 3/16/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Amendment 58232.0311 Flakoll Amendment

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senator Flakoll
March 16, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 11, line 22, remove "1."

Page 11, line 24, replace "to each school district in the state an amount equal to fifty" with "an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents, reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile, and reimbursement for family transportation at the rate of thirty-five cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district."

Page 11, remove lines 25 through 30

Page 12, remove lines 1 through 6

Renumber accordingly

Date: 3/16/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Motion for .0313 Amendments Do pass Engrossed bill 1154

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 5 No 0

Absent 1

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0312
Title.

Prepared by the Legislative Council staff for
Senator Taylor
March 16, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 11, replace "thirteen" with "eighty-eight"

Page 1, line 12, replace "twelve" with "eighty-seven"

Page 13, after line 11, insert:

"**SECTION 11. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $15,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing additional per student payments to school districts, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

Date: 3/16/05
Roll Call Vote #: 4

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Adopt for a Do Pass, Amendment 58232.0312

Motion Made By Taylor Seconded By Seymour

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG		✓	SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE		✓	SENATOR TAYLOR	✓	
SENATOR ERBELE		✓			
SENATOR FLAKOLL		✓			

Total (Yes) 2 No 3

Absent 1

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0314
Title.

Prepared by the Legislative Council staff for
Senator G. Lee
March 17, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 2, after the first comma insert "and" and remove ", and 15.1-27-39"

Page 10, remove lines 13 through 23

Renumber accordingly

Date: 3/17/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken adopt .0314 amendment DoPass

Motion Made By Lee Seconded By Erb

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/7/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken 0303 More the escalator from 2 mills to 3 mills Change mill levy

Motion Made By Freborg Seconded By Flakoll

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE		✓	SENATOR TAYLOR		✓
SENATOR ERBELE		✓			
SENATOR FLAKOLL		✓			

Total (Yes) 2 No 4

Absent Failed

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/21/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken .0311 Reconsideration

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senate Education
March 21, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to reorganization bonuses and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under ~~chapter 54-40.3~~ wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2)~~ ~~The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

~~(3)~~ ~~The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses. ;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the

board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is ~~two~~ three thousand ~~five~~ hundred nine fifty-one dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand ~~six~~ one hundred twenty three fifty-four dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, and special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by ~~eighty~~ five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public ~~instruction.~~

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount

of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and

to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .05 adjusted by eighty five percent of the difference between .05 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments ~~provided~~ for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment

provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent ~~for~~ the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

   c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

   d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

   e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005,

as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

2. The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

   a. The total expenses incurred in delivering services and programs under section 15.1-07-27; or

   b. Fifty thousand dollars.

3. The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received under subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

4. The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The

2. Beginning July 1, 2005, and ending June 30, 2006, the superintendent of public instruction shall apportion:

   a. Apportion eighty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute twenty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2006, and ending June 30, 2007, the superintendent of public instruction shall:

a. Apportion sixty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute forty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2007, and ending June 30, 2008, the superintendent of public instruction shall:

a. Apportion forty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute sixty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

5. Beginning July 1, 2008, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion twenty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute eighty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

6. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

   d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents, reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile, and reimbursement for family transportation at the rate of thirty-five cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 15 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 18. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 17 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year.

SECTION 19. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 20. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

   b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

   c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under this section during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 21. APPROPRIATION - REORGANIZATION BONUSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 22. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 23. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 24. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 25. EFFECTIVE DATE. Section 23 of this Act becomes effective on July 1, 2006.

SECTION 26. EFFECTIVE DATE. Section 24 of this Act becomes effective on July 1, 2009.

SECTION 27. EMERGENCY. Section 15 of this Act is declared to be an emergency measure."

Renumber accordingly

Date: 3/21/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Lee Amendment reengrossed Version - Sec 1 JPA 1.36million .0320

Motion Made By Lee Seconded By Taylor

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senate Education
March 22, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to reorganization bonuses and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

      ~~(2) The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

      ~~(3) The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditure for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses. ;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the

board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~ seventy-two dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three seventy-one dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07. Payments available under this section together with payments available under sections 15.1-27-37 and 15.1-28-03 result in an estimated total per student entitlement of two thousand nine hundred thirty-four dollars during the first year of the biennium and an estimated total per student entitlement of three thousand forty-five dollars during the second year of the biennium.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student

payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .995 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public

instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. ~~Beginning~~ July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .05 adjusted by eighty five percent of the difference between .05 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section ~~15.1-27-04~~. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district,

times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

   c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

   d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school

year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2006, the superintendent of public instruction shall ~~apportion:~~

   a. Apportion eighty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The~~

superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute twenty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2006, and ending June 30, 2007, the superintendent of public instruction shall:

a. Apportion sixty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute forty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2007, and ending June 30, 2008, the superintendent of public instruction shall:

a. Apportion forty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute sixty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

5. Beginning July 1, 2008, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion twenty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute eighty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

6. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the

student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

   d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the amount available to which each school district is entitled.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 15 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 18. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 17 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 19. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill

No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 21. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

   b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

   c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under this section during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 22. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 23. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 24. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 25. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 26. EFFECTIVE DATE. Section 24 of this Act becomes effective on December 31, 2005.

SECTION 27. EFFECTIVE DATE. Section 25 of this Act becomes effective on July 1, 2009.

SECTION 28. EMERGENCY. Section 15 of this Act is declared to be an emergency measure."

Renumber accordingly

Date: 3/21/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken to modify 150-180 mills - .0325

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senate Education
March 22, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-09-42, 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to educational meetings, reorganization bonuses, and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

   ~~(2) The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

   ~~(3) The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1 27 37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the

board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~ seventy-two dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three seventy-one dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07. Payments available under this section together with payments available under sections 15.1-27-37 and 15.1-28-03 result in an estimated total per student entitlement of two thousand nine hundred thirty-four dollars during the first year of the biennium and an estimated total per student entitlement of three thousand forty-five dollars during the second year of the biennium.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student

payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.11 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1 27 04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public

instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district,

times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

   c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

   d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school

year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1 07 27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1 07 27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1 07 27. The reimbursement may not exceed the lesser of:

   ~~a.~~ The total expenses incurred in delivering services and programs under section 15.1 07 27; or

   ~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2006, the superintendent of public instruction shall ~~apportion~~:

   a. Apportion eighty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The~~

superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute twenty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2006, and ending June 30, 2007, the superintendent of public instruction shall:

a. Apportion sixty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute forty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2007, and ending June 30, 2008, the superintendent of public instruction shall:

a. Apportion forty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute sixty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

5. Beginning July 1, 2008, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion twenty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute eighty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

6. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the

student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

   d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the amount available to which each school district is entitled.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 15 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 18. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 17 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 19. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill

No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 21. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

   b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

   c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under subdivision a of subsection 2 during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 22. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 23. REPEAL. Sections 15.1-09-42 and 15.1-12-11.2 of the North Dakota Century Code are repealed.

SECTION 24. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 25. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 26. EFFECTIVE DATE. Section 24 of this Act becomes effective on December 31, 2005.

SECTION 27. EFFECTIVE DATE. Section 25 of this Act becomes effective on July 1, 2009.

SECTION 28. EMERGENCY. Section 15 of this Act is declared to be an emergency measure."

Renumber accordingly

Date: 3/21/05
Roll Call Vote #: 4

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Flakoll Engrossed. requires dist r 3592.07 less for supplemental payments .0326

Motion Made By Flakoll Seconded By Seymour

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0327
Title.

Prepared by the Legislative Council staff for
Senate Education
March 23, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, 15.1-31-03, and 15.1-31-07 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-09-42, 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to reorganization bonuses, educational meetings, and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2)~~ ~~The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

~~(3)~~ ~~The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the

board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is ~~two~~ three thousand ~~five~~ one hundred ~~nine~~ seventy-nine dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand ~~six~~ two hundred twenty three eighty-five dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment ~~payments,~~ per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment ~~payments,~~ per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per

student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public

instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district,

times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006.

   c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007.

   d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008.

   e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars.

   ~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars.

   g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to

teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment Payment Certification. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1 27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment payments, a student whose application is approved under this section is considered a resident of the admitting district.

~~4.~~ Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district. Notwithstanding section 15.1-28-03, the superintendent of public instruction shall forward payments from the state tuition fund made on behalf of the student to the student's chosen school district. The student may not be considered a student in average daily membership in the student's school district of residence for purposes of section 15.1-31-02.

SECTION 16. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 17. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the amount available to which each school district is entitled.

SECTION 18. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 16 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 19. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 18 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 21. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 22. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

   b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

   c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under subdivision a of subsection 2 during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 23. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 24. REPEAL. Sections 15.1-09-42 and 15.1-12-11.2 of the North Dakota Century Code are repealed.

SECTION 25. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 26. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 27. EFFECTIVE DATE. Section 25 of this Act becomes effective on December 31, 2005.

SECTION 28. EFFECTIVE DATE. Section 26 of this Act becomes effective on July 1, 2009.

SECTION 29. EMERGENCY. Section 16 of this Act is declared to be an emergency measure."

Date: 3/21/05
Roll Call Vote #: 5

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Rec 11582.03802 - 300 to ELL to 2450 thru .0327

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senator Freborg
March 18, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "to" insert "create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board compensation authority; to" and after "sections" insert "15.1-07-28,"

Page 1, line 2, remove the first "and" and after "15.1-27-39" insert ", and 15.1-27-40"

Page 1, line 3, replace "and" with a comma and after "factors" insert a comma

Page 1, line 4, remove "and" and after "compensation" insert ", and educational associations governed by joint powers agreements"

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under ~~chapter 54~~ 40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

   ~~(2)~~ ~~The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

   ~~(3)~~ ~~The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

2. ~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the ~~first~~ school year following approval, all of the participating districts ~~shall~~ implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses. ;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three

administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions."

Page 10, after line 23, insert:

"**SECTION 9. AMENDMENT.** Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent."

Date: 3-21-05
Roll Call Vote #: 6

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass Amendment 58232.0318

Motion Made By Lee Seconded By Taylor

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	X		SENATOR SEYMOUR	X	
V-CH- SENATOR G. LEE	X		SENATOR TAYLOR	X	
SENATOR ERBELE	X				
SENATOR FLAKOLL		X			

Total (Yes) 5 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-21-05
Roll Call Vote #: 7

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1134

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Lee Amendment

Action Taken Sec. 16 additional sum $590,000 to JSAs, $50,000 reimbursement for new JSAs educational associates after 7-1-05

Motion Made By Lee Seconded By Flakoll

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	X		SENATOR SEYMOUR	X	
V-CH- SENATOR G. LEE	X		SENATOR TAYLOR	X	
SENATOR ERBELE	X				
SENATOR FLAKOLL	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-21-05
Roll Call Vote #: 8

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Amend sec. 14 subs. sec. 3, line 1 $2M to $1M

Motion Made By Lee Seconded By Taylor

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	X		SENATOR SEYMOUR	X	
V-CH- SENATOR G. LEE	X		SENATOR TAYLOR	X	
SENATOR ERBELE	X				
SENATOR FLAKOLL	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

58232.0322
Title.

Prepared by the Legislative Council staff for
Senator Flakoll
March 21, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 13, after line 6, insert:

"**SECTION 10. CONTINGENT PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS.** If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2006-07 school year."

Renumber accordingly

Date: 3/22/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken 5B232.0322 engrossed

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 18, line ? insert:

SECTION 19. REORGANIZATION MONEY. Any reorganization money at the end of the biennium will be paid out through the foundation aid formula.

Renumber accordingly

Hakoll
Dec. #1
Reorganize
from $$

Date: 3/22/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Flakoll sec/9 Reorganizational #'s

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

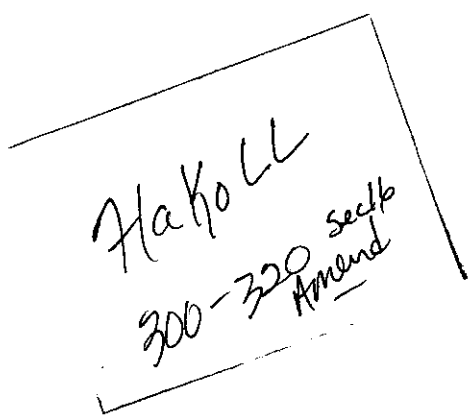
PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL 1154

Page 18, line 18, remove ", and reimbursement for family transportation at the"

Page 18, line 19, remove "rate of thirty-five cents per mile"

Page 18, line 20, after "district" insert ". All payments will be prorated"

Renumber accordingly



Date: 3/22/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Flakoll family transportation 300-320 Rec. 14

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senator Freborg
March 22, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after the first comma insert "15.1-27-05,"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", the school district equalization factor,"

Page 1, line 10, replace "eight" with "seven"

Page 1, line 11, replace "thirteen" with "seventy-two"

Page 1, line 12, replace "nine" with "eight" and replace "twelve" with "seventy-one"

Page 1, after line 14, insert:

"**SECTION 2. AMENDMENT.** Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, and transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year."

Renumber accordingly

Date: 3/22/05
Roll Call Vote #: 4

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Freborg .0324

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 5 No 1

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/23/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken motion transportation to & from school only (excludes activities)

Motion Made By Flakoll Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/23/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken adopt portion 15.1-09-42 & sec. 24

Motion Made By Sen. Lee Seconded By Sen. Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/23/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Flakoll Amend on tuition apportion 30% - 70% / 100%

Motion Made By Flakoll Seconded By Taylor

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR	✓	
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR	✓	
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 6 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for
Senate Education
March 23, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-09-42, 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to educational meetings, reorganization bonuses, and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreement under chapter ~~54-40.3~~ wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2)~~ ~~The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

~~(3)~~ ~~The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the ~~first~~ school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the

board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ nine hundred ~~nine~~ dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand six hundred twenty three fifteen dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.21 adjusted by eighty five percent of the difference between 1.21 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount

of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d. Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.~~

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and

to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .05 adjusted by eighty five percent of the difference between .05 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment

provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

   c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

   d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

   e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005,

as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying ~~out~~ the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall ~~apportion~~:

   a. Apportion seventy percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The~~ superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute thirty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2007, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion thirty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute seventy percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

a. The student graduates;

b. The student relocates to another district;

c. The student's parent applies for enrollment in another school district; or

d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the amount available to which

each school district is entitled. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 15 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 18. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 17 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 19. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 21. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under subdivision a of subsection 2 during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 22. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 23. REPEAL. Sections 15.1-09-42 and 15.1-12-11.2 of the North Dakota Century Code are repealed.

SECTION 24. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 25. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 26. EFFECTIVE DATE. Section 24 of this Act becomes effective on December 31, 2005.

SECTION 27. EFFECTIVE DATE. Section 25 of this Act becomes effective on July 1, 2009.

SECTION 28. EMERGENCY. Section 15 of this Act is declared to be an emergency measure."

Renumber accordingly

Date: 3/23/05
Roll Call Vote #: 1154

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 4

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Adopt Amendment titled .0328 HB1154 reengrossed bill

Motion Made By Erbele Seconded By Lee

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/23/05
Roll Call Vote #: 5

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1154

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass - to reengrossed bill of 1154 re-refers back to approp

Motion Made By Flakoll Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
CH- SENATOR FREBORG	✓		SENATOR SEYMOUR		✓
V-CH- SENATOR G. LEE	✓		SENATOR TAYLOR		✓
SENATOR ERBELE	✓				
SENATOR FLAKOLL	✓				

Total (Yes) 4 No 2

Absent

Floor Assignment Flakoll

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1154, as reengrossed: Education Committee (Sen. Freborg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1154 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-09-42, 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to educational meetings, reorganization bonuses, and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that ~~the~~ superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

      ~~(2)~~ ~~The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

      ~~(3)~~ ~~The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development ~~process;~~

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ nine hundred ~~nine~~ dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand six hundred twenty three fifteen dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product

required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by

the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in

section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor

for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .05 adjusted by eighty five percent of the difference between .05 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and ~~the factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The

payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. ~~The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.~~

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

   a. The district's latest available net assessed and equalized taxable valuation of property; plus

   b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

   a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

   b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

   c. The district has a general fund levy of at least one hundred eighty mills; and

   d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

   a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

   b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices

board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-27-27 shall executive director of an

educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1 07 27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1 07 27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1 07 27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall ~~apportion~~:

   a. Apportion seventy percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The~~ superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27; and

   b. Distribute thirty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2007, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion thirty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute seventy percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment fund.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

   a. The student graduates;

   b. The student relocates to another district;

   c. The student's parent applies for enrollment in another school district; or

d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionment fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest

available student enrollment count in each school district. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the amount available to which each school district is entitled. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 15 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 18. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 17 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 19. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 21. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public

instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

   b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

   c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under subdivision a of subsection 2 during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 22. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 23. REPEAL. Sections 15.1-09-42 and 15.1-12-11.2 of the North Dakota Century Code are repealed.

SECTION 24. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 25. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 26. EFFECTIVE DATE. Section 24 of this Act becomes effective on December 31, 2005.

SECTION 27. EFFECTIVE DATE. Section 25 of this Act becomes effective on July 1, 2009.

SECTION 28. EMERGENCY. Section 15 of this Act is declared to be an emergency measure."

Renumber accordingly

2005 SENATE APPROPRIATIONS

HB 1154

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1154

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 28, 2005

Tape Number	Side A	Side B	Meter #
2	X		215-END
		X	1-1382

Committee Clerk Signature

Minutes:

Vice-Chairman Bowman called the meeting to order on House Bill 1154. All Senators were present with the exception of Chairman Holmberg.

Tom Decker, representing the Department of Public Instruction appeared before the committee. See attached Joint Powers Agreement (JPA) data sheet. There are four major problems that JPA's are able to effectively deal with:

1. Declining enrollment
2. Teacher retirements
3. Lawsuit on educational adequacy
4. Concerns with No Child Left Behind

Half of the state's enrollment are in 8 large districts, while the other half are in 202 districts with significantly declining enrollment. The major concern is the funding for 6 JPA's, requiring $1.5

million to fund staffing. $3 million is the amount needed to minimally fund operations of JPA's through the next biennium.

Senator Andrist- Why do we need money to support JPA's, other than to get them established? I don't see why we need continuing money for that.

Tom- JPA's do provide efficiencies and are growing, the funding would be used to encourage the growth.

Senator Krauter- Is the fiscal note from February 17, the most current one?

Roxanne from Legislative Council- A revised fiscal note has been requested by Legislative Council, and copies will soon be distributed to members of the committee.

Dean Koppelman, Superintendant of Schools in Dickinson, and Administrator for the JPA Roughrider Education Services Program, appeared before the committee. See "Building Professional Collaborative Communities in Rural School Districts" booklet. The original bill was embodied in SB 2168, and we have been doing some of those things in southwest North Dakota for a number of years. We have been working hard in trying to maximize the efficiency of the tax payer dollars in regard to this approach. It is becoming more of a challenge with declining enrollment and less federal dollars available.

Senator Andrist- If the only source of money available was foundation aid, would that be a good diversion towards JPA's? We have a pool of money we have been trying to protect for foundation aid, should more of that be put in JPA's?

Dean- Foundation aid is usually a pretty good source to fund the operations of school districts across the state. I'm not sure if we can do more with a collaborative effort. The appropriation the governor placed in his budget is an appropriate level to grow and help the JPA's.

John Martinson, representing the ND School Board Association appeared before the committee. See ND JPA chart attached. JPA's have made a lot of progress, but need more financial support to move forward.

Tanya Neumiller, coordinator for the Missouri River Educational Cooperative, a JPA around the Bismarck area. See written testimony.

Vice- Chairman Bowman- What is your estimate that the JPA's need in a budget to accomplish what you would like?

Tanya- An opening budget of $500,000 would be a good start.

Morris Hardy, a school board member from Beach, ND, and a representative to the Roughrider Education JPA. He would like to see the full funding of $3 million for JPA's. Through their JPA, 4 teachers from their school were able to take part in training on how to meet the standards of No Child Left Behind. The cost of the training, was much lower than it normally would have been, due to their JPA. 19-20 superintendants in their region do all of this work on a voluntary basis in addition to their other jobs. A central administrator would make the process much more efficient and enhance education.

Senator Mathern- If we put in that additional million dollars would you be guaranteed the coordinator position?

Morris- I'm not quite sure it would be guaranteed, but our JPA would focus our funds on obtaining the central administrator.

Lieutenant Governor Jack Dalrymple appeared before the committee. There are a couple changes to the program in section 7 of the bill in regard to supplemental payments. The legislature thus far has reduced the funding level for payments $2.5 million dollars below the

governor's budget recommendation. The difficulty with supplemental payments is they help a minority of school districts, that are the most needy in terms of inadequate resources from property taxes. Those schools are currently suing us, and that is the central issue. Our way of responding to those needs is increasing supplemental payments. JPA's are an equity measure of sorts, the schools are able to do things they would not be able to do on their own. Our original budget recommendation for JPA's was $2 million dollars, with the anticipation of 70% of the state covered by JPA's by the end of the biennium. It appears there will be greater participation than expected. According to DPI, the current estimate of need is $3 million.

Senator Tallackson- I noticed the governor would like more money designated for teachers. What are your comments on that?

Lt. Governor Dalrymple- You are all aware that the 70% of new funds provision is currently not in the bill. We disagree with that. We believe we should continue to make progress by increasing the minimum salary of teachers. I would like to compliment the Senate Education Committee for putting a $5 million enhancement into the bill, to continue to recognize the need for foundation aid.

Senator Tallackson- Some people view $5 million as minimal, and would like to see $50 million.

Lt. Governor Dalrymple- There are a number of new provisions in the bill with changes in transportation, tuition apportionment, and foundation aid. An analysis needs to be done from all of these changes. For example, if you exchange tuition apportionment for foundation aid, you might help one school and hurt another.

Senator Andrist- Assuming there is a finite number of dollars going into education, what are your observations from the executive branch on what priorities could have been improved by the Senate Education committee?

Lt. Governor Dalrymple- In terms of dollars, you should consider JPA's at $3 million, and try to get supplemental payments at $7.5 million. There has been a lot of fiscal discipline in this legislative session.

Bev Nielson, representing the ND School Board Association, appeared before the committee. She appreciates the Senate Education Committee placing $5 million back into the bill, but believes more funding is necessary. We have a new increased course requirement mandate going into effect this fall. We have the new requirements of No Child Left Behind, and special education reimbursement costs that came up 60% short. There are many new costs that did not exist last biennium. In 1999, foundation aid increased by $276. In the 2001 session, the funding increased $3000 per FTE. In the 2003 session, foundation aid increased by $276. During this session, despite a strong economy, the foundation aid is the lowest it has been in the past four sessions with a $203 increase. In 2001, there was a 7.6% increase in education funding, in 2003 & 2005, there was a 5.7% increase in funding. Being that there is additional requirements being placed on schools, we would like to make the case that additional funds are needed. The closer the states gets to 70% funding of education, the less the property tax burden becomes an equity issue.

Senator Tallackson- What is your figure that is needed for 70% funding from the state?

Bev- I don't have that figure on hand.

Senator Krauter- If $15 million goes to foundation aid, do you know what that would raise those rates to? Where is the money coming from?

Bev- For each million, we get around $10-12 on foundation aid. I believe there is money available, that can be tapped into.

Senator Krauter- As the budget stabilization fund, the ending balance is $65 million, what do you see the downfalls to taking funds from there?

Bev- I know school districts are restricted on what they can take from their ending fund balances. It is difficult to figure out how much money is actually available.

Senator Grindberg- What is the dollar amount increase last biennium for the Department of Public Instruction?

Bev- There was a $44 million increase in 2001-2003, and a $36 million increase in 2003-2005.

Senator Grindberg- The budget comparison through cross-over as follows: $59.3 million for Human Services, $24.4 for DPI, $9.8 million for the Judicial Branch, $24.8 for Higher Ed, and $17.5 for the Corrections system.

Gloria Lokken, President of the ND Education Association, appeared in opposition to the re-engrossed version of the bill. See written testimony.

Vice- Chairman Bowman- You made a statement that the more funding we put into education, the less we put into corrections. The statistics are not backing that up, the corrections budget is increasing all the time. What would we do in education that could slow down the amount of drug use among young people?

Gloria- The research I was referring to shows that when you give students a better foundation with education, they are more likely to be productive citizens in society.

Joe Westby, Executive Director of the ND Education Association appeared before the committee. See written testimony and "Trends in ND per Pupil Costs/Payments" handout.

Vice-Chairman Bowman- Where is the money supposed to come from? You made a request for $50 million.

Joe- I don't believe a tax increase would be necessary. We are looking at bright economic forecasts for our state. The ending projected balance is at $127 million, with the March revenue forecast showing a $43 million increase in projected surpluses. Somewhere in those figures, the money should be there to fund an increase. Education should be a high priority.

Senator Kilzer- Why have the expenses in education gone up so much, in spite of the tremendous increase of money that has gone into the system? We have had declining enrollment of students, but not a decline in the number of teachers. The student-teacher ratio is 11:1. Either we are not efficiently using our teachers, or more changes need to be made to improve the situation. As long as we have an increasing number of teachers particularly with incentives in our payment system, we aren't going to get anywhere.

Joe- I understand what you are saying. One of the things that have been going on across the country is the increasing demands of special education services, which have contributed to keeping the numbers of professional personnel up. The student numbers are going down at an alarming rate, and it is only a matter of time before we have a significant drop in the number of teachers across the state. There will be an increasing amount of consolidations, which will lead to a fewer amount of teachers in those school districts as they consolidate.

How do we retain and recruit highly qualified teachers, is the main question. I request that the committee remove the repeal of 15.1-09-42 in Section 23 from the bill.

Dean Bard, representing the ND Small Organized Schools Association appeared before the committee. His organization represents half of the school districts in the state. He is concerned with the compression of the categories in Section 2 of the bill. That will affect smaller schools rather than the larger schools. As the contributions made by the state for education decrease, the districts have to go to the local tax payers to get the funding. The transportation grant provisions bring forth concerns, it will effect smaller schools with their declining enrollments. The minimum teacher salary is a concern, because that affects our schools considerably.

The 70% allocation of new money, should be left out of the bill. If schools districts can afford to make the 70% payment, they will. We have lots of demands and pressures for our teachers to move out of state to get a higher salary.

Doug Johnson, representing the ND Council of Education Leaders, appeared before the committee. One of the concerns you need to address is how much money is being put into education by the state. Another concern is with FTE payments and tuition apportionment payments providing equity. In 1994, Justice Sandstrom issued an opinion on tuition apportionment, where the drafters of the constitution determined the proceeds of ND's trust fund should be distributed on a per student basis, rather than on an equal education opportunity basis.

Senator Krauter- No one has mentioned the increase in the mill levy deduct. Does that take effect in the 2nd year of the biennium?

Doug- The first year of the biennium, it stays at 36 mills, no increase. In the second year of the biennium, it will become 39 mills, and thereafter 3 mills every year from then on.

Senator Krauter- The lieutenant governor says that supplemental payments are the solution to solving the equity issue, while the Senate Education Commmittee chairman says that the mill levy deduct is the solution. Which one do you prefer?

Doug- When you look at true equity, the mill deduct is the way to go. If you are going to get 70% of the cost of education supported by the state, that is the way to go.

Senator Robinson- 56 years ago, we had county area superintendants of schools. Do you forsee with the discussion of the JPA's from earlier in the hearing, about the number of FTE's in public schools. What are the possibilities that we would see one superintendant for 3-4 small schools?

Doug- The possibility exists, but we're not sure how that would affect our school districts down the road. On FTE's payments, you need to look at special ed units, and career technical education units.

Sandy Clark, representing the ND Farm Bureau appeared before the committee. They support supplemental payments instead of the mill levy deduct. When it comes to school transportation, funding was restored in the Senate version compared to the House version. We stand for adequate funding for school transportation.

Vice- Chairman Bowman closed the hearing on HB 1154. No action was taken.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1154

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 29, 2005

Tape Number	Side A	Side B	Meter #
1		b	662 - 2045

Committee Clerk Signature Janet Pukas

Minutes:

Chairman Holmberg called the discussion to order on HB 1154.

Senator Krauter distributed amendments and discussed the amendments ending in .0331. He stated it increases per student payments, adds $15 million to the foundation payments and the funding comes from the oil trust fund and the reasons for doing this is that every time the mill levy is increased it is a double whammy to the school districts and we have under funded foundation aid.

Senator Krauter moved acceptance of the amendments, Senator Mathern seconded. Discussion on the amendment followed with some committee discussing reasons for voting for the amendment and others indicating reasons for voting against the amendment. A roll call vote was taken resulting in 5 yes, 10 no, 0 absent. The motion failed.

Senator Grindberg moved a DO PASS on the amendments, Senator Christmann seconded.

A roll call vote was taken resulting in 10 yes, 5 no, 0 absent. The motion carried and

Senator Flakoll will carry the bill.

Chairman Holmberg closed the discussion on HB 1154.

Prepared by the Legislative Council staff for
Senator Krauter
March 29, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

In lieu of the amendments adopted by the Senate as printed on pages 1000-1016 of the Senate Journal, Reengrossed House Bill No. 1154 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to educational association board compensation and teacher compensation levels; to amend and reenact sections 15.1-07-28, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-37, 15.1-27-40, 15.1-28-03, 15.1-29-02, and 15.1-31-03 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to per student payments, supplemental payments, tuition apportionment, teacher compensation, and contingent payments; to repeal sections 15.1-09-42, 15.1-12-11.1, 15.1-12-11.2, 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code, relating to educational meetings, reorganization bonuses, and teacher compensation; to provide for the distribution of transportation grants; to provide for contingent payments; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

      ~~(2)~~ ~~The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

      ~~(3)~~ ~~The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three

thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the

participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ nine hundred ~~nine~~ seventy-one dollars. The per student payment to which each school district is entitled for the second year of the biennium is ~~two~~ three thousand six hundred twenty three eighty-seven dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 4. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of thirty-six mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment fund payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 5. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per

student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.11 adjusted by eighty five percent of the difference between 1.11 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 6. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 01. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public

instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-01. Beginning July 1, 2001, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district,

times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 8. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 9. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the ~~2003-04~~ 2005-06 school year, the reimbursement provided for in this section may not exceed ~~three~~ two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2003~~ 2005. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

   b. For the ~~2004-05~~ 2006-07 school year, the reimbursement provided for in this section may not exceed ~~three~~ one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, ~~2004~~ 2006. The superintendent of public instruction shall distribute an amount equal to one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

   c. For the 2007-08 school year, the reimbursement provided for in this section may not exceed one thousand two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007. The superintendent of public instruction shall distribute an amount equal to one thousand eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

   d. For the 2008-09 school year, the reimbursement provided for in this section may not exceed six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008. The superintendent of public instruction shall distribute an amount equal to two thousand four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

e. For the ~~2003-04~~ 2005-06 school year, the reimbursement under this section for each individual employed as of September 15, ~~2003~~ 2005, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand eight hundred dollars. The superintendent of public instruction shall distribute an amount equal to two hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2005, in the same manner as per student payments under chapter 15.1-27.

~~d.~~ f. For the ~~2004-05~~ 2006-07 school year, the reimbursement under this section for each individual employed as of September 15, ~~2004~~ 2006, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand six hundred dollars. The superintendent of public instruction shall distribute an amount equal to four hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2006, in the same manner as per student payments under chapter 15.1-27.

g. For the 2007-08 school year, the reimbursement under this section for each individual employed as of September 15, 2007, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed four hundred dollars. The superintendent of public instruction shall distribute an amount equal to six hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2007, in the same manner as per student payments under chapter 15.1-27.

h. For the 2008-09 school year, the reimbursement under this section for each individual employed as of September 15, 2008, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed two hundred dollars. The superintendent of public instruction shall distribute an amount equal to eight hundred dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2008, in the same manner as per student payments under chapter 15.1-27.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 10. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Annual compensation - Maintenance of prior level. The amount of compensation paid by the board of a school district to an individual teacher during the 2005-06 school year may not be less than the amount paid to that same teacher during the 2004-05 school year for performing identical services. The amount of compensation paid by the board of a school district to an individual teacher during the 2006-07 school

year may not be less than the amount paid to that same teacher during the 2005-06 school year for performing identical services.

SECTION 11. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1 07 27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1 07 27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1 07 27. The reimbursement may not exceed the lesser of:

   ~~a.~~ The total expenses incurred in delivering services and programs under section 15.1 07 27; or

   ~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 12. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment Payment.

1. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. ~~The~~

2. Beginning July 1, 2005, and ending June 30, 2007, the superintendent of public instruction shall ~~apportion~~:

   a. Apportion seventy percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district. ~~The~~

superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute thirty percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

3. Beginning July 1, 2007, and ending June 30, 2009, the superintendent of public instruction shall:

a. Apportion thirty percent of the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law, and pay the amount apportioned to each school district at the same time as the per student payments required under chapter 15.1-27; and

b. Distribute seventy percent of the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

4. Beginning July 1, 2009, and thereafter, the superintendent of public instruction shall distribute all moneys available in the fund at the same time and in the same manner as per student payments required under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-29-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-02. Education of students in bordering states - Contract - Tuition.

1. A school district may contract with a school district in a bordering state for the education of students. A contract between school districts must provide for the payment of tuition at an agreed-upon amount.

2. For purposes of per student payments and tuition apportionment fund payments, a student who attends school in a bordering state under a contract provided for by this section is deemed to be in attendance in the student's school district of residence. The student's school district of residence is liable to the school district of the bordering state for payments as provided in the contract.

3. A school district in this state may not agree to accept students from a bordering state unless the tuition payable equals or exceeds the per student payment plus the tuition apportionment fund payment that the district would have received from this state for a student in the same grade if its student had been attending school in the bordering state.

SECTION 14. AMENDMENT. Section 15.1-31-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-03. Open enrollment - Per student aid - Tuition apportionment fund.

1. Once a student is enrolled in an admitting district, the student must remain enrolled in the admitting district until:

a. The student graduates;

b. The student relocates to another district;

c. The student's parent applies for enrollment in another school district; or

d. The student's parent notifies the student's school district of residence that the student will attend school in the school district of residence the following year.

2. Payment for per student aid must be made to the admitting district in accordance with chapter 15.1-27.

3. For purposes of tuition apportionmcnt fund payments, a student whose application is approved under this section is considered a resident of the admitting district.

4. Except as specifically provided in this chapter, chapter 15.1-29 does not apply to students involved in open enrollment.

SECTION 15. 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 return the first $759,000 to the state general fund.

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.

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

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. The superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, an amount equal to the state transportation aid payments distributed during the 2003-05 biennium. The superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest

available student enrollment count in each school district. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the amount available to which each school district is entitled. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 15 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 18. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013 remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 17 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the next $450,000 of the moneys to provide additional payments to school districts serving English language learners, in accordance with section 15.1-27-12.

2. 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 payments to educational associations governed by joint powers agreements that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 19. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 21. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing funding to eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. The superintendent of public instruction shall use $1,360,000, or so much of that sum as is necessary, to assist eligible educational associations with hiring and compensating staff.

b. The superintendent of public instruction shall use $590,000, or so much of that sum as is necessary, to provide per student payments during each year of the biennium, to each eligible educational association, based on the number of students in average daily membership in each school district participating in the association.

c. The superintendent of public instruction shall use $50,000, or so much of that sum as is necessary, to reimburse eligible educational associations formed on or after July 1, 2005, for expenses incurred in their formation.

3. No eligible educational association may receive more than $250,000 under subdivision a of subsection 2 during the biennium.

4. For purposes of this section, an "eligible" educational association is one that is governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 22. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 23. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $15,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of state school aid per student payments in addition to other funds available for that purpose, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 24. PERMANENT OIL TAX TRUST FUND TRANSFER TO STATE GENERAL FUND. The director of the office of management and budget and the state treasurer shall transfer funds from the permanent oil tax trust fund to the general fund in the amount of $15,000,000 during the biennium ending June 30, 2007. The moneys shall be transferred in the amounts and at such times as requested by the director of the office of management and budget.

SECTION 25. REPEAL. Sections 15.1-09-42 and 15.1-12-11.2 of the North Dakota Century Code are repealed.

SECTION 26. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 27. REPEAL. Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38 of the North Dakota Century Code are repealed.

SECTION 28. EFFECTIVE DATE. Section 26 of this Act becomes effective on December 31, 2005.

SECTION 29. EFFECTIVE DATE. Section 27 of this Act becomes effective on July 1, 2009.

SECTION 30. EMERGENCY. Section 15 of this Act is declared to be an emergency measure."

Renumber accordingly

Date 3/29/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB amend 1154

Senate SENATE APPROPRIATIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number amend 0331

Action Taken DP

Motion Made By Krauter Seconded By Mathern

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG	✓		SENATOR KRAUTER	✓	
VICE CHAIRMAN BOWMAN		✓	SENATOR LINDAAS		✓
VICE CHAIRMAN GRINDBERG		✓	SENATOR MATHERN	✓	
SENATOR ANDRIST		✓	SENATOR ROBINSON		✓
SENATOR CHRISTMANN		✓	SEN. TALLACKSON	✓	
SENATOR FISCHER	✓				
SENATOR KILZER		✓			
SENATOR KRINGSTAD	✓				
SENATOR SCHOBINGER		✓			
SENATOR THANE	✓				

Total (Yes) 10 No 5

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Failed

Date 3/29/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 1154

Senate SENATE APPROPRIATIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken DP 1154

Motion Made By Krauter Seconded By Grindberg

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG	/		SENATOR KRAUTER		/
VICE CHAIRMAN BOWMAN	/		SENATOR LINDAAS		/
VICE CHAIRMAN GRINDBERG	/		SENATOR MATHERN		/
SENATOR ANDRIST	/		SENATOR ROBINSON		/
SENATOR CHRISTMANN	/		SEN. TALLACKSON		/
SENATOR FISCHER	/				
SENATOR KILZER	/				
SENATOR KRINGSTAD	/				
SENATOR SCHOBINGER	/				
SENATOR THANE	/				

Total (Yes) 10 No 5

Absent 0

Floor Assignment Krauter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 30, 2005 3:25 p.m.

Module No: SR-57-6706
Carrier: ~~Krauter~~ Flakoll
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1154, as reengrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (10 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1154, as amended, was placed on the Fourteenth order on the calendar.

2005 HOUSE EDUCATION

CONFERENCE COMMITTEE

HB 1154

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☒ Conference Committee

Hearing Date **12 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		55 -2620

Committee Clerk Signature Jan Prindle

Minutes:

Chairman Kelsch called the conference committee on HB 1154 to order.

All members were present:

For the House: R. Kelsch (Chair), C. Haas, P. Mueller

For the Senate: L. Freborg, T. Flakoll, T. Seymour

Chairman Kelsch: It's almost like a reunion, here we are again. We'll start by discussing the amendments made in the Senate.

Sen. Flakoll: I'll walk you through this in section order.

- Section I relates to Joint Powers Agreements. Coupled with Sections 2, 11, and 21 provide the mechanism for payment of $2 million for JPAs. What we put into the JPAs is the same as in SB2168.
- Section 2 provides JPAs for extraordinary services in terms of transportation payments by the board if someone goes to a national meeting.

- Section 3, relates to the per student payment. The current payment is $2623. This will raise that by $277 the first year for a payment of $2900 and adds $115 the second year for a payment of $3015. This reflects the $5 million increase the Senate put in during deliberations.
- Section 4 relates to school the district equalization factor. The new language of the bill will have the mill levy redistribution held at today's level of 36 mills for the first year of the biennium and will increase by a total of 3 mills per year beginning July 1, 2006.
- Section 5 and 6 are weighting factors the Senate did not touch.
- Section 7 covers the $5 million that has been targeted for supplemental payments. Currently to qualify a district must be below the state average in cost per pupil and taxable value per student. The Senate added additional requirements that the district levy at least 180 mills and must not have an ending fund balance in excess of 35% of its actually expenditures plus $20.0 to qualify.
- Section 8 increases weighting factors and this is the same as came to us from the House.
- Sections 9 and 10 relate to transition of FTE money to the foundation aid funding on a per student basis. The amendments will be phased in in an amount equal to 20% per year of the FTE statewide payment.
- Section 10 requires that the amount of compensation payment of the district to an individual teacher from one year to the next may not be reduced if similar services are maintained.
- Section 11 again is JPAs--just some terminology changes.
- Section 12 deals with changes in the tuition apportionment funds. The major change in this category is to again provide greater equity by transitioning the funds over during a 5-year

period. For the next biennium we will pay off 70% in a normal fashion by census basis and the remaining 30% on weighted pupil units to the foundation aid formula. In both cases the money would be divided equally between the first and second year of the biennium. Beginning in 2009 all monies available would be distributed through the formula.

- Section 13 & 14 are the same as what was approved by the House.
- Section 15, 17 & 22 relate to money that we've put aside in various options for a couple of reorganizations that are going into place. There is $759.0 that we set aside for that purpose for two that are in the works right now.
- Section 16 is the transportation section. It moves it back to the formula existed on June 1, 2001 except that small buses of 9 and under will be paid the rate of 40 cents per mile and large buses in the city will be paid at the rate of 50 cents per mile.
- Section 18 relates to contingency allocations. The first $450.0 will go to ELL programs that reflects a modest increase of $150.0 that was put in by the Senate. The second is $1 million for JPAs, and the last is that all remaining monies be paid on a per student payment.
- Section 19 relates to any FTE money being left over be paid out on per student payment so that it doesn't go back into the general fund.
- Section 20 -- No changes.
- Section 21 is distribution of the monies for JPAs.
- Sections 23-25 relate to repealers. Those relate to the Educational Conference as adopted by the Senate side. The other repealers relate to reorganizations when that money would no longer be needed.

Essentially what we have here is approximate $698,744,069 for schools an increase of about $32.6 over the current biennium and an increase of $1.6 million over the executive budget request. I think one of the major cruxes of what the Senate was doing in many of there amendments that were adopted was to commit more money through the formula. We have in excess of $150 million targeted to be moved to the formula.

Rep. Haas: I would like an explanation on the rationale for taking the FTE payments and putting it into the funding formula.

Sen. Flakoll: We were looking for more equity and that was one of the things we could run through to provide a more equitable allocation of money in things that have been proven to be equitable in the eyes of the law. We are not changing the amount of money we're giving out it is just run through the formula. Section 10 requires that no one can receive less money than they received before.

Chairman Kelsch: You are talking no teacher can receive less money.

Rep. Haas: Did you do a detailed analysis on how that effected individual school districts for that single component of the distribution formula?

Sen. Freborg: We did. Putting in FTE money and tuition apportionment kind of go hand in hand because the FTE dollars going to foundation aid effects all the major schools because of the teacher/student ratio and tuition apportionment takes away. So I don't think we should do one without the other because they have kind of a leveling effect. Schools that gain on one will lose on the other one. Not all of them but in general.

Rep. Mueller: Do we actually know numbers that have to do with that statement you made about balancing things. What kind of monies are being shifted, FTEs, what kind of money is being shifted from tuition apportionment?

Sen. Freborg: It's about $71. million in tuition apportionment and $51 million in FTE payments.

Rep. Haas: We are aware of the total number of dollars going into those categories now. I think the question is I'd like to see a printout of the impact of each of those on individual school districts or those two items combined in their impact on school districts separate from any other money that is being distributed. That's what I'm trying to get at. Those are very significant changes in the distribution of the state aid formula.

Sen. Freborg: We can furnish those at our next meeting. I believe we have it all on one spreadsheet showing what each one has for an effect and the total effect.

Chairman Kelsch: What is the rationale behind freezing the mill deduct at 36 and then moving it forward by 3 mills after that.

Sen. Freborg: First, it would be a little better accepted. Secondly, I think that I really hate to admit that Sen. Flakoll missed this, but I think that it was purely by accident that we eliminated the 2 mill escalator in the first year. So they will really come out ahead. There will only be a 3 mill increase for the two years. If we had left it alone it would be 4 mill.

Rep. Mueller: That's what we thought.

Chairman Kelsch: Talk a little bit about transportation.

Sen. Freborg: We don't have much to say. We happened to like it better the other way. On the printout it was rather devastating to some of the rural schools.

Chairman Kelsch: As far as putting that into the pot and running it through the foundation aid formula.

Sen. Freborg: I believe there were schools up near a $100.0 difference in dumping half of it in.

Chairman Kelsch: So the rationale is to basically go back to pretty much what the old formula was.

Sen. Freborg: The idea is to apply the old formula again to determine the base for grants. I think that the amount of money that is there is plenty. They don't have all the data that they had four years ago but they have enough that we can come close in applying that old formula today. That's what we what had in mind.

Rep. Haas: Are you saying that periodically you would go back to the old formula to determine the basis for grants and then give grants for awhile and then go back to the old formula to determine the basis so you provide a base year every so often? How often were you thinking of doing that?

Sen. Freborg: That's not in the legislation; however, because of the radical decline in enrollment especially in the rural areas, I think that formula would give us some new dollars and would probably would redistribute some of the dollars and it would go to different places. I think every four or six years as long as we have radically declining enrollment that should be reapplied. Establish a new base.

Chairman Kelsch: So potentially could it be that you use the formula for one year and then grants out for the second year of the biennium.

Sen. Freborg: Right.

Sen. Flakoll: The other thing put in there by the House was some money to allow for training for these data envelopment study that could go forward and if there are changes that are reflected in that it's probably a good time to recalibrate.

Rep. Mueller: I have a bit of a concern about the formula. There is that money from the transportation formula that was rejected because of the complexity, etc. I'm curious. When we would relook at the transportation formula what are we going to be looking at? Are we going to take some of that data? Or are we going to look at the old system of doing things to determine this dollar amount for a block grant in the ensuing years? Which system are we talking about using in establishing this base?

Sen. Flakoll: I think the House has already gone on record as saying any school that wishes to use some of the information from data envelopment study is encouraged to do that. We have provided money. I don't think the Senate and House disagree on that. Those folks could maybe add to their efficiency and do a better job of what they have. This does not mandate anything on a forward basis.

Rep. Mueller: As I understand, some may use the data envelopment thing, some may apply a formula that we have had since previous to '01. So you can do what you want?

Sen. Flakoll: The formula is going back to the '01 formula. Some schools may choose to use the data envelopment findings for efficiency. That would be a subset of the overall funding formula.

Sen. Flakoll: I'm not sure they shouldn't have a choice. I don't know that's it's going to work to well to have half of them choosing the DEA and the other half the old 2001 formula. I'm assuming that the study would produce one or the other. That was not a big discussion when we

did this. I think we were looking at the 2001 formula to establish that base. That was my idea.

Chairman Kelsch: I think that $30.0 appropriation is more for school districts to go to the learning center to become more efficient. It may be that some of the efficiencies that were learned from the study will be beneficial.

Rep. Mueller: I tend to agree with Sen. Freborg that's the route to go. I don't think we should have folks figuring out and this system looks here and this other system looks good there for us. We are going to have hodge podge that doesn't reflect fairness.

Sen. Flakoll: I didn't mean to imply that schools should look at one or other. I think the realization that the state doesn't pay 100% of transportation those schools that are looking to be more efficient can take a look at it and ask if it helps them out. It won't change the formula.

Rep. Haas: The 30.0 in there was really to do those individual district studies on an optional basis and as it related to the specific implication or implementation of the DEA so that we would have used a DEA model to evaluate the transportation program of an individual district with the idea of helping them to become more efficient. I'm wondering since we are not going to be using the DEA as an overall distribution formula, how do you see that fitting in as far as it's usefulness?

Sen. Freborg: The language in Section 20 simply speaks to providing transportation efficiency training. It doesn't speak to the DEA at all. To use some of the efficiency measures is great but I don't think it necessarily speaks to DEA. It's simply to help them become more efficient.

Rep. Mueller: May I move to the repealers? The one that deals with the teacher's convention. The question I've had posed by some superintendents is if in fact that repealer is accepted, what do we do with those two days. Was there any thought in your discussions.

Sen. Freborg: It now says that districts will allow for attendance at the NDEA's annual instruction day conference and the NDCL annual conference without loss of pay. That's what it's repealing. It doesn't infer that they cannot allow them to go if they wish. They can pay them if they wish. It's a local decision. It simply takes out the language that says that they must allow them to go without loss of pay. I believe the decision would be with each local board. We have schools where no one participates. Certainly those schools may choose to do something else. They may pay for them but they would not be required to pay. It simply removes the requirement. It does not infer that they cannot allow the teachers to go or should not or should. It's entirely up to the districts.,

Chairman Kelsch: On the JPAs. You have $2 million directly appropriate and then another $1 million out of the contingency for a total of $3 million.

Rep. Haas: I would like to hear a little bit of discussion on the part of the Senate with regard to the rationale for beginning to pay for another administrative level through the Joint Powers. Why are we doing that?

Sen. Freborg: Right now I'm assuming that all JPAs are operating with volunteer administrators. One of the administrators takes those duties. Personally, I think the JPAs will fall apart unless we pay an administrator. I don't think we can expect them to volunteer their time. I think we need to get paid administrators. They will be a lot more efficient and do a lot more things if they someone in there taking care of it and doing the coordinating, taking care of all the paperwork. It's a big job. I'm surprised that we have anyone doing it on a volunteer basis and I did not want them to gradually dissolve and go by the wayside.

Rep. Haas: That reminds me of the old argument when Title 1 first came in. Superintendents were employed for 12 months out of the year for eight hours a day. They got a new program and they said if you are going to give me all this new work so you have to pay me more. They took a cut out of the Title 1 program and worked the same number of hours per day and got the job done. If I remember right that in the JPA in the Dickinson area where Lois Myron is handing some of the issues that relate to the JPA a portion of her salary is currently being paid by the participating school districts without additional state money. If feel this is a drastic mistake to start pouring money into another level of administration that is simply going to grow into a bureaucracy that we don't want to have and don't want to start. The JPAs were being organized and functioned very adequately without any state money directed specifically to that and I think they will continue. As districts see the need for this happen, they will continue to organize and find the resources within their budgets to do what's necessary for whatever tasks they agree are going to mutually benefit the districts or the members of the agreements. I have a real problem with that.

Chairman Kelsch: Our time is up for today. If you will bring the numbers that Rep. Haas asked for. The next meeting will probably be tomorrow morning and I think we start scheduling for an hour.

Adjourned.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☑ Conference Committee

Hearing Date: **13 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - 5500
	X		0 - 2100

Committee Clerk Signature Jan Friedle

Minutes:

For the House: R. Kelsch (Chair), C. Haas, P. Mueller

For the Senate: L. Freborg, T. Flakoll, T. Seymour (Absent)

Senator Seymour was absent and is not expected to return until Monday April 18. In his absence Senator Taylor will serve on the committee.

Chairman Kelsch called the conference committee meeting on HB 1154 to order. I thought what we do today is to go section by section through the bill. I will first go through some sections that there was no change from the House version to the Senate version and make sure that everyone is comfortable with those and then they will be taken off the table for discussion since we basically already agreed on them. As we go section by section, agree, propose amendments, we will vote on each one individually. I want all of you to understand that in the end you vote on the whole bill because basically the "hog house" will be drafted and you will need to vote again on the whole bill. Just because we vote on each amendment doesn't mean

that we are done. We will vote at the end on the whole bill. The sections I saw that there were no changes begin with Section 5, weighting factors, and Section 6, also weighting factors. Those are as the bill was originally introduced. The House did not touch them. The Senate did not touch them. I'm looking for a consensus on these for now.

Rep. Mueller: I have some questions. We make to make sure that we're very clear on what we're doing. Elem, 1- 6, we have a factor for those under 100 and a factor for all those over 100. I would be interested in a brief discussion to make sure that is what we want to do.

Rep. Haas: I think it was a good decision to restructure the weighting factors in the format they are now and I support leaving them the way they are now.

Rep. Mueller: This is a fairly radical departure from what we have done. There are some schools, the middle schools, that are going to be dramatically effected by that. I don't have specifics other than to say that we have a group of schools in the middle that are going to see a decline in their ability to generate income. Is that what we want to do?

Sen. Freborg: Why don't you think we should do this?

Rep. Mueller: I guess it goes back to that declining income level for foundation aid for that group of students. I like most of what we are doing. The 5-year average makes sense and puts us where we should be. There's justification for doing that. That group of students in that middle category is going to see less money than with the old system.

Rep. Freborg: The factors are based on the 5-year average cost is that not fair in every category. The same thing is happening in every category.

Rep. Mueller: It's the right thing to do and certainly justifiable. I give up.

Chairman Kelsch: Section 8, page 17, that is the per student payment for isolated schools. That is how the bill was introduced and there were no changes made.

Section 13, page 22, deals with the education of students in bordering states and just changed one word "apportionment" to "fund." That section was not changed.

Section 14, is also just language cleanup.

Section 20, that is the $30,000 that was appropriated for transpiration efficiency training.

Those are the sections where there were no changes between House and Senate.

The other Section up for discussion and will probably be the last section we discuss depending on what this body decides to do is Section 3, the per student payment.

Rep. Haas: One comment on Section 20. The $30,000 was something we would want in concert the phased in implementation of the ED (Date Envelopment Analysis). I have a little bit of reservation, although I think some good could still come of it, that doing that in isolation from the phased in implementation of the ED is not quite what we had intended. The whole DEA idea was killed on the House floor. I'm not suggesting a change, simply an observation. Although if we would find a better use for that $30.0 I wouldn't object to it being taken out of here.

Chairman Kelsch: Why don't we take a vote on each one of them. We can wait on Section 20. We'll take a roll call vote on each one of these sections so that it can be on record. We'll take the first vote on Section 5.

Rep. Haas: I Move we adopt Section 5 as it is HB 1154, version 400.

Sen. Freborg: I second.

A roll call vote was taken: Yes: 5, No: 0, Absent: 1 (Seymour)

Section 5 was adopted.

Chairman Kelsch continued through the Sections as follows:

Section 6: Adopt--Flakoll, Second--Haas. Roll Call: Yes: 5, No: 1 (Mueller) Absent: 1 (Seymour) Adopted

Section 8: Adopt--Freborg, Second--Mueller. Roll Call: All in favor, 1 absent. Adopted.

Section 13: Adopt--Flakoll, Second--Haas. Roll Call: All in favor, 1 absent. Adopted.

Section 14: Adopt--Haas, Second--Mueller. Roll Call: All in favor, 1 absent. Adopted.

Senator Freborg: I move we adopt 15, 37, 22, and 28.

Rep. Haas: I second.

Chairman Kelsch: This covers be paid from contingency dollars, the emergency clause passes, the money is paid out of the contingency dollars from this biennium that we are currently in.

Rep. Mueller: I'm puzzled by the contingencies. How do we know they will be there?

Chairman Kelsch: Jerry Colemen is here and we will ask him to discuss that for us. Jerry, do you have an approximation?

Jerry Coleman: In total it's about $3 million and when you deduct the things already committed and everything is settled, it will be about $1.2 million or something like that.

Rep. Haas: I'm wanting to vote on Section 37 separately because I cannot support contingency money to the JPAs.

Chairman Kelsch: This is the money that was appropriated from contingency dollars from last biennium. If you would prefer to vote on section 37 separately, we can. We have a motion on the floor. **Sen. Freborg: I withdraw the motion.** If Rep. Haas is uncomfortable we can act on it separately.

Chairman Kelsch: We will act on them separately.

Section 15: Adopt--Mueller, Second--Flakoll. Roll Call: Yes: 4, No: 1 (Haas) Absent 1 (Seymour) Adopted. (This also adopts section 37.)

Section 22: Adopt--Flakoll, Second--Freborg. Roll Call: All in favor, 1 absent. Adopted.

Section 28: Adopt--Freborg, Second--Haas. Roll Call: All in favor, 1 absent. Adopted.

Chairman Kelsch: Section 4.

Rep. Mueller: One of the questions we discussed yesterday had to do with the 3 mills versus the 4 over the two years. Do we leave it at 3? Or do we do as the last Legislature intended and make it 2 and 2.

Rep. Haas: I've always been in favor of a more rapidly escalating mill deduct in order to achieve a higher level of equity. I would support an increase of 2 mills for the first years and 3 mills for the second year.

Sen. Freborg: We could do that. Because of an error that would correct that or we could go back to the old language which is the 2 mill escalation each year. Or we could leave it is. Chairman, do you have a proposal?

Chairman Kelsch: I would like to see it 2 and 3. Either we go 2 and 2 or a 2 and a 3. It may not look good for us to freeze the mills at 36 and not more forward with them.

Rep. Mueller: I didn't like the 3 mills. I certainly like 2 and 2. I would oppose 3 mills in the second year simply because it deviates significantly from the formula and pattern from the commitment that we made last session. It provides some stability to those school districts that are affected.

Sen. Freborg: When we put the $5 million in the deduct was in the same amendment and that was the reason for the $5 million. It more than covers any losses on the additional mill. That was the intent of the time.

Rep. Haas: The idea of having the escalating mill deduct and trying to put additional money in to mitigate the effect of that deduct on school is really, really a good thing as long we can continue to put in the money that's needed to that. I don't think that we are advancing as fast as we should on the mill deduct if we really want to achieve full equity. This does not even begin to talk about the adequacy issue. I'm making the assumption that if we were going to have full equity, the deduct should be 185 mill. If we continue at 3 mill per year it's going to take us 48 years to get to 185 mills. I think 2 mills the first year and then escalate at 3 mills thereafter is reasonable in light of our goal of full equity.

Rep. Mueller: We are going to struggle until we go home with adequacy and equity. Certainly that ought to be part of our consideration as we move through this. At this point I would not be in favor of jumping that mill deduct at this time. I don't think $5 million is meeting the goal out there. I hope we have an opportunity to talk about additional money to the formula.

Sen. Freborg: Just so everyone understands we also throw transportation into the mix for the deduct. It affects 3 or 4 districts. When you apply the deduct, foundation aid is more than enough to cover the deduct. Then they go on with Special Education, etc., then we add transportation. They would only get to transportation in maybe three districts. Billings County for instance gets no foundation aid. We don't subtract anything in Billings County. If we put transportation in I'm assuming we will.

Rep. Haas: Would you like this issue to incubate for a bit or are you ready for a motion.

Chairman Kelsch: We can let this wait. We will have a meeting this afternoon and let's do it then.

Rep. Mueller: We have to determine what we do with transportation yet. To get a full impact we need to look at transportation before we look at putting it into the mill deduct.

The Committee moved on

Section 17: Adopt--Falkoll, Second--Haas. Roll Call: All in favor, 1 absent. Adopted.

Sen. Freborg presented an amendment: This amendment would simply include transportation when a student attends another district. They would pay the tuition and now would pay the cost of transporting that student. We are trying to get closer to a truer cost of a student transitioning to another district. **I move the amendment (58232.0337)**

Sen. Flakoll: I second.

Rep. Haas: You're thinking of Billings County where they do not have a high school. They are currently not paying for transportation. Is the intent of this to take care of situations like that?

Sen. Freborg: Yes. Any student that tuitions in to another district, the home district would pay the tuition and the cost of transportation. There could be situations where the situations where the receiving district is not transporting them. The home district would pay their prorated share of the cost of transportation.

Tom Decker, DPI: The intent as I look at this is that either the receiving or the sending district pay transportation. The receiving district can bill the resident district for transportation.

Rep. Mueller: How does this work? By miles? I see this as an area that will allow for all kinds of creative financing.

Decker: In the past a district could not charge another district more than the actual cost of transportation. That's the parameter that would be in place here. They would determine their costs and bill the sending district.

Chairman Kelsch: When we look at the DEA study there is a basis there. The Department will look at it. We do have that study and they know where those students are. We have a lot more information now.

Rep. Haas: How does subsection 2 apply to school districts involved in a JPA?

Decker: There is a special provision in law to approve a co-op between districts. They are then treated as a single district. Being in a JPA does not excuse any district from any other provision of the law applicable to them.

Rep. Haas: This applies exclusively to school districts that have entered into a cooperative agreement.

Decker: This applies only to school districts that are in cooperative agreements under that specific section of the law.

A roll call vote was taken on the proposed amendment.

Yes: 5, No: 0, Absent: 1 (Seymour).

Adjourned.

The Committee convened again at 2 p.m. on April 13.

Senator Taylor substituted for Senator Seymour. All members were present.

Chairman Kelsch: There is one other section that we probably can go ahead and deal with. That's Section 19 on page 25. That redistributes any money left over after all the FTE payments

have been paid out. It redistributes based on ADM. We need to make sure that is in the bill and is certainly not a contentious issue.

Rep. Haas: I move that we approve Section 19.

Rep. Flakoll: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 The section was approved.

Rep. Freborg: We could take the repealers, Sections 24 and 26. **I move that we accept Sections 24 & 26.**

Rep. Mueller: I second.

A roll call vote was taken:

Yes: 6, No: 0, Absent: 0 The section was approved.

Senator Freborg: (distributed amendment 58232.0334) This amendment includes extracurricular activities as part of the cost of tuition. It's about $69 million or $177 per student. This figure is arrived at as the latest available information from DPI.

Sen. Flakoll: I move the amendment.

Rep. Haas: I second.

Rep. Haas: Under what circumstances would a student and a school district both be paying tuition?

Chairman Kelsch: It is existing language. It's not new. Tom, would you discuss this please.

Tom Decker, DPI: We've been working with this for some time and we are not aware of any instances where this happening right now at all. We are going to have to checking on it. Now

it's either the district or the parent. I'll bring you a clarification of that. **Chairman Kelsch:** That's not what the amendment deals with so we will focus on the amendment.

Rep. Haas: Where did these figures come from?

Decker: When you look at your Finance Facts this is one of the categories of cost reporting that school districts routinely do. That's where the figures come from. The $177 is an average.

A roll call vote was taken on Amendment 58232.0336.

Yes: 6, No: 0, Absent: 0

Sen. Freborg (distributed proposed amendment 58232.0334) This precludes any K-8 school district from dissolving and attaching themselves to another K-8 district. They must attach to a high school district.

Chairman Kelsch: What happens in the situation where they cannot attach to a high school district?

Sen. Freborg: We can make a provision or if it's not possible they could perhaps attach to an elementary district until they kept going and going and touched a high school district. I don't think the situation exists or that the possibility is great. **I move the amendment.**

Rep. Haas: I **Second.**

Rep. Mueller: There could be those remote situations where it may not be possible. Would it be reasonable to put something into the amendment that speaks to that issue so we don't leave it hanging for those that can't?

Sen. Freborg: I guess we could if we want to. I don't think it's necessary.

Rep. Mueller: We probably could find that information out. There may not be that circumstance out there. If we don't know it would be well to hold this until we find out.

Chairman Kelsch: I believe and maybe Tom Decker can confirm this, that all K-8 districts currently butt up to a HS district.

Decker: We did look at that and there is not a K-8 district that does not butt up to a HS district.

Sen. Taylor: There are three K-8 districts in the far western part of the state that would be butting up against the McKenzie County district that were working together cooperatively. The students are working together now and if one were to dissolve they would have to attach to McKenzie County HS District rather than continue to cooperate to educate themselves as they do now. I don't think this is necessary to put this into code.

Sen. Freborg: I understand. Those 3 elementary districts have a total student population of 15 and I don't believe they should be able to attach to another elementary district. I believe it's time they become part of a high school district if they have to dissolve.

Rep. Haas: I agree with Sen. Freborg on this issue. For so many years we've talked about small but necessary school districts. In my mind there is no such a thing. There is such a thing as a small but necessary school depending on the geographic location but that all can be managed within a larger geographic district by a school board. I think this is appropriate.

Rep. Mueller: When SB 2333 came to us do you think this amendment will take care of the issues that brought us SB 2333?

Sen. Freborg: I don't believe they are related. This speaks to dissolution. If they decide to dissolve, they should not attach to another elementary district.

Rep. Mueller: Do you think we have belayed the concerns of those who brought us SB2333 by passage of transportation for basically K-8 schools and the extracurricular expenses which end up being students from K-8 districts?

Sen. Freborg: I don't know. Tuition, transportation, I'm not sure this would have a concern here with that either. I'm not sure how you are tying these together. I don't know if they will ever dissolve if they continue to tuition their students out. That's up to them. We're saying if they do, they cannot attach to an elementary district.

Sen. Taylor: I'm curious if any one around the table has an answer to how many instances there are where there's a K-8 districts that are contiguous or joined to another K-8 district. I don't know that this is going to set the world on fire to have this happen. Most K-8 are out there on there on their own. There may be just one or two instances. I find it hard to find get in front of that one or two instances in the state. Unless there are a lot more.

Sen. Freborg: I don't know of any districts that are considering dissolution. If ever in the future you decide for some reason you will not become just a little larger elementary district. You will have to attach to a HS district. That's simple enough. I'm not sure what the concern is. If it happens, they must attach to a HS district.

Sen. Taylor: I feel like most of the K-8 districts that are out there don't have another K-8 district to attach to and they are going to attach to a HS district without putting this word into the code. I think the Senator's intent will be accomplished. In general, the K-8 districts are going to attach to a HS district when they dissolve.

A roll call vote was called.

Yes: 5, No: 1, Absent: 0 The amendment 582.32.0334 was adopted.

Chairman Kelsch: We did get some good work done. I would like us to mull over the day's work and future work and we will come back in the morning. I will try to schedule for 9 a.m. tomorrow morning (April 14).

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☒ Conference Committee

Hearing Date **14 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - 5200
		X	0 - 1230

Committee Clerk Signature Jane Prindle

Minutes:

Chairman Kelsch called the conference committee on HB 1154. All members were present (Sen. Taylor substituting for Sen. Seymour)

She recapped the progress thus far. She distributed a copy of HB 1311, dealing with contingency payments to three districts. This money for this bill was put into the contingency line item by Appropriations. We'll need to adopt that and decide what spot we want this as we move forward with 1154.

Let's discuss Section 1, Joint Powers Agreements. It's not necessary that we discuss the money part of it at this point but just the policy part so we can move forward with this issue.

Rep. Mueller: The JPA concept makes a lot of sense for a lot of reasons. I would like to know if the Senate is open to a matching funds concept. It makes sense to do a partnership in that effort.

Sen. Freborg: What kind of a match are we talking about 1 to 1? I don't think we would have a problem with that.

Rep. Haas: One of the major JPAs is being funded by Title II money. They are handling it well with that funding. I think the concept is fine. I don't think the state should be putting funding into another layer of administrative bureaucracy that we don't want to get into. For that reason I do no support the funding.

Sen. Flakoll: If it's already occurring how can we by not funding that prevent it from occurring.

Rep. Haas: I think it's likely for that layer of administration to develop if the state says you do what you can with your existing funding and develop those partnerships but we're not going to contribute to that level of bureaucracy. If we put a million dollars into it this year, the next time it will be $5 million. DPI wanted $12 million. It would end up being a growing something that we don't want or need.

Sen. Freborg: What if we pay the money directly to the districts? We have the guidelines set out. There would have to be some language saying it must be spent within the JPA. That would remove DPI from dolling the money out to the JPAs.

Rep. Haas: That might make some difference. In my opinion it would only slow the growth a little bit. No matter how we distribute that money, I think it's lead to a growing bureaucracy. In my conversation with school board members and some administrators in the SW area prior to this legislative session, I also think of this as a deterrent to real consolidation based on what they have told me. They view the JPAs as a mechanism as meeting state requirements that they possibly could not meet alone. They look at that as a survival mechanism to maintain their autonomy where otherwise they might be forced to get into a legitimate reorganization to get some efficiency into the system. With the JPAs they look at it as a survival too. If you look at the items they agree to agree to, it's pretty superficial. The Tittle II money that they are using is

professional development money. Federal money. Long before JPAs came on the scene there were school districts cooperating with each other on professional development where a large district would invite other smaller school districts, etc. These things will happen without the state funneling money into the JPAs. I'd sooner see all that money we were thinking about using in JPAs go into the PPP.

Sen. Freborg: That's wonderful, but if we do not fund JPAs, you know where that money would go. It would not go into foundation aid. The biggest job we have ahead of is to hang on to the money we have. I'm surprised that a visionary such as yourself can't look ahead and see that the JPAs could be one of the best things that ever happened to elementary and secondary education. I don't think they are offsetting reorganization. I think they could add to it. Even the very large districts have testified they are reaping great benefits from JPAs. Even they can do things they wouldn't do alone.

Sen. Flakoll: One of the reasons why I like JPAs is the fact that schools can now meet a number of criteria that they could not readily meet on their own. JPAs allow them to better fulfill their educational requirements whether it's constitutionally or otherwise. In terms of equity and adequacy, I think JPAs are as good as we can get in bang for our buck in terms of meeting both of those areas.

Rep. Mueller: I think we absolutely cannot lose sight of here is how is it we are going to meet our students' needs. One of the doable ways, when we are talking about our smaller schools, is to join forces with another school and supplement each other. I think that's what JPAs are doing. I think there is a lot to be gained. If we believe this is a good direction, we need to step up and

help them. If you want to accomplish something for a large group like this you end up with a bureaucracy. That's the way you get it done. We need to support them in a significant way.

Chairman Kelsch: Senator Freborg, how do you envision JPAs moving forward without the involvement of DPI.

Sen. Freborg: We have set criteria. I believe that would be enough. These did almost start on their own and have made great strides. I think even without our help they will continue to grow. Every school will eventually in a very few years become a member of a JPA. I think there is no end to what they can do and they can do it better and cheaper and also a lot more.

Chairman Kelsch: One of the concerns the House Ed Committee had was accountability. We amended the bill to have the JPA give us a report so that we could have an update. Would you be opposed to that accountability back to us?

Sen. Freborg: There should be some sort of accountability so we can be sure exactly what they are doing.

Sen. Flakoll: I would not be opposed to a report. Many of them are very excited about their JPAs and would welcome telling us about it. This is a very popular thing across the state and will continue to be so in terms of meeting the adequacy needs of the students and they would love to tell their stories.

Rep. Mueller: We've tried to the reorganization bonuses and spent significant money on that. Other efforts have been to made to begin folks to work together. They have all been top down efforts. The JPA came from the bottom up. It's a good time to recognize that those people out in the field have determined an effective way of accomplishing some of their ends. Maybe that's the way to go. We could be partners in something that begins on the ground level.

Chairman Kelsch: Let's discuss Section 7, two new criteria for supplemental payments. I would entertain a motion and then we can discuss it.

Rep. Haas: I Move we Approve Section 7.

Sen. Flakoll: I Second.

Chairman Kelsch: This makes sense but I'm curious how you came up with these figures.

Sen. Flakoll: 180 mills is slightly less than the statewide cap and less than the statewide average. We thought that wasn't too onerous. We have some minimum mill levy language built in at 140 mills in another section of law. Our thinking is that if you want help from us, you need to help yourself too and try to be close to the statewide average if you are getting supplemental payments. We wanted to focus on those schools that needed it most but didn't have the local resources to do that. They were up against the mill levy cap so we are not eliminating any of those school that are doing as much as they can in terms of property value. The second portion in terms of the 35% plus $20.0 that would be slightly less than the area we are migrating towards in terms of ending fund balances. There is language that slides it down to 50% and then eventually to the 40% range. Our thinking is that we don't want you to get supplemental payments and put it in the bank. Ending fund balances statewide for group 1 at the end of '03 - '04 is $170 million in the bank. The ending fund balances continue to grow by about $7 - $10 million every year. It's frustrating that when we send money out it goes into the bank. We've added these additional criteria so those who needed it the most will get it.

Rep. Mueller: I like what is being done here. Do we now have someone getting supplemental payment that would not now meet that criteria that's been outlined?

Sen. Flakoll: Yes, we will lose some that have chosen to keep that low mill levy. I think there may be up to 17. We want to make sure they are doing as much as they can and those who don't have the resources locally really need the money most.

Sen. Taylor: Those districts that drop off the list, it wasn't substantial dollars. It will help the neediest districts some but it won't be a big shift.

Rep. Haas: Historically the supplemental program has not been fully funded. When you get done with the calculation trying to arrive at what each school district should receive based on the criteria and start using the amount of money that is available, it has to be prorated. This is a question for DPI. I'm wondering what the $5 million will do with regard to the level of funding and if there would have to be a pro rata share because we don't have enough money in the program.

Jerry Coleman, DPI: We spend the money based on a proportionality factor and as it ended that is over one. It's 1.26. That's what we use for distributing. I can go through that detail with Rep. Haas.

Rep. Haas: I would be interested in going over that.

A roll call vote was taken to approve Section 7.

Yes: 6, No: 0, Absent: 0 Section 7 was approved.

Chairman Kelsch: Let's discuss moving the FTE payments and the tuition apportionment payments into foundation aid.

Sen. Freborg: Everyone did get a printout of what they do after the 5 year phase in and you can see what happens on an annual basis. I am not sure how strong the feelings are on our caucus for doing this. There didn't seem to be a lot of opposition. Sometimes I even ask myself

whether or not it is going to produce any additional results. The only thing I know for sure is that we can't do one without the other because it becomes very devastating to some districts. The teachers' account is normally better for larger districts and tuition apportionment is a little better for smaller schools because they are sharing in the money from the private schools. I would not propose to do one without the other. At this point I'm not positive we should do either one of them. There didn't seem to be a lot of support or opposition in the Senate. They are going to get the money it's just divided a little differently. Teacher's will still get their pay regardless of what you sometimes read and hear. They will get their $1000 and $3000. Some districts will do a little better, some a little worse. By and large, everything will come out the same except the money will be distributed a little bit different.

Rep. Mueller: Why did you put that in at all? Was it an issue having to do with the equity.

Sen. Freborg: We thought it was a small step towards equity. Within the categories we did some leveling out of the dollars. I'm not sure any more if that was significant enough to make the change. It sure made the foundation payment look good.

Rep. Haas: It did make the foundation payment look good, but it is somewhat of a shell game and I would say if we were distributing the money based on a true adequacy formula I could support it. When we continue to that on a weighted pupil unit and not alter our method of funding schools, I would rather see us leave it the way it was until we can come up with a distribution on adequacy basis.

Sen. Freborg: I would agree with Rep. Haas. Until we have enough additional money to provide adequacy and I don't think we can do it with these dollars because it would be

devastating to some districts. If we had an infusion of enough new state money then that would be a good time to do it.

Rep. Mueller: I'm not sure how germane this is but you all did receive the Education Coalition's position on what we are doing here. The last page I found interesting. In debate about the lawsuit, Justice Sandstorm made the comment that the ND Trust Fund should be distributed on a per student basis rather than on an equal educational opportunity basis. Basically supporting the tuition apportionment on an ADM system. Did the Senate consider that or discuss that concept?

Sen. Freborg: When we did this we thought it might be some help. This was a step towards equity. After having kicked it around for three months, I'm not so sure it is. I have not read the statements of the coalition yet. We did this for several reasons, none of them to make a major impact. I'm not so sure it was a great thing to do. I'm not sure it's going to help.

Chairman Kelsch: It's much the same as what we did on the House side when we thought putting the transportation through was going to help. When we started thinking about that we thought perhaps it wasn't a good idea either. I think both the House and Senate have been trying to find something that's more equitable. We've tried a few things and perhaps they just haven't worked as we supposed they would. We will keep trying.

Sen. Flakoll: In respect to the supreme court's decision, we have to be cognizant of the fact that there is a majority and minority opinion on those issues. They sometimes go counter to each other. Justice Newman may infer other things too. It's a matter of which are we trying to use as a guide. There is not a lot of guidance in terms of the supreme court's decision on that. Those are some things we tried to balance in a lot of our deliberations. Generally speaking, we were

trying for some sort of equalization formula as possible. Anytime we can try to do that that's probably of benefit in terms of the eyes of the court in what they provided for us in the recent lawsuit. Generally we feel we need to do more.

Rep. Mueller: All the discussions we're having, I can't disagree with any of it. There's nothing here that another $10 million wouldn't help a lot.

Chairman Kelsch: Let's talk a little about transportation. Rep. Haas had a couple of concerns about the $30.0 efficiency training. Do we leave it as is? Do we look more at the DEA study. One of the concerns I have and Rep. Mueller expressed is how can we address the perceived temptation to over exaggerate the miles. How do we get around that? How would we move forward? Do we go one year on the old formula? Go into block grants in years 2, 3 & 4? How can we make this whole transportation issue work?

Sen. Flakoll: I think we only have a couple of options. Either we go with the DEA and pay out on that formula and after lengthy explanations I'm not comfortable with my understanding of it or we can assume they are going to be honest with us or do payouts on the previous year's data which may or may not be accurate.

Rep. Haas: One of the problems is the reporting that leads to inaccurate information. When school districts establish their routes in the fall of the year it's pretty hard to fudge on miles. The only time that changes is when the ridership changes and someone moves in our out and they have to change the route. That would change the route. One of the areas where the reporting is inaccurate, and I'm not sure how we deal with it, was when you plan there are "X" number of kids if you have 100% ridership. When you get into actuality you may get into 60% or 80% or 35% ridership. Every single report always included every one of those kids as if they were

riding every day. That's just the way it was done when the annual report was required. If we go back to that reporting, that's the way it will come in again. When districts plan their route it's as if every student was going to ride ever day and they don't and the routes vary on a daily basis.

Sen. Flakoll: The other thing we could agree upon is that transportation is not a big money maker for school district. What we send them is only a part of what is accrued for transportation.

Rep. Haas: I'm not sure how you get accurate information. Maybe you put a penalty for those who falsify information. If we're going to base block grants in subsequent years on one year of reporting, we should do whatever we can to insure the reporting is accurate.

Sen. Freborg: I think they are only receiving 60% of actual costs. If that's true I'm not sure that it makes a lot of difference if they are fudging a little bit as long as they all do it. So I don't know if that matters. I would not be opposed to trying to develop a more fool proof formula. A very simple one and we could tie the number of students to the necessary miles to make that route and pay a flat rate on that basis. Then you can do as you please, haul them or not.

Rep. Mueller: We require a report and Sen. Freborg mentioned it's 60 - 65% of the cost the state bears. If we had an end of the year report and if you didn't expend the amount money of the state's contribution, you return it or your foundation aid is reduced by that amount you didn't spend. That could be a check and balance.

Sen. Freborg: You just fudge in a different area. We will never change that. We can have a better formula and pay in such a way that we don't care how many miles they drive or how many students ride the bus. It won't make any difference. You get paid for the number of possibilities

and number of the miles it would take if you did make that round trip every day. Pay all the schools on that basis and it will come out the same. We don't care if the bus is empty.

Rep. Haas: I would agree with that. The cost of running a bus route is not dependent on the number of kids riding. The cost is running the route "X" number of miles. Perhaps it should be changed so it's purely and simply on mileage. It's pretty easy to verify miles on a route.

Sen. Flakoll: One other concern I have is for Special Education students because every one of those students takes a lot more effort.

Sen. Taylor: The simpler is usually the best and mileage gets you there. Factoring in depreciation, gas, etc., they are going to find the most efficient way. I think rather than muddying up the formula we need to go towards simplifying.

Sen. Freborg: (Looking at DPI personnel) Would it be able to develop a formula based on what we've talked about and do that in three days or less? It looks like it may be.

Chairman Kelsch: One other issue we touched on lightly is if we change the law about reimbursing only the parent. If a 16-year-old has their driver's license, they are legal to drive in the state. We should discuss to allow a payment to the family rather than just to the parent.

Sen. Flakoll: Data in the blue book also contains transportation costs for extracurricular activities. We don't pay that but it is reported as one of the expenditures for transportation.

Chairman Kelsch: Another area is the in-city miles.

We will recess until 2 p.m. this afternoon.

At 2 p.m. the Conference Committee again convened.

Chairman Kelsch: Let's take up Section 2, reimbursement for extraordinary service for board members.

Sen. Freborg: For purposes of opening discussion, I **move we accept Section 2.**

Sen. Mueller: I second.

There was no further discussion and a roll call vote was taken.

Yes: 6, No: 0, Absent: 0 Section 2 was accepted.

Rep. Haas: Sections 9 and 12 relate to the movement of funding from the tuition apportionment into the per pupil payment and the FTE payment into the per pupil payment. **I move that we alter those sections to leave the tuition apportionment be distributed based on census and the FTE payment to be distributed based on FTE.** I'm not asking that we delete the entire sections because on page 21, the first statement there about adding tuition apportionment funding in the months of January, March, September and November would be a good idea for helping school districts with their cash flow. I'd like to see us leave that but distribute all the tuition apportionment based on census and all of the FTE payments on FTEs. That's a motion.

Chairman Kelsch: Is there a second? Sen. Freborg do you have a question.

Sen. Freborg: Not any more. He already made the motion.

Rep. Mueller: I'll **Second.**

Sen. Freborg: Senator Flakoll has a little concern about acting on that right now. He would like to discuss it with someone first. I don't share that concern because I don't know what it is. I would ask that we hold the vote.

Rep. Haas: I'll withdraw my motion.

Rep. Mueller: I'll withdraw my second.

Chairman Kelsch: We're waiting amendments from the Joint Powers discussion we had. We will have those tomorrow morning. There is nothing further we can act on until we have those amendments.

Sen. Freborg: I believe tomorrow morning we can also act on Rep. Haas' motion. That will give Sen. Flakoll opportunity to get his information.

Chairman Kelsch: We will be ready to move on the Joint Powers and Rep. Haas' motion in the morning also. Is there anything else anyone would like to discuss at this point? We're looking at some areas for transportation, we're looking at the areas for JPAs, this motion we're holding on. That's about as far as we can go today.

Rep. Haas: I believe when we discuss the motion I just made tomorrow morning that would also pertain to Section 25. We would want to delete that section because that's the repealer on the FTE payment.

Sen. Freborg: Also Section 10.

Chairman Kelsch: Anita knows what we are doing and she will draft it. It's Sections 9, 10, 12 and 25.

Sen. Freborg: It might be better if we had new language and take out these sections.

Sen. Flakoll: As you brought up earlier this morning, the hold harmless amount of $119.190.

Chairman Kelsch: We will need to determine in what order we want those contingency dollars paid out and whether this is the first line item or those reorganization bonuses are the first line item and how we place them in order. We've been told there is enough money but we want to make sure this is included in this bill or it may get lost.

Sen. Flakoll: Isn't it just a two horse race between this one and the $759,000 for the current bienium?

Chairman Kelsch: Yes, those are the two for this session. What order do you want them in?

Sen. Flakoll: By all measures it seems like we have the money there. This could go as 1 and the $759,000 could go second.

Chairman Kelsch: Was that a motion?

Sen. Flakoll: Yes

Rep. Haas: I second.

Chairman Kelsch: What we are doing is in Section 15. We would have to further amend Section 37 (the bill from last session) and we would add in this language (from HB 1311) as number 1 and the $759,000 would be number 2.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 The amendment was adopted.

The Committee adjourned until 9 a.m. on April 15.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

Conference Committee

Hearing Date **15 April 2005**

Tape Number	Side A	Side B	Meter #
X	X		0 - end
		X	0 - 200

Committee Clerk Signature Jan Swindle

Minutes:

Chairman Kelsch called the conference committee on HB 1154 to order.

All members were present:

For the House: R. Kelsch (Chair), C. Haas, P. Mueller

For the Senate: L. Freborg, T. Flakoll, T. Seymour

Chairman Kelsch: I do have a conference committee scheduled for this afternoon at 3. If we can get to a point where we feel comfortable in leaving this for the weekend with some things to mull over, we can do that and not have to come back at 3.

We have HB 1154 before us and we are ready to start taking up amendments.

Rep. Haas: I move that we remove Sections 9, 10, 12, 25, and amend with 58232.0346. (He distributed the proposed amendment and it is attached to these minutes.) What this does is puts the FTE payment in a distribution pattern similar to what we have done in the past. It puts the tuition apportionment back on a distribution pattern based on census. This also adds language

where the tuition apportionment would distributed not only in February, April, August, October and December but also January, March, September and November.

Sen. Flakoll: Second.

Chairman Kelsch: We also need get rid of Section 27 because that's the effective date for Section 25.

Rep. Haas: You are right. **Section 25 should be added to the motion.** There seemed to be a fairly good consensus that we probably should do this. We can't do any one of these without implementing the other because of the huge impact that it has on school districts. I also think the discussion focused on the idea that neither one of these have a tremendous impact on the equity issue and certainly hardly any, if any, on the adequacy issue.

Chairman Kelsch: The motion is to remove Sections 9, 10, 12, 25, and 27 and further amend with proposed amendment 58232.0346.

Sen. Freborg: Could we hold the vote for a moment? (In a few minutes he notified the chair he was ready for the vote.)

Chairman Kelsch: In essence these would be taking the FTE and tuition apportionment monies and putting them back to the way that they are currently funded and also add in that the tuition apportionment money be distributed on a monthly basis.

A roll call vote was taken.

Yes: 4, No: 2, Absent: 0.

Two no votes were from the Senate. The motion failed.

Chairman Kelsch: Are there further amendments?

Sen. Freborg: (Distributed proposed amendment 58232.0344. (Attached)) This would distribute the JPA money to the districts. The dollar amount to be inserted in the blank in the first paragraph would be $1 million. They would be reimbursed. The money must be spent with the JPA. This would call for $1 million and along with that, and I could do that in a separate motion, we want to amend Section 21 to $1 million and put the language in that would roll the other $1 million into foundation aid. We can do it on one motion or I can do another motion on Section 21. That's the appropriation.

Chairman Kelsch: I think you can roll it all into one motion.

Sen. Freborg: I would move that, after putting $1 million in the blank, we adopt 58232.0344 and that we amend Section 21 to $1 million with the language to roll the other $1 million into foundation aid.

Sen. Flakoll: If we could further amend. It's friendly. In Section 21, subsection 2, take the numbers and cut them in half which would be representative of the dollars available. If that's acceptable to the presenter of the amendment, **I would second the motion.**

Sen. Freborg: We would have to do that to make this amendment appropriate we would have to remove some of the language in Section 21 and not just cut the dollar amounts in half. I'm not sure we should dictate how that money is spent. I believe we would remove all of that language. Maybe we should take these separately. **I will withdraw my motion.** I think we take them separately and have another amendment drafted to take care of Section 21. It would not be my intent to cut those figures in half. I'm not sure we should dictate to the districts as to how to spend it.

Chairman Kelsch: If we are going to have Section 21 as the appropriate then it should be just be your number 1. There are those of us who have concerns about creating another level of bureaucracy are concerned about those words in 2.a talking about hiring and compensating staff. It's fine if that's what we want to do but I don't think it's good policy for us to put into state statute. I think that if we give them the money then they can decide how they want to use. That's probably better as long as they are still within the guidelines of the JPAs.

Sen. Freborg: I don't disagree but I would rather do it in two motions.

Chairman Kelsch: Your amendment is a substitute for Section 21 because it's the appropriation section.

Sen. Freborg: What about the $50.0 to reimburse the associations before and after July 1, 2005. We've always paid that $50.0.

Chairman Kelsch: I would suggest on your amendment that you add "c" from Section 21 in the current bill and then you have reduce the $1 million by $50.0.

Sen. Freborg: We would need the appropriation.

Chairman Kelsch: So we would have to two. Subsection "c" will have to be a separate appropriation.

Sen. Freborg: I withdrew my motion and I now state **that we simply adopt the amendment proposed amendment 58232.0344 with $1 million in the blank space.**

Sen. Flakoll: Second.

Chairman Kelsch: So we have before us a substitute for Section 21. What this does now is instead of laying out that $1.3+ million is going out to the JPAs for hiring and compensating staff and the additional $590.0 goes out on ADM, that the monies go out to the school districts on a

per student basis that the JPAs can use at their discretion. This should alleviate some of the fears that the House members had regarding putting on another layer of bureaucracy. It was our concern that adding the language that said "hiring and compensation staff" was perhaps what we wanted to see happen. I think this is a good amendment. Then we will deal with Section c and putting the other $1 million into foundation aid.

Sen. Seymour: Is there any concern that the money will go into athletic fields instead of where it supposed go. We are not designating any administrators or anything like that so it's more flexible.

Chairman Kelsch: It's up the JPAs to determine how they want to spend the money. There is nothing in here that prohibits them from hiring an administrator to oversee their JPA. It's just not that we are specifying it in law. It gives them the flexibility to determine what they want to do it. I truly don't think they are going to use it for athletics.

Rep. Mueller: I hope that's correct. There are criteria that certain types of things be done. None of those speak to athletic directors. I have some concern that under Section 21 in the Senate version that talks about how much an association would be eligible for. Is that still germane. It would seem to me that it might be. As we look at the $50.0 for DPI that needs to be considered.

Rep. Haas: With this amendment when I compare the language in subsection 1 of Section 21 of the Senate bill, the language says "for the purpose of providing funding to eligible educational associations." In this new language the funding flows to the school district rather than the association and I think that's critical. The individual fiscal agents are the school districts and not the associations and I can support it on that basis. If we fund "eligible educational associations"

we are establishing a new fiscal entity. Any one school district could and probably is the fiscal agent for the association but that's a tremendous difference than establishing a new fiscal agency. Now the money will flow to the individual school districts.

Chairman Kelsch: That's correct.

Sen. Freborg: I think we need to deal with Section 21 afterwards. In visiting with Rep. Haas, I agree with what he is saying. I think the second to the last line would have to read "providing funding to districts for members of eligible associations" or something like that. Perhaps there is other language that would have to be changed. If we would put that language in subsection c, that's all we would have to do. The motion that we have before us now says paid on per student basis to the district.

Rep. Haas: Sen. Freborg does your motion include the statement that we put the $1.0 in per pupil payment or do we deal with that when we do Section 21. My question is, how do we take care of that?

Sen. Freborg: Because the appropriation is in Section 21, I thought we would change the appropriation to $1million and have the language in that motion that rolls the other $1 million into foundation aid.

Chairman Kelsch: Your motion is for the new section 11 is a substitute for Section 21 then I believe your motion would be appropriate to move this plus take the other $1 million into foundation aid.

Sen. Freborg: I will include that in the motion that we put $1 million in the new Section 11 and that the other $1 million go to foundation aid.

Sen. Flakoll: As an example in subsection "b," after the 2006 school year, the schools will report their expenditures per student for the JPA so they would be eligible for what appears to be $6.41. Is that correct? So they have to prove that they've spent "x" amount that's over the amount they are eligible for based on a per pupil basis then they could receive that money?

Rep. Freborg: Say that again please.

Sen. Flakoll: If you take ($1 million/2 years)/78,000 students it comes to $6.41. If a school proves they spent more than that in the school year then in June they can make their claim for reimbursement.

Chairman Kelsch: That is correct.

Sen. Freborg: That is correct except that at least $50.0, maybe $100.0 would be reserved but the concept is right.

Sen. Flakoll: If they spent only $3 per student they would be eligible only to that point and then that money would stay in a state pool to be redistributed to other schools?

Sen. Freborg: I am assuming in the first year the money would carry into the second year and if they didn't spend their share of the money in the second year, I'm assuming Tom Decker would give it back to us. I have no great fear of them not using all of the money. If you remember they are going to have to match this. There is no way that they are not going to spend that money. The only difference is that they can now decide within each individual association what the needs are and that will determine how the money is spent. They could hire and administrator and staff if that's what they want to do.

Chairman Kelsch: They expend it and get it back. It's a one for one match. Just a different way of matching.

Rep. Mueller: I'm not clear on this. Does the $6.41 mean that's the most that can be forwarded on a per student basis to a member of a JPA? That takes care of the cap. I'm referencing in part the language we apparently eliminated and talked about a few moments ago that talks about $250.0 to a JPA. Will the $6.41 cap per student take care of that issue. What happens if the JPA doesn't use it.

Chairman Kelsch: We could always put the language in at the end of the bill like we do for FTE payments and we do for leftover foundation aid payments that if there is money left over, it is redistributed based on ADM. We can certainly put that language in. I believe they will spend it, but if that alleviates some fears we can put that in at the end. What was your first question?

Rep. Mueller: The $6.41 takes cares of the $250.0 cap issue per JPA would that be correct?

Chairman Kelsch: You are basically down to $500.0 per year so I don't think we have to worry about that. We also have to remember that this is a good step forward from where we funded the JPAs.

Rep. Mueller: I'm happy.

Chairman Kelsch: We'll take a vote on 58232.0344 plus rolling the $1 million into foundation aid.

A roll call vote was taken.

Yes: 6, No: 0 Absent: 0 The amendment was adopted.

Rep. Haas: I have another amendment I would like to propose. (He distributed proposed amendment 58232.0345. (Attached))

Chairman Kelsch: This is an amendment that was added to the JPA bill that the Senate sent over to House and was defeated when JPAs were already added into HB 1154. One of the things

that we talked about was that we are spending more money and we need more accountability. We believe, from what we heard, that they would be delighted to share this information with it. We thought it was worth putting that requirement in there. For purposes of discussion is there a motion.

Rep. Haas: I move the amendment.

Rep. Flakoll: Second.

Sen. Seymour: I hear a lot in the career of education that "we just have too much reporting." We talk about accountability and how important it is but it takes a lot of person hours to generate some of these reports and then what is done with them after we see them. Does anything result from the report. Those are some questions in my mind.

Chairman Kelsch: A couple of comments. I'm not a strong proponent of JPAs. This was a good concession on my part to decide that JPAs should move forward and they were a good thing. In my mind I want to see what JPAs are doing for students. While I think they are not bad when it comes to putting school districts together and working cooperative, I want to know what they are doing for the students. You are correct in that we ask school districts for a lot of information. A lot of this they currently have and it would not be too onerous to have it reported to an interim committee.

Sen. Flakoll: I would concur with you in that. It's particularly important to look at some these things in the infancy of the program as we're looking to if we want to move forward with it and to see if there is any actual benefit from it. If there is, those folks will be really tickled to present what they are doing. It will help us in a variety of ways to determine what they are doing and to what extent progress is being made and where are areas where we are not seeing the progress.

Some of the folks just joining on with JPAs they won't see any benefit early on. I would like to see further proof that it is worth the investment of dollars.

Rep. Mueller: I would agree. The reality is if this program has been started those folks that are going to be advocates of it are certainly not going to find reporting onerous or burdensome if they think that program could grow in terms of dollars. They'll be glad to brag about what it is they have accomplished and well they should.

Rep. Haas: The JPAs have been touted as a major step in solving many of the problems in our delivery system in our delivery system in elementary and secondary education. As you know, I seriously questioned that thesis but at the same time if we are going to make some judgment in future on these, we need to have this kind of information.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0. Proposed amendment 58232.0345 was adopted.

Chairman Kelsch: We were going to talk about transpiration today but we just found out there may be a better way to block grant that so we will wait until Monday. I would entertain looking at Section 4.

Rep. Haas: I do have an amendment for Section 4. (He distributed proposed amendment 58232.0343. (Attached.)) This places the mill deduct at 38 mills for the '05 - '06 school year and a 3 mill escalator thereafter. I believe the intent of the last Legislative session was to have it increase 2 mill per year and with the error that occurred last session that would not have happened for the coming school year unless we do this amendment. It fits with what the Senate has done with regard to the 3 mills. **I move the amendment.**

Sen. Freborg: Second.

Rep. Mueller: I think we set out on a course to do the equalization thing and I understand what Rep. Haas is saying. The mill levy deduct is detrimental to the small rural schools. At 2 mills it's pretty detrimental. At 3 mills it's more detrimental. I have to stand in opposition to the amendment. On the bottom of page 1 of the amendment we talk about 45% of the general fund balance, I'm presuming that the carry over for each individual district, plus $20.0 we had in another amendment, that was the amendment that talks about $35%. I wonder if we need to make that somewhat similar.

Sen. Flakoll: That 35% dealt specifically with supplemental payments and this is foundation aid. I think this okay.

Rep. Haas: I don't like the amendment either but I'm going to vote for it. All of you know that I prefer the mill deduct totally and used a different mechanism of funding education but in the absence of a plan to do that I have to support this concept.

Sen. Freborg: I like it because it only take money away from half of my district so I feel pretty good. Rep. Mueller, what would you propose to do to provide some equity.

Rep. Mueller: I believe we've gone down that road. We are looking at a 2 mill escalator each and every year and it's going to take a while but we also have to allow those school districts some time to adjust. I think 2 mills is enough as an increase in the deduct. The answer to the question is more state money in the formula. That is the answer. I agree with Rep. Haas that there was an answer to this question earlier in the session and it was fairly soundly rejected. To jump the mill deduct every time we get together is not my idea of doing it correctly. That's not going to hold any lawsuit off.

Sen. Freborg: What are your districts? Do they all lose money under the deduct?

Rep. Mueller: (lists school districts) Valley City wins, Lisbon about a wash, the rest all lose.

Sen. Flakoll: 100% of mine have a overall negative impact. A very, very, high percentage of school administrators don't have a very good grasp on the redistribution part they talk about. That's one of the frustrations. Sonja provided me with lawsuit report of Bismarck schools vs the State of ND. Unequivocally the reports on both sides acknowledged the fact that the mill levy redistribution formula is a viable method of providing equalization in the eyes of the law. That's the overriding principal as far as where my vote goes.

The question was called.

A roll call vote was taken:

Yes: 5, No: 1, Absent: 0 Amendment 58232.0343 was adopted.

Chairman Kelsch: We can take up Section 20 of the Senate Bill. We can probably go ahead and adopt Section 20 which was a like section that both the House and Senate had that appropriates the $30.0 for efficiency training for school districts. Regardless of what we do for transportation, I think this is something important that we continue to work with districts for efficiency.

Rep. Haas: I would hope that DPI as they engage with districts to do this study that they would use the DEA approach. It is a scientifically based computerized model that is valid and with accurate information it certainly can lead to more efficiency in the transportation system of any individual school district. **I move that we approve Section 20.**

Sen. Flakoll: Second

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0. Section 20 was approved.

Sen. Freborg: Do you have a good record of those section that are now taken care of?

Chairman Kelsch: I will go through those with you. I will not be in order as I'm going through by days. We have adopted: **5, 6, 8, 13, 14, 15, 17, 22, 28, 19, 24, 26, 7, 2, 15, 20. (15 & 37 are together.)**

I believe we can now adopt Section 1. We have adopted the appropriation part of it.

Sen. Flakoll: I move to adopt Section 1.

Rep. Mueller: Second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0. Section 1 was adopted.

Sen. Seymour: What is the status of Section 4?

Chairman Kelsch: That was the one we amended with 58232.0343, the mill deduct.

Committee Members we did a good job this morning. We worked for about 1.5 hours. I won't ask you to come back this afternoon but we will come back in on Monday morning and hopefully we will be able to work out some of our differences on the pending issues.

Adjourned.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☐ Conference Committee

Hearing Date **18 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - end
		X	0 - 3040

Committee Clerk Signature

Minutes:

Chairman Kelsch called the conference committee on HB 1154 to order. All members were present. She distributed a list of the actions taken thus far by the committee **(Attached.)** as well as a "hog house" amendment prepared by Anita Thomas. Ms Thomas incorporated all the amendments approved into this amendment. **(58232.0349 attached.)**

Sen. Flakoll: I want to assure that the contingency payments for the three districts is in here.

Chairman Kelsch: Yes, it is. Page 17. It is paid from the last session's contingency and it stays the same.

Rep. Haas: We really don't need subsection 4 of that for the reorganization bonuses. We are taking out of this year's contingency money $750.0, transferring it the GF and then reapropriating it for those bonuses that are going out next fiscal year. After that there are no more bonuses.

Chairman Kelsch: It doesn't really matter because it will all go back to the PPP. The difference between the $1 million and $759.0 will just go back into the PPP anyway. There aren't any other

reorganization bonuses to pay out other than the $75.0. We pay that $759.0 from the contingency dollars from the last biennium. What said they can use $1 million for reorganization bonuses. It was determined that was $759.0 and there are not other reorganization bonuses that will happen so that remaining money will just go out on the ADM.

Sen. Flakoll: I have a question on that same section number 2. It goes to the GF of the current biennium.

Chairman Kelsch: The way Sen. Freborg laid it out for me is this $759.0 would come out of the contingency dollars from this last biennium and would be paid into the GF and we have appropriated $759.0 so it would end up being a wash.

Rep. Haas: It still leads me to believe we do not need subsection 4.

Sen. Freborg: If we appropriate the money, the GF wants it back. If it comes out of a contingency we don't need that language. In the Senate we had it set up so that the first chance would be the present biennium. Take it out of the contingency of this biennium that we are in right now if there's money there and that would be the end of it. If there's not so they wouldn't have to wait until the end of the next biennium, we would have a GF appropriation, pay the $759.0 and out of the contingency in the next biennium it would go back to the GF rather than revert to foundation aid.

Chairman Kelsch: And that's what Section 14 does.

Rep. Mueller: Just so we are clear, the $119.0 is the same scenario.

Chairman Kelsch: That comes out of last year's contingency so that those school districts can be paid now rather than paid later. In the House we put it in as an appropriation. In the Senate

they put it so that got paid it immediately when they contingency dollars are paid out before the end of the biennium and they are at the top of pecking order.

Sen. Flakoll: I still believe on page 17, sub section 2 is incorrect. I don't think that was our intent. That is language that is appropriate for the upcoming biennium.

Anita Thomas: This June that money gets transferred to the GF and the appropriation is effective July 1, '05. Section 14 says if you don't have the votes to make that an emergency measure then it comes out of the '05 - '07 contingency.

Chairman Kelsch: It's a confusing way of doing it but it does become a "wash" so that the $759.0 that potentially could be appropriate would be repaid back after the next biennium. It will go back to the GF.

Sen. Seymour: Rep. Haas, you say there will be no new reorganizations in the coming years?

Rep. Haas: There may be but we have already repealed the section of the code that would allow for reorganization bonuses. Section 37 pertains to this fiscal year, am I right? So if we appropriate out of this fiscal year's appropriation for foundation aid, the first amount that will be appropriated out of the contingency is for Velva, TGU and Lewis and Clark. The second amount is $759.0 out of this current biennium for the reorganization bonuses that are done. Then it will be reappropriated in '05 - '07 under Section 19. Maybe it's a mute point but if we are putting back into the GF $759.0 out of this fiscal year to spend next fiscal year then we don't need subsection 4.

Chairman Kelsch: Correct. Okay.

Anita Thomas: It's a matter of do you think it easier to explain with it or without it?

Rep. Haas: I think it's confusing to leave it out.

Jerry Coleman: Can I volunteer something. We do have one reorganization that occurred during this current biennium that will be approximately $500.0. The reorganization was effective July 1 of this current year. There was no specific money appropriated for them so we gave them the contingency dollars.

Rep. Haas: Where is the $759.0 going?

Coleman: Two in the NW corner. Their effective date will be July 1 of next year. That's where the $759.0 goes to, those two.

Chairman Kelsch: Now we've got it.

Sen. Freborg distributed **amendment 58232.0340 (attached).** This amendment raises the membership on school boards to five, seven, or nine members and deletes those instances where a board may have less than five. The reason for this is to prevent board from getting "cozy" or to be able to be managed by two people.

Rep. Mueller: Five could get cozy too. I don't think we should be telling locals what they must and cannot do. In my experience it is often difficult to find members willing to serve.

Sen. Freborg: I think it's always better to have a larger cross section of the constituency to represent the people. Two members should not be able to operate a district. **I move for adoption.**

Rep. Haas: I second.

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0 The amendment was adopted.

Sen. Freborg: (distributed amendment 58232.0348 (Attached)) We talked about this contingency. **I move this amendment.**

Rep. Mueller: I second.

Sen. Flakoll: How is this different from Section 18 in the bill that came before us (.400)?

Chairman Kelsch: I don't believe it is different. We haven't adopted Section 18 yet. That's the difference.

Rep. Haas: I would like to reverse subsection 2 and 3. Why is the Section left blank or this a mechanical bill?

Chairman Kelsch: Nice try. As we go through here we will fill in the numbers as the bill changes. This $1million goes out on the PPP.

Rep. Mueller: I second.

Yes: 6, No: 0, Absent: 0 The amendment was adopted.

Sen. Freborg: (distributed proposed amendment 58232.0335, Attached.) This amendment speaks to the amount of money that a dissolved district returns to the taxpayers. Some districts could have $1 million left over when they dissolve. This limits the amount refunded to the prior year's general fund expenditure.

Tom Decker, DPI: That is exactly how it reads. No district can refund more than the prior year's general fund expenditures. The rest would be apportioned to the new district.

Sen. Freborg: I move we adopt 58232.0335.

Sen. Flakoll: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 The amendment was adopted.

Rep. Mueller: Distributed proposed amendment 58232.0350. (Attached.)

What this amendment does is to repeal the repealer on the teacher's convention and CEO conference. It references Section 23 in the original Senate Bill. In its place, this Section 10 asks that the NDEA and the Council of Educational Leaders, and the School Boards Association work with the DPI to prepare a report that talks specifically about the instructional conference to see how it can be improved and attendance can be increased. It's a study that deals specifically with how we fix that teacher's conference specifically in the area of attendance. **I move this amendment.**

Rep. Haas: **I second it** for purposes of discussion.

Sen. Freborg: So the coalition fills out the report.

Sen. Mueller: That would be the intent but again under the auspices and direction of the DPI there are legislative tie ins to those organizations.

Sen. Freborg: Then they will determine if we keep the instructional conference rather than the Legislature.

Sen. Mueller: It will be a report to the Interim Education Committee and they must determine if this is a legitimate report and if it makes sense.

Sen. Seymour: I think this is a good idea because when you think of all teachers have invested in their dues and then creating a major conference with teacher money you know we don't get that bargain very often in ND. We have to have some partnerships here to make sure our students get a good education so I don't think we can throw something away right away. I think this is a good idea.

Sen. Freborg: Just so we're not concerned about where our concerns are. I'm a lot more concerned about the $17 million biennially to allow teachers to go to that convention and most of

them don't. I'm more concerned about that then about the membership costs of the teachers that belong to that organization. If they were all attending, I think it's great. They do provide some professional development and I understand it's good. But for $17 million to allow 70% of the teachers to do something else, that's where my concern is. There is no question in my mind that we need to either require attendance or we need to quit paying for it or we need to leave it in the hands of local boards.

Rep. Mueller: I agree with a great deal with what you are saying. Certainly such a report and educational coalition get together that speaks in a meaningful way about this conference issue. They may come up with some things that may be . . . if you don't go, you don't get paid. There are all kinds of options and I don't think this body is in a position to make a good determination about it. Those folks certainly had ought to be able to and there may be all kinds of options that came out of such a discussion that we find very helpful and meaningful. The other think I would make mention of that we did consider a bill earlier on the House side 2358, which did outline some methods by which the two days could be handled. That reason failed. What we have here in terms of just eliminating the conference creates a whole other set of questions, issues and problems for our school districts out there. Continuing it as it is and doing a report on how it can be fixed in the future makes sense at this time.

Rep. Haas: I don't think there is any danger in having a jointly compiled report of this nature. If we think back to the Senate bill that was defeated in the House regarding this bill, the coalition was really fractured on the that issue. By having this kind of forced dialog and reporting amongst the three partners in the coalition, I think Rep. Mueller is right. It could lead to some meaningful solution that would enable us to retain the instructional conference which has value

and make it more useful to all the school districts as a professional development tool. I see some real benefits from doing this type of a reporting procedure and particularly having those three organizations come together. If they decide the feasibility of retaining the conference that's always subject to Legislative action and taking whatever course of action we think appropriate.

Sen. Flakoll: It would seem they could do a number of these already. My question would be under a.(1) "Attended each day . . . " Would that be each day? session? We hear discussions about people signing in and then walking out.

Chairman Kelsch: Some of this will fall on the shoulders of the association that puts the meetings on. There are such things as giving out certificates at the end of the day. If you sign in the morning and come back in the afternoon, that guilt lies on you. In order to receive the certificate and you have to come back to your school district and show that you were at those meetings. There's something like that that could happen. There are things that could be done to tighten this up. My concern about throwing out the NDEA conference is that I think Grand Forks, Fargo, Bismarck could provide conferences. Mandan would have to join Bismarck because they don't have the wherewithal to provide an outstanding conference or to bring in the professional level of individuals that the total conference does. The school districts I'm concerned about are some of our small school districts that don't have resources to put on extensive professional development. It goes hand in hand with the same concern that some of those teachers aren't going to the conferences either. We talked about making the conference mandatory. Is that a good thing. As adults you think you can make up your own mind whether or not you want to go.

Rep. Haas: I think in response to Sen. Flakoll's question, I think 1.b takes care of that in some degree because they have to include a detailed description of how attendance was monitored at the October '05 conference. There has to be some accountability with this.

Sen. Flakoll: As an example with NCSL, my wife went and she had to sign in for every meeting to make it viable that she was attending those to get credit for it or recognition that they were there. We, as legislators, have to write a report when we've been to each one of those meetings. In my area we have 20% of the students in ND and 12% of the teachers go to this.

Chairman Kelsch: Where do the Fargo teachers get their professional development?

Sen. Flakoll: The offer some of their own. They have an extended calendar and would like it if they could extend the calendar more to have additional development. They fought for and passed the 2066 bill which gives them a little more flexibility to provide alternatives. I'm not sure that the small schools that the percentage is any better.

Rep. Mueller: I am told that the passage of this will not require the repealer. May I have Anita address that.

Anita Thomas: There is no reference in your amendment to the repeal of 15.09.42 because there is no reference to that repeal in the version of 1154 that came over from the House and that is the version you are amending.

Sen. Flakoll: Each person who goes, for example NCSL, from the Legislature is an elected person who is held accountable to what they do or do not do there. One hundered percent of us belong to the Legislature whereas with the instructional conference only a percentage of those people belong to the NDEA. There are some differences there.

Rep. Mueller: Those are real issues and how we resolve that is the intent of the amendment to put criteria in place for attendance. Some of that may already be in place. If it isn't refined enough certainly this amendment would ask that that be done. When they come to put a report together for the interim Education Committee you would like to think the numbers are real and the report is accurate. This amendment requests that.

A roll call vote was taken.

Yes: 4, No: 2, Absent: 0 Two no votes were from the Senate. Amendment 58232.0350 Failed.

Sen. Flakoll: (Distributed proposed amendment 58232.0339). (Attached.)) These amendments have been viewed before by both chambers. It passed the House on a 85-5 vote and a similar vote on the Senate side. **I move the amendment.**

Rep. Mueller: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0. Amendment 58232.0339 was adopted.

Chairman Kelsch: We are scheduled for 2 p.m. this afternoon. Does everyone have the amendments they are planning to present? Please get them together.

Adjourned.

At 2 p.m., Chairman Kelsch convened the Conference Committee. All members were present. Anita Thomas is keeping us up to day. She distributed the latest version of HB 1154 which included the amendments adopted in the morning.

Let's look at Transportation. Section 16.

Sen. Freborg: Could we have Jerry Coleman what he believes it would take to fund transportation on the 2001 formula?

Jerry Coleman: We did some estimating. It would take approximately $16,750,000 as discussed yesterday. That assumes we would go back to the old rate schedule with some minor adjustments that were made in the Senate. The current biennium is costing $17,400,000 for the block grants.

Sen. Freborg: Then it would actually be short.

Coleman: It would be hard to tell, it should be close.

Chairman Kelsch: That's strictly on the formula. If we distributed the first year based on the formula and in the second year on block grants would we save any money?

Coleman: It would be really difficult to know that. If we reestablished the grants based on actual statistics then it's all driven by what we establish that first year. Our best estimate is that transportation hasn't changed appreciably in the last few years. It's changed some. What we noticed was that usage of the large buses is down some and smaller buses are up some.

Rep. Mueller: The $16,750,000 is below or above the last year we did transportation based on the '01 formula?

Coleman: It is below. What we had in the executive budget was $34,800,000 and that was reduced $1.3 million. The money available for the block grants as it sits now is $1.3 million less then we established.

Rep. Haas: Based on our earlier discussion I got the impression that the idea for going back to '01 to calculate a base rate, the purpose being that we would then follow up with the block grants

after that. It seems that's the approach that we should put in statute if that's our intent here to do a recalculation periodically as we go back to the block grants.

Sen. Flakoll: I think we took a couple years worth of data because there were some random swings in the data. So there may be some value having two years of data before we block grant it out. There were some outlyers out there that were really unusual in terms of some of the sweeps that were occurring for some odd reason. That's a consideration as we move forward.

Sen. Freborg: If I didn't think we would lose the money before the session is over, I would move to take the $500.0 and put it in foundation aid and apply the formula the first year and prorate the money and then pay the second year in flat grants the same as the first year. I am concerned that we would lose that money if it goes through appropriations they would say we didn't need it in transpiration and put it in the general fund. With that being said, **I move that we apply the 2001 formula to $33.5 million, pay it on that basis, prorate it for the two years, divide it so the flat grant in the second year is the same amount of money as the first year.**

Rep. Mueller: I second.

Sen. Freborg: I just got a note from someone who said they were not ready for that motion. Perhaps under discussion we would learn why.

Sen. Flakoll: I don't know how you would handle this. I could further amend or if we wait and see if the motion fails which I hope it does if it's not further amended with respect to the bus rates that were put into the transportation Section 16 in the .400 bill.

Sen. Freborg: I withdraw my motion.

Rep. Mueller: I withdraw my second.

Sen. Flakoll: I would move the previous motion with the addition that the rates set forth in Section 16 for the buses to be applied to that. Just so that there is no confusion that would be all small buses of 9 passengers and under would receive a rate of .40 and large buses in-city would receive a rate of .50 per mile. This would not change the current .67 per mile for large buses outside of the city limits and would not change the payout for family transportation. **That would be my motion.**

Sen. Seymour: I second.

Sen. Freborg: Do you have any idea how that will redistribute the money? What will be the additional dollars paid for in-city buses.

Sen. Flakoll: If we apply the change it would be approximately $103,000. Right around that $100,000 mark. That would not account for declining enrollment which could be prevalent.

Rep. Mueller: Is Special Education covered here? How do we do that? Does that include that?

Rep. Flakoll: That includes transportation for Special Education. My data includes is approximately 1.26 million miles for Special Ed with larger buses and about 700,000 with smaller buses and they are paid at the same rate as other buses.

A roll call vote was taken:

Yes: 5, No: 1, Absent: 0. The amendment was adopted. (Combined as stated by Freborg & Flakoll and printed in bold above.)

Sen. Freborg: (Distributed proposed amendment 58232.0347, attached.) The overs truck language in Section 1 and the overs truck in Section 3 were inadvertently left out. They took everything out and it leaves that language in code.

Chairman Kelsch: That's the one we passed for the "highly qualified teachers."

Sen. Freborg: Anita advises me we need to adopt this to take care of that. **I move the amendment.**

Sen. Flakoll: I second.

A roll call vote was taken:

Yes: 6, No: 0, Absent: 0. Amendment 58232.0347 was adopted.

Sen. Flakoll: (Distributed amendment 58232..0338) It is not my intent at this time to offer this for action by the Committee. I just thought you should have the complete collection. When Rep. Haas sells his on e-bay it will be more valuable if he has the complete set.

Rep. Haas: I will get a lot more money for the original version of 1512 on e-bay.

Rep. Haas: (Distributed 58232.0346, attached). I would like to go back to the issue of the FTE payments and dividing those out either in a portion going out on FTE and a portion going out per pupil payments and also the same thing with the tuition apportionment. **I move to remove Sections 9, 10, 12, 25, and 27 from the .0400 version and adopt .0346.**

Sen. Flakoll: I second.

Sen. Freborg: Why?

Rep. Haas: We can't do one of these without the other. One has an affect one way and the other one having an affect another way. Without a total revision of the distribution formula we need to leave this where it is until we can up a distribution formula that is more adequacy based and deal with it at that time.

Sen. Freborg: I don't think I can support this motion at this time however I want it understood that I am prepared to support that motion right now.

Rep. Haas: Would you like me to withdraw the motion.

Rep. Mueller: I would support the reasons for the reasons we discussed last time. I've had conversations with a couple of superintendents since we discussed this. They are coming away rather confused about what it is we are attempting to do. That's not to say the formula isn't rather confusing anyway but this adds another level confusion and a phase out that the question it comes out to is to put it back to tuition apportionment as FTEs will the same amount of money stay in the foundation aid formula? The obvious answer right now is no. That question looms out there and I think we're confusing the issue even more than it already is by not passing Rep. Haas' motion. If not now, when?

A roll call vote was taken.

Yes: 4, No: 2, Absent: 0. Two senators voted "no" so the amendment failed.

Chairman Kelsch: I think we are a point today where there is nothing more we can do. I would highly recommend that the Committee decide what else they want because we need to be getting this bill out. I think the time has come where decisions need to be made. I would suggest that if you have amendments coming that you get those drafted and get them here before the committee. We will meet at 9 a.m. tomorrow mooring.

Adjourned.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☐ Conference Committee

Hearing Date **19 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - 3500
		X	0 - end

Committee Clerk Signature

Minutes:

Chairman Kelsch called the Conference Committee on HB 1154 to order. All members were present. She distributed copies of the updated version of 1154 prepared by Anita Thomas. This version (.0353) contained actions taken on April 18.

Chairman Kelsch: I think there are a few issues that we have left to discuss. The bill could come together nicely and I think we have done a lot of good work. There are about four issues left that we need to have a discussion about.

1. The NDEA conference, what are differences between the House and Senate.
2. The 70%, the difference between the House and Senate.
3. The minimum salary increase.
4. Tuition Apportionment. We've had discussions on leaving tuition apportionment and FTE payments as separate payments and just putting them through their normal formula.

I believe those are some of the issues we need to discuss and see where the Committee is at on those subjects. Those are the four issues that need to be addressed before we can settle the bill.

Rep. Mueller: I agree those are certainly among sticking points. We are still short of money in this bill. I would like to see some discussion about that and a plan of action to see if we can increase that. It is certainly one of the areas of concern that I have. I don't have any magic numbers. I don't think anybody in here would not like to see more money in it. There are some realities we need to deal with and I understand that too. To have a frank discussion about that would be in order.

Rep. Haas: I agree with Rep. Mueller and I don't want make light of his comments but I would like to change the subject and propose an amendment to the bill that I don't have in final form but the concept is pretty much known to everybody because we had it in the education funding bill last session and it had to do with the 70% of all new monies clause. (He distributed a copy of 2003 SL ch. 667 (S.B. 2421) (Attached.)) This is a reference point for discussion on the issue. The only qualifier that I believe that we would have to put in to this language this time is that if the FTE money stays in the PPP and a portion of the tuition apportionment money stays in the PPP, then we certainly can't have this 70% to those additional amounts of money. That would give an artificial of what the 70% really represents. **I would move that we insert the 70% language with the qualifier that the 70% will not apply to that portion of the FTE payment that's in the PPP nor to the tuition apportionment money that's in the PPP.**

Rep. Mueller: I second.

Chairman Kelsch: In essence what you are saying is that it would be 70% of foundation aid money and the tuition apportionment and FTE money would still be run through the formula but it would not apply to those monies. Correct?

Rep. Haas: It would apply to the tuition apportionment money because if you read the language it says " during the '03 - '05 biennium the board of each school district shall use an amount equal to at least 70% of all new monies for PPP under Section 15.1-27-04 and tuition apportionment payments . . ." So if there is an increase in tuition apportionment payments, the 70% would apply to that but not to the FTE payment that is being transferred from FTE payment to PPP. We did include tuition apportionment increases in the 70% the last time. I think it would be appropriate to that.

Rep. Mueller: It would seem to me that we ought to go away from proposal from the Senate side then like we've talked about here before. Let's leave tuition apportionment and the FTE monies as is. We don't need to be doing that if hold to Rep. Haas' position.

Chairman Kelsch: The motion on the table is to leave the tuition apportion and the FTE payments going through the formula like the Senate had them at passover and the 70% only apply to the foundation aid and tuition apportionment. It would not apply to the FTE, but those monies would still be run through the foundation aid program.

Rep. Haas: That's the intent.

Sen. Flakoll: How many schools might this affect?

Chairman Kelsch: I don't have the printout with me.

Sen. Flakoll: If we're doing this which is kind of the school board's work, would there be any interest in further amending to put a cap on the amount that can be applied to teacher's comp at 100% of the state amount.

Rep. Haas: I would say "no" because here we're saying that the minimum amount they would have to apply to teacher compensation is 70%. We're certainly not setting any maximum with this type of language. There's no reference here to maximums that's totally up to the board.

Sen. Flakoll: I understand that part would be totally up to the board but we're saying the minimum wouldn't be totally up to board. Correct? What I'm asking if we're taking the board's authority away on the one end should we take it away on the other end?

Rep. Haas: For several years now we've been making a concerted effort at increasing teacher compensation across the state not only with the existing teachers but also with new teachers by establishing minimum teacher salaries. I guess I feel it's important to continue in that effort. This is taking away board authority to some extent. I guess that's true; but nevertheless, it's an objective worth continuing to strive for as far as increasing teaching compensation.

Sen. Flakoll: What we have before us and proposed money wise in the context of minimum salaries, how much might this translate to per teacher if we're at 70%?

Rep. Haas: I've not had any printouts done on this idea. I'm thinking of this conceptually. I think sometimes it's better to deal with it conceptually before we look at the numbers instead of making our decisions on that basis. I can't answer that question.

Sen. Freborg: If we should adopt this, then if we don't put tuition apportionment and FTE payments in foundation aid, it will have no effect but have we then adopted the 70%? If we

adopt this are we putting in the bill 70% of all new money whether we put it in tuition apportionment in or not? And FTE payments?

Chairman Kelsch: The motion is to include tuition apportionment and foundation aid but to exclude the FTE payments. So the FTE payment and the tuition apportionment are still run through the foundation aid formula and it would apply only to the tuition apportionment and foundation aid formula.

Sen. Freborg: This motion may very well be in order now or later. I think what we have left is the acceptation of two section and it needs to come together at the same time. I think we have some other areas and I can vote for or against it, I'm not sure it makes that much difference, but I don't want to get down to one issue and sit there and argue for a month on that issue because it's the only one left. I think we have at least three. I think the motion needs to include all three of those issues at the same time so that we know what we're doing in every area before we compromise what may be our convictions in, for instance, this area. I'm not necessarily opposed to it so don't misunderstand me but I think that it needs to go hand in hand with at least two other sections.

Rep. Haas: What two other areas would you like to couple this with?

Sen. Freborg: It is not in the Senate bill but you know we are going to deal with minimum salaries. We're going to deal with a percentage whether it's 70% or other wise for perhaps the same reason. I know you know and understand it all. I don't think I can vote for this right now without including language that covers that particular area and perhaps there's at least one more. We're kind of doing piece meal and later on we may have to change this language because of

something we want to do in minimum salaries. I need to understand how this all comes together in the end. I think it almost has to be in one motion.

Rep. Mueller: I'm not sure Sen. Freborg is not correct. We are talking about interlocking and inter playing kinds of issues when we talk about minimum salary, tuition, FTE and 70% language. But someone at some point is going to bring that whole package out here and we have to take a look at. If that's the feeling of the Senate, I'd be interested in knowing what you are talking about.

Rep. Haas: I don't view this as piece meal. We've been taking this section by section ever since we started the conference committee and dealing with specific issues one issue at a time. I think we can look at various concepts in isolation from other concepts and either accept them or reject them.

Rep. Freborg: Perhaps that was a poor choice of words. I just need to think they need to go together.

Sen. Flakoll: Perhaps Tom Decker can tell us how many districts this 70% language affected. I think it was reported last session that we were looking at approximately 8 and I'm curious about that.

Tom Decker and Jerry Coleman indicated they would get that information.

Sen. Flakoll: The FTE payments as I understand the amendment would not be included in the 70% language so would we go from 100% of $50 - $51 million down to no restrictions if the current language as it came from the House in the .400 were to be adopted? That $50 million would be slid over to foundation aid, essentially 100% of the $50 million would go now towards teacher compensation.

Chairman Kelsch: That money is not included in the 70% language.

Rep. Haas: All the money from FTE payments is going directly into teacher compensation so if we transfer that money to the PPP, and then say now you have to spend 70% of your new money on teacher compensation, we're taking 70% of money that is already being used for teacher compensation and adding it to an additional compensation teachers so therefore the amendment that I made would have to have additional language that would exclude the FTE payment regardless if it's 20% or 100% of the $50 million. That would have to be excluded from the 70% calculation because it's already teacher compensation. We're referring here only to new money. If there is a consensus on the Conference Committee that we would prefer to couple this with other issues, I would be willing to withdraw my motion. I would like to know in specific reference to that exactly which issues we want to address as we couple these things in one final motion so we can put the whole package together.

Chairman Kelsch: The motion is **withdrawn**.

Rep. Mueller: We may have it all as a single sweeping motion. The only caution we should be concerned about is to convolute this thing. We already have more confusion in our foundation aid payment formula than most people care to see. We have to be cautious about making it so terribly difficult that most folks can't figure it out. We seem to be pretty good at doing that.

Chairman Kelsch: Any other things to discuss at this point?

Sen. Freborg: I'm looking at what we have left. I think that we have at least 6 or 7 areas that really are not a problem once we settle minimum salaries, the 70% issue, tuition apportionment and FTE payments. Once that's settled I think the rest takes 15 minutes. I'm not sure we can settle those without doing some visiting both with each other and some other people.

Rep. Haas: There is a fourth issue that we have to have on the table and that is the repealer of the required NDEA days. In that regard I have a question for clarification. If the repealer were to stay, and that it becomes the option of a local school board to either pay or not pay for NDEA days, I see somewhat of a problem with another section of the code which defines the school calendar. In that section those two days are specifically a required portion of the 180 day calendar. We could have a school district that has a 180 calendar which includes the two NDEA days and choose not to pay for those days and still end up with having paid their teachers for 178 days and does that mean they could still collect foundation aid for 180 days because they have met the requirements of the school calendar? It raised a question for me when I looked at that.

Sen. Freborg: Perhaps we have that issue going along with rest. I do have a question. If we were to adopt this repealer what does it do for districts that are on a 182, 184 or 188 day calendar? Anything?

Rep. Haas: The repealer is simply paying or not paying for those two days at the option of the board. As far as what it does for the school calendar, unless we modify Section 15.01-06-04 it doesn't do anything to modify the school calendar. They are still required to have 180 days which includes two NDEA days. There are some districts that are at 182 or 184, or 185 at their own choosing. The point is that the two days are in code as being part of a mandated 180 day school calendar by the state. That's the question.

Sen. Freborg: I don't know the answer to this but could they not pay them for 180 days and that could include NDEA days. If they have an extended calendar could they not be required to something else those two days. Is that possible?

Rep. Haas: It probably would be but it's really confusing. I see somewhat of a conflict there. If you have a 182 day calendar and included in that calendar are two days for NDEA required by law, and the board says those days are still part of our calendar but we're not going to pay you for those days then what do the teachers do. Do they go to the conference without pay? It's up to the local board as to what they require of their teachers during those days but they are still part of their legal calendar. Any district that has beyond 180 days now does it at their own option and it's generally part of a negotiated agreement.

Sen. Flakoll: Just as a reference point. From DPI they show for the 2004 year, total days employed, statewide full-time teacher average is 189 days.

Sen. Freborg: Maybe the option is to require attendance and make sure everyone gets something out of those $17 million.

Rep. Haas: It's a valid question and Rep. Mueller's amendment would have made one serious effort to put together some valid data and require the coalition to work closely together to improve that. That was a valid attempt to gain the type of information that we might use as Legislators to really address this issue two years from now. I don't think we've ever had the kind of effort that Rep. Mueller's amendment would have asked for.

Rep. Mueller: Along those lines if that amendment has validity, it won't have that validity if we make the conference optional in terms of it being paid days. We don't have a baseline to figure on if we don't keep things as they are at least for another two years. I would suggest to you that it isn't working very well. I think we all know that and the NDEA folks are readily agreeing to that fact. If we don't leave it as is and we institute this reporting requirement whereby we can come up with some information as to what to do in two years, we don't have a valid kind of comparison

to make. I guess that speaks to support for leaving the NDEA conference as it is for another two years, throwing the reporting requirement in and then come back and make a valid decision based on numbers, based on facts, based on what it is that the coalition has come up with in terms of an answer for the issue. If we are going to do away with the conference in terms of it being a paid effort on the part of schools, we probably don't need that amendment. It's not going to measure what we want to measure.

Rep. Haas: If we leave the repealer in and actually leave it up to board option to either pay or not pay for those two days then I would also want to not require that those two days be a part of the mandated 180 day calendar. We could add two classroom days then if we wanted to. Instead of a 173 classroom days we would end up with 175 classroom days. That would be my preference if we leave the repealer in the bill.

Rep. Mueller: I understand Rep. Haas' rationale but if we allowed the repealer to stand at least some of the schools would say this is a good deal and we want you off to that conference, now we have two unpaid days following Rep. Haas' rationale and that could be problematic. We need to find an extra $17 million to pay for those two extra days that are now going to be paid and some cases not. It leads into a convoluted halfway approach to things and for those reasons I think it's smart to leave it as is and study the thing for the two years, require the report and make a decision two years from now.

Chairman Kelsch: We will recess until 2 p.m.

At 2 p.m. Chairman Kelsch called the committee back to order. All members were present. What can we work on this afternoon?

Sen. Freborg: (Distributed proposed amendment 58232.0354. (Attached)) I was just informe that we need to do this over again because of some technical issues. We'll just do it one more time. It replaces amendment .0335 **I move for it's adoption.**

Anita Thomas: When we drafted the first amendment which is also Section 6 in the green copy we were unaware that HB 1160 was the section and that was the bill that required that monies be put aside with Job Service ND when a district is dissolved. It was brought to our attention and we took care of it and did a little clean up in this section and that's the amendment that you have before you.

Rep. Haas: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 The amenndment 58232.034 was adopted.

Chairman Kelsch: Any more amendments? Issues?

Sen. Freborg: I suppose without any additional information from outside of the room we could discuss minimum salaries. I would hope we don't have a motion until we come to some conclusion. We did get a printout of the Senate version which is $5 million over the executive recommendation to foundation aid. In working that printout on losers and winners there were 73 districts that got no new money the first year and 122 got no new money the second year. In the minimum salary proposal we did not work that out to see how many districts were affected that did not get any new money.

Rep. Haas: I would get into the issue from a principle standpoint. We have made significant progress in improving teacher's salaries by setting minimum beginning teacher salaries at the state level. I am in favor of continuing that. It depends on how much money we can get into

the budget. I would like to see us come up with some reasonable figure there perhaps not as much as the executive budget which was $1500 and $1500. I think we need to couple an increase there with some additional funding into the PPP beyond the $1 million we took from JPAs and put in the PPP. That is worthy of discussion.

Chairman Kelsch: In your projections in your run was it just the $5 million that the Senate put in? Did it include the additional $1 million? Did you include the tuition apportionment payments or the FTE payments in that amount?

Sen. Freborg: It was just the $5 million. We did not include anything we did not take action on. The FTE payments already are spoken for.

Rep. Mueller: One of the difficult issues that we are going to have to deal with in a version of a bill. For purposes of discussion let's talk about $1000 and $1000.

Sen. Freborg: Too much. Far too much.

Rep. Mueller: What would you suggest as an alternative?

Sen. Feborg: When you have 122 districts that get no new money a lot of them are going to hit. Some will not because their minimum salary is above that level. They will have no money to cover it.

Rep. Mueller: As this Legislature has done before and I'm not comfortable with it, we don't always manage to cover all the expenses when we send out directives. Somehow by hook or crook and pain and strain, they manage to do it. We have to establish some number and I think we have to fund it at a higher level then we are currently funding.

Rep. Haas: This morning we had a discussion about this 70% clause and it seemed like the consensus of the Committee was that we can't do that in isolation from the other issues that are

remaining. I'm not sure we can do minimum teacher's salaries in isolation from the other issues that are remaining. If we are looking together a package deal we need to have some package proposals on the table which include at least seven issues: (1) beginning teacher salaries, (2) the 70% language, (3) tuition apportionment and whether we continue to pay it through census or a portion of it through the PPP formulal, (4) FTE payments and whether we pay that out on FTE basis or the PPP formula, (5) repealer of the NDEA days, (6) in connection with that repealer, the Mueller amendment, (7) can we and will we as a Committee recommend additional money going into the PPP. Those are the issues that if we are going to put together some kind of package deal for discussion that's what we need to work on.

Sen. Freborg: Those are the issues and they should be a package deal. We wanted something to discuss today and I brought up one issue. If we're going to do something that depends on new dollars invested in 1154 that are not there now, that issue has to be worked on first. If we are going to hinge our vote on the assumption that we may get another $2, $3, $5, or $10 million, and we do something because of that and don't get the money, then what do we do?

Rep. Haas: Before we know what level we can afford to do some of those things, that we need some kind of committment from appropriations or leadership on whether or not we can add money to this formula and if so how much.

Sen. Freborg: I received some of that information not more than an hour ago. It wasn't how much additional money may be possible to get. The conversation was how much can we take out.

Rep. Mueller: I'm not sure I understand why that's true. We're going to end up with $150. million in the bank at the end of this session. I would interested in understanding and knowing why it is that we can't. Why we can't another $10. million in this.

Sen. Freborg: If you could show us that we have $150 million, I would like to see that. If it's legitimate, I will make the motion for more money.

Rep. Mueller: I will certainly attempt to come up with a version of what we should have left at the end of this biennium in real, true dollars after we have restored money to some of trust funds. I think it's there. Let's get the real numbers here and figure out what we're talking about.

Chairman Kelsch: When you asked your question about where we start, the proposal that came to the house was $1500 and $1500 on the minimum. The House reduced that to $500 and $500. The House felt that was reasonable and that's not too bad of a place to start.

Sen. Freborg: If that's the case would you be willing to tie some other factors to that? For instance, give them the option that if they don't want to increase to $500/$500 that they would have to spend 100% of their new money on teacher compensation. If they get no new money, they can opt out of that provision. (Raising the minimum) Would that be reasonable? If they get new money they have the option of increasing the minimum salary or spending 100% of that new money on teacher compensation. The 70% would be in place continually, we haven't put that in but my feeling would be to leave the 70%.

Sen. Seymour: What would be the definition of "no new money." No new property tax increases?

Rep. Haas: No additional money compared to the previous school year in PPP and tuition apportionment. That's what we applied the 70% to. Those two categories of funding.

Chairman Kelsch: One of the concerns that I have is that if we are truly interested in keeping new teachers in the state and providing for them a decent starting out salary, perhaps this could be counterproductive. Inflationary increases would not be keeping up with other professions as college graduates come out and begin. It's an interesting concept but it's my concern that school districts would not continue increase that minimum for that entry level teacher especially in some of those places where they really need the teachers. They would automatically opt out. That's what concerns me.

Rep. Haas: I share that concern. If our goal by establishing a minimum beginning teacher salary is to improve the salary opportunities for beginning teachers in the state of ND then we should not do something that will compromise that principle. We need to set the goal and continue to strive towards that goal.

Sen. Freborg: I would hope then that we are responsible enough to send enough money out there that they can all afford to do that. I don't think it's our job to come down here and close schools whether it's through funding or other types of legislation.

Rep. Haas: I'm not sure the Senate conferees are willing to do this or not but in light of the discussion we had this morning about addressing all of the issue that remain in a package approach, I'm wondering if they would be willing to put that together the way they see it happening and present that to us for purposes of discussion.

Sen. Freborg: If we do that how we will find out how you feel about those issues. Are you going to present one at the same time?

Rep. Haas: We certainly could.

Sen. Freborg: I don't believe we have a lot of other issues that can't be resolved in 30 minutes. We could have. I haven't figured out yet what you want on some of those issues.

Rep. Haas: It's not what I want. If you want to prepare a package proposal on the remaining issues it should be what you want. We'll put together what we think is appropriate.

Chairman Kelsch: I think you have an idea of where we are at. The $500/$500.

Sen. Freborg: I have a feeling of where you are at and the majority of your Committee and I laid out my plan so that's how I feel. We have the same dollars but have different language that gives some protection to the districts that receive no more new money. I believe the 70% was important to the governor. I would think that 100% would even be better.

Chairman Kelsch: Your proposal is in lieu of 70%?

Sen. Freborg: The 70% would always be there so if they were to increase the base then they would still be obligated to spend the 70%.

Rep. Haas: The thing I see wrong with that approach is that you are applying the 100% in a different context then the 70% has been traditionally applied. If we have an option for school boards to either do the 100% of new money towards compensation OR incresing the minimum teacher salary that's not the same as saying 70% of the new money must go to teacher compensation. We are talking about two differnt contexts of application and I would resist the either/or scenario because it compromises our goal in continuing to achieve progress in raising minimum teacher salaries.

Rep. Mueller: I think what we are talking about here is that circumstance when we have someone below the minimum of $20,500, those kinds of cirucumstances will require the 100%

provision. Those that don't fall into those circumstances, the 70% would then apply to those schools.

Sen. Freeborg: You listened well. Perhaps we could meet somewhere below that level without the 100%?

Rep. Mueller: It does not seem to me that there is an issue with the 70% language. Is that something we could move forward on?

Chairman Kelsch: We would like to close everything at one time rather than doing them one by one. We'll try to honor that.

Rep. Haas: I've heard of a little bit of inclination from some people than what Sen. Freborg has heard with regard the absolute impossibility of putting more money into this formula. I would like to explore that more between now and tomorrow. I believe we have to have a definitive answer on that question before we can proceed.

Rep. Haas: I have some information to share with the Committee not related to the immediate question at hand. When we dealt with the supplemental equity issue I asked the question if the $5 million would fund that based on the distribution formula at 100%. It will not. It will fund it at 42%. It would take $12 million to fund the supplemental equity program that we have in the bill right now at 100%. Just to make that point. I'll have copies of this printout for all of you.

Sen. Flakoll: There is some discussion in the hallways with respect to the equity lawsuit and should we be allowing schools who had no standing in the suit against the state of ND should we put a restriction on them using tax dollars that we are fighting to give to the school so they can spend more on the lawsuit. Should we have some restrictions as far as some of that goes.

Chairman Kelsch: In other words you would take away the right of political subdivisions to sue the state.

Sen. Flakoll: You could look at a situation that they would have to generate their own money and not using money they received from the state for a lawsuit against the state.

Chairman Kelsch: Wouldn't they say they were using the dollars from property taxes.

Sen. Falkoll: Property taxes are state taxes too. They were estimating that it would cost each school district a quarter million dollars plus. Tha'ts money that could be arguable be used for educational purposes. There has been requests to those school districts and they have yet to provide that.

Chairman Kelsch: We could ask them to provide the information and if they don't, withhold their money.

Rep. Haas: The incoming funds are comingled. It's an expenditure line item in the GF budget: Legal Services. The vendor can be easily tracked. There's a specific audit trail for that.

Rep. Mueller: It's definitelynot going to make the adequacy or the equity issue go away. Trying to take away their ability to bring that issue forward certainly doesn't make the issue go away. We can say there is no issue, but I think we all know better.

Chairman Kelsch: We will meet at 8:30 a.m. tomorrow morning.

Adjourned.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☐ Conference Committee

Hearing Date **20 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - 4555
		X	0 - 4925

Committee Clerk Signature Janet Prindle

Minutes:

Chairman Kelsch called the conference committee on HB 1154 to order. All members were present. She distributed a worksheet prepared by Anita Thomas that shows the Committee's progress thus far.

Rep. Mueller: Yesterday our Senate colleagues asked to be shown the money in regard to tying this whole package together which we all agree revolves around additional money if it's there. We have approximately $65 million in the budget stabilization fund, we have about a $67 balance in the oil extraction tax fund, we have obligations out that but it looks to me like we have between $90 and $100 million in these stabilization fund. It is the discretion of this Legislative body to use some of that to fund K-12 and some of the other needs out there. It depends on whose priority you want to use. Do you want to put it into savings accounts or do we send it back to the people of ND in the form of K-12 funding, human service funding? Take your pick.

There's never enough to go around. I don't think it is out of line to look for between $10 and $15 million new dollars for K-12 education over and above the Senate's version.

Additionally we have something called the Foundation Aid Stabilization Fund that is looking at about $25 million as we move towards the end of the projections. That's not money we can access and spend. Those are emergency funds. We have used some in biennia gone by that required dollars to fulfill our obligation to schools. We're in better in shape than we have been in a long time.

Sen. Flakoll: In conference committee for the ill fated 3048, the numbers we received were at $13 million in the foundation aid stabilization fund. There's some differences in the projections there.

Rep. Mueller: You are correct as we look at the end of '03 - '05 biennium. My projections are for the '05 - '07 biennium and they are at $25,817,054. These are the latest numbers that are available.

Sen. Freborg: We all want more money however we are here today to resolve differences in the House and Senate and certainly money is on the table at all times. If there is any, I'm confident we'll find it and we'll get some. We need to resolve the issues at hand. Yesterday Rep. Haas asked for a proposal and I must have been in an extremely charitable mood because I did make a proposal. However, I think it is customary since we passed the bill that we want as well as the House did, but our proposal is last and is in the bill. I believe the compromise needs to come from the House which means it's somewhere between what you had and what we did. We are certainly not going to compromise our own bill. We are not going to offer to reduce it. That's

up to you. We're in that position right now and open to any compromises. When we resolve these issues, we can certainly talk dollars. I'm confident if there is any money, you'll find it.

Rep. Mueller: I do believe it was you that mentioned that we needed to begin with some idea of how to tie it all together and those things are very contingent on the dollars available. We're going to have to look at dollars before we can put that package together. Conference committees are about everybody's ideas. There is a protocol involved in who does what first, but obviously we are all going to have agree on the issues at the end of day. That doesn't mean that you can't bring something forward that's different than what we have.

Rep. Haas: Yesterday we had a discussion concerning the minimum beginning teacher's salary and we talked about a possible $500 each year and as I recall the discussion there were comments that was too much with the amount we were putting into the PPP that it is going to be impossible for districts to deal with that. That's why I made the statement that I feel too that some of things we want to decide on, if that's going to $500 each year, is it contingent upon additional dollars in the PPP? I think perhaps it is. We're not in position to be able to say that we can put "x" dollars more in the PPP. We need to involve other representatives and people from the Appropriations Committee. That discussion has to take place before we can finalize the things that we are thinking about here. Frankly, I would not want to come in and say we are going to $300 or $250 on the minimum teacher salary each year and the later on find that Appropriations has come up with $5 million of new money that we can insert into the foundation aid program. It's difficult for me to think that we can resolve all these issues until we know the funding.

Chairman Kelsch: Is it the desire of the Committee to have the final issues all lumped together in one motion?

Sen. Freborg: I'm not sure it has to be in one motion but it would be wise to resolve the issues prior to voting. I'm not sure it has to be one motion, but I'm sure that what happens in one area may affect how we vote in another. I'm sure all of us would like to resolve more than one issue. I think it wise to resolve the issues and we do have to adopt the entire when we are through. I hope when we get to that point we are all in unison and can vote for the bill.

Chairman Kelsch: We're going to start. The first is the FTE payment and tuition apportionment payment going into foundation aid. It seems to me that when we have a pending lawsuit and it's clear in the former lawsuit that the tuition payments need to go out on census, that's probably an important aspect to continue to do that.

Sen. Freborg: Are you saying that the House prefers that we do not dump that money into foundation aid?

Chairman Kelsch: Personally that was not an issue to me until I read what Justice Sandstrom had said. In that case I think that the two of us have agreed upon during the past two sessions is working very hard towards equity so that if we were faced with a lawsuit that we would be in a much better position. Perhaps this is one of those issues that if it was in that record from the last lawsuit then perhaps it shouldn't be going through the foundation aid formula. Having said that, I think that it's an all or nothing. I think tuition apportionment and FTE payments either have to both be run through the foundation aid formula or neither. If you run FTE through it's a big boost to the large districts and a loser for the small districts. If we are going to treat everybody the same, we either run them both through or don't run either of them through.

Sen. Freborg: That perhaps would be acceptable. It hinges on some other things but for the present time we could accept that it be put back in foundation aid. I think at the present time that could be considered a non issue.

Sen. Flakoll: (Red from the lawsuit findings about different taxes being a part of tax for equalization purposes.) Maybe we should also consider those if we are interested in meeting the wishes of the court.

Chairman Kelsch: That's a noble idea; however, I don't think the bill will go very far. I do agree with you.

Chairman Kelsch: Let's talk about the NDEA Conference. There is an issue about reconciling the school calendar.

Rep. Haas: I will clear this from a legal standpoint but I think it would have them be compatible if we leave the repealer in and say within that 180 days that there are two days for the attendance of teachers at the NDEA Instructional Conference and if we would add "or two days for locally sponsored professional development activities," I believe that would take care of it. That would make it optional for the local school boards. They could do the NDEA conference or other professional development.

Rep. Mueller: I like what we had figured before which was to allow it to exist another couple of years and do an in-depth look at what they are doing. That amendment. I think that's the right thing to do. I cannot support taking the convention out of the code.

Sen. Seymour: I also feel that this conference is more than just money. It is going to be a morale problem. A lot of teachers have their heart and soul in these self-governance activities. This should be computed before we decide to take it out.

Sen. Freborg: I'm wondering if Rep. Haas got a determination.

Rep. Haas: Yes, Anita confirmed that that type of language would take care of it.

Sen. Freborg: Is there still some necessity to adopt Rep. Mueller's amendment?

Rep. Haas: My reaction to that is probably not because if we repeal that section of the code and make it optional for school boards to decide. Maybe you could still come up with some type of a report to find out what districts are doing in that regard but there might be a pretty diverse set of activities that would be happening at districts across the state. It might be beneficial to know how many of them are using the NDEA conference as an option, how many are sponsoring and implementing their professional activities on those two days and what those activities are. There would be some value in that amendment perhaps altered a little bit from what Rep. Mueller originally offered.

Sen. Freborg: The reason I asked that question is that I happen to believe it will not radically change the participation at the NDEA conference. I think many districts will allow their people to go and pay them. That's why I ask if we still need a study. They may view it as professional development and decide to spend the money for that rather than to try have their own. I believe that would work very well, Rep. Haas, to adopt your proposal.

Chairman Kelsch: If we look at what Rep. Mueller proposed and if we were to adopt that, I believe there would have to be some changes made although maybe not a whole lot.

Sen. Freborg: We have discussed the issue of professional development and that would be acceptable to us.

Chairman Kelsch: Let's discuss the 70%.

Sen. Freborg: That's a hard issue to allow to stand alone. If it were to be acceptable to us it would have to have the opt out language as it always did.

Chairman Kelsch: The House passed it over to the Senate with the opt out language in it.

Sen. Freborg: Under the right conditions we could agree to that. Again, it hinges on some other things but everything considered at this time, it's very possible.

Rep. Haas: I would agree with you that we leave it the way it was in the House bill with the 2/3 language in the case of extreme necessity but if the acceptance of that is contingent upon other conditions, it would be helpful to know what those other conditions are.

Sen. Freborg: I have a great interest in minimum salaries. It would all depend on what happens in that area. Seventy percent may be very acceptable. Again, it may not. Right now where we are . . .

Chairman Kelsch: Let's talk again about minimums and where we are at today on that. The House proposed 500 and 500, the Governor proposed 1500 and 1500.

Sen. Flakoll: On the 1500 and 1500 that was tried in committee and was defeated by a bipartisan vote.

Chairman Kelsch: The 1500 and 1500 was not necessarily viewed as the wrong way to go, but was viewed as a leap forward and we felt the 500 and 500 was acceptable and a good compromise.

Sen. Freborg: I think that we are here today to resolve the difference between the House and Senate.

Rep. Mueller: I would guess that the concern may very well be with new dollars that we can find. We do need to resolve that issue before we are able to resolve the teacher base increases. I certainly think that 500 and 500 is the minimum.

Sen. Freborg: Most issues concerning additional money are not resolved until all the bills we have left have been resolved and we know exactly how many dollars there are. We can put whatever we want in the bill. I think we would do better to go about our business and negotiate some additional money at the proper time. Maybe we'll get and maybe we won't. I doubt we could walk up there right now and they would want to talk more money. When we get this late in the session usually that's what happens. They want to see where that budget is before they will consider any additional money. I don't know if we can resolve that or not. We still have about five days left. Maybe we can take another day or two and look around.

Chairman Kelsch: Today in the House they were announcing the temperature of the ground and in Mandan you can start planting corn. I think they were making that announcement in hopes that they would urge us to finish our business.

Sen. Seymour: These minimum salaries are very important for ND and for economic development. This state wasn't moving anywhere under previous leadership when it came to salaries until John Hoeven took the lead and said we had to have some minimum salaries. Until then, things weren't happening. I've never seen a school district go broke. In other words, we say they have to pay this and do this and they have to find some money. I haven't seen one go broke. Maybe we should do like they did in MN one year and look at every school's surplus and gather that money in and do a comparison before we send money out. There are so many

avenues of resources that we haven't even looked at. I feel we have to look at this very harshly and find some funds for minimum salaries.

Chairman Kelsch: We will recess and will come back this afternoon. Be looking for the time on the computer and I'll announce it on the floor. I'm sure Senator Freborg will announce it on the Senate Floor.

The Committee recessed.

At 2 p.m. Chairman Kelsch convened the committee. All members were present.

Sen. Flakoll: I **move** that we **subject transportation to the mill levy deduct.**

Sen. Freborg: I **second.**

Sen. Mueller: May I have that motion restated please.

Chairman Kelsch: The motion is to subject or include transpiration in the mill deduct. If the Committee will recall when we adopted the mill deduct language, transportation was left out of it; however, transportation was in the Senate version in Section 4 engrossed version. When we substituted Section 4 with amendment .0345, we left out transportation aid as going through the school district equalization factor. That is the motion.

Rep. Mueller: I think I have to resist that motion. The mill levy deduct as we all understand, because of its design, ends up doing tougher things to small schools, rural schools in particular. Adding more money to that pot for deduct is again a tough thing for small schools to deal with. The transportation is pretty straight up it seems to me. It's based on the mileage factor. Fuel,

depending on where you buy it, gasoline is $2.10 - $2.25 these days. I can't support that simply because it's tough for small schools.

Sen. Freborg: Mill deducts on transportation likely will have an affect on 4 districts, maybe 6. The first thing they deduct 36 or 38 mills from is foundation aid. If there is enough there to equal the value of 36 mills in your district, they don't take any more. We keep adding things on forever. It wouldn't make any difference because they only subtract until they reach the value of the number of mills which is 36 today. Transportation perhaps would, and we have people here that can tell you, but I'm guessing it's 4 - 6 districts and those are districts that have a huge reserve. They get their money from other sources then perhaps get more foundation aid because they don't qualify they have a million dollar ending fund balance but if they get transportation money we'll then be able to subtract something from those districts as a mill deduct. Then, even better yet, they'll get a portion of it back on the redistribution. That's what transportation on mill deduct will do, practically nothing.

Rep. Mueller: If that's true, why do we have to do it?

Sen. Freborg: Because I think that the 4 or 6 or 8 districts that we subtract nothing from now should lose a portion of that money on mill deduct and they will.

Sen. Flakoll: The other thing in addition to what Sen. Freborg has said, I think they should also be partners in the equalization and we have no constitutional obligation to provide transportation, but with this applying to it, it does give us another tool, another example about equalization as we move forward and try to work towards equity as much as we can.

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0 The motion passed.

Sen. Flakoll: A question. I'm referencing the .0353 amendment that we have before us. Section 16, page 19. Subsection 2.b., the reference is to compare the average to the "district" average. Was that our intent or are we going to compare it to the state average of $177.40.

Chairman Kelsch: It was my understanding that it would be based on the statewide average which was $177 per student. What I had written down on the amendment was that statewide average.

Sen. Flakoll: That was my understanding too.

Rep. Haas: It says the admitting district annual average per student cost for extra curricular activities. So every district is going to have to calculate what their average annual cost is and that would be included in the tuition charge.

Chairman Kelsch: That's right and that's what the question is we wanted to base it on the statewide cost and the amendment doesn't say that. That's what was stated when the amendment was proposed.

Sen. Flakoll: I move that we change it from the "district" average for extracurricular activities to the most recent "statewide" average.

Sen. Freborg: Second.

Rep. Haas: I don't have a problem with that but it was my impression during the debate that we were simply using the statewide average of what it might be, but we wanted it to be district specific when we got to making out the bill.

Chairman Kelsch: I have written down that it was to be used based on the statewide average.

Rep. Mueller: We are talking about two components to that payment factor. The district's contribution and the state's contribution. I'm still a bit unclear.

Chairman Kelsch: Currently the sending district does not pay for extracurricular activity costs. This would have the sending district doing so and for the sake of it being the most clean and rather than going through all these calculation it would be best to use the statewide average. I think that's what the original intent was.

Rep. Haas: If you read the rest of the code, anytime a district charges tuition to an out-of-district student, it's always based on that district's cost. It's not based on statewide averages. We're actually confusing the issue. I believe it's easy to calculate what the average cost is in a particular district because that's a separate fund group within the reporting requirement.

Coleman: What you see in the finance facts is not the total picture. It is general fund only. Districts also record extracurricular in Fund 6, which includes gate receipts, etc.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0

Rep. Haas: I'd like to go back to Section 25 and 26 of the engrossment with Senate amendments. The more you study these issues, the more pops out between the lines. This morning I said if we would leave the repealer in on the NDEA days that we would have to do something with the school calendar. That could be done but in looking at all of that and thinking about Section 26 which says Section 24 doesn't become effective until December 31, 2005, we are really saying that the conference for this October is already in place and the repeal would not take effect until after that. What we are faced with then is one more (Anita Thomas clarified section numbers). I think it is important to not do the repeal, to adopt Rep. Mueller amendment, and then we would come back in '07 with good numbers that we could use as a basis for decision making. I wanted to clarify that and reinforce my position as far as those NDEA days are concerned.

Rep. Mueller: I concur with Rep. Haas. Another important component to that issue is that at some point the House has to pass this bill and they will in some form. I remind the Committee that the last time we had a version of eliminating the teacher's conference, it didn't get through the House. Would inclusion of this in the bill be enough to tip it over, but rest assured there will be lengthy discussion. It seems Rep. Haas' suggestion makes particularly good sense. We don't need this fight.

Sen. Freborg: I thought we made headway this morning and this is the beginning of everything falling apart. Seventy percent doesn't look near as good to me this afternoon as it did this morning.

Sen. Flakoll: Do I understand that Rep. Mueller would fully support this bill if we were to change that?

Rep. Mueller: I don't think Rep. Mueller said anything of the kind. He didn't say he wouldn't though either.

Rep. Mueller: We discussed earlier today base salaries. At some point we are going to have to deal with that. Does anyone have any thoughts they want to discuss?

Rep. Haas: I'll start the discussion. I believe Sen. Freborg had talked about putting a qualifier on the increase in beginning teacher's salaries. I strongly object to that. There is one qualifier that I would be willing to put on and that would be that we say $500 on the beginning teacher salary each year and then say the provision does not apply to any district that had less than 35% plus $20,000 in their ending fund balance. So if they had already expended a large part of their ending fund balance they would not be subjected to the required increase. That is directly related to a district's ability to pay and one that I could support.

Sen. Freborg: In the second year of the biennium they would not have to give the increase if those conditions applied. In the first year they have to be below 35% and $20,000 and the second year they have to be below 35% and $20,000.

Anita Thomas: We can do that any which way you wish. That underlying material should be a subsection 3 and then it would apply to both years.

Sen. Freborg: It's a bit burdensome not to have the amendment in front of us.

Rep. Haas: This would have to be in lieu of your 100% of new money and the either/or clause. I'm simply opening this for discussion. It's a compromise but still puts some limitation on that's related to the ability of a district to pay.

Sen. Freborg: My proposal was a compromise in the first place but you are offering an additional compromise.

Rep. Haas: I believe in this business of conference committees every proposal and idea by every member counts.

Sen. Seymour: Is there any loose end in there as far as knowing that these school districts may have an extra $500,000 that wasn't accounted for. Did you think about that?

Rep. Haas: I always think about that. Anytime we base public policy on information we receive from school districts, it is always based on the integrity of the bookkeeping system for public schools. We have nothing else to rely on. Could they figure out some way of transferring money from the GF to some other fund? If you want to get into creative accounting and sacrifice the integrity of the system, that's always possible. People usually go to jail for that.

Sen. Freborg: There is another compromise. We could reduce that $500 and $500 and then not need a qualifier.

Chairman Kelsch: What would be your potential reduction?

Sen. Freborg: We could $300 and $500. Could go $200 and $200 but I'm trying to be somewhat reasonable.

Chairman Kelsch: We are willing to look at a compromise.

Rep. Mueller: Are you prepared to make a motion, Sen. Freborg?

Sen. Freborg: I would at the proper time. This morning we agreed on four separate items and we've deteriorated down to nothing. This is an offer when this comes together that I would make. I don't think we are too hard to get along with. We agreed on 4 things this morning. This is the fifth and that leaves only one more. Of course we have already changed and most of this went away. Now the 70% doesn't look too good to me either. If we don't discuss this and agree on a package deal, it keeps falling apart. I don't think we're far apart. The problem is that you don't have to be far apart and all the rest falls apart. That's whey we're going home Tuesday. Not because of this committee but because of situations just like that.

Rep. Mueller: I think we are still looking for someone to bring a package forward. Sen. Freborg mentioned it needs to be tied together. There's a lot of discussion about possibilities but no one has put it down on paper and brought it forward. I think we need to do that.

Chairman Kelsch: Trust me, Rep. Mueller, it will be a package deal when it comes before us. We have a few things to think about here. Listen on the Senate and House floor for a call of a meeting this evening or early tomorrow.

Adjourned to the Call of the Chair.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☒ Conference Committee

Hearing Date **21 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - end
		X	0 - 3040
2	X		0 - 400

Committee Clerk Signature Jan Trindle

Minutes:

Chairman Kelsch called the Conference Committee on HB 1154 to order. All members were present. In conversation with some of the school districts that are involved in the lawsuit, they have suggested that if we would fully fund supplemental payments they would drop the lawsuit. I said that before we went so far as to actually make a proposal that I wanted written confirmation from them that that is indeed what they do. We've already funded supplemental payments at $5 million but the thought was to perhaps take $7 million from tuition apportionment and move that in to the supplemental payment and fund it 100%. I wanted to see what the Committee's thoughts are on that and if it is something you want to consider. The $7 million would result in a $32 decrease in the tuition apportionment payments that go out to the school districts based on census.

Sen. Freborg: Was that proposal put to you or leadership in writing?

Chairman Kelsch: They did approach leadership about it and leadership said you have to take it to the Conference Committee.

Rep. Mueller: I would be supportive of throwing another $7 million in the pot but I don't know if I would favor seeing it come out of the foundation aid. It doesn't fix the formula. They'll be back at us in a couple years.

Sen. Freborg: I thought it cost $200 million to provide equity. Now we can provide it with $7 million. If that's their proposal it doesn't bode well in the lawsuit if they believe $7 million will solve their problems.

Rep. Haas: The tuition apportionment money has traditionally been money that comes from the School Lands Trust Fund. It is money that people have expected to be distributed to help educate every student in the state of ND. I have a bit of a problem diverting that money from distribution on census. I would feel more comfortable if we could come up with $7 million in new money and continue the tuition apportionment on census. In reference to what is going to satisfy and not satisfy the lawsuit and why do we now say maybe $7 million will do this. It's really curious to me that there is such a keep interest in the '93 lawsuit when we to some degree ignored that and haven't really made a lot of progress toward equity. Again, we are talking only equity and it's important to point out that when DPI was talking about the $200 million it was talking about the adequacy of funding elementary and secondary education.

Chairman Kelsch: (Distributed proposed amendment .0359 (attached)) We should look at this and as you are looking at this proposal, if you have the packet of bills that Jan had at your place when we started meeting, this amendment references the engrossed House bill (#5). She

walked the committee through the amendment. If there are questions or concerns, we want to make sure that we get this right.

Sen. Freborg: If they require the teachers to attend the conference are they obligated to pay expenses?

Chairman Kelsch: Anita, the question is does this require them to pay the expenses or is it the payment aspect left to the discretion school district?

Anita Thomas: Right now this provides that the school district may require the teachers to attend and it authorizes the school districts to pay the teachers. That would a local decision.

Sen. Freborg: At one time that language that would void all old contracts pertaining to NDEA days, I would like to see two things. First, that they cannot negotiate any part of this agreement. Whatever we adopt concerning NDEA days, I think should not be negotiable. If they are contracted right now to pay expenses for their teachers to attend the NDEA or anything else concerning that, I think those contracts should have to be renegotiated or they should be void. Also the expenses are negotiable but I'm wondering if they can require attendance they couldn't be required to pay all expenses.

Rep. Haas: You said none of this language could be negotiated. State law is not a negotiable item.

Sen. Freborg: It will be state law however it is optional to the districts. They are going to give up that option if they are not careful. I do not them to be able to negotiate that option away.

Chairman Kelsch: Shouldn't they have that right if they choose to negotiate that option away.

Sen. Freborg: If this is what we believe we want to do and it's right, it should remain in law and the decision should remain with the boards. That's one concern I wanted to get out on the

table. We don't have to dwell on that. I have another question. If the decision is made that no teacher is going to attend the conference, is it then possible to have two days of professional development during conference.

Thomas: Under subsection b, it specifically states that a school district may not schedule an alternate professional opportunity on what would be the Thursday and Friday of the NDEA conference.

Sen. Freborg: So these are really two holidays.

Thomas: I would view this as two days on which school is not scheduled just like the 2nd and 4th Sunday of the month.

Sen. Freborg: Is section 12 really necessary now if we adopt this amendment.

Rep. Mueller: I think as you suggested it has less validity then it did at one time. If you notice the effective date, we do have one scheduled NDEA conference that is going on as it has gone on. I think there is a legitimacy in the reporting. It allows us to look at this issue and to make changes if necessary or needed. We would have a basis on which to make those kinds of decisions. I think the inclusion is still valid and I would like to see it stay in.

Sen. Freborg: If you look at the back page and the requirements. The way attendance will be monitored and reported beginning with the October '06 conference. The other list pertains to '05 and this simply says how they will be monitored and reported in '06. What are we going to do then? This information may be valuable. Personally I don't think it's going to make a lot of difference but now we're asking these organizations to take their time to monitor something that doesn't have to be. I'm wondering why we really need to this especially if adopt the rest of the bill then we are kind of leaning away from the NDEA conference. We're not involved anymore.

The districts can be. We're not setting aside two days with pay for that conference and I'm sure we should be spending time determining how successful or unsuccessful it is.

Rep. Haas: I think there might be some value in keeping that amendment. We said that even if that language that teachers had to be paid for the instructional conference was repealed which this amendment would do that, if that happens it was expected that as many 50 to 65 of the school districts might take advantage of the conference anyway. If that's the case, this would be good information for us to have. We have other reporting requirements from school districts on their professional development activities and I think this would simply be one of those forms of professional development that they could use if they could use if they chose to.

Sen. Seymour: I agree with that. We have spent hours on this topic during this session with very little data to go by and make decisions on. This isn't going to go away. We might as well do some planning for the future and have data when we start discussion again.

Rep. Mueller: There is validity to having the kind of information asked for. It may not be just about the NDEA conference or the lack thereof down the road, we're going to put emphasis on teacher and staff training and development. To find out what works, I think it makes sense. We're going to be faced with some variation of state involvement in continued staff development. The more information we can have on what worked and didn't work in terms of attendance and offerings at those conferences is a good piece of information to have when we consider it down the road.

Sen. Freborg: I guess that after 30 years tenure in the Legislature and trying to get this data and being told that it was really hard to do. It's hard to determine how many teachers attend the conference and the workshops. For 30 years we couldn't get this information. We were told it

was not accurate, it's hard to keep track of, some come register and leave. We could not get figures not even this year and it's been requested every session that I know of. Now that we do this and it's not really that important, we want to really get down to brass tacks and find out what's going on. I think it's about fifty years too late. I've tried to get this information back as far as you can go and we have never had any real good data. At most conferences they can tell you how many people attended each workshop and how many people registered.

Rep. Mueller: I understand the frustration. We have never asked them for it in this form either. This is pretty specific. Maybe part of the reason that we haven't got good information is that we haven't asked for it in this format that would be of some value to us. It makes sense to ask for that information. We do studies of all kinds all the time. I don't think this is a bad idea. There are a couple of solutions to Sen. Freborg's concern. We could change the effective in Section 15 to move it back to include another conference then we would have valid information for a couple of conferences. That puts us into '07 and we can make some determinations at that time.

Chairman Kelsch: The reason for the effective date in Section 15 is so that we gave the planners of the conference this year because they have already made plans and perhaps the school districts have already negotiated and are paying those teachers to go.

Sen. Flakoll: In rereading this it would seem that proponents of professional development could supply us this information without legislative action.

Chairman Kelsch: The purpose behind putting it in here was just because of the fact of what Sen. Freborg was just saying. We have never been able to get this information. If it's in code they are required to give us the information. It may be 30 years to late.

Sen. Flakoll: Sen. Freborg had discussed that we were told that's not something that data could not really be developed. Is there something that has developed that would lead us to believe that it could be developed now even if it is required. If it couldn't be done up to this point, what has changed that could allow that data to be generated.

Chairman Kelsch: Perhaps nothing except that it will be in code instead of just a request. At times when we ask for information we don't always get it the way we prefer to have it and sometimes you have to use your hammer.

Rep. Haas: One more point. If we adopt on page 1, 2.a & b, where we say that if a school district may agree to use the NDEA conference as one of their forms of professional development, we say they can do that provided that attendance is verified. The reporting requirement in the amendment would give us a very detailed accounting and verification of that attendance.

Rep. Mueller: Of the subject a bit. Could the schools, if they chose, have school on the days of the NDEA convention. I see they can't have professional development, but I don't see where it says they can't have school on those two days.

Thomas: Right now the amendment precludes schools from scheduling alternate professional development activities on the days of the NDEA conference. If there were a need for further clarification, I'd be glad to draft additional language.

Sen. Freborg: We still need 180 days of schools. What if they don't have professional development on the two days now that we don't have convention, can they hold school those two days. What are they going to do on those two days.

Thomas: I would liken it much to your crossover days. You take a Monday and Tuesday off. Those are not Legislative days. They can X off days and count beyond that.

Sen. Freborg: These NDEA days were part of the seven days that we don't have school. We could have schools. Teachers are required to be there in some schools if they are not at the convention. Now we have to fill those days with something. It doesn't have to professional development.

Thomas: It doesn't have to be those two days. If a district chose not to hold school on the Thursday and Friday and allow its teachers an opportunity to go to the conference or do anything else that they wish, those would simply not be school days. A district could start school two days earlier, or ask teachers to come in on Christmas vacation, or rearrange their spring vacation, or go longer at the end to meet the 180 day requirement. Right now they cannot schedule profession development opportunities on the days of the conference. That is all the amendment says at this point.

Sen. Freborg: My point is that we could have two more days of school.

Chairman Kelsch: They could be for the teachers to go to the NDEA conference or they could be nothing.

Thomas: As the amendment is crafted right now you could schedule your professional development days the following Monday or Tuesday.

Sen. Freborg: The school cannot chose whether or not teachers attend the convention. They can chose whether to pay them or not. But it's not up to the school if those teachers get to go to convention. That's up to the teacher is it not.

Thomas: Under subsection a, we're talking about a school district having the option of requiring that its teachers attend.

Sen. Freborg: They're not required to pay them. That's by choice.

Thomas: That would be optional. Correct. Probably inconsistent.

Sen. Freborg: A district cannot prevent a teacher from attending.

Chairman Kelsch: The only way that would happen is if they decided to have school on those two days and then you'd have to take personal leave if you wanted to go to the conference.

Sen. Freborg: If you can have school, why can't we have professional development

Chairman Kelsch: It was my intent that if teachers wanted to go to the NDEA conference and the school district was not willing to pay for it they would still have the opportunity to go. The reason for not having the professional development conflict was that if teachers chose to go to that conference on their own dime they should be able to go to that and the school district should not require them to have professional development on those days. That was my thinking. Perhaps I was on a different page.

Sen. Freborg: Not really. We can't have professional development, but we can have school.

Chairman Kelsch: That's not what my intent was. I thought they could not have professional development and they also could not have school. That needs to be clarified.

Sen. Freborg: It was not our intent to prevent them from going to conference.

Thomas: We can craft the language any way you wish to conceptualize this.

Rep. Haas: We are making this more complicated. If the school decides to have classroom instruction on those then the teacher would be able to attend the conference would be to apply for personal and generally that's an application process not always granted. That goes back to the

issue of leaving that in the hands of the local school boards and administration. The code requires 175 days of instruction. As far as we are concerned and without getting into micro management, we leave it to them. If we want to clarify and say there may not be classroom instruction on those days either, that would simplify it a little bit for implementation.

Chairman Kelsch: That would not prohibit teachers being in the classroom. That's not considered classroom instruction which is considered hands on with students.

Rep. Mueller: That's all well and we need to redraft it to clear up the issue.

Chairman Kelsch: Anita, do you have an understanding of the clarifications that need to be made from the conversations we've had.

Sen. Freborg: I believe we should continue to wrestle with what we have and get some more idea. While I think this is okay, we want to make sure it's exactly what we want.

Sen. Flakoll: One of the things that has been discussed before is what a full day of professional development may or may not be. I would forward some language was developed that essentially says that a full day of professional development consists of eight hours of activities which may occur in no less than 1/2 day increments of four hours.

Chairman Kelsch: Sen. Flakoll, one of the concerns that I have is that we continue to add in bills that were defeated in the House and language that the Senate had passed over that was in the House. What this is becoming is a bill that was defeated in the House. We're willing to compromise but we're continuing to add to the point where we are getting it to be the exact same bill that was brought in from the Senate. I'm not sure we need to explain what professional development is. That's up to the school districts. We talk about local control all the time. It's local control when it's convenient for whomever is discussing it.

Sen. Flakoll: If you are not willing to infringe on local control, maybe we want to look at Section 1, subsection 2 as far as the schools may require attendance. May we want to not get involved in that either. There may be concern with only a few teachers actually belonging to the union and being required to attend union activities.

Chairman Kelsch: It does not say shall it says may. It's totally up to the school districts. I think some of the school districts were looking for some guidance.

Rep. Haas: The research has shown that sometimes long blocks of time aren't as effective as a more frequent meeting of teachers on professional development items on a regularly scheduled basis. This boils down to are we going to micro mange or say you have two days for professional development which obviously is 8 hours per day. I think that by leaving the permissive language in, it continues to recognize the conference as a legitimate form of professional development. Which it is.

Chairman Kelsch: School districts want to clear in what they can and cannot do.

Sen. Flakoll: On Section 9, page 3, subsection 4.a. I want to clarify if you have a school board with 5 members you would need 80% of the vote, 7 members 71% of the vote, 9 members 66.7% of the vote. Is that correct based on the minimum over 2/3?

Chairman Kelsch: That's correct. That's the provision that was put in by the Conference Committee in the Special Session 0f 2003. It was an amendment proposed by the Senate.

Sen. Flakoll: That would be 2/3 of the members on the board not 2/3 of the members that are present for the vote.

Chairman Kelsch: That would be my understanding.

Sen. Flakoll: Then again with the 70% language we are looking at if a school would increase by 20% the first year, the 70% would apply to that for total compensation and if in the second year they went back 10% they would still maintain that threshold. Is that correct?

Chairman Kelsch: That is correct.

Sen. Flakoll: Does any one know if a non member can attend the NDEA conference and is there a rate differential.

Gloria Lokken: It is free for NDEA members, $250 for non members (dues for a whole year are $400) and for people who are not eligible for membership (non public schools) is $50.

Chairman Kelsch: Up until this conference committee, legislators could attend free.

Sen. Freborg: If schools don't have a good situation for providing any meaningful professional development, I'm wondering if we're not putting some exceptional costs on them. If they require their teachers to go they have registration fee, mileage, motels.

Chairman Kelsch: If they require them to attend they only pay the salary and not the expenses. The way the code is written now, it's mandated that teachers attend that conference. Schools have been getting around that for years. Truthfully, I don't know that what we say makes a difference.

Sen. Flakoll: As we slowly smooth out the rough points I would prefer to get to a situation where we everything in the proposed that we are acting on with the major points in it.

Chairman Kelsch: The other issue that is not addressed is the FTE payments and the tuition apportionment going through foundation aid. That was one that we do not need to include in this big amendment but it would be a stand alone motion. If the Committee would prefer to have the remaining amendment we can do that.

Sen. Flakoll: In light of our conversation about the school calendar and such, during the second year of the biennium that would essentially translate to $125 per calendar day?

Sen. Freborg: If by chance we find some new dollars, I would like to have any additional money as part of the total amendment. I don't think there would be any problem to changing tuition apportionment and FTE payments back. I don't care if they are in here or not. It's not a problem. I'm not sure we are at the point where we have this amendment where we want it.

Rep. Mueller: I would like to throw on the table one small change on the last page of the amendments we have before us. Section 15 has an effective of July 1, '06, I'd like to talk about an effective date of Dec. 1, '06. That's a short six months later but obviously would involve another teacher conference that we will have information on.

Sen. Seymour: I would move that we change that date to December.

Rep. Mueller: I second.

Chairman Kelsch: We have a motion to amend a proposed amendment that we do not have before us. That motion may be out of order. Once we have the full amendment before us, I would be willing to take that motion.

Sen. Freborg: What are your intentions now. We seemed to have slowed down a little

Chairman Kelsch: You go into session at 12:30? We can come in back at 1:15 or 1:30 and we would have time to work through these issues at that point.

Rep. Haas: Sen. Freborg mentioned earlier that before we do our final vote, if we are looking at the .300 version of the bill the level of PPI will significantly by taking the FTE money back in to the FTE disbursement plant and the tuition apportionment based on census. Those numbers will change. They would also change if indeed we were able to secure some additional funding

regardless of the amount. At what point can we begin to change those numbers and request information from DPI?

Sen. Flakoll: Any change we make will make it go down because the house had transportation and the Senate had FTE and tuition apportionment.

Rep. Haas: There are a variety of adjustments that need to be made there. As Sen. Freborg said earlier, there is a chance that we may be able to secure a few additional dollars to put into the PPP.

Chairman Kelsch: If we know what the money is and we put the money in to the PPP and it's reconciled when we vote on the "hog house." That's usually the last section that comes into play. If we are not able to put the money in this committee, and the appropriation committee puts it in on HB 1013, then Section 1 and 4 of the bill is reconciled to reflect the moneys put in on 1013.

Sen. Flakoll: Do we have any inclination if those 9 school districts will provide us information in a timely basis.

Chairman Kelsch: I just received a note that Grafton would not go for it. Originally we were told by Devils Lake that this would suffice. We asked them to contact the other districts and Grafton came back and said they would not pull out of the law suits. If this was indeed going to work, it would have to be everyone pulling out.

Sen. Flakoll: School districts can say they can do it but I contend they have no legal standing to bring suit. It doesn't mean that an individual parent within that district could not.
There was a bill earlier in the session with $400 million new dollars in it and they said they were still going to on with the lawsuit if that were pass. That was HB 1512.

Chairman Kelsch: When it was over here they said they would pull out and when it was over there they said they would not.

Recessed to 2 p.m. or call of the chair.

The committee convened at 3 p.m. Because certain information was not available nor were the amendments available the Committee recessed to 6 p.m.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

Conference Committee

Hearing Date **22 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - 4623
2	X		0 - 2700

Committee Clerk Signature

Minutes:

Chairman Kelsch called the Conference Committee to order at 7 a.m. All members were present. She distributed the latest version of the "hog house" amendment (58232.0361) and walked the committee through the changes incorporated over night.

Sen. Freborg: (Distributed proposed amendment 48232.0361). This makes two changes. Section 1, subsection 3, clarifies that there can be no school-sponsored, school-directed, school-sanctioned or school-related activities nor classroom instruction nor alternate professional development activities on any day that conflicts with the NDEA instructional conference. Subsection 4 directs that if any contracts of employment are in conflict with this section, they are considered void.

Rep. Mueller: If in subsection 4, we are going to make null and void any parts of a negotiated agreement that are in conflict with Section 1, a question may come up when the instructional days were negotiated differently. What happens in that instance.

Sen. Freborg: Subsection 1 says "at least" 173 days. They can contract for more.

Rep. Haas: I don't believe that clause is necessary. State law takes precedence over that of local political subdivisions. It think this is redundant and unnecessary.

Sen. Freborg: I move that we adopt subsection 3 into the "hog house."

Sen. Flakoll: Second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 Subsection 3 of proposed amendment 58232.0361 was adopted into the "hog house."

Chairman Kelsch: Let's go back to the amendment .0359.

Rep. Haas: I move we approve this amendment and that it include the $500 increase in the first year of the biennium for the beginning teacher's salaries, a $500 increase in the second year in beginning teacher's salaries and that we remove Section 12 from this amendment.

Rep. Mueller: I second. A point of clarification. We have adopted from .0361 Sen. Freborg's amendment. Where does that fit into this.

Chairman Kelsch: That amendment would just fit in to this amendment when we do the new "hog house." That's actually just a working document at this point also. This is not the final version.

Sen. Flakoll: The intent of this amendment is to include the minimum salary level?

Chairman Kelsch: It would include that portion related to salaries as distributed earlier and delete the report for the NDEA instructional conference.

Sen. Freborg: Do we need to adopt different sections of the "hog house"?

Chairman Kelsch: We can adopt this amendment and then we can go through and see to it that we have all the sections covered that need to be adopted.

Sen. Flakoll: There was discussion about trying to roll in, if there were any, enhancements. Is that something that will be addressed later if some pennies were to be rubbed together and found.

Chairman Kelsch: That would be my thought. I would be open to any motion that would add enhancements; however, I don't have a number.

Sen. Freborg: I think that the Committee should know that the only enhancement that will come to this "hog house" will have to come right in this Committee. There wont' be anything injected from the outside.

Rep. Haas: That creates a situation that sounds like we have the authority to do something if we want to but yet it has to come from the outside if there is going to be an enhancement. It sounds to me like maybe Sen. Freborg is assuming now that we have a dual role in the Committee of not only the conference committee on the education bill as it relates to policy but also as it relates to appropriations. Can we assume that role?

Sen. Freborg: No, I would prefer not to be misunderstood. We can do anything we want to and that will be a portion of whatever we pass. It may not stand. It may reconcile with HB 1013 but we can do whatever we wish to do. It will get warmer upstairs than it has been in the past. I just wanted to make it clear that someone else isn't going to walk in and say "we've taken care of you in 1013." They have, but in a different sense. I just didn't want you to think that I thought it was okay to do this.

Rep. Mueller: I think we are multitasking here and that's an excellent concept.

Chairman Kelsch: We do multitask very well. Sen. Freborg and I sensed a warming plate yesterday. It was not actually in the fire but I think that Sen. Freborg's correct that the warming plate could all of a sudden become very hot.

Rep. Haas: Perhaps sometimes we have to force the issue. If it was warm yesterday and has the potential of being hot, we could settle for medium.

Sen. Freborg: Madam Chair, is it your intent that we come back again before finalizing this version. Perhaps we could take up that issue at the very last thing before adopting the "hog house."

Chairman Kelsch: That will be the last issue. **The motion is to adopt amendment .0359 and to further amend .0359 with the minimum salaries for $500/$500 and to delete Section 12.**

Rep. Mueller: Would a motion be appropriate to change one small part of .0359?

Chairman Kelsch: Let's move on the first motion and then you can move to amend the amendment.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0. The motion stated above was passed.

Rep. Mueller: I move that in Section 15 of amendment .0359 that the date July 1, 2006 be changed to December 1, 2006.

Sen. Seymour: Second.

Sen. Freborg: Perhaps you will explain what your motion does and why you wish to do that.

Rep. Mueller: What it would do is regarding the conference. It would set it up for two years as is or as we have known it as opposed to the one year that is currently being suggested by

Section 15. The rationale is that I understand that some wheels have been put in motion and there are commitments that have already been made for even two years of the conference: locations, possible speakers, programs, sections to be offered. If we are going to send the conference down the road to a different structure, I think it would be appropriate to give them about a year and half to do that. It would include two conferences after which time these sections and provisions will become effective.

Sen. Flakoll: Might there be some merit to have the legislation we intend to put the place to play out and see how that works before our next session.

Rep. Mueller: That may be a valid issue but this group will meet many times and my suggestion would be to give that an opportunity and given the discussions that have gone on there might be some changes over the two conferences to come. They dynamics of all that may change greatly. I think expecting those dynamics to change greatly in a one-shot deal may not be as realistic as looking at a two conference scenario. I say, Why not?

A roll call vote was taken:

Yes: 2, No: 4, Absent: 0. The motion failed.

Chairman Kelsch: Let's look at the new "hog house." **(58232.0632)** We've adopted Section 1. Section 2 language is put in to reconcile language found in HB 1076. What this does is provides compliance with the school calendar as part of the approval process. That was language that should have been put in HB 1076 and needs to be reconciled in statute.

Rep. Haas: I move the approval Section 2 on page 2.

Sen. Flakoll: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 Section 2 was adopted.

Chairman Kelsch: Let's look at Section 17, page 20. This reconciles the Section 1 reference to the professional development days rather than the NDEA conference.

Sen. Flakoll: I move to adopt Section 17.

Rep. Haas: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 Section 17 was adopted.

Chairman Kelsch: Sections 18 and 21 are the sections that relate to the FTE payments and the tuition apportionment. They take them out of foundation aid and they would stand alone. It would restore the language back to the way those are currently now distributed.

Rep. Mueller: I move we adopt Sections 18 & 21.

Rep. Haas: The motion would also include tuition apportionment coming out every month to help the cash flow of the school districts. **I second the motion.**

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0 Section 18 & 21 were adopted.

Chairman Kelsch: We need to look at Section 20. When we approved the language on the JPAs, we had not approved this section that says that "the executive director of the JPA must report expenditures and attribute them on a per student basis" and that they meet all the requirements laid out.

Sen. Flakoll: Just a clarification. This would be the same as the .0400 version. **I move to adopt Section 20.**

Sen. Freborg: I second.

Rep. Mueller: I think the intent of this committee was to do the JPA money reimbursement on a 1- 1 a match basis. I'm not sure where that is.

Rep. Haas: That's in Section 33.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 Section 20 was adopted.

Chairman Kelsch: We have now approved every section with the exception of Section 11 that deals with the PPP. Those now reflect the figures we were told yesterday.

Rep. Haas: Does that include the $1 million we took from JPAs.

Chairman Kelsch: Yes. It is reflected.

Please review the "hog house" to make sure that you see everything and we will come back in and adopt Section 11 and adopt the bill. Probably around 9: 30.

Recess.

Chairman Kelsch reconvened the Committee at 10:00.

Committee members you have the .0362 "hog house" in front on you. The difference between this and the one we saw this morning. We removed the Legislative Council report regarding the NDEA conference. In Section 38 the effective date for the repeal of the reorganization bonus payment. The previous amendment had December 1, '05. The code allows for payments during December and the Senate version had December 31, '05 and that's the date we wanted on it. Those are the only two differences between the "hog house" we had this morning and this one.

Sen. Freborg: Can we look at Section 32. Could we adjust the payments in Section 2, a & b so they have 3/4 of that money in the first year because the $1 million on the contingency will not come until the end of that year.

Chairman Kelsch: So **distribute $750.0 during the first year of the biennium and then $250.0 the second year of the biennium?**

Sen. Freborg: That's correct. **That is a motion.**

Sen. Flakoll: I second.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 The motion passed.

Chairman Kelsch: We also need to look at Section 11 which establishes the PPP. The first year of the biennium those payments would be $2762, the second year those would be $2875.

Sen. Freborg: That's with the dollars that are in the bill now and does not include Rep. Haas' motion. Sometime between now and when you are going to take the final vote could we have a 10 minute recess.

Chairman Kelsch: We'll do that right now.

Recess.

Chairman Kelsch called the Committee back to order.

The section of the bill that has not been adopted is Section 11 which is the per pupil payment on page 14. Do we want to accept the PPP?

Sen. Freborg: We are at a bad point in this bill with the information that we have. I realize we can't take a vote on it without setting the PPP. I don't think we can pass this bill out this session. For that reason and because we need to find out about 1015. I'm not getting any right answers

and I won't vote for the bill until I know. If that should be happening, it's not a legal move and I won't vote for this bill until I find out exactly what's happening. The only way to get the attention of the people on that committee is to reject this bill and then they'll come to us. I don't think until we know that, that we can adjust the payments in Section 11. If that rumor should prove to be true, we can adjust this payment really quickly and it will go up a long way.

Chairman Kelsch: We will adjourn until the next meeting.

Adjourn

Chairman Kelsch called the meeting back to order at 2:15.

Let's look .0362 and let me walk through the changes that will be made in the final version. (She walked through some technical and typographical corrections on the bill.) I would entertain a motion for .0362.

Sen. Freborg: What are the payments again, $2762 and $2875?

Chairman Kelsch: Yes. Would you like to make any changes to those?

Sen. Freborg: Not yet.

Rep. Haas: I move we approve amendments as presented in .0362, plus technical changes and Sen. Freborg's amendment.

Sen. Freborg: I second.

Rep. Mueller: I think we still have an immense issue having to do with Section 11. I'm not sure what is happening. Can we approve the bill without approving the numbers that are in Section 11 for PPP? What are the mechanics of adjusting those numbers if we approve this bill as is.

Chairman Kelsch: If there were an adjustment made either higher or lower those numbers are changed when they go through to reconcile the bill with 1013.

Sen. Flakoll: One point of reference. I believe with the change we made in terms of the minimums that we have in the bill that will represent a 43% increase over the minimum we had six years ago. The minimum in the state at that time was $15,700 and now we will be at $22,500 by the end of the biennium. That's a six year sweep of 43%.

With the amendments we have before us and all the K-12 funding that we are looking at between this bill, 1013, and technology we will breaking the $700,000,000 mark for the first time. That's a worthy benchmark.

Rep. Mueller: That's an interesting number Sen. Flakoll just made reference to. The 43% coincides with the funding level we are at in the big scheme of K-12 which I'm not particularly happy about.

Sen. Flakoll: We're only going to be able to make so much ground at one time.

Rep. Mueller: I apologize for not jumping in a bit earlier. I can't see supporting the bill. We have some numbers in there that may or not change depending on. . .and I do appreciate the efforts that some on this Committee have made to change those numbers in an upward direction. I truly do. Given the fact that we are going to walk away from the 59th session with record amounts of income, projected income, money in oil extraction tax fund, the stabilization fund and we're not adequately, in my opinion, funding K-12. There are bits and pieces here that are disturbing for certainly the small schools. Not the least of which is the escalation of the deduct. I'm not sure we did a service to our teachers in terms of staff training with some of the things that we've done with the conference. For that reason I don't believe I'll be able to support this.

Chairman Kelsch: Rep. Mueller, I just have to make one comment. I remember sitting on probably the first conference committee in 1997 with Senator Freborg. I remember how thrilled we were when we got those per pupil payments up right around a $100 increase the first year and $100 increase the second year of the biennium. The increase in the PPP in this biennium will be over $200. I think that's noble. Granted, I think all of us would have like to have seen more money but I think it's a good movement forward.

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0 The amendment was adopted.

Sen. Flakoll: I move we adopt reengrossed HB 1154 as amended.

Rep. Haas: I second.

(The Senate recedes from the Senate amendments In HJ pages 1507 - 1523 and SJ pages 100- - 1016 and amends with .0362.)

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0. HB 1154 was passed.

Chairman Kelsch: Committee members, I want to thank you all for the hard work. It's a good product we are putting and I think everyone contributed very well. It was give and take on both sides and that's what a conference committee is all about.

The Conference Committee is dissolved.

Adjourned.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☒ Conference Committee

Hearing Date **23 April 2005**

Tape Number	Side A	Side B	Meter #
1	X		0 - 660

Committee Clerk Signature Jan Trundle

Minutes:

Chairman Kelsch called the Conference Committee for HB 1154 to order. All members were present:

Representatives: Kelsch R. (Chair), Haas C., Mueller P.

Senators: Freborg L., Flakoll T., Taylor R.

Chairman Kelsch: The first thing we need to do is reconisder our actions so we can bring the bill back before us.

Sen. Freborg: I move we reconsider our actions by which we passed the "hog house" on 1154.

Sen. Flakoll: I second.

A voice vote was taken. The motion carried.

Chairman Kelsch: We now have the bill before us.

Sen. Freborg: In discussing this with Rep. Kelsch and going through some of the bill in the Senate that have been coming in from anywhere to $100.0, to $500.0 to $1 million in that we were told wouldn't be there, I **move that we put $1.3 million in HB 1154 to come out of the oil trust fund.** It would be a direct appropriation so it will not affect 1013. For informational purposes it would raise the PPP to the payment from $2762 to $2768 in the first year and $2875 to $2882 the second year.

Rep. Mueller: I **second that.**

Chairman Kelsch: Just so the Committee is aware, the other part of that amendment would also take care of the language that was of concern yesterday to Rep. Sitte so it would remove under Section 11, subsection 4, the language that requires the calendar requirements for non public schools. That will be how the amendments read. They will include Sen. Freeborg's as well as this.

Rep. Haas: It takes that statement out that we put in so it would go back to the language the way it is in the statute right now.

Chairman Kelsch: Correct. And that's the only other change that we are making.

Sen. Freborg: That's included in my motion.

Sen. Flakoll: Was it proposed in 1015.

Chairman Kelsch: It was proposed but this will make it cleaner.

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0 The **Amendment was adopted.**

Chairman Kelsch: We now have the amended version of the current version of HB 1154. What are the wishes of the committee? We have 1154 and we just amended the PPP, so all we

have before us is the amended version of 1154. A new "hog house" is on the table. The motion should be **that we adopt this "hog house" (.0365)**

Sen. Freborg: Yes, **I so move.**

Rep. Haas: I second

A roll call vote was taken.

Yes: 6, No: 0, Absent: 0

Reengrosed HB 1154 was amended with (.0365).

Chairman Kelsch: We can now adjourn the Conference Committee.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1154**

House Education Committee

☒ Conference Committee

Hearing Date **23 April 2005**

Tape Number	Side A	Side B	Meter #
1		X	0 - 1000

Committee Clerk Signature

Minutes:

Chairman Kelsch convened the Conference Committee on HB 1154 at 4 p.m. All members were present.

Chairman Kelsch: The House defeated the Conference Committee report this morning and we are now back in Committee to adopt a new Conference Committee report.

Rep. Haas: I move to adopt the amendment 58232.0365 as printed with in Section 35 replacing the 1.3 million from the oil tax trust fund with a $700.0 appropriation from the general fund for additional per student payments for the biennium and replacing the numbers in Section 11 with a PPP for the first year of the biennium of $2765 and the second year of the biennium $2879.

Rep. Mueller: I second.

Sen. Freborg: Could I ask what the rationale is for voting for $1.3 million at an earlier Conference Committee and then making the motion for $700.0?

Rep. Haas: I believe all of us voted for the $1.3 million. In this business of conference committees, we do what we can do. Proposals come and go as we all know and I believe this is a compromise motion and I feel comfortable making that motion.

Rep. Mueller: I guess I share Sen. Freborg's consternation myself. I think we have been on a rather strange journey the last couple of days and I don't know exactly all the things that happened in that journey but certainly something is better than nothing. An increase of any kind is better than no increase and I suppose I will support the recommendation if that's what it has to be.

Sen. Freborg: I'm a little surprised, Rep. Mueller, that you were contemplating $5 - 10 million and now you're voting to reduce it by $600.

Rep. Mueller: I think it looks strange too but again I think as you probably understand it and at least as I do, I think we are in trouble with any kind of increase if don't move in this direction at this time.

Sen. Flakoll: Was there any discussion with respect to why the money was not available for this but we have $108.0 in another bill for tuck pointing (?) and we have janitors that we have added in the micro managing last hours we have $150.0 for private colleges but we don't seem to have as much money as arguably each one of us at this table would like to have.

Chairman Kelsch: You are correct that the Conference Committee came down and voted for the $1.3 million. That was the number that we have been asking for. We took it our caucus and our caucus said "we passed that yesterday, it didn't have any additional monies in it, and we were

fine with that bill." So the way the bill sits right now, or it did when it came back here after the Conference Committee report was defeated was that House said $1.3 is more than we want to go, come up with a compromise. That's what this is. It's a compromise. We are still putting additional dollars into foundation aid which was what our goal was. It may not be the exact number that any one of us had wanted, but it is a number.

Rep. Haas: I would like to make a couple more comments. Prior to the time that we finally sent the bill out of here, I think all of us were thinking and wanting to see as negotiations progressed on other bills and in bringing this session to a closure as to whether or not we could find additional dollars for elementary and secondary education. The number I had in my head was about $5 million that I thought would be appropriate. As things progressed and as we know in this Legislative process, all of us who have been here at all and even if it's only your first time, you understand the process and how it comes together at the end. We have to live ultimately with the reality of what can fly on the floor of either the House or the Senate. That's the reality we're faced with right now in the House. A compromise from the $1.3 million to $700.0 is acceptable and we have to live with that reality.

Sen. Flakoll: It seems like there was a vote slippage from the time we left here till it was acted upon. Are there other things that came up with new expenditures on other bills or something that we don't know about or should know about that may have caused some to change their mind.

Chairman Kelsch: My concern right now is 1154. I'm not going out and checking on every body else's budget. I'm concerned about 1154 and doing the job and doing the work we need to do on HB 1154.

Sen. Flakoll: It seems like we are referencing in the context of what has happened or has not happened and where money may or may not be too.

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0. The amendment was adopted.

Chairman Kelsch: We need a motion to adopt the whole bill.

Rep. Haas: I move that we adopt the amended bill which is the "hog house" of 58232.0365 as we just amended it.

Sen. Taylor: I **second.**

A roll call vote was taken.

Yes: 5, No: 1, Absent: 0 The amended bill was adopted.

Chairman Kelsch: I'll close the Conference Committee on HB 1154, but will not dissolve it just in case we need to come back.

Adjourned.

5 yes / no Adopted
13 Apr pm

58232.0334
Title.

Prepared by the Legislative Council staff for
Senator Freborg
April 8, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-12-26, 15.1-12-27,"

Page 1, line 3, after "to" insert "school district dissolutions,", replace "and" with a comma, and after "factors" insert a comma

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

   b. The district has not operated a school as required by section 15.1-12-24; or

   c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

   a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

   b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-29~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

   a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

   b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

l. The educational needs of communities in the dissolving district and in adjacent high school districts;

m. Potential savings in school district transportation and administrative services;

n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacent high school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided."

Renumber accordingly

58232.0335
Title.

Prepared by the Legislative Council staff for
Senator Freborg
April 8, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-12-29,"

Page 1, line 3, after "to" insert "unobligated school district cash balances,", replace "and" with a comma, and after "factors" insert a comma

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. Any unobligated cash balance in excess of ten thousand dollars, but not exceeding the amount equal to the dissolved district's general fund expenditure for the last school year before the district's dissolution, is a credit for real property owners within the boundaries of the dissolved school district against taxes levied by the district in which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved district. If property from the dissolved district is attached to more than one school district, the credit that eligible real property owners receive must be the same percentage of the unobligated cash balance available under this subsection as the taxable valuation of the individual's property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. The county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. Unless otherwise directed by the order of dissolution, the distribution to each school district must equal that percentage of the total taxable valuation of the property from the dissolved district, which was attached to that school district."

Renumber accordingly

Chapter 61
13 Apr PM

58232.0336
Title.

Prepared by the Legislative Council staff for
Senator Freborg
April 11, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 2, remove the first "and" and after "15.1-27-39" insert ", and 15.1-29-12"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", tuition payments,"

Page 10, after line 23, insert:

"**SECTION 7. AMENDMENT.** Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add its latest available average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

      (2) Any credit for taxes paid to the admitting district by the student's parent.

   d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

3. If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

13apv AM

5-0 Adoptee (Senators Freborg Erbele)

58232.0337
Title.

Prepared by the Legislative Council staff for
Senator Freborg
April 11, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 2, remove the first "and" and after "15.1-27-39" insert ", 15.1-29-03, and 15.1-29-04"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", tuition and transportation payments,"

Page 10, after line 23, insert:

"**SECTION 7. AMENDMENT.** Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~ shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting district and transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 8. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition by sending districts - Interest on late payments. If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if a district under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under the provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due."

Renumber accordingly

58232.0338
Title.

Prepared by the Legislative Council staff for
Senator Flakoll
April 12, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 3, replace "and" with a comma and after "factors" insert a comma

Page 1, line 5, after the semicolon insert "to provide for a legislative council survey;"

Page 13, after line 6, insert:

"**SECTION 10. LEGISLATIVE COUNCIL - KINDERGARTEN SURVEY.**

1. An interim committee designated by the legislative council shall conduct a survey of all school districts in the state to determine:

   a. The number of school districts that make available a kindergarten program having a duration of more than five half days per week;

   b. The number of school districts that will by a date certain make available a kindergarten program having a duration of more than five half days per week;

   c. The number of students in each district who would be eligible to enroll in a kindergarten program during each of the ensuing five years;

   d. The estimated enrollment in a kindergarten program having a duration of more than five half days per week;

   e. The direct and indirect costs that a school district might incur if it made available a kindergarten program having a duration of more than five half days per week; and

   f. The number of school districts that would make available a kindergarten program having a duration of more than five half days per week if moneys were appropriated for that purpose.

2. The superintendent of public instruction shall assist the interim committee in conducting the survey and in reviewing the results of the survey."

Renumber accordingly

58232.0339
Title.

Prepared by the Legislative Council staff for
Senator Flakoll
April 12, 2005

18 apr

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-22-01,"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", kindergarten programs,"

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board - Petition for establishment Request by parent - Levy.

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2."

Adopted 6.0.0

Renumber accordingly

Handed out April 15

58232.0340
Title.
adopted 3,1,0

Freborg Hearing

Prepared by the Legislative Council staff for
Senator Freborg
April 13, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-09-01,"

Page 1, line 3, after "to" insert "school board membership,", replace "and" with a comma, and after "factors" insert a comma

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

   ~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven~~,~~ or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annual school district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

   ~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election,

and the terms of the remaining three members extend until the third annual election.

~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members."

Renumber accordingly

April 15 AM

58232.0343
Title.

Prepared by the Legislative Council staff for
Representative Haas
April 13, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after the first comma insert "15.1-27-05,"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", the school district equalization factor,"

Page 1, after line 14, insert:

"**SECTION 2. AMENDMENT.** Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

Haas
Drebus

(Effective after June 30, 2008) School district equalization factor.

5, 1, 0
adopt

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year."

Renumber accordingly

15 Apr 05 AM

58232.0344
Title.

Prepared by the Legislative Council staff for
Senator Freborg
April 15, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 13, after line 11, insert:

"**SECTION 11. APPROPRIATION.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $ 1 mill, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28."

Renumber accordingly

NOTE: These proposed amendments contain a blank.

And roll the other 1 million into foundation aid

Replaces Sect 21

Freborg
Nodell
Approved

15 Apr 05
AM

58232.0345
Title.

Prepared by the Legislative Council staff
April 15, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 5, after the semicolon insert "to provide for a report;"

Page 13, after line 6, insert:

"**SECTION 10. REPORT TO LEGISLATIVE COUNCIL.** At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council."

Renumber accordingly

Haas
Flakoll

Adopted
6, 0

58232.0346
Title.

Prepared by the Legislative Council staff for
Representative Haas
April 15, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 2, remove the first "and" and after "15.1-27-39" insert ", and 15.1-28-03"

Page 1, line 3, replace "and" with a comma and after "factors" insert a comma

Page 1, line 4, remove "and" and after "compensation" insert ", and the state tuition fund"

Page 10, after line 23, insert:

"**SECTION 7. AMENDMENT.** Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27."

Renumber accordingly

Remove sections 9, 10, 12, 25, 27 + insert this

Remove sections
Move by Haas
Second by Hakall
15 Apr 05
AM

Sen Hakall
Sen Dotzenrod } yes

defeated

58232.0347
Title.

Prepared by the Legislative Council staff

April 15, 2005

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-18-07,"

Page 1, line 3, replace "and" with a comma and after "factors" insert ", teacher qualifications,"

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an elementary school that offers grades one through eight, an individual must be ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

   ~~a.~~ b. (1) Have a major in elementary education; or

   ~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

   ~~a.~~ b. (1) Has a major in early childhood education; or

   ~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

   ~~a.~~ Have a major in elementary education; or

   ~~b.~~ Have a major equivalency in elementary education."

Renumber accordingly

58232.0348
Title.

Prepared by the Legislative Council staff for
Senator Freborg
April 18, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 12, replace lines 7 through 31 with:

"**SECTION 9. CONTINGENCY.** If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section _____ of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to eligible educational associations in accordance with section _____ of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district."

Page 13, remove lines 1 through 6

Renumber accordingly

NOTE: These amendments contain two blanks.

Prepared by the Legislative Council staff for
Representative R. Kelsch
April 18, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-07-28, 15.1-12-26, 15.1-12-27, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal section 15.1-12-11.1 of the North Dakota Century Code, relating to reorganization bonus payments; to provide for contingent payments; to provide for a report to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter ~~54~~ 40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

   ~~(2) The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

   ~~(3) The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the

board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

   b. The district has not operated a school as required by section 15.1-12-24; or

   c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

   a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

   b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-29~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

   a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

   b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 4. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

   c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

   d. The taxable valuation of the dissolving district and adjacent high school districts and the taxable valuation of adjacent high school districts under the proposed manner of dissolution;

   e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

   f. The number of students in the dissolving district and in adjacent high school districts;

   g. The general population of the dissolving district and adjacent high school districts;

   h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

   i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

   j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

   k. The boundaries of other governmental entities;

   l. The educational needs of communities in the dissolving district and in adjacent high school districts;

   m. Potential savings in school district transportation and administrative services;

   n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacent high school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 5. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 6. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by

the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public ~~instruction.~~

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 7. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.38 adjusted by eighty five percent of the difference between 1.38 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one

through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as

determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 8. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

   a. The district's latest available net assessed and equalized taxable valuation of property; plus

   b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

   a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

   b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

   c. The district has a general fund levy of at least one hundred eighty mills; and

   d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

   a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

   b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

   c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

   d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the

expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 9. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 10. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~ shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting district and transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 11. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition by sending districts - Interest on late payments. If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if a district under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under the provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the

board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 12. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add its latest available average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

      (2) Any credit for taxes paid to the admitting district by the student's parent.

   d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

~~3.~~ If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

~~4.~~ This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 13. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~ may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 14. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 13 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 15. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 16. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of

public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 17. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 18. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 19. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 20. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 21. EFFECTIVE DATE. Section 20 of this Act becomes effective on December 31, 2005.

SECTION 22. EMERGENCY. Section 13 of this Act is declared to be an emergency measure."

Renumber accordingly

58232.0350
Title.

Prepared by the Legislative Council staff for
Representative Mueller
April 18, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 5, after the semicolon insert "to provide for a report;"

Page 13, after line 6, insert:

"**SECTION 10. REPORT TO LEGISLATIVE COUNCIL - INSTRUCTIONAL CONFERENCE ATTENDANCE.** During the 2005-06 interim, the North Dakota council of educational leaders, the North Dakota education association, and the North Dakota school boards association shall jointly compile a report regarding the North Dakota education association instructional conference.

1. The report must:

   a. Include the number of teachers, by school district, who:

      (1) Attended each day of the 2005 instructional conference;

      (2) Did not attend each day of the 2005 instructional conference but instead participated in alternate professional development activities;

      (3) Did not attend each day of the 2005 instructional conference but instead reported to their respective schools or classrooms and completed two normal workdays; and

      (4) Did not attend each day of the 2005 instructional conference but instead used two personal days for non-work-related activities.

   b. Include a detailed description of how attendance was monitored at the October 2005 conference.

   c. Address:

      (1) The feasibility and desirability of maintaining the instructional conference as part of the state-funded school calendar;

      (2) Methods by which teacher participation in the instructional conference will be increased; and

      (3) The manner in which teacher attendance at the conference will be monitored and reported, beginning with the October 2006 conference.

2. The North Dakota council of educational leaders, the North Dakota education association, and the North Dakota school boards association shall jointly provide the report required by subsection 1 to an interim committee designated by the legislative council."

Renumber accordingly

19 Apr AM

58232.0353
Title.

Prepared by the Legislative Council staff for
Representative R. Kelsch
April 19, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-07-28, 15.1-09-01, 15.1-12-26, 15.1-12-27, 15.1-12-29, 15.1-18-07, 15.1-22-01, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school boards, teacher qualifications, school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal section 15.1-12-11.1 of the North Dakota Century Code, relating to reorganization bonus payments; to provide for contingent payments; to provide for a report to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-10.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

   ~~b. (1)~~ ~~The~~ participating in the agreement have:

   a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

   ~~(2) The~~

   b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

   ~~(3) The~~

   c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three

thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~e.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses. ;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the

participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section ~~15.1~~ 27 37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 3. AMENDMENT. Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

   ~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven~~,~~ or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annual school district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

   ~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election, and the terms of the remaining three members extend until the third annual election.

   ~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members.

SECTION 4. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

   b. The district has not operated a school as required by section 15.1-12-24; or

c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

   a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

   b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section 15.1 12 29 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

   a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

   b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 5. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

d. The taxable valuation of the dissolving district and adjacent high school districts and the taxable valuation of adjacent high school districts under the proposed manner of dissolution;

e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

f. The number of students in the dissolving district and in adjacent high school districts;

g. The general population of the dissolving district and adjacent high school districts;

h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

k. The boundaries of other governmental entities;

l. The educational needs of communities in the dissolving district and in adjacent high school districts;

m. Potential savings in school district transportation and administrative services;

n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers

of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacent high school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 6. AMENDMENT. Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. Any unobligated cash balance in excess of ten thousand dollars, but not exceeding the amount equal to the dissolved district's general fund expenditure for the last school year before the district's dissolution, is a credit for real property owners within the boundaries of the dissolved school district against taxes levied by the district in which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved district. If property from the dissolved district is attached to more than one school district, the credit that eligible real property owners receive must be the same percentage of the unobligated cash balance available under this subsection as the taxable valuation of the individual's property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. The county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. Unless otherwise directed by the order of dissolution, the distribution to each school district must equal that percentage of the total taxable valuation of the property from the dissolved district, which was attached to that school district.

SECTION 7. AMENDMENT. Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an elementary school that offers grades one through eight, an individual must be ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and~~:~~

   ~~a.~~ b. (1) Have a major in elementary education; or

   ~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and~~:~~

   ~~a.~~ b. (1) Has a major in early childhood education; or

   ~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

   ~~a.~~ Have a major in elementary education; or

   ~~b.~~ Have a major equivalency in elementary education.

SECTION 8. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board - Petition for establishment Request by parent - Levy.

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual

or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

SECTION 9. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by

which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 10. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public ~~instruction.~~

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.11 adjusted by eighty five percent of the difference between 1.11 and the factor representing the five year average cost of education per student for this

category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2001, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy-five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy-five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 11. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 01. Beginning July 1, 2004, the factor is that which represents the five year average cost of the edueation per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 12. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 13. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 14. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~ shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned

to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting district and transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 15. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition by sending districts - Interest on late payments. If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if a district under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under the provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 16. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add its latest available average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

(2) Any credit for taxes paid to the admitting district by the student's parent.

d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

3. If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

4. This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 17. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, fifty percent of $33,500,000 as state transportation aid payments.

2. a. During the first year of the biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

b. During the second year of the biennium, the superintendent of public instruction shall distribute to each school district the same amount that the district received under this section for transportation services provided during the first year of the biennium.

3. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the total amount to which each school district is entitled.

4. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 18. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~ may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 19. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 18 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 20. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 19 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing

additional per student payments to eligible educational associations in accordance with section 23 of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 21. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 22. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 23. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 24. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 25. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 26. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 27. EFFECTIVE DATE. Section 26 of this Act becomes effective on December 31, 2005.

SECTION 28. EMERGENCY. Section 18 of this Act is declared to be an emergency measure."

Renumber accordingly

Replaces 0335

58232.0354
Title.

Prepared by the Legislative Council staff
April 19, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-12-29,"

Page 1, line 3, after "to" insert "unobligated school district cash balances,", replace "and" with a comma, and after "factors" insert a comma

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. ~~Any~~ After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the required amount is deposited in the reimbursement account for job service North Dakota, as required by section 15.1-12-28.1, any remaining unobligated cash balance in excess of ten thousand dollars, up to an amount equaling a dissolved school district's general fund expenditure for the last school year before the district's dissolution is a credit for real property owners within the boundaries of the dissolved school district, against taxes levied by the district ~~in~~ to which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved ~~district~~ attached. If property from the dissolved district is attached to more than one school district, the percentage of the total credit ~~that~~ to which each eligible real property owners receive must be owner is entitled must equal the ~~same~~ percentage of the unobligated cash balance as the that the taxable valuation of the individual's real property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. After the requirements of subsection 1 have been met, the county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. The percentage of the remaining unobligated cash balance to which each school district is entitled equals that percentage of the dissolved district's total taxable valuation which was attached to the receiving school district."

Renumber accordingly

58232.0359
Title.

Prepared by the Legislative Council staff for
Representative R. Kelsch
April 21, 2005 AM

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-06-04,"

Page 1, line 2, after the first comma insert "15.1-27-35,"

Page 1, line 3, after "to" insert "school calendars,", replace "and" with a comma, and after "factors" insert ", and calculation of average daily attendance;"

Page 1, line 4, replace "and teacher compensation" with "to repeal section 15.1-09-42 of the North Dakota Century Code, relating to instructional conferences; to provide for teacher compensation"

Page 1, line 5, replace "and" with "to provide for a report to the legislative council;" and after "appropriation" insert "; and to provide an effective date"

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

   b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities. A school district may not schedule alternate professional development

opportunities on any day that conflicts with the instructional conference.

~~2.~~ 3. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 4. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 5. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 6. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction."

Page 8, after line 29, insert:

"**SECTION 6. AMENDMENT.** Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation. Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

2. The two days set aside for the attendance of teachers at the North Dakota education association instructional conference professional development activities under section 15.1-06-04; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours."

Page 10, replace lines 24 through 30 with:

"SECTION 9. TEACHER COMPENSATION - USE OF NEW MONEYS.

1. During the 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2005.

2. For purposes of this section, "new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2003-05 biennium and the 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council."

Page 11, remove lines 1 through 20

Page 13, after line 6, insert:

"SECTION 12. REPORT TO LEGISLATIVE COUNCIL - INSTRUCTIONAL CONFERENCE ATTENDANCE. During the 2005-06 interim, the North Dakota council of educational leaders, the North Dakota education association, and the North Dakota school boards association shall jointly compile a report regarding the North Dakota education association instructional conference.

1. The report must:

   a. Include the number of teachers, by school district, who:

      (1) Attended each day of the 2005 instructional conference;

      (2) Did not attend each day of the 2005 instructional conference but instead participated in alternate professional development activities;

(3) Did not attend each day of the 2005 instructional conference but instead reported to their respective schools or classrooms and completed two normal workdays; and

(4) Did not attend each day of the 2005 instructional conference but instead used two personal days for non-work-related activities.

b. Include a detailed description of how attendance was monitored at the October 2005 conference.

c. Address:

(1) The feasibility and desirability of maintaining the instructional conference as part of the state-funded school calendar;

(2) Methods by which teacher participation in the instructional conference will be increased; and

(3) The manner in which teacher attendance at the conference will be monitored and reported, beginning with the October 2006 conference.

2. The North Dakota council of educational leaders, the North Dakota education association, and the North Dakota school boards association shall jointly provide the report required by subsection 1 to an interim committee designated by the legislative council."

Page 13, after line 11, insert:

"**SECTION 14. REPEAL.** Section 15.1-09-42 of the North Dakota Century Code is repealed.

SECTION 15. EFFECTIVE DATE. Sections 1, 6, and 14 of this Act are effective on July 1, 2006."

Renumber accordingly

58232.0360
Title.

Prepared by the Legislative Council staff for
Representative R. Kelsch
April 21, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-06-04, 15.1-06-06, 15.1-07-28, 15.1-09-01, 15.1-12-26, 15.1-12-27, 15.1-12-29, 15.1-18-07, 15.1-22-01, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-35, 15.1-27-37, 15.1-27-39, 15.1-27-40, 15.1-28-03, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school calenders, school boards, teacher qualifications, school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal sections 15.1-09-42, 15.1-12-11.1, and 15.1-12-11.2 of the North Dakota Century Code, relating to instructional conferences and reorganization bonus payments; to provide for transportation grants; to provide for contingent payments; to provide for teacher compensation; to provide for reports to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

3. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school sanctioned, or school related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

~~2.~~ 4. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 5. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 6. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 7. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

Adopted

SECTION 2. AMENDMENT. Section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-06. Approval of public and nonpublic schools. Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher holds a valid teaching certificate issued is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;

2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;

3. The students are offered all subjects required by law; ~~and~~

~~3.~~ 4. The school is in compliance with the calendar requirements set forth in section 15.1-06-04; and

5. The school is in compliance with all local and state health, fire, and safety laws.

SECTION 3. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54 40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2)~~ ~~The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

~~(3)~~ ~~The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth

school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through ~~six~~;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses. ;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

   a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

   b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

   c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section ~~15.1~~ 27 37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 4. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 5. AMENDMENT. Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven, or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annual school district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

   ~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election, and the terms of the remaining three members extend until the third annual election.

   ~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

   ~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

   ~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

   ~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members.

SECTION 8. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

   b. The district has not operated a school as required by section 15.1-12-24; or

   c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

   a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

   b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-29~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 7. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

   c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

   d. The taxable valuation of the dissolving district and adjacent high school districts and the taxable valuation of adjacent high school districts under the proposed manner of dissolution;

   e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

   f. The number of students in the dissolving district and in adjacent high school districts;

   g. The general population of the dissolving district and adjacent high school districts;

   h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

k. The boundaries of other governmental entities;

l. The educational needs of communities in the dissolving district and in adjacent high school districts;

m. Potential savings in school district transportation and administrative services;

n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacent high school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for

publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 8. AMENDMENT. Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. ~~Any~~ After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the required amount is deposited in the reimbursement account for job service North Dakota, as required by section 15.1-12-28.1, any remaining unobligated cash balance in excess of ten thousand dollars, up to an amount equaling a dissolved school district's general fund expenditure for the last school year before the district's dissolution is a credit for real property owners within the boundaries of the dissolved school district, against taxes levied by the district ~~in~~ to which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved ~~district~~ attached. If property from the dissolved district is attached to more than one school district, the percentage of the total credit ~~that~~ to which each eligible real property owners receive must be owner is entitled must equal the ~~same~~ percentage of the unobligated cash balance as the that the taxable valuation of the individual's real property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. After the requirements of subsection 1 have been met, the county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. The percentage of the remaining unobligated cash balance to which each school district is entitled equals that percentage of the dissolved district's total taxable valuation which was attached to the receiving school district.

SECTION 9. AMENDMENT. Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an

elementary school that offers grades one through eight, an individual must be ~~licensed~~:

a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and~~:~~

~~a.~~ b. (1) Have a major in elementary education; or

~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and~~:~~

~~a.~~ b. (1) Has a major in early childhood education; or

~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

~~a.~~ Have a major in elementary education; or

~~b.~~ Have a major equivalency in elementary education.

SECTION 10. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board - Petition for establishment Request by parent - Levy.

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

SECTION 11. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~ sixty-two dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three seventy-five dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 12. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 13. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public ~~instruction.~~

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section

15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section ~~15.1~~ 27 04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 14. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the

factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the

five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section ~~15.1~~ 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 15. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 16. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for ~~twenty~~ students.

SECTION 17. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation. Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

2. The two days set aside for the attendance of teachers at the North Dakota education association instructional conference professional development activities under section 15.1-06-04; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.

SECTION 18. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the 2003-04 school year, the The reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September ~~15, 2003.~~

   ~~b.~~ For the 2004-05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2004.

   ~~c.~~ For the 2003-04 school year, the fifteenth of the current school year.

   b. The reimbursement under this section for each individual employed as of September ~~15, 2003~~ fifteenth of the current school year, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

   ~~d.~~ For the 2004-05 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 19. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-two thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-two thousand five hundred dollars.

SECTION 20. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

~~15.1-27-40.~~ Approved joint powers agreement - Reimbursement by superintendent of public instruction.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

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~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint

powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 21. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27.

SECTION 22. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~ shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting district and transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 23. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition by sending districts - Interest on late payments. If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if a district under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under the provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 24. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

b. To the cost of education per student, the admitting district shall add the latest available statewide average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

(1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

(2) Any credit for taxes paid to the admitting district by the student's parent.

d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

~~3.~~ If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

~~4.~~ This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 25. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, fifty percent of $33,500,000 as state transportation aid payments.

2. a. During the first year of the biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent

of public instruction shall use the latest available student enrollment count in each school district.

b. During the second year of the biennium, the superintendent of public instruction shall distribute to each school district the same amount that the district received under this section for transportation services provided during the first year of the biennium.

3. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the total amount to which each school district is entitled.

4. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 26. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~ may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 27. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 26 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 28. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 27 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to eligible educational associations in accordance with section 33 of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 29. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 30. TEACHER COMPENSATION - USE OF NEW MONEYS.

1. During the 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2005.

2. For purposes of this section, "new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2003-05 biennium and the 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 31. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 32. REPORT TO LEGISLATIVE COUNCIL - INSTRUCTIONAL CONFERENCE ATTENDANCE. During the 2005-06 interim, the North Dakota council of educational leaders, the North Dakota education association, and the North Dakota school boards association shall jointly compile a report regarding the North Dakota education association instructional conference.

1. The report must:

   a. Include the number of teachers, by school district, who:

      (1) Attended each day of the 2005 instructional conference;

      (2) Did not attend each day of the 2005 instructional conference but instead participated in alternate professional development activities;

      (3) Did not attend each day of the 2005 instructional conference but instead reported to their respective schools or classrooms and completed two normal workdays; and

      (4) Did not attend each day of the 2005 instructional conference but instead used two personal days for non-work-related activities.

   b. Include a detailed description of how attendance was monitored at the October 2005 conference.

c. Address:

(1) The feasibility and desirability of maintaining the instructional conference as part of the state-funded school calendar;

(2) Methods by which teacher participation in the instructional conference will be increased; and

(3) The manner in which teacher attendance at the conference will be monitored and reported, beginning with the October 2006 conference.

2. The North Dakota council of educational leaders, the North Dakota education association, and the North Dakota school boards association shall jointly provide the report required by subsection 1 to an interim committee designated by the legislative council.

SECTION 33. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

b. During June 2007 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 34. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 35. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state

treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 36. REPEAL. Section 15.1-09-42 of the North Dakota Century Code is repealed.

SECTION 37. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 38. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 39. EFFECTIVE DATE. Sections 1, 17, and 36 of this Act become effective on July 1, 2006, and section 37 of this Act becomes effective on December 1, 2005.

SECTION 40. EMERGENCY. Section 26 of this Act is declared to be an emergency measure."

Renumber accordingly

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Prepared by the Legislative Council staff for
Senator Freborg
April 21, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

Page 1, line 1, after "sections" insert "15.1-06-04,"

Page 1, line 3, after "to" insert "school calendars,", replace "and" with a comma, and after "factors" insert a comma

Page 1, after line 6, insert:

"**SECTION 1. AMENDMENT.** Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

   b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

3. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school-sanctioned, or school-related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

4. If any provisions in a contract of employment signed by the board of a school district and representatives of its teachers are in conflict with this section, the conflicting provisions are deemed to be void.

~~2.~~ 5. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 6. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 7. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 8. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.".

Renumber accordingly

58232.0362
Title.

Prepared by the Legislative Council staff for
Representative R. Kelsch
April 22, 2005

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-06-04, 15.1-06-06, 15.1-07-28, 15.1-09-01, 15.1-12-26, 15.1-12-27, 15.1-12-29, 15.1-18-07, 15.1-22-01, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-35, 15.1-27-37, 15.1-27-39, 15.1-27-40, 15.1-28-03, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school calenders, school boards, teacher qualifications, school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal sections 15.1-09-42, 15.1-12-11.1, and 15.1-12-11.2 of the North Dakota Century Code, relating to instructional conferences and reorganization bonus payments; to provide for transportation grants; to provide for contingent payments; to provide for teacher compensation; to provide for a report to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

3. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school sanctioned, or school related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

~~2.~~ 4. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 5. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 6. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 7. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

SECTION 2. AMENDMENT. Section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-06. Approval of public and nonpublic schools. Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher holds a valid teaching certificate issued is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;

2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;

3. The students are offered all subjects required by law; ~~and~~

~~3.~~ 4. The school is in compliance with the calendar requirements set forth in section 15.1-06-04; and

5. The school is in compliance with all local and state health, fire, and safety laws.

SECTION 3. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria. ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54 40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that the superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousand eight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2) The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least ~~six~~ twelve; ~~or~~

~~(3) The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth

school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development process;

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses. ;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

   a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

   b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

   c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 4. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 5. AMENDMENT. Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven~~,~~ or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annual school district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election, and the terms of the remaining three members extend until the third annual election.

~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members.

SECTION ~~8~~. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

   b. The district has not operated a school as required by section 15.1-12-24; or

   c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

   a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

   b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-20~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 7. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

   c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

   d. The taxable valuation of the dissolving district and adjacent high school districts and the taxable valuation of adjacent high school districts under the proposed manner of dissolution;

   e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

   f. The number of students in the dissolving district and in adjacent high school districts;

   g. The general population of the dissolving district and adjacent high school districts;

   h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

k. The boundaries of other governmental entities;

l. The educational needs of communities in the dissolving district and in adjacent high school districts;

m. Potential savings in school district transportation and administrative services;

n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacent high school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for

publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 8. AMENDMENT. Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. ~~Any~~ After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the required amount is deposited in the reimbursement account for job service North Dakota, as required by section 15.1-12-28.1, any remaining unobligated cash balance in excess of ten thousand dollars, up to an amount equaling a dissolved school district's general fund expenditure for the last school year before the district's dissolution is a credit for real property owners within the boundaries of the dissolved school district, against taxes levied by the district ~~in~~ to which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved ~~district~~ attached. If property from the dissolved district is attached to more than one school district, the percentage of the total credit ~~that~~ to which each eligible real property owners receive must be owner is entitled must equal the ~~same~~ percentage of the unobligated cash balance as the that the taxable valuation of the individual's real property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. After the requirements of subsection 1 have been met, the county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. The percentage of the remaining unobligated cash balance to which each school district is entitled equals that percentage of the dissolved district's total taxable valuation which was attached to the receiving school district.

SECTION 9. AMENDMENT. Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an

elementary school that offers grades one through eight, an individual must be ~~licensed~~:

a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

~~a.~~ b. (1) Have a major in elementary education; or

~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

~~a.~~ b. (1) Has a major in early childhood education; or

~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

~~a.~~ Have a major in elementary education; or

~~b.~~ Have a major equivalency in elementary education.

SECTION 10. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board - Petition for establishment Request by parent - Levy.

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

SECTION 11. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~ sixty-two dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three seventy-five dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 12. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 13. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public ~~instruction.~~

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.11 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section

15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred ~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 14. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the

factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .05 adjusted by eighty five percent of the difference between .05 and the factor representing the

five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor ~~1.01~~ adjusted by eighty five percent of the difference between 1.01 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 15. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 16. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~ twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 17. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation. Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

2. The two days set aside for the attendance of teachers at the North Dakota education association instructional conference professional development activities under section 15.1-06-04; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.

SECTION 18. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the ~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the 2003 04 school year, the The reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September ~~15, 2003.~~

   ~~b.~~ For the 2004 05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full time equivalent teachers employed by the district as of September 15, 2004.

   ~~c.~~ For the 2003 04 school year, the fifteenth of the current school year.

   b. The reimbursement under this section for each individual employed as of September ~~15, 2003~~ fifteenth of the current school year, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

   ~~d.~~ For the 2004 05 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 19. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-two thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-two thousand five hundred dollars.

SECTION 20. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

Report of Expenses

15.1-27-40. Approved joint powers agreement - ~~Reimbursement by superintendent of public instruction.~~

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1 07 27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section ~~15~~.1 07 27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1 07 27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1 07 27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts' by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint

powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 21. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27.

SECTION 22. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition. + transportation

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~ shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting district and transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 23. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition by sending districts - Interest on late payments. If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if a district under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under the provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 24. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add the latest available statewide average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

      (2) Any credit for taxes paid to the admitting district by the student's parent.

   d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

~~3.~~ If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

~~4.~~ This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 25. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, fifty percent of $33,500,000 as state transportation aid payments.

2. a. During the first year of the biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent

of public instruction shall use the latest available student enrollment count in each school district.

b. During the second year of the biennium, the superintendent of public instruction shall distribute to each school district the same amount that the district received under this section for transportation services provided during the first year of the biennium.

3. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the total amount to which each school district is entitled.

4. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 26. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~ may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 27. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 26 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 28. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 27 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to eligible educational associations in accordance with section ~~29~~ 32 of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 29. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 30. TEACHER COMPENSATION - USE OF NEW MONEYS.

1. During the 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2005.

2. For purposes of this section, "new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2003-05 biennium and the 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 31. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 32. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute half of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 33. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 34. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 35. REPEAL. Section 15.1-09-42 of the North Dakota Century Code is repealed.

SECTION 36. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 37. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 38. EFFECTIVE DATE. Sections 1, 17, and 35 of this Act become effective on July 1, 2006, and section 37 of this Act becomes effective on December 31, 2005.

SECTION 39. EMERGENCY. Section 26 of this Act is declared to be an emergency measure."

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1154 (, as (re)engrossed): Date: 22 Apr 05

Your Conference Committee Education)

For the Senate:	YES / NO	**For the House:**	YES / NO
Sen. Freborg	✓	Rep. Kelsch, Chair	✓
Sen. Flakoll	✓	Rep Haas	✓
Sen. Seymour	✓	Rep Mueller	✓

recommends that the (SENATE/HOUSE) (ACCEDE to/RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1507 -- 1523
SJ 1000 - 1016

___, and place 1154 on the Seventh order.

X, adopt (~~further~~) amendments as follows, and place 1154 on the Seventh order: 58232.0362

___, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) 1154 was placed on the Seventh order of business on the calendar.

DATE: 22 Apr 05
CARRIER: Kelsh, Flakoll

LC NO. of amendment

LC NO. of engrossment

Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: Flakoll

SECONDED BY: Haas

VOTE COUNT 5 **YES** 1 **NO** 0 **ABSENT**

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE

HB 1154, as reengrossed: Your conference committee (Sens. Freborg, Flakoll, Seymour and Reps. R. Kelsch, Haas, Mueller) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1507-1523, adopt amendments as follows, and place HB 1154 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-06-04, 15.1-06-06, 15.1-07-28, 15.1-09-01, 15.1-12-26, 15.1-12-27, 15.1-12-29, 15.1-18-07, 15.1-22-01, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-35, 15.1-27-37, 15.1-27-39, 15.1-27-40, 15.1-28-03, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school calendars, school boards, teacher qualifications, school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal sections 15.1-09-42, 15.1-12-11.1, and 15.1-12-11.2 of the North Dakota Century Code, relating to instructional conferences and reorganization bonus payments; to provide for transportation grants; to provide for contingent payments; to provide for teacher compensation; to provide for a report to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

3. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school sanctioned, or school related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

~~2.~~ 4. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 5. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 6. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 7. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

SECTION 2. AMENDMENT. Section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-06. Approval of public and nonpublic schools. Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher holds a valid teaching certificate issued is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;

2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an

exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;

3. The students are offered all subjects required by law;~~and~~

~~3.~~ 4. The school is in compliance with the calendar requirements set forth in section 15.1-06-04; and

5. The school is in compliance with all local and state health, fire, and safety laws.

SECTION 3. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - **Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria.** ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54 40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that ~~the~~ superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousandeight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2) The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least~~six~~ twelve; ~~or~~

~~(3) The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first

school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall

implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development ~~process;~~

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three

administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 4. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 5. AMENDMENT. Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

   ~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven~~,~~ or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annualschool district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

   ~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election, and the terms of the remaining three members extend until the third annual election.

~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members.

SECTION 6. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

a. The district is financially unable to effectively and efficiently educate its students;

b. The district has not operated a school as required by section 15.1-12-24; or

c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-29~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 7. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

   c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

   d. The taxable valuation of the dissolving district and adjacent high school districts and the taxable valuation of adjacent high school districts under the proposed manner of dissolution;

   e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

   f. The number of students in the dissolving district and in adjacent high school districts;

   g. The general population of the dissolving district and adjacent high school districts;

   h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

   i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

   j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

   k. The boundaries of other governmental entities;

   l. The educational needs of communities in the dissolving district and in adjacent high school districts;

   m. Potential savings in school district transportation and administrative services;

   n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

   o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

   p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

   q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacenthigh school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 8. AMENDMENT. Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. ~~Any~~ After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the required amount is deposited in the reimbursement account for job service North Dakota, as required by section 15.1-12-28.1, any remaining unobligated cash balance ~~in excess~~ of ten thousand dollars, up to an amount equaling a dissolved school district's general fund expenditure for the last school year before the district's dissolution is a credit for real property owners within the boundaries of the dissolved school district, against taxes levied by the district ~~into~~ which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved district attached. If property from the dissolved

district is attached to more than one school district, the percentage of the total credit ~~that~~to which each eligible real property owners receive must be owner is entitled must equal the ~~same~~ percentageof the unobligated cash balance as the that the taxable valuation of the individual's real property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. After the requirements of subsection 1 have been met, the county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. The percentage of the remaining unobligated cash balance to which each school district is entitled equals that percentage of the dissolved district's total taxable valuation which was attached to the receiving school district.

SECTION 9. AMENDMENT. Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an elementary school that offers grades one through eight, an individual must be ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

   ~~a.~~ b. (1) Have a major in elementary education; or

   ~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

   ~~a.~~ b. (1) Has a major in early childhood education; or

~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

~~a.~~ Have a major in elementary education; or

~~b.~~ Have a major equivalency in elementary education.

SECTION 10. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board -Petition for establishment Request by parent **- Levy.**

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

SECTION 11. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~sixty-two dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty threeseventy-five dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 12. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid,transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 13. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under ocvonty fivo one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~

adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 14. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~c.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor.905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in

this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and ~~the factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. ~~The~~ payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor.50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 15. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

   a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

   b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

   c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

   d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 16. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 17. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation. Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred

eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

2. The two days set aside for the attendance of teachers at the North Dakota education association instructional conferenceprofessional development activities under section 15.1-06-04; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.

SECTION 18. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the 2003 04 school year, the The reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September ~~15, 2003.~~

   ~~b.~~ For the 2004 05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full time equivalent teachers employed by the district as of September 15, 2004.

   ~~c.~~ For the 2003 04 school year, the fifteenth of the current school year.

   b. The reimbursement under this section for each individual employed as of September ~~15, 2003~~ fifteenth of the current school year, as a full-time equivalent teacher for the first school year since becoming

licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

~~d.~~ For the 2004-05 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 19. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one<u>twenty-two</u> thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one<u>twenty-two</u> thousand five hundred dollars.

SECTION 20. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction Report of expenses.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 21. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment. On or before the third Monday in each January, February, March, April, August, September, October, November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27.

SECTION 22. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition and transportation.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting districtand transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 23. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition and transportation **by sending districts - Interest on late payments.** If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if ~~a district~~ under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under~~the~~ provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 24. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add the latest available statewide average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

      (2) Any credit for taxes paid to the admitting district by the student's parent.

   d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

~~3.~~ If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be

proportionately credited to the student's district of residence and the student's parent.

4. This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 25. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, fifty percent of $33,500,000 as state transportation aid payments.

2. a. During the first year of the biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

   b. During the second year of the biennium, the superintendent of public instruction shall distribute to each school district the same amount that the district received under this section for transportation services provided during the first year of the biennium.

3. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the total amount to which each school district is entitled.

4. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 26. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy

fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 27. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 26 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 28. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 27 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to school districts participating in eligible educational associations in accordance with section 32 of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 29. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 30. TEACHER COMPENSATION - USE OF NEW MONEYS.

1. During the 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2005.

2. For purposes of this section, "new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2003-05 biennium and the 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 31. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such

participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 32. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute seventy-five percent of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute the remaining money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 33. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 34. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 35. REPEAL. Section 15.1-09-42 of the North Dakota Century Code is repealed.

SECTION 36. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 37. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 38. EFFECTIVE DATE. Sections 1, 17, and 35 of this Act become effective on July 1, 2006, and section 37 of this Act becomes effective on December 31, 2005.

SECTION 39. EMERGENCY. Section 26 of this Act is declared to be an emergency measure."

Renumber accordingly

Reengrossed HB 1154 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1154 (, as (re)engrossed): Date: 23 Apr 05

Your Conference Committee Education

For the Senate:	YES / NO	**For the House:**	YES / NO
Sen Fraser	✓	Rep Kelsch	✓
Sen Hargrave	✓	Rep Haas	✓
Sen Taylor	✓	Rep Mueller	✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1507 - 1523
1000 - 1016

___, and place on the Seventh order.

X, adopt ~~(further)~~ amendments as follows, and place 1154 on the Seventh order: 58232-0365

___, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) 1154 was placed on the Seventh order of business on the calendar.

DATE: 23 Apr 05
CARRIER: Kelsch + Fraser

LC NO. of amendment

LC NO. of engrossment

Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: Fraser

SECONDED BY: Haas

VOTE COUNT 6 **YES** 0 **NO** ___ **ABSENT**

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE

HB 1154, as reengrossed: Your conference committee (Sens. Freborg, Flakoll, Taylor and Reps. R. Kelsch, Haas, Mueller) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1507-1523, adopt amendments as follows, and place HB 1154 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-06-04, 15.1-06-06, 15.1-07-28, 15.1-09-01, 15.1-12-26, 15.1-12-27, 15.1-12-29, 15.1-18-07, 15.1-22-01, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-35, 15.1-27-37, 15.1-27-39, 15.1-27-40, 15.1-28-03, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school calendars, school boards, teacher qualifications, school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal sections 15.1-09-42, 15.1-12-11.1, and 15.1-12-11.2 of the North Dakota Century Code, relating to instructional conferences and reorganization bonus payments; to provide for transportation grants; to provide for contingent payments; to provide for teacher compensation; to provide for a report to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

3. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school sanctioned, or school related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

~~2.~~ 4. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 5. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 6. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 7. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

SECTION 2. AMENDMENT. Section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-06. Approval of public and nonpublic schools. Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher holds a valid teaching certificate issued is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;

2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an

exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;

3. The students are offered all subjects required by law; and

~~3.~~ 4. The school is in compliance with all local and state health, fire, and safety laws.

SECTION 3. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - **Joint powers agreement - ~~Approval~~** Review **by superintendent of public instruction - Criteria.** ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54 40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that ~~the~~ superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousandeight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2) The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least~~six~~ twelve; ~~or~~

~~(3) The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on

the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at

least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development ~~process;~~

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 4. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide

compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 5. AMENDMENT. Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

   ~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven~~,~~ or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annualschool district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

   ~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election, and the terms of the remaining three members extend until the third annual election.

   ~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members.

SECTION 6. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

b. The district has not operated a school as required by section 15.1-12-24; or

c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-29~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 7. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

   c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

   d. The taxable valuation of the dissolving district and adjacent high school districts and the taxable valuation of adjacent high school districts under the proposed manner of dissolution;

   e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

   f. The number of students in the dissolving district and in adjacent high school districts;

   g. The general population of the dissolving district and adjacent high school districts;

   h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

   i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

   j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

   k. The boundaries of other governmental entities;

   l. The educational needs of communities in the dissolving district and in adjacent high school districts;

   m. Potential savings in school district transportation and administrative services;

   n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

   o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

   p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

   q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may

order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacenthigh school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 8. AMENDMENT. Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. ~~Any~~ After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the required amount is deposited in the reimbursement account for job service North Dakota, as required by section 15.1-12-28.1, any remaining unobligated cash balance ~~in excess~~ of ten thousand dollars, up to an amount equaling a dissolved school district's general fund expenditure for the last school year before the district's dissolution is a credit for real property owners within the boundaries of the dissolved school district, against taxes levied by the district ~~in~~to which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved district attached. If property from the dissolved district is attached to more than one school district, the percentage of the total credit ~~that~~to which each eligible real property owners receive must be owner is entitled must equal the ~~same~~ percentageof the unobligated cash

balance as the that the taxable valuation of the individual's real property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. After the requirements of subsection 1 have been met, the county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. The percentage of the remaining unobligated cash balance to which each school district is entitled equals that percentage of the dissolved district's total taxable valuation which was attached to the receiving school district.

SECTION 9. AMENDMENT. Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an elementary school that offers grades one through eight, an individual must be ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

   ~~a.~~ b. (1) Have a major in elementary education; or

   ~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and:

   ~~a.~~ b. (1) Has a major in early childhood education; or

   ~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

~~a.~~ Have a major in elementary education; or

~~b.~~ Have a major equivalency in elementary education.

SECTION 10. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board -Petition for establishment Request by parent **- Levy.**

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

SECTION 11. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~sixty-eight dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three~~-~~eighty-two dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 12. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid,transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid,transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 13. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for

this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in

section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundred~~fifty~~ but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1 27 04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 14. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.38 adjusted by eighty five percent of the difference between 1.38 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the

per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~e.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor.905 adjusted by eighty five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and ~~the factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. ~~The~~ payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor.50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 15. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~c.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 16. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 17. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation. Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

2. The two days set aside for the attendance of teachers at the North Dakota education association instructional conferenceprofessional development activities under section 15.1-06-04; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.

SECTION 18. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the 2003 04 school year, the The reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September ~~15, 2003.~~

   ~~b.~~ For the 2004 05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full time equivalent teachers employed by the district as of September 15, 2004.

   ~~c.~~ For the 2003 04 school year, the fifteenth of the current school year.

   b. The reimbursement under this section for each individual employed as of September ~~15, 2003~~ fifteenth of the current school year, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

~~d.~~ For the 2004 05 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 19. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~twenty-two thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~twenty-two thousand five hundred dollars.

SECTION 20. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction Report of expenses.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1 07 27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1 07 27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1 07 27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1 07 27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts'by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 21. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment. On or before the third Monday in each January, February,March, April, August, September, October,November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27.

SECTION 22. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition and transportation.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting districtand transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 23. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition and transportation **by sending districts - Interest on late payments.** If a school board approves the payment of the board of a

school district agrees to pay tuition for a student attending school in another district or if ~~a district~~ under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under~~the~~ provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 24. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add the latest available statewide average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

      (2) Any credit for taxes paid to the admitting district by the student's parent.

   d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

~~3.~~ If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

~~4.~~ This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 25. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, fifty percent of $33,500,000 as state transportation aid payments.

2. a. During the first year of the biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

   b. During the second year of the biennium, the superintendent of public instruction shall distribute to each school district the same amount that the district received under this section for transportation services provided during the first year of the biennium.

3. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the total amount to which each school district is entitled.

4. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 26. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 27. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 26 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 28. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 27 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to school districts participating in eligible educational associations in accordance with section 32 of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis

according to the latest available average daily membership of each school district.

SECTION 29. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 30. TEACHER COMPENSATION - USE OF NEW MONEYS.

1. During the 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2005.

2. For purposes of this section, "new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2003-05 biennium and the 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 31. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional

development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 32. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute seventy-five percent of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute the remaining money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 33. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 34. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 35. APPROPRIATION. There is appropriated out of any moneys in the permanent oil tax trust fund, not otherwise appropriated, the sum of $1,300,000, or so much of the sum as may be necessary, to the superintendent of public instruction

for the purpose of providing additional per student payments, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 36. REPEAL. Section 15.1-09-42 of the North Dakota Century Code is repealed.

SECTION 37. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 38. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 39. EFFECTIVE DATE. Sections 1, 17, and 36 of this Act become effective on July 1, 2006, and section 38 of this Act becomes effective on December 31, 2005.

SECTION 40. EMERGENCY. Section 26 of this Act is declared to be an emergency measure."

Renumber accordingly

Reengrossed HB 1154 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1154 (, as (re)engrossed): Date: 23 Apr 05 pm

Your Conference Committee Education

For the Senate:	YES / NO	**For the House:**	YES / NO
Sen. Freborg	✓	Rep. Kelsch, Chair	✓
Sen. Flakoll	✓	Rep. Haas	✓
Sen. Taylor	✓	Rep. Mueller	✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1507 -- 1523
SJ 1000 - 1016

___, and place on the Seventh order.

X, adopt (~~further~~) amendments as follows, and place 1154 on the Seventh order: 0365 as amended (Section 35 reduce 1.3 million to *700.0 + Sect 11 PPP becomes 2765 1st yr + 2879 2nd yr)

___, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) 1154 was placed on the Seventh order of business on the calendar.

DATE: 23 Apr 05 pm
CARRIER: Kelsch, Freborg

LC NO. of amendment

LC NO. of engrossment

Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: Haas

SECONDED BY: Taylor

VOTE COUNT 5 **YES** 1 **NO** 0 **ABSENT**

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE

HB 1154, as reengrossed: Your conference committee (Sens. Freborg, Flakoll, Taylor and Reps. R. Kelsch, Haas, Mueller) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1507-1523, adopt amendments as follows, and place HB 1154 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1507-1523 of the House Journal and pages 1000-1016 of the Senate Journal and that Reengrossed House Bill No. 1154 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-07 of the North Dakota Century Code, relating to educational association board reimbursement; to amend and reenact sections 15.1-06-04, 15.1-06-06, 15.1-07-28, 15.1-09-01, 15.1-12-26, 15.1-12-27, 15.1-12-29, 15.1-18-07, 15.1-22-01, 15.1-27-04, 15.1-27-05, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-15, 15.1-27-35, 15.1-27-37, 15.1-27-39, 15.1-27-40, 15.1-28-03, 15.1-29-03, 15.1-29-04, and 15.1-29-12 of the North Dakota Century Code and section 37 of chapter 667 of the 2003 Session Laws, relating to school calendars, school boards, teacher qualifications, school district dissolutions, the school district equalization factor, weighting factors, supplemental payments, isolated schools, and tuition payments; to repeal sections 15.1-09-42, 15.1-12-11.1, and 15.1-12-11.2 of the North Dakota Century Code, relating to instructional conferences and reorganization bonus payments; to provide for transportation grants; to provide for contingent payments; to provide for teacher compensation; to provide for a report to the legislative council; to provide an appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:

   a. One hundred seventy-three full days of instruction;

   b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

   c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and

   ~~d.~~ Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; and

   d. Two days for professional development activities.

2. a. In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.

b. In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

3. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school sanctioned, or school related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

~~2.~~ 4. A full day of instruction consists of:

a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

~~3.~~ 5. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~4.~~ 6. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~5.~~ 7. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

SECTION 2. AMENDMENT. Section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-06. Approval of public and nonpublic schools. Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher holds a valid teaching certificate issued is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;

2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an

exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;

3. The students are offered all subjects required by law; and

~~3.~~ 4. The school is in compliance with all local and state health, fire, and safety laws.

SECTION 3. AMENDMENT. Section 15.1-07-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-28. Educational association - **Joint powers agreement - ~~Approval~~ Review by superintendent of public instruction - Criteria.** ~~If~~ Before school districts participating in an educational association governed by a joint powers agreements under chapter 54-40.3 wish to agreement may receive reimbursement for expenses any moneys, as provided in section 15.1-27-40, the school districts must request that ~~the~~ superintendent of public instruction approve their shall review the joint powers agreement. In order for the superintendent of public instruction to approve a joint powers agreement, the superintendent shall determine and annually and verify that:

1. ~~a.~~ The participating school districts are contiguous; and

~~b. (1)~~ ~~The~~ participating in the agreement have:

a. A combined total land mass of the participating school districts exceeds four at least five thousandeight hundred square miles [~~1035995~~ 1502193 hectares];

~~(2) The~~

b. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [~~647497~~ 1165494 hectares] and the participating school districts number at least~~six~~ twelve; ~~or~~

~~(3) The~~

c. A combined total land mass of the participating school districts exceeds two at least four thousand five hundred square miles [1035995 hectares] and the total number of have at least three thousand students in average daily membership in the participating school districts exceeds two thousand five hundred.

~~2.~~ The joint powers agreement provides that a school district contiguous to any school district already participating in the joint powers agreement may become a participant in the agreement at any time.

~~3.~~ The joint powers agreement requires that the participating school districts agree to maintain a joint operating fund, agree to share administrative functions, or agree to implement various common requirements; provided ~~that:~~

~~a.~~ If the participating school districts agree to establish a joint operating fund, the joint powers agreement must require that during the first school year following approval, the participating school districts shall establish a joint operating fund equal to at least two percent of the participating districts' total expenditures for the school year ending on

the June thirtieth preceding the date of approval; during the second school year following approval, the participating school districts shall establish a joint operating fund equal to at least four percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval; and during the fifth school year following approval, the participating school districts shall establish a joint operating fund equal to at least six percent of the participating districts' total expenditures for the school year ending on the June thirtieth preceding the date of approval;

~~b.~~ If the participating school districts agree to share administrative functions, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall share in the administration of at least three services; during the third school year following approval, all of the participating districts shall share in the administration of at least five services; and during the fifth school year following approval, all of the participating districts shall share in the administration of at least seven services; and that the list from which the participating districts must select the services to be shared consists of:

~~(1)~~ Federal title program management;

~~(2)~~ Staff development;

~~(3)~~ Special education delivery;

~~(4)~~ Curriculum development or delivery;

~~(5)~~ Career and technical education delivery;

~~(6)~~ Student instructional support;

~~(7)~~ Media and technology;

~~(8)~~ Business management;

~~(9)~~ Distance learning;

~~(10)~~ Student counseling;

~~(11)~~ Food and nutrition;

~~(12)~~ Facility safety and health;

~~(13)~~ School accreditation and improvement; and

~~(14)~~ Transportation; and

~~c.~~ If the participating school districts agree to implement various common requirements, the joint powers agreement must require that during the first school year following approval, all of the participating districts shall implement at least three requirements; during the third school year following approval, all of the participating districts shall implement at least six requirements; and during the fifth school year following approval, all of the participating districts shall implement at

least eight requirements; and that the list from which the participating districts must select the requirements to be implemented consists of:

~~(1)~~ A common school calendar;

~~(2)~~ A common class schedule;

~~(3)~~ A common intranet communication system;

~~(4)~~ A common class registration process for grades seven through ~~twelve;~~

~~(5)~~ A common curriculum for each grade level from kindergarten through six;

~~(6)~~ A common student data system;

~~(7)~~ A common school improvement and staff development ~~process;~~

~~(8)~~ Common services, as set forth in a five year plan;

~~(9)~~ A school facilities plan; and

~~(10)~~ Joint funding of dual credit and advance placement courses.;or

d. A combined total land mass of at least one thousand five hundred square miles [388498 hectares] and have at least seven thousand five hundred students in average daily membership.

2. The school districts participating in the agreement are contiguous to each other or, if the districts are not contiguous to each other, the superintendent of public instruction shall verify that the participating districts can provide sound educational opportunities to their students in a fiscally responsible manner without injuring other school districts or educational associations governed by joint powers agreements and without negatively impacting the ability of other school districts or educational associations governed by joint powers agreements from providing sound educational opportunities to their students in a fiscally responsible manner. A decision by the superintendent of public instruction under this subsection may be appealed to the state board of public school education. A decision by the state board is final.

3. The joint powers agreement requires that the participating school districts maintain a joint operating fund and share various administrative functions and student services in accordance with subsection 4.

4. a. During the first two school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least two administrative functions and two student services, selected by the district.

b. During the third and fourth school years in which an educational association governed by a joint powers agreement is operational, each of the participating school districts shall share in at least three administrative functions and three student services, selected by the district.

c. During the fifth school year in which an educational association governed by a joint powers agreement is operational, and each year thereafter, each participating school district shall share at least five administrative functions and five student services, selected by the district.

d. For purposes of this subsection:

(1) "Administrative functions" means:

(a) Business management;

(b) Career and technical education services management;

(c) Curriculum mapping or development;

(d) Data analysis;

(e) Federal program support;

(f) Federal title program management;

(g) Grant writing;

(h) School improvement;

(i) School safety and environment management;

(j) Special education services management;

(k) Staff development;

(l) Staff retention and recruitment;

(m) Staff sharing;

(n) Technology support; and

(o) Any other functions approved by the superintendent of public instruction.

(2) Student services means:

(a) Advanced placement classes;

(b) Alternative high schools or alternative high school programs;

(c) Career and technical education classes;

(d) Counseling services;

(e) Common elementary curricula;

(f) Distance learning classes;

(g) Dual credit classes;

(h) Foreign language classes;

(i) Library and media services;

(j) Summer programs;

(k) Supplemental instruction programs; and

(l) Any other services approved by the superintendent of public instruction.

e. For purposes of this subsection, if an educational association governed by a joint powers agreement became operational before July 1, 2005, the 2005-06 school year must be considered the association's first year of operation.

5. The joint powers agreement provides:

a. Criteria for the future participation of school districts that were not parties to the original joint powers agreement;

b. An application process by which school districts that were not parties to the original joint powers agreement can become participating districts; and

c. A process by which school districts that were not parties to the original joint powers agreement and whose application to participate in the agreement was denied can appeal the decision to the superintendent of public instruction.

~~4.~~ 6. The joint powers agreement provides for the employment and compensation of a chief administrator and other any staff necessary to carry out the provisions of the agreement and the requirements of this section and section 15.1-27-37 Act.

7. The joint powers agreement provides for a governing board that consists only of individuals who serve on the boards of the participating school districts or designees of the respective school board members, provided however that a joint powers agreement may allow for the inclusion of ex officio nonvoting members on the educational association's board.

8. The joint powers agreement provides that the board of the educational association shall meet at least quarterly.

9. The joint powers agreement does not permit the educational association to compensate members of the educational association board for attending meetings of the board and that it does not permit the educational association to reimburse members of the board for any expenses incurred in attending meetings of the educational association board.

SECTION 4. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Compensation - Reimbursement - Extraordinary service. The board of an educational association established under section 15.1-07-28 may provide

compensation and reimbursement to any board member who, at the direction of the board, performs extraordinary service on behalf of the board. For purposes of this section, "extraordinary service" means duties beyond those reasonably expected of members of the board and includes travel to and attendance at national meetings or conventions.

SECTION 5. AMENDMENT. Section 15.1-09-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-01. School board membership - Size and term adjustments.

1. The board of a school district ~~is~~ must be composed of five, seven, or nine members~~, unless:~~

   ~~a.~~ The electors of the district increase the size of the board under this ~~section;~~

   ~~b.~~ The size of the board was increased under a prior law; or

   ~~c.~~ The board, on July 1, 1971, was composed of more or fewer than five members, in which case the number of members must remain unchanged unless increased under this section.

2. The size of ~~any~~ a school ~~district~~ board may be increased to ~~either five,~~ seven~~,~~ or nine members or decreased to seven or five members if a petition is signed by qualified electors of the school district equal in number to at least one-third of those who voted at the most recent annual school district election and the change is approved by a majority of the qualified electors of the school district voting on the question at a special election called for that purpose.

3. If a majority of the qualified voters in a school district elect to increase the size of the school board, the additional members must be elected to the board at the next annualschool district election in the same manner as other board members.

   a. If the total number of board members after approval of the increase is five, the terms of two members extend until the first annual election, the terms of two members extend until the second annual election, and the term of the remaining member extends until the third annual ~~election.~~

   ~~b.~~ If the total number of board members after approval of the increase is seven, the terms of three members extend until the first annual election, the terms of two members extend until the second annual election, and the terms of the remaining two members extend until the third annual election.

   ~~c.~~ b. If the total number of board members after approval of the increase is nine, the terms of three members extend until the first annual election, the terms of three members extend until the second annual election, and the terms of the remaining three members extend until the third annual election.

   ~~d.~~ c. The length of the terms specified in this ~~section~~ subsection must be determined by lot.

~~e.~~ d. All board members shall serve for the terms specified in this ~~section~~ subsection and until their successors are elected and qualified.

~~f.~~ e. The length of any term in existence before the increase in board membership and held by a board member who is duly qualified may not be modified.

~~g.~~ f. Terms subsequent to the first term are for the normal period of three years and extend until a successor is elected and qualified.

4. If on July 1, 2005, the board of any school district contains only three members, the board must be increased to five members and the additional members must be elected at the next annual school district election, in the same manner as other board members. The initial term of one additional member must be one year and the initial term of the other additional member must be two years. The length of the terms specified in this subsection must be determined by lot. Thereafter, the size of the board may be increased in accordance with subsections 2 and 3.

5. The voters of a school district shall elect school board members at large. If, however, the district has been reorganized, board members may be elected at large, by geographical area, or at large by geographical area.

~~5.~~ 6. An election on a reorganization proposal takes the place of the petition and election requirements of this section. Approval of the reorganization proposal has the same effect as if the approval were by the election provided for in this section.

~~6.~~ 7. If the qualified electors of a district approve a reduction in the size of the school board, the excess number of members will serve out existing terms until the number approved by the electors has been reached.

~~7.~~ 8. If the board of a school district has elected to convert its members' terms to four years and has also increased the number of its board members, the board by lot or by some other random selection method shall provide for a combination of initial terms of office not to exceed four years for the new members. The combination must equalize to the greatest extent possible the number and length of terms for old board members and for new members to be elected during the next three election years. The members' terms must be staggered and must expire in even-numbered years.

~~8.~~ 9. Notwithstanding the provisions of this section, the board of education of the city of Fargo consists of nine members.

SECTION 6. AMENDMENT. Section 15.1-12-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-26. Dissolution of school district - Grounds.

1. A county committee shall initiate proceedings to dissolve a school district and attach the property to other operating high school districts when it is notified in writing by the county superintendent of schools whose jurisdiction includes the administrative headquarters of the district that:

   a. The district is financially unable to effectively and efficiently educate its students;

b. The district has not operated a school as required by section 15.1-12-24; or

c. A school board has determined that dissolution is in the best interest of its students.

2. Except as provided in subsection 3, a county committee shall initiate proceedings under section 15.1-12-27 to attach real property to an operating high school district when it is notified in writing by the county superintendent that:

a. Real property has been severed from its school district by the expansion of a city and the severed portion is not contiguous with its district; or

b. There exists real property that does not belong to a school district.

3. If a school district reorganization plan which does not include all real property in a district is approved by the electors, the county committee shall, within forty-five days after the election, hold a hearing under section ~~15.1-12-29~~ 15.1-12-27 to attach the remaining property to one or more operating high school districts.

4. Receipt of notice by a county committee under this section:

a. Renders an annexation petition involving any real property in the district void, unless the annexation has already been approved by the state board; and

b. Prohibits the acceptance of a new annexation petition involving any real property in the district until all dissolution proceedings have been completed.

5. One or more annexation petitions may not be used to annex all of the real property in a school district to surrounding school districts.

SECTION 7. AMENDMENT. Section 15.1-12-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-27. Dissolution of school district - Notice - Hearing - Order of attachment.

1. The county superintendent shall schedule and give notice of a public hearing regarding the dissolution of the district and the subsequent attachment of the property to other high school districts. The county superintendent shall publish the notice in the official newspaper of each county that encompasses property in the dissolving district and in the official newspaper of each county that encompasses property in a high school district adjacent to the dissolving district, at least fourteen days before the date of the hearing. The county superintendent shall provide notice of the public hearing to the business manager of each high school district adjacent to the dissolving district.

2. At the hearing, the board of the dissolving district may propose a particular manner of dissolution.

3. The county committee shall consider testimony and documentary evidence regarding:

   a. The value and amount of property held by the dissolving school district;

   b. The amount of all outstanding bonded and other indebtedness;

   c. The distribution of property and assets among the high school districts to which the dissolved district is attached;

   d. The taxable valuation of the dissolving district and adjacenthigh school districts and the taxable valuation of adjacenthigh school districts under the proposed manner of dissolution;

   e. The size, geographical features, and boundaries of the dissolving district and of adjacent high school districts;

   f. The number of students in the dissolving district and in adjacent high school districts;

   g. The general population of the dissolving district and adjacenthigh school districts;

   h. Each school in the dissolving district and in adjacent high school districts, including its name, location, condition, accessibility, and the grade levels it offers;

   i. The location and condition of roads, highways, and natural barriers in the dissolving district and in adjacent high school districts;

   j. Conditions affecting the welfare of students in the dissolving district and in adjacent high school districts;

   k. The boundaries of other governmental entities;

   l. The educational needs of communities in the dissolving district and in adjacent high school districts;

   m. Potential savings in school district transportation and administrative services;

   n. The anticipated future use of the dissolving districts' buildings, sites, and playfields;

   o. The potential for a reduction in per student valuation disparities between the high school districts to which the dissolved district is attached;

   p. The potential to equalize or increase the educational opportunities for students from the dissolving district and for students in adjacent high school districts; and

   q. All other relevant factors.

4. After the hearing, the county committee shall make findings of fact. Subject to final approval by the state board, the county committee may

order the district dissolved and its real property attached to one or more contiguous, operating high school districts.

5. Any property ordered attached under this section must have at least one minor residing within its boundaries.

6. The county superintendent shall forward all minutes, records, documentary evidence, and other information regarding the dissolution proceeding together with a copy of the county committee's order to the state board for final approval of the dissolution. The state board shall publish notice of its meeting at which it will consider the dissolution, in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the meeting.

7. The order of dissolution becomes effective July first following approval by the state board, unless the county committee provides for a different effective date.

8. If the boundaries of the dissolving school district cross county lines, the proceeding to dissolve the district must be conducted jointly by the county committees representing counties containing twenty-five percent or more of the dissolving district's taxable valuation. If, after the hearing, a majority of the county committees are unable to agree upon an order of dissolution and attachment, the county superintendent of the county in which the administrative headquarters of the dissolving school district is located shall notify the state board. The state board shall conduct a public hearing, as required in this section, and order the dissolution of the district and the attachment of its real property to adjacenthigh school districts in the manner it deems appropriate. The state board shall publish notice of the public hearing in the official newspapers of the counties required for publication under subsection 1, at least fourteen days before the date of the hearing.

9. If any portion of the order providing for the attachment of real property is suspended or voided, the order of dissolution is likewise suspended or voided.

SECTION 8. AMENDMENT. Section 15.1-12-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or refunds.

1. ~~Any~~ After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the required amount is deposited in the reimbursement account for job service North Dakota, as required by section 15.1-12-28.1, any remaining unobligated cash balance ~~in excess~~ of ten thousand dollars, up to an amount equaling a dissolved school district's general fund expenditure for the last school year before the district's dissolution is a credit for real property owners within the boundaries of the dissolved school district, against taxes levied by the district ~~in~~to which their property is now situated. The county auditor shall base the credit on the five year average of the total mills levied for education by the dissolved district attached. If property from the dissolved district is attached to more than one school district, the percentage of the total credit ~~that~~to which each eligible real property owners receive must be owner is entitled must equal the ~~same~~ percentageof the unobligated cash

balance as the that the taxable valuation of the individual's real property bears to the total taxable valuation of the dissolved district's property at the time of the attachment order.

2. Upon approval of the board of county commissioners, any school district required to provide a tax credit under subsection 1 may provide a cash refund in lieu of the tax credit. At the request of the county auditor, the school district holding the unobligated cash balance available under subsection 1 shall pay to the county treasurer the amount to be paid to those who own real property within the dissolved district. The treasurer shall issue the refund to the owner of the property as shown on the county's assessment list at the time of payment. If there is a lien for unpaid taxes against the property, the treasurer shall first apply the property owner's tax credit toward any outstanding balance. Any amount remaining may then be paid to the property owner. The cash refunds must be calculated proportionately to the total taxable value of the dissolved district during the last year taxes were levied.

3. After the requirements of subsection 1 have been met, the county auditor shall distribute any remaining unobligated cash balance among the school districts to which the real property of the dissolved district was attached. The percentage of the remaining unobligated cash balance to which each school district is entitled equals that percentage of the dissolved district's total taxable valuation which was attached to the receiving school district.

SECTION 9. AMENDMENT. Section 15.1-18-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-07. (Effective after June 30, 2006) Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school that offers grades one through six, or in order to teach any grade in an elementary school that offers grades one through eight, an individual must be ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and~~:~~

   ~~a.~~ b. (1) Have a major in elementary education; or

   ~~b.~~ (2) Have a major equivalency in elementary education.

2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is ~~licensed~~:

   a. Licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board; and~~:~~

   ~~a.~~ b. (1) Has a major in early childhood education; or

   ~~b.~~ (2) Has a major equivalency in early childhood education.

~~3.~~ In order to teach any grade from one through eight in a self contained classroom, an individual must be licensed to teach by the education standards and practices board and:

~~a.~~ Have a major in elementary education; or

~~b.~~ Have a major equivalency in elementary education.

SECTION 10. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-22-01. Kindergarten - Establishment by board -Petition for establishment Request by parent **- Levy.**

1. Upon its own motion, the board of a school district may establish a free public kindergarten for the instruction during a school year of resident children below school age.

2. If the board receives a petition signed by qualified electors residing in the district equal in number to at least twenty percent of those who voted in the most recent annual school district election, the board must submit the question of establishing a kindergarten to the electorate at the next annual or special school district election. The margins of electoral approval provided in section 57 15 14 must be applied written request to provide kindergarten from the parent of a student who will be enrolled in the kindergarten, the board shall either provide at least a half-day kindergarten program for the student or pay the tuition required for the student to attend at least a half-day kindergarten program in another school district.

3. The board of a school district that establishes a kindergarten under this section may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

SECTION 11. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~five~~ seven hundred ~~nine~~sixty-five dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~six~~ eight hundred twenty three seventy-nine dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 12. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of ~~thirty-six~~ thirty-eight mills times the taxable valuation of property in the district;

b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars; and

c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. Beginning July 1, 2006, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

(Effective after June 30, 2008) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, transportation aid, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

   a. The product of the number of mills prescribed in subsection 2 times the taxable valuation of property in the district;

   b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars; and

   c. If the mills levied by the district for general fund purposes, plus the mills levied for high school transportation and high school tuition purposes are fewer than one hundred forty, the number of mills by which the district's levies are below one hundred forty multiplied by the taxable valuation of property in the district.

2. The number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by ~~two~~ three over the number of mills used in determining the product required by that subdivision the previous year.

SECTION 13. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy five one hundred twenty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor ~~1.625~~ adjusted by eighty five percent of the difference between 1.625 and the ~~factor~~ representing the five-year average cost of education per student for

this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

2. Each district having at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by eighty five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

3. Each district having at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by eighty five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~4.~~ Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by eighty five percent of the difference between 1.14 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~5.~~ 4. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy five one hundred twenty students in average daily membership are enrolled in the alternative education program.

b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in

section 15.1-27-04, if at least seventy five one hundred twenty but fewer than ~~one~~ three hundred~~fifty~~ students in average daily membership are enrolled in the alternative education program.

c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least ~~one~~ three hundredfifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~d.~~ Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1 27 04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.

~~6.~~ 5. In order to be eligible for enumeration under this section, a student:

a. Must have completed the work of the eighth grade;

b. Must not have completed the work of the twelfth grade; and

c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

6. In calculating payments under this section and subsections 1 through 4 of section 15.1-27-07, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among all elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 14. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

~~1. a.~~ Each district having only a one room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by eighty five percent of the difference between 1.28 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.

~~b.~~ If the one room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the

per student payment provided for in section 15.1 27 04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.

~~e.~~ If a one room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.

~~d.~~ If a one room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor for the students in grade seven or eight must be the same as that provided for in subsection 5.

~~2.~~ 1. Except as provided in subsection 1, each Each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.00 adjusted by eighty five percent of the difference between 1.00 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty five students in average daily membership per classroom or per teacher.

~~3.~~ 2. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor.005 adjusted by eighty five percent of the difference between .005 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~4.~~ Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by eighty five percent of the difference between .95 and the factor representing the five year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1 27 04. Beginning July 1, 2004, the factor is that which represents the five year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.

~~5.~~ 3. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and ~~the factor~~ representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. ~~The~~ payments provided for in this subsection are not available for students who attend a one room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.

~~6.~~ 4. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by eighty five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction.

~~7.~~ 5. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor.50 adjusted by eighty five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04.Beginning July 1, 2004, the factor is that which represents the five year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.

b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.

~~8.~~ 6. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.

~~9.~~ 7. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.

~~10.~~ 8. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:

a. Holds a teaching license issued by the education standards and practices board; or

b. Has been approved to teach by the education standards and practices board.

9. In calculating payments under subsections 1 through 4 and under section 15.1-27-06, the superintendent of public instruction shall use 1.0 as the factor that represents the lowest five-year average cost of education among the elementary and high school weighting categories other than kindergarten and shall use proportionately increased factors to represent the five-year average cost of education in all remaining weighting categories except kindergarten.

SECTION 15. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. High school districts - Supplemental payments.

1. The superintendent of public instruction shall calculate the average valuation of property per student by dividing the number of students in average daily membership in grades one through twelve in a high school district into the sum of:

a. The district's latest available net assessed and equalized taxable valuation of property; plus

b. All tuition payments and county and unrestricted federal revenue received by the district, divided by the total of the district's general fund levy, high school transportation levy, and high school tuition levy.

2. ~~If the~~ The superintendent of public instruction shall verify that:

a. The quotient arrived at under subsection 1 is less than the latest available statewide average taxable valuation per student ~~and if the~~;

b. The district's educational expenditure per student is below the most recent available statewide average cost of education per student;

c. The district has a general fund levy of at least one hundred eighty mills; and

d. The district's unobligated general fund balance on the preceding June thirtieth is not in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

3. If the superintendent of public instruction determines that the district meets all the requirements of subsection 2, the superintendent ~~of public instruction~~ shall:

   a. Determine the difference between the latest available statewide average taxable valuation per student and the average taxable valuation per student in the high school district;

   b. Multiply the result determined under subdivision a by the number of students in average daily membership in grades one through twelve in the high school district;

   c. Multiply the result determined under subdivision b by the number of general fund mills levied by the district in excess of one hundred fifty, provided that any mills levied by the district which are in excess of two hundred ten may not be used in this calculation; and

   d. Multiply the result determined under subdivision c by a factor calculated by the superintendent of public instruction to result in the expenditure, over the course of the biennium, of the full amount provided for the purpose of this section.

~~e.~~ 4. The result of the calculations under this section is the supplemental payment to which a high school district is entitled, in addition to any other amount provided under chapter 15.1-27.

SECTION 16. AMENDMENT. Section 15.1-27-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-15. Per student payments - Isolated schools.

1. If an elementary school has fewer than fifty students and fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.15-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-07 must be increased by ~~twenty~~ twenty-five percent for the first fifteen students. If the school has fewer than fifteen students, the payment received must be for fifteen students.

2. If a high school has fewer than thirty-five students and fifteen percent or more of its students would have to travel beyond a twenty-mile [32.2-kilometer] radius from their residences in order to attend another school, the weighting factor provided under section 15.1-27-06 must be increased by ~~twenty~~twenty-five percent for the first twenty students. If the school has fewer than twenty students, the payment received must be for twenty students.

SECTION 17. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation. Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

2. The two days set aside for the attendance of teachers at the North Dakota education association instructional conference professional development activities under section 15.1-06-04; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.

SECTION 18. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to at least maintain the level of compensation provided to teachers employed by the district during the ~~2002-03~~ preceding school year.

2. The claim must include:

   a. The number of full-time equivalent teachers employed by the district as of September fifteenth of the current school year;

   b. The number of full-time equivalent teachers whose level of compensation will be at least equal to that provided during the~~2002-03~~ preceding school year; and

   c. The total amount of any compensation increases provided to full-time equivalent teachers over the level of compensation provided during the ~~2002-03~~ preceding school year.

3. a. For the 2003-04 school year, the The reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September ~~15, 2003.~~

   ~~b.~~ For the 2004-05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2004.

   ~~c.~~ For the 2003-04 school year, the fifteenth of the current school year.

   b. The reimbursement under this section for each individual employed as of September ~~15, 2003~~ fifteenth of the current school year, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or

approved to teach by the education standards and practices board, may not exceed one thousand dollars.

~~d.~~ For the 2004-05 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area career and technology center to which the district belongs.

5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 19. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~twenty-two thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one~~twenty-two~~ thousand five hundred dollars.

SECTION 20. AMENDMENT. Section 15.1-27-40 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-40. Approved joint powers agreement - Reimbursement by superintendent of public instruction Report of expenses.

1. The individual employed as a chief administrator for the purpose of carrying out the provisions of a joint powers agreement and any requirements under section 15.1-07-27 shall executive director of an educational association governed by a joint powers agreement which the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28 shall annually submit to the superintendent of public instruction, at the time and in the manner designated by the superintendent, receipts for expenses incurred during a school year in delivering services and programs under section 15.1-07-27.

~~2.~~ The superintendent of public instruction, upon verifying the receipts, shall reimburse the chief administrator of the joint powers agreement for any expenses incurred in delivering services and programs under the auspices of the joint powers agreement as provided in section 15.1-07-27. The reimbursement may not exceed the lesser of:

~~a.~~ The total expenses incurred in delivering services and programs under section 15.1-07-27; or

~~b.~~ Fifty thousand dollars.

~~3.~~ The chief administrator a report detailing all expenses incurred by the educational association and shall attribute the expenses on a per student basis by participating school district.

2. The executive director shall deposit any moneys received ~~under~~ subsection 2 in the participating districts'by or on behalf of the association into the educational association's joint operating fund.

~~4.~~ The superintendent of public instruction may not provide any reimbursement to a chief administrator under this section unless the joint powers agreement under which the services and programs are delivered has been approved by the superintendent.

SECTION 21. AMENDMENT. Section 15.1-28-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-28-03. State tuition fund - Apportionment - Payment. On or before the third Monday in each January, February,March, April, August, September, October,November, and December, the office of management and budget shall certify to the superintendent of public instruction the amount of the state tuition fund. The superintendent shall apportion the fund among the school districts of the state in proportion to the number of school-age children residing in each district, as shown by the latest enumeration provided for by law and pay the amount apportioned to each school district. The superintendent shall make the payments required by this section at the same time as the per student payments required under chapter 15.1-27.

SECTION 22. AMENDMENT. Section 15.1-29-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-03. Education of students in other districts - Payment of tuition and transportation.

1. After taking into account the best interests of all affected parties, the board of a school district may elect to send its students to another school district. In this instance, the board ~~may~~shall pay for the students' tuition ~~for the students~~ and transportation. The board may arrange, and when petitioned to do so by qualified electors of the district equal in number to at least a majority of those who voted in the most recent annual school district election shall arrange, with other boards to send students to the other districts and to pay for their tuition and transportation.

2. If a district does not provide educational services to an entire grade level, the students in that grade level may attend a public school of their choice outside their district of residence without going through the procedures outlined in section 15.1-29-05. The board of the students' school district of residence shall pay for the students' tuition to the admitting districtand transportation. For purposes of determining whether educational services are provided to an entire grade level, districts cooperating with each other in the joint provision of educational services under a plan approved by the superintendent of public instruction are considered to be a single district.

SECTION 23. AMENDMENT. Section 15.1-29-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-04. Payment of tuition and transportation **by sending districts - Interest on late payments.** If a school board approves the payment of the board of a school district agrees to pay tuition for a student attending school in another district or if ~~a district~~ under this chapter, if it is required to ~~make~~ pay tuition ~~payments~~ under~~the~~ provisions of this chapter, or if it is required to pay tuition and transportation under this chapter, the board of the sending district shall pay at least fifty percent of the annual tuition charge to the admitting district on or before December thirty-first and any remaining amount on or before May thirty-first. If payment is not received by the admitting district within thirty days after the date on which payment is due, simple interest at the rate of six percent per annum accrues to any amount due.

SECTION 24. AMENDMENT. Section 15.1-29-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education incurred by the admitting district.

2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.

   b. To the cost of education per student, the admitting district shall add the latest available statewide average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.

   c. The admitting district shall subtract the following from the amount arrived at under subdivision b:

      (1) The weighted per student payment received by the admitting district, less the average amount per North Dakota resident student enrolled in the school district realized from the deductions applied under section 15.1-27-06; and

      (2) Any credit for taxes paid to the admitting district by the student's parent.

   d. The amount remaining is the full cost of education incurred by the admitting district and the tuition amount payable for the individual student.

~~3.~~ If the student's school district of residence and the student's parent are both paying tuition, the credit allowed under subdivision c of subsection 2 for taxes paid to the admitting district by the student's parent must be proportionately credited to the student's district of residence and the student's parent.

4. This chapter does not affect the right of a school board to charge and collect tuition from students who are not residents of this state, in accordance with section 15.1-29-02.

SECTION 25. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2005-07 biennium, the superintendent of public instruction shall distribute from the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, fifty percent of $33,500,000 as state transportation aid payments.

2. a. During the first year of the biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement for in-city mileage at the rate of fifty cents for schoolbuses having a capacity of ten or more students and reimbursement for vehicles having a capacity of nine or fewer students and transporting students who live outside the incorporated limits of a city at the rate of forty cents per mile. The superintendent of public instruction shall use the latest available student enrollment count in each school district.

   b. During the second year of the biennium, the superintendent of public instruction shall distribute to each school district the same amount that the district received under this section for transportation services provided during the first year of the biennium.

3. If insufficient moneys exist to fully meet the requirements of this section, the superintendent of public instruction shall prorate the payments according to the percentage of the total amount to which each school district is entitled.

4. Nothing in this section permits reimbursement for any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 26. 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 $119,190, or so much of that amount as may be necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

2. The superintendent of public instruction shall return the next $759,000 to the state general fund.

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

~~2.~~ 4. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as ~~is~~may be 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.

~~3.~~ 5. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 27. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and if section 26 of this Act does not become effective before July 1, 2005, the superintendent of public instruction shall return the first $759,000 to the state general fund.

SECTION 28. CONTINGENCY. If any moneys appropriated for per student payments and transportation payments in the grants - state school aid line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2005, and ending June 30, 2007, and after the superintendent of public instruction has fulfilled any directives contained in section 27 of this Act, the superintendent shall distribute the remaining moneys as follows:

1. The superintendent of public instruction shall use the first $450,000, or so much of that amount as may be necessary, to provide additional payments to school districts serving English language learners in accordance with section 15.1-27-12.

2. The superintendent of public instruction shall use the next $1,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to school districts participating in eligible educational associations in accordance with section 32 of this Act.

3. The superintendent of public instruction shall use the remainder of the moneys to provide additional per student payments on a prorated basis

according to the latest available average daily membership of each school district.

SECTION 29. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. If any moneys appropriated by the legislative assembly to the grants - teacher compensation line item in House Bill No. 1013, as approved by the fifty-ninth legislative assembly, remain after completion of all statutory obligations, the superintendent of public instruction shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 30. TEACHER COMPENSATION - USE OF NEW MONEYS.

1. During the 2005-07 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new moneys received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2005.

2. For purposes of this section, "new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2003-05 biennium and the 2005-07 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

   b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

   c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

SECTION 31. REPORT TO LEGISLATIVE COUNCIL - EDUCATIONAL ASSOCIATIONS GOVERNED BY JOINT POWERS AGREEMENTS. At the conclusion of each school year during the 2005-07 biennium, the superintendent of public instruction shall compile a report covering the operations of each educational association governed by a joint powers agreement and verified by the superintendent of public instruction as meeting the requirements of section 15.1-07-28. The report must include the administrative functions and student services in which members of each educational association participated and the direct and indirect benefits of such participation. The report must specifically address whether school district participation resulted in expanded course offerings, improved state and national test results, administrative consolidations, instructional sharing, increased or improved professional

development opportunities, and cost-savings to each school district. The superintendent of public instruction shall present the reports to an interim committee designated by the legislative council.

SECTION 32. APPROPRIATION - ELIGIBLE EDUCATIONAL ASSOCIATIONS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing payments to school districts that are members of eligible educational associations, for the biennium beginning July 1, 2005, and ending June 30, 2007.

2. a. During June 2006 the superintendent of public instruction shall distribute seventy-five percent of the money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2005-06 school year to participate in an eligible educational association.

   b. During June 2007 the superintendent of public instruction shall distribute the remaining money appropriated under subsection 1 to eligible school districts on a per student basis. The total amount to which a school district is entitled under this subdivision may not exceed the amount expended by the school district during the 2006-07 school year to participate in an eligible educational association.

3. For purposes of this section, an "eligible educational association" is one that is governed by a joint powers agreement that the superintendent of public instruction has verified as meeting the requirements of section 15.1-07-28.

SECTION 33. APPROPRIATION - REORGANIZATION BONUSES - CONTINGENCY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $759,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2005, and ending June 30, 2007. If any moneys remain after the superintendent of public instruction completes the payment of bonuses for any reorganization effective on July 1, 2005, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 34. APPROPRIATION - TRANSPORTATION EFFICIENCY TRAINING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $30,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of contracting to provide transportation efficiency training to school district personnel, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 35. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $700,000, or so much of the sum as may be necessary, to the superintendent of public instruction

for the purpose of providing additional per student payments, for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 36. REPEAL. Section 15.1-09-42 of the North Dakota Century Code is repealed.

SECTION 37. REPEAL. Section 15.1-12-11.2 of the North Dakota Century Code is repealed.

SECTION 38. REPEAL. Section 15.1-12-11.1 of the North Dakota Century Code is repealed.

SECTION 39. EFFECTIVE DATE. Sections 1, 17, and 36 of this Act become effective on July 1, 2006, and section 38 of this Act becomes effective on December 31, 2005.

SECTION 40. EMERGENCY. Section 26 of this Act is declared to be an emergency measure."

Renumber accordingly

Reengrossed HB 1154 was placed on the Seventh order of business on the calendar.

2005 TESTIMONY

HB 1154

HB 1154
11 Jan 05

TESTIMONY IN SUPPORT OF HB 1154
JOE MORRISSETTE, OFFICE OF MANAGEMENT AND BUDGET
PRESENTED TO HOUSE EDUCATION COMMITTEE
JANUARY 11, 2005

Chairman Kelsch, members of the House Education Committee,
I am Joe Morrissette, Budget Analyst for the Office of Management and Budget. I am here to speak in support of HB 1154, which contains the statutory changes necessary to implement the K-12 education funding plan proposed by Governor Hoeven for the 2005-07 biennium. I would like to briefly explain the various statutory changes included in the bill.

Section 1 increases per student payments from the current level of $2,623 per student to $2,726 in 2005-06 and $2,826 in 2006-07. This represents increases of approximately 4 percent per year. This payment level provides for the distribution of $512.2 million in state school aid, which is an increase of $22.8 million compared to the 2003-05 biennium appropriation. A schedule summarizing the appropriation changes contained in HB 1013 is attached to my testimony.

Sections 2 and 3 provide for various changes in the per student weighting factors to improve the equity of the funding formula. Section 2 deals with high school weighting factors; Section 3 deals with elementary and one room rural schools. Weighting factors will continue to reflect actual school district expenditures, as reflected in the five-year average cost of education. However, the number of categories are reduced, resulting in a more diverse group of schools in each category and a resulting average cost less likely to be skewed by funding limitations experienced by certain schools. In addition, a provision is added in each section to provide that no school will receive a weighting factor less than 1.00. Essentially, the school with the lowest weighting factor calculated based on the five-year average will become 1.00; all other factors will be increased proportionally in order to keep the relationship to the five-year average cost of education.

Weighting factor changes can be summarized as follows:

	2005-06 Estimated Factors (Based on Current Law)	2005-06 Estimated Factors (Based on Proposed Changes)
Preschool Special education	1.2112	1.2419
Kindergarten	.6351	.6512
Grades 1-6<100	1.3114	1.3456
Grades 1-6 100 and over		1.0131
Grades 1-6 100-999	.9410	
Grades 1-6 1000 and over	1.0241	
Rural grades 1-8	1.4094	
Grades 7-8	.9752	1.0000
Grades 9-12 <120		1.2845
Grades 9-12 120-299		1.0316
Grades 9-12 300 and over		1.0078
Grades 9-12 < 75	1.4267	
Grades 9-12 75-149	1.0983	
Grades 9-12 150-549	.9387	
Grades 9-12 550 and over	.9983	

Section 4 improves the calculation of additional payments to schools determined to meet the statutory definition of "isolated." Under current law isolated elementary schools receive a 20 percent increase in weighting factors for the first fifteen students. Payment is guaranteed for a minimum of fifteen students. For isolated high schools, the increase is provided for the first twenty students and the increased payment is guaranteed for at least twenty students.

The executive budget provides funding to increase the additional payment from 20 to 25 percent and removes the provisions that payment is provided for only the first 15 or 20 students. The estimated cost of this change for the 2005-07 biennium is approximately $440,000 and is included in the recommendation for state school aid.

Section 5 reenacts previous language relating to the use of increased money for per student payments and tuition apportionment for the purpose of increasing teacher compensation. Subsection 2 contains a typographical error, which is corrected in the proposed amendment attached to my testimony.

Section 6 provides for the distribution of contingent payments, if state school aid moneys remain unspent at the end of the biennium. If moneys remain unspent, the first $900,000, if necessary, can be used to provide reorganization bonuses. Any additional amount available can be distributed on a per student basis to all schools.

Proposed New Section (see attached amendment) increases annual minimum teacher salary levels from the current $21,500 to $23,000 in 2005-06 and $24,500 in 2006-07. This amendment was referred to in the Governor's budget address and was inadvertently excluded from HB 1154, as submitted.

Chairman Kelsch and members of the committee, this concludes my testimony. I would be happy to answer questions now, or at any time in the future as you discuss this bill.

DEPARTMENT OF PUBLIC INSTRUCTION
STATE SCHOOL AID AND OTHER MAJOR GRANTS
2003-05 APPROPRIATION AND 2005-07 RECOMMENDATION

	2003-05 Appropriation	Recommended Increase (Decrease)	2005-07 Executive Recommendation
Major general fund grants			
State school aid - per student and trans.	$489,379,990	$22,773,769	$512,153,759
Teacher compensation	51,854,000	(941,880)	50,912,120
Special education	49,898,695	2,601,305	52,500,000
Revenue supplement	5,000,000	2,500,000	7,500,000
JPA incentives	0	2,000,000	2,000,000
Reorganization bonuses	500,000	0	500,000
Total major general fund grants to schools	$596,632,685	$28,933,194	$625,565,879
Major special funds grants			
Tution apportionment	$69,495,371	$2,104,629	$71,600,000
Total general and special funds grants			
Total general and special funds grants	$666,128,056	$31,037,823	$697,165,879
Per student payments			
First year	$2,509	$103	$2,726
Second year	$2,623	$100	$2,826
Teacher payments			
First year teachers	$1,000		$1,000
Second year teachers	$3,000		$3,000
Mill deduct			
First year	34 mills		38 mills
Second year	36 mills		40 mills

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1154

Page 1, line 1, remove the second "and"

Page 1, line 2, after "15.1-27-15" insert ", and 15.1-27-39"

Page 8, after line 29, insert:

"**SECTION 5. AMENDMENT.** Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty one twenty-three thousand dollars.

2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~ twenty-four thousand five hundred dollars."

Page 9, line 10, replace "2005-07" with "2003-05"

Renumber accordingly

TESTIMONY IN SUPPORT OF REENGROSSED HB 1154
JOE MORRISSETTE, OFFICE OF MANAGEMENT AND BUDGET
PRESENTED TO SENATE EDUCATION COMMITTEE
MARCH 7, 2005

Chairman Freborg, members of the Senate Education Committee,
I am Joe Morrissette, Budget Analyst for the Office of Management and Budget. I am here to speak in support of HB 1154, which contains the statutory changes necessary to implement the K-12 education funding plan proposed by Governor Hoeven for the 2005-07 biennium. I would like to briefly explain the various statutory changes included in the bill.

Section 1 increases per student payments from the current level of $2,623 per student to $2,813 in 2005-06 and $2,912 in 2006-07. The executive budget proposed per student payment increases of $103 the first year of the biennium and $100 the second year. The payments levels contained in the reengrossed bill are increases of $190 the first year and $99 the second year. A schedule summarizing the appropriation changes contained in HB 1013 is attached to my testimony.

Sections 2 and 3 provide for various changes in the per student weighting factors to improve the equity of the funding formula. These sections are unchanged from the introduced bill. Section 2 deals with high school weighting factors; Section 3 deals with elementary and one room rural schools. Weighting factors will continue to reflect actual school district expenditures, as reflected in the five-year average cost of education. However, the number of categories are reduced, resulting in a more diverse group of schools in each category and a resulting average cost less likely to be skewed by funding limitations experienced by certain schools. In addition, a provision is added in each section to provide that no school will receive a weighting factor less than 1.00. Essentially, the school with the lowest weighting factor calculated based on the five-year average will become 1.00; all other factors will be increased proportionally in order to keep the relationship to the five-year average cost of education.

Weighting factor changes can be summarized as follows:

	2005-06 Estimated Factors (Based on Current Law)	2005-06 Estimated Factors (Based on Proposed Changes)
Preschool Special education	1.1611	1.1871
Kindergarten	.6418	.6562
Grades 1-6<100	1.3311	1.3619
Grades 1-6 100 and over		1.0067
Grades 1-6 100-999	.9346	
Grades 1-6 1000 and over	1.0224	
Rural grades 1-8	1.4476	
Grades 7-8	.9787	1.0008
Grades 9-12 <120		1.2836
Grades 9-12 120-299		1.0254
Grades 9-12 300 and over		1.0000
Grades 9-12 < 75	1.4411	
Grades 9-12 75-149	1.0872	
Grades 9-12 150-549	.9405	
Grades 9-12 550 and over	.9946	

Section 4 improves the calculation of additional payments to schools determined to meet the statutory definition of "isolated." Under current law isolated elementary schools receive a 20 percent increase in weighting factors for the first fifteen students. Payment is guaranteed for a minimum of fifteen students. For isolated high schools, the increase is provided for the first twenty students and the increased payment is guaranteed for at least twenty students.

The executive budget provides funding to increase the additional payment from 20 to 25 percent and removes the provisions that payment is provided for only the first 15 or 20 students. The estimated cost of this change for the 2005-07 biennium is approximately $440,000 and is included in the recommendation for state school aid.

Section 5 was added at OMB's request to remove biennium specific references used in the calculation of school district claims for teacher reimbursement. This section does not change the existing program, just ensures you will not have to revisit it every session to update the language.

Section 6 was also added at OMB's request. The amendments proposed by OMB would have increased salary minimum amounts by $1,500 per year to $23,000 the first year and $24,500 the second year. This section in the reengrossed bill increases teacher salary minimums by $500 per year. I request that you consider increasing the statutory minimums to the levels proposed by the Governor to continue the progress made during the past four years in improving teacher salaries in North Dakota.

Section 7 reenacts previous language relating to the use of increased money for per student payments and tuition apportionment for the purpose of increasing teacher compensation.

Section 8 was added by the House Education Committee and was not part of the executive recommendation.

Section 9 provides for the distribution of contingent payments, if state school aid moneys remain unspent at the end of the biennium. This section has been amended from the Governor's proposal, which provided that the first $900,000, if necessary, can be used to provide reorganization bonuses and any additional amount available can be distributed on a per student basis to all schools.

Chairman Freborg and members of the committee, this concludes my testimony. I would be happy to try to answer any questions.

DEPARTMENT OF PUBLIC INSTRUCTION
STATE SCHOOL AID AND OTHER MAJOR GRANTS
2003-05 APPROPRIATION, 2005-07 RECOMMENDATION AND LEGISLATIVE VERSION (AT CROSSOVER)

	2003-05 Appropriation	2005-07 Executive Recommendation	2005-07 Legislative Version (At Crossover)	Legislative Increase (Decrease) From Executive Recommendation
Major general fund grants				
State school aid - per student payments	$453,929,990	$476,703,759	$493,453,759 \1	$16,750,000
State school aid - transportation	34,800,000	34,800,000	16,750,000 \1	(18,050,000)
English language learner payments	650,000	650,000	650,000 \1	0
Teacher compensation	51,854,000	50,912,120	50,912,120 \1	0
Special education	49,898,695	52,500,000	52,500,000 \1	0
Revenue supplement	5,000,000	7,500,000	5,000,000 \1	(2,500,000)
JPA incentives	0	2,000,000	2,000,000 \2	0
Reorganization bonuses	500,000	500,000	0 \1	(500,000)
Other DPI grant increases	0	231,500	25,000 \1	(206,500)
Total major general fund grants to schools	$596,632,685	$625,797,379	$621,290,879	($4,506,500)
Major special funds grants				
Tution apportionment	$69,495,371	$71,600,000	$71,600,000 \1	$0
Total general and special funds grants				
Total general and special funds grants	$666,128,056	$697,397,379	$692,890,879	($4,506,500)
Per student payments				
First year	$2,509	$2,726	$2,813	$87
Second year	$2,623	$2,826	$2,912	$86
Teacher payments				
First year teachers	$1,000	$1,000	$1,000	
Second year teachers	$3,000	$3,000	$3,000	
Mill deduct				
First year	34 mills	38 mills	38 mills	
Second year	36 mills	40 mills	40 mills	

\1 Engrossed House Bill No. 1013
\2 Reengrossed Senate Bill No. 2168

DEPARTMENT OF PUBLIC INSTRUCTION
STATE SCHOOL AID AND OTHER MAJOR GRANTS
2003-05 APPROPRIATION, 2005-07 RECOMMENDATION AND LEGISLATIVE VERSION (AT CROSSOVER)

	2003-05 Appropriation	2005-07 Executive Recommendation	Recommended Increase	Percentage Increase	2005-07 Legislative Version (At Crossover)	Legislative Increase	Percentage Increase
Major general fund grants							
State school aid - per student payments	$453,929,990	$476,703,759	$22,773,769	5.0%	$493,453,759 \1	$39,523,769	8.7%
State school aid - transportation	34,800,000	34,800,000	0	0.0%	16,750,000 \1	(18,050,000)	-51.9%
Total state school aid	488,729,990	511,503,759	22,773,769	4.7%	510,203,759	21,473,769	4.4%
English language learner payments	650,000	650,000	0	0.0%	650,000 \1	0	0.0%
Teacher compensation	51,854,000	50,912,120	(941,880)	-1.8%	50,912,120 \1	(941,880)	-1.8%
Special education	49,898,695	52,500,000	2,601,305	5.2%	52,500,000 \1	2,601,305	5.2%
Revenue supplement	5,000,000	7,500,000	2,500,000	50.0%	5,000,000 \1	0	0.0%
JPA incentives	0	2,000,000	2,000,000		2,000,000 \2	2,000,000	
Reorganization bonuses	500,000	500,000	0	0.0%	0 \1	(500,000)	-100.0%
Other DPI grant increases	0	231,500	231,500		25,000 \1	25,000	
Total major general fund grants to schools	$1,085,362,675	$1,137,301,138	$51,938,463	4.8%	$1,131,494,638	$46,131,963	4.3%
Major special funds grants							
Tution apportionment	69,495,371	71,600,000	2,104,629	3.0%	71,600,000 \1	2,104,629	3.0%
Total general and special funds grants							
Total general and special funds grants	$1,154,858,046	$1,208,901,138	$54,043,092	4.7%	$1,203,094,638	$48,236,592	4.2%
Per student payments							
First year	$2,509	$2,726			$2,813		
Second year	$2,623	$2,826			$2,912		
Teacher payments							
First year teachers	$1,000	$1,000			$1,000		
Second year teachers	$3,000	$3,000			$3,000		
Mill deduct							
First year	34 mills	38 mills			38 mills		
Second year	36 mills	40 mills			40 mills		

\1 Engrossed House Bill No. 1013
\2 Reengrossed Senate Bill No. 2168

Coleman
10 Jan 05

SCHOOL FINANCE UPDATE

House Education Committee
January 10, 2005

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DEPARTMENT OF PUBLIC INSTRUCTION
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State School Aid

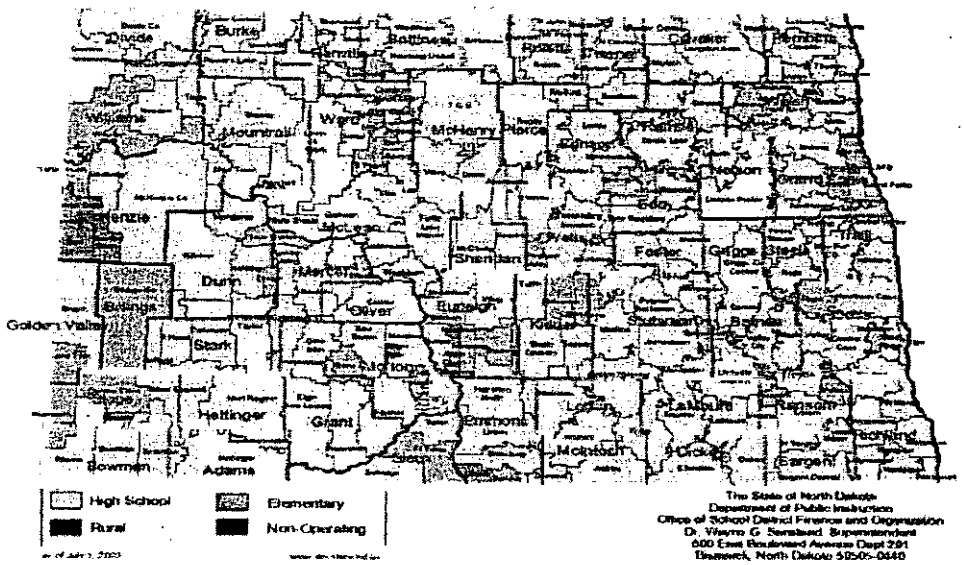
The purpose of the foundation aid system is to provide a level of financial support for elementary and secondary education programs from state funds based on the educational cost per student. The educational cost per student is defined at NDCC 15.1-27. The state average cost was $6,384 in 2003-04. It includes regular programs, special education programs, vocational programs, federal programs and undistributed district-wide expenses. Expenditures not included are extracurricular activities, transportation, capital costs, debt service, tuition and assessments and food services.

Educational support per student is established by the legislature. The base payment amount is set at $2,509 for 2003-2004 and $2,623 for 2004-2005.

Beginning 2004-05, there are 210 public school districts in North Dakota. In 1985, there were 311 public school districts. The following table lists school districts by type. A high school district offers grades K-12. Elementary districts may offer grades through eight. One room rural districts have only one or two teachers for grades through eight. The nonoperating districts do not operate schools. They pay tuition to the districts these students are attending

High School Districts	164
Elementary Districts	35
One Room Rural Districts	7
Nonoperating districts	4
North Dakot School Districts	210

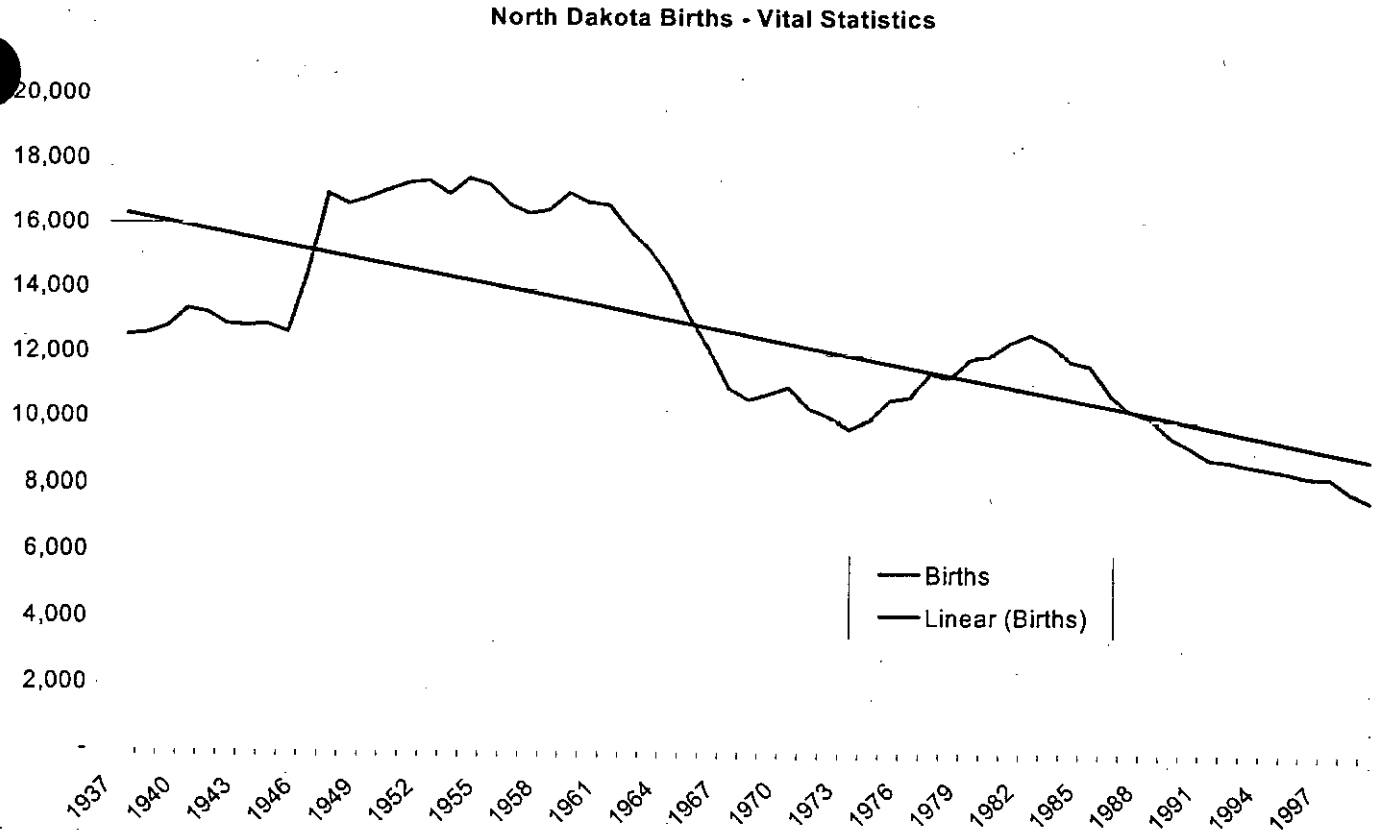
North Dakota School Districts (2003-2004)



Striking demographic changes we are facing:

- A declining birth rate
- An aging population
- Rapid rural to urban migration
- Out-migration of the state's youth
- Overall reduction in the number of school districts
- An increase in the number and percentage of students served by the 15 largest districts and a decrease in the number and percentage of students served in the remaining school districts
- Projections that K-12 enrollment in and graduates from public high schools will substantially decline over the next fifteen years

Public enrollment remained relatively stable from 1985-86 through 1995-96. However, beginning in 1995-96, a dramatic decline in school age children began to occur. In the fall of 1995 North Dakota had 118,565 public K-12 students. In the fall of 2004, the K-12 count was 99,421, a loss of almost 20,000 students (16%) in just ten years. These declines will continue. Birth rates have dropped steadily since 1982 and the outmigration from our rural areas continues. At present birth rates, today's public school population will fall below 95,000 by the 2008.



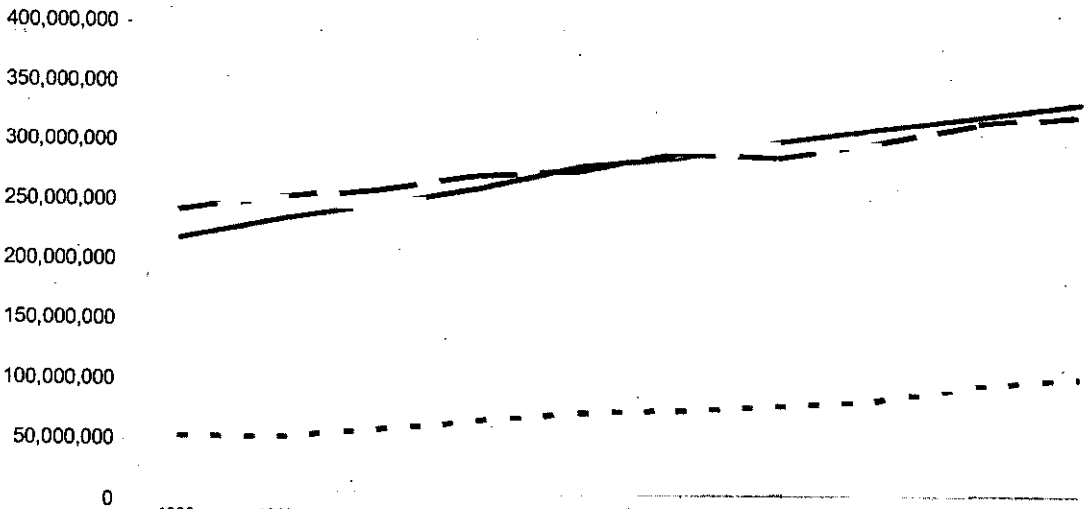
School District Funding

School districts fund their programs and services through local, county, state, and federal sources. In 1985, local sources provided approximately 35% of the total funding available for schools. In 2004 the local contribution rose to approximately 43%. As the graphic below illustrates, funding for K-12 education has become increasingly reliant on local sources (property tax).

Local revenue is raised primarily from levies on property. Since property values vary greatly across districts, the state versus local share debate becomes an increasingly important equity concern for financing a uniform system of free public schools throughout the state.

Disparities in current revenue per student are the result of variations in school district wealth. The range of funding per student, after eliminating both the high and low extemes is $5,143 to $8,810, over $3,600 per student (based on 2003-04 financial data).

Public School General Fund Revenue History



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Local	219,938,170	235,159,404	248,438,314	263,560,983	281,643,836	290,852,105	304,546,207	315,573,484	326,975,627	338,291,719
County	6,688,209	6,980,973	8,072,343	7,204,005	6,823,010	8,385,634	9,821,448	8,615,083	9,922,316	9,731,050
State	244,200,928	254,466,423	260,649,726	274,547,973	279,576,308	294,723,948	292,669,581	305,325,384	323,074,240	329,330,694
Federal	55,086,311	55,086,440	62,039,032	69,815,960	76,637,955	80,210,981	85,623,141	90,495,339	103,819,724	110,071,064
Other	5,161,923	4,893,470	6,095,749	5,312,167	5,009,687	5,530,335	5,433,825	5,721,063	6,960,848	7,016,432

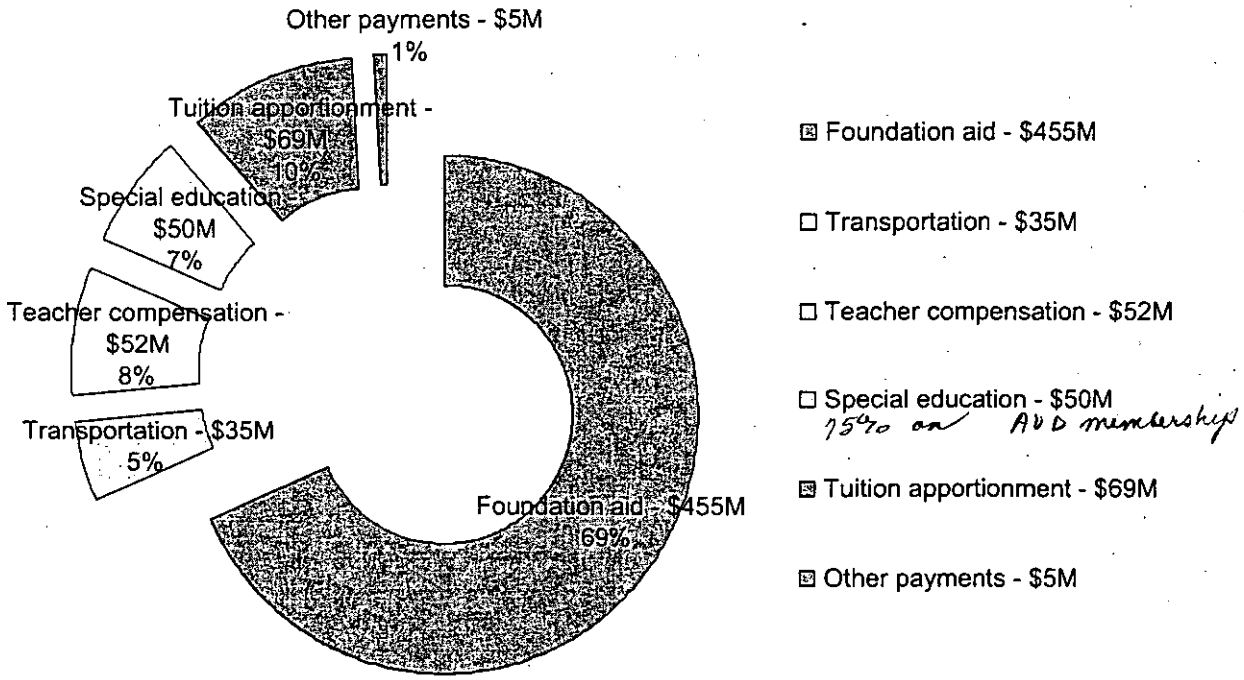
The table below was compiled from Department of Public Instruction enrollment, census, average daily membership, taxable valuation, mill levies, revenue and expenditure data.

School Finance Facts At A Glance

Data	FY 00	FY 01	FY 02	FY 03	FY 04
K Enrollment	7,144	7,057	7,012	6,890	6,663
1-6 Enrollment	47,099	45,760	44,714	43,874	43,271
7-8 Enrollment	17,099	16,881	16,514	16,287	16,148
9-12 Enrollment	36,563	35,519	34,773	34,086	33,339
Total K-12 Enrollment	108,094	105,217	103,013	101,137	99,421
6-17 Census	115,300	108,451	108,451	104,671	104,671
PK-12 Average Daily Membership	113,541	110,710	107,823	105,512	103,923
Taxable Valuation	1,297,625,450	1,363,908,126	1,421,821,998	1,468,087,318	1,532,751,262
Taxable Valuation Per Pupil	11,254	12,576	13,110	14,026	14,644
General Fund Levy	189	189	191	194	195
Total Levy	218	218	218	222	224
Gen Fund Local Revenue	290,852,105	304,546,207	315,573,484	326,795,627	338,291,719
Gen Fund County Revenue	8,385,634	9,821,449	8,615,083	9,922,316	9,731,050
Gen Fund State Revenue	294,723,948	292,669,581	305,325,384	323,074,240	329,330,694
Gen Fund Federal Revenue	80,210,981	85,623,141	90,495,339	103,819,724	110,071,064
Gen Fund Other Revenue	5,530,335	5,433,825	5,721,063	6,960,848	7,016,432
Gen Fund Total Revenue	679,703,003	697,709,141	725,730,352	770,572,755	794,440,959
Instructional Expenditures	559,241,723	583,393,794	598,408,518	639,391,896	663,407,740
Gen Fund Expenditures	666,363,372	702,468,197	716,300,973	765,136,183	790,333,132
Gen Fund End Balance	149,322,288	144,774,543	155,268,847	160,264,150	163,582,059
Cost of Ed Per Pupil (all districts)	4,925	5,270	5,550	6,060	6,384
District Count	231	223	222	217	210

Source: NDDPI Finance Facts. Fiscal year relates to financial data. Enrollment and tax levy data are one year ahead.

2003-05 State Aid To Schools - $666 M



2003-2005 State Aid To Schools Appropriation

The 2003-2005 appropriation for state aid to schools was set at $666 million. Sixty-nine percent of this amount is distributed through a formula equalized on cost and property valuation differences among districts.

Funding earmarked for transportation was block granted to school districts based on the funding they received the previous biennium. Teacher compensation is distributed based on fte teachers employed by the district. 75% of special education funding is distrbuted on average daily membership with the remainder set aside to reimburse districts for high cost students. Tuition apportionment is the interest and earnings from the Common Schools Trust Fund. These funds are distributed on a census of school age students residing in the district that is taken every odd-numbered year.

Basic Foundation Aid Formula

The basic foundation aid formula consists of a base pupil rate, an adjustment for cost differences based on grade levels and district size (calculated as weighted pupil units), and a deduction for minimum local effort based on district taxable valuation.

2623 per student

Basic Foundation Aid Formula

Part One: *Calculating gross entitlement*

	Student membership	
x	Weighting factor	
=	Weighted pupil units (WPU)	← adjusts for cost differences
x	Base pupil payment	
=	Gross entitlement	

Part Two: *Deductions from foundation aid entitlements*

-	Mill deduct	← adjusts for local resources 36% taxable valuation
-	Other deductions	
=	Net entitlement	

Calculating weighted pupil units

The first part of the formula is concerned with the calculation of weighted pupil units. The objective is to provide additional funding to school districts based on need. This need is currently determined by multiplying a cost based weighting factor based on district size and class category.

Weighted pupil units are calculated on prior year average daily membership (ADM) and the current year fall enrollment. The higher weighted units are used as the basis for foundation aid payments. The following describes some of the common terms and conditions associated with calculating weighted pupil units.

Average daily membership

Average daily membership (ADM) is education terminology for full time equivalent. ADM is based on a 180 day year. As an example, if a student was a member of a district for 90 days, ADM would be 90/180 or .50. ADM includes approved holidays, NDEA days, parent teacher conferences and absent days and cannot exceed 1.00 ADM for an individual student (180/180 days). ADM is collected on the year end student membership reports due June 30th of each year.

Fall enrollment

Enrollment data is reported to the Department on the fall enrollment (MIS) reports in September of each year. School districts are to report the actual number of students that enrolled in their school district at the beginning of the school year. The count date is September 10th.

School weighting factors

The weighting factors for North Dakota's foundation progam are computed annually using the most recent five year educational expenditures and average daily membership data.

Districts are divided into the following categories for purposes of applying weighting factors to enrollment and average daily membership. The table below shows the eleven categories of weighting factors for the 2004-2005 school year.

Category	5 Year Avg. Cost of Education	Weighting Factor	Weighted Payment
Base	$ 5,254.49	1.0000	$ 2,623.00
Preschool	$ 6,364.50	1.2112	$ 3,176.98
Kindergarten	$ 3,337.19	0.6351	$ 1,665.87
One room rural (Grades 1-8)	$ 7,403.86	1.4091	$ 3,696.07
Grades 1-6 (less than 100)	$ 6,890.76	1.3114	$ 3,439.80
Grades 1-6 (less than 100)	$ 4,944.47	0.9410	$ 2,468.24
Grades 1-6 (less than 100)	$ 5,381.38	1.0241	$ 2,686.21
Grades 7-8	$ 5,124.01	0.9752	$ 2,557.95
Grades 9-12 (less than 75)	$ 7,496.65	1.4267	$ 3,742.23
Grades 9-12 (75-149)	$ 5,770.96	1.0983	$ 2,880.84
Grades 9-12 (150-549)	$ 4,932.46	0.9387	$ 2,462.21
Grades 9-12 (550 or more)	$ 5,245.56	0.9983	$ 2,618.54

Program guarantees

The funding formula allows for certain enhancements or payment guarantees. These guarantees are:

- Weighting factor categories
- Changing enrollment
- Small but necessary schools
- Cooperating or reorganized districts
- North Dakota students attending out of state

Weighting factor categories

There are three categories of elementary schools (grades one through six) and four categories of high schools (grades nine through twelve). A separate weighting factor is calculated for each of the categories. The law provides that a school district must receive at least as much in total payments as it would have received had it had the highest number of students in the next lowest category.

For example, if a school district had average daily membership of 78 high school students, it would qualify for the second weighting factor for high school districts (75-149). The 2004-2005 factor for this category is 1.0983. 78 students x 1.0983 = 85.67 weighted pupil units. If the district had only 74 students (the highest number of students in the next lowest category), weighted pupil units would be 74 students x 1.4267 = 105.58. Therefore this district would be paid based on 105.58 weighted pupil units.

In this case the school district is paid for 74 students at the next lower category, not the 78 students they actually had because it results in a higher payment. These students are termed "off formula" and is an important reconciling item in the Department's budgeting process.

Changing enrollment
School districts are paid on the higher of their fall enrollment (wpu) or the previous year average daily membership (wpu), whichever is greater.

However in the subsequent year, the payment made is adjusted to actual average daily membership for that year, unless the previous year average daily membership is higher. This payment arrangement is designed to give districts one year to adjust to declining enrollments. It also provides money to districts with increasing enrollments (when fall enrollment is higher than the previous year average daily membership) at the time they are actually serving those students. A district's foundation aid payment basis is always at least the prior year's ADM.

Cooperating or reorganized school districts
Larger school districts, due to larger average class sizes, operate at a lower per pupil cost than smaller districts. This is reflected in the weighting factors assigned to elementary and high school districts based on district size.

In order to not discourage districts from entering into cooperative agreements for the provision of educational services or from reorganizing with other districts, the foundation aid system guarantees that pupil payments will be at least as much as they would have been had they not cooperated or reorganized. This guarantee is for a four year period for cooperating districts and six years for reorganized districts.

Small but necessary schools
In recognition of the higher cost of operating schools in isolated areas, eligible school districts receive an adjustment to their weighting factors.

Any school district with elementary enrollment of under 50 students with 15% or more of its enrollment living in an area identified as 15 or more radius miles from the next nearest elementary school are allowed an increase of 20% in their weighting factor for the first 15 students. Payment is guaranteed for 15 students.

The school district with a high school enrollment of under 35 students with 15% or more of its enrollment living in an area identified as 20 or more radius miles from the next nearest high school are allowed an increase of 20% in there weighting factor for the first 20 students. Payment is guaranteed for 20 students.

ND students attending out-of-state schools
Foundation aid payment for students attending school in bordering states is made to the North Dakota school district they live in. The weighting factors for students attending school out of state are increased 20%. The per pupil payment for these students is made directly to the resident school district.

Deductions from foundation aid entitlements
In a given year, foundation aid payments have the following items that may be deducted from the gross entitlement (WPU x Base Payment).

- Mill levy deduct
- Excess fund balance
- Non-accreditation
- School approval
- Prior year payment adjustment

Mill levy deduct - local tax base equalization
In North Dakota's basic support program, there is a "deduct" of the revenue generated by a set number of mills times the taxable valuation of a given district. The number of mills was set by the legislature at 36 mills for 2004-05. The revenue generated by the deduct is used to increase the base per student foundation aid rate and is redistributed through the funding formula.

In districts with relatively high taxable valuation per pupil, a larger amount of aid is subtracted from the district's gross entitlement. Conversely, a district with a lower taxable valuation per pupil will receive a relatively higher payment.

The table shows the funding sources for two districts educating the same number of students but having different taxable valuations. District A receives less state aid than District B but can make up the difference with a lower mill levy.

	District A	District B
Enrollment	250	250
Taxable Valuation	3,500,000	2,500,000
Taxable Valuation Per Pupil	14,000	10,000
Base Payment	2,000	2,000
Mill Deduct	32	32
Gross Entitlement	500,000	500,000
Mill Deduct Amount	112,000	80,000
Net Foundation Aid	388,000	420,000
Local Revenue	612,000	580,000
District Budget	1,000,000	1,000,000
Local Levy	175	232

Excess fund balance
This deduct limits state aid to wealthy districts that maintain large ending fund balances. The amount that the unobligated general fund balance of a school district on the preceding June 30th is in excess of 50% of the actual expenditures, plus an additional $20,000 must be subtracted from the total of tuition apportionment, foundation aid, special education aid, and transportation aid for which a school district is eligible.

Minimum levy deduct
The 2003 Legislature passed legislation considering local general fund levy effort. Any amount levied below 140 general fund mills is deducted from state aid payments and is added to the amount available for distribution through the supplemental revenue formula.

Non-accreditation
School districts operating high schools that are not accredited are supported at the base payment amounts in the year they become unaccredited, but the weighting factors may not be applied. For the second year the high school remains unaccredited, the amount of aid the school district receives is reduced an additional $200 per student. For each successive year, the per student reduction is increased an additional $200. If the school becomes accredited, the school is entitled to payments for the entire school year in which the school becomes accredited.

The deduction for school districts operating elementary schools that are not accredited begins the year after the school becomes unaccredited. State aid is reduced $200 per student times the number of students in the school. For each successive year, the per student reduction is increased an additional $200. As with the high schools, the school is entitled to payments for the entire school year in which the school becomes accredited.

Prior year payment adjustments
While school districts are paid in the current year based on the higher of the previous year average daily membership or current fall enrollment, an adjustment is made in the following year to the higher of actual average daily membership for the year or the previous year average daily membership, whichever is greater. Districts paid on enrollment last year are always subject to adjustment. Districts paid on ADM last year are adjusted only if actual ADM for the payment year was higher.

Other foundation aid payments

The foundation aid appropriation is also used to pay for state responsible and excess cost students, for eligible summer school programs and for district supervised home schooled students.

Summer School Payment

Approved summer school programs are eligible for foundation aid. In the past this has been for only high school programs, but the 1999 Legislative Assembly opened it up to remedial elementary programs.

The proportionate payment made during the biennium for approved summer programs may not exceed one and one-half percent of the total amount appropriated by the Legislative Assembly for foundation aid and transportation aid during the biennium. In addition, 75% may be used for high school programs, 25% may be used for remedial elementary programs.

Payments are also made for migrant summer school and extended year special education programs approved by the Department.

State responsible and excess cost students

A number of students are placed under NDCC 15-29 for purposes other than education. These students are typically placed in foster care homes or residential child care facilities by other government agencies such as the Division of Juvenile Services or County Social Services. The resident school district is liable for education and related costs for these students, however this liability is limited to the state average cost per day. The remainder of the cost is paid from funds appropriated for foundation aid.

In cases where there are no legal parents or both parents have left the state, the entire amount is paid from foundation aid funds.

Home-Based Instruction Supervised by District

Home schooled students that are district supervised receive state aid at one half the base pupil payment rate. Weighting factors are applied based on district size the same as regular per pupil payments.

Out of district special education students

Students with disabilities who are receiving special education services must be deemed to be regularly enrolled in the school district of residence and must be included in the determination of payments from the state foundation aid program whether or not the students regularly attend school in the school or school district receiving the payments.

Limited English Proficiency

Students assessed eligible through a standardized test must be reported to the Department by December 1st of the school year. Districts receive a per student payment based on three assessment levels. The payment is made in May.

Transportation Aid

The reimbursement system based on mileage and students transported was repealed for the 2003-05 biennium. Transportation aid was block granted to schools based at the same amount each district received for the 2001-2003 biennium.

Transportation payment to school districts are made at the same time as the foundation aid payment. The payment is based on the prior school year transportation reports.

Tuition Apportionment

Tuition apportionment money comes from the income generated from the investment of proceeds from the sale of school lands and from a portion of fines and penalties. The Land Department manages these funds for the state. The Land Department transfers income to a special fund for distribution.

Tuition apportionment payments are made in September, November, January, March and May. It is paid based on a census of all children ages 6-17 year living in the school district. It includes both public and private students. The census is taken by the school districts in May of each odd-numbered year enumerating students under the age of eighteen as of August 31.

The census is adjusted for open enrolled students. For each open enrolled student at September 10th, one is added to the admitting district and one is subtracted from the resident district.

Special Education

State funds are provided in three different categories. Special education funding is distributed on an average daily membership basis ($185 per ADM in 2004-05). These payments constitute approximately 75% of all special education funding provided by the state. A second category provides payments to school districts that incur excess costs for special education services. Districts are responsible for special education expenditures per student up to two and one-half times the state average of per-pupil expenditures. The state reimburses districts for 80% of the "excess costs." The third category relates to excess costs for students placed by state agencies or court order. In those instances, the district of residence is responsible for education and/or special education costs up to the state average of per-pupil expenditures and the state pays all education related costs beyond that amount.

Teacher Compensation Reimbursement

The teacher compensation reimbursement for maintaining the compensation level provided to teachers employed by the district during the 2002-03 school year was set at $3,000 for full-time equivalent teachers employed by the district as of September 15th of each school. Teachers in their first year of teaching are reimbursed at $1,000.

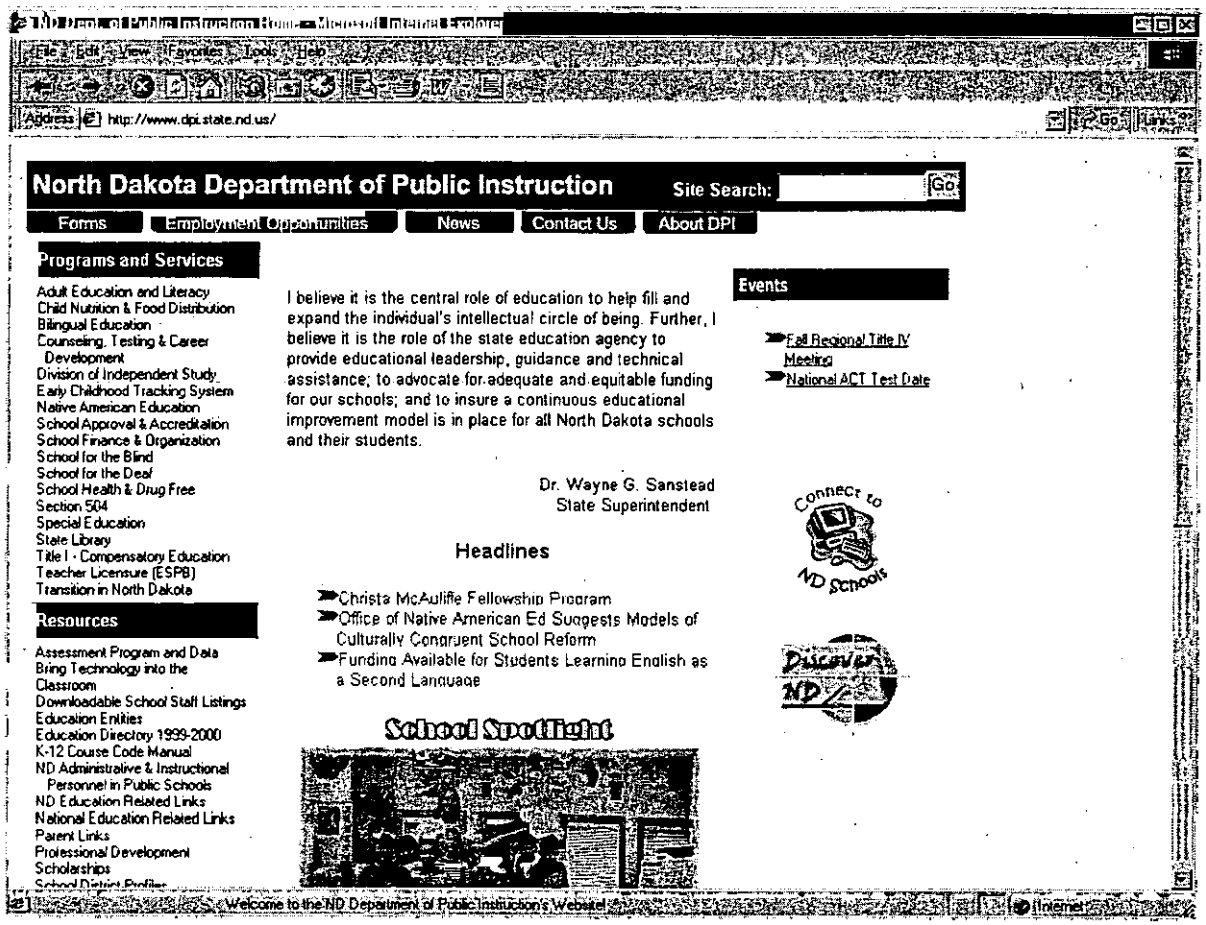
Supplemental Equity Payment

High school districts whose taxable valuation per student and cost of education per student are both below the statewide average are entitled to receive a supplemental payment. The sum of $5,000,000 was appropriated for supplemental payments for the 2003-05 biennium.

Web Resources:

The DPI WEB site provides a conveinient place to access information and publications related to North Dakota schools, as well links to other education information sites nationally. The educational directory, school district profiles and school finance facts publications are among the most popular and can be located in the resources section. The site address is www.dpi.state.nd.us.

The following links are also good sources of information regarding school finance.
National Center for Education Statistics (NCES) http://nces.ed.gov/
National Conference of State Legislatures (NCSL): Education Finance Database http://nces.ed.gov/
Making Money Matter: Financing America's Schools http://books.nap.edu/books/0309065283/html/



PUBLIC SCHOOL DISTRICTS
Summary of Facts

Type of School Districts (Fall of 2003)

High School Districts	166
Graded Elementary Districts	37
One-Room Rural Districts	8
Districts not operating school	2
Total Number of School Districts	213

Type of School Plants in Session (Fall of 2003)

Elementary Schools	182
Middle Level/Junior High Schools	23
Senior High Schools	30
Elem/Sec Combination	149
One Teacher Schools	11

Types of Units and Centers in Session (Fall of 2003)

Special Education Units	30
Vocational Centers	7

Enrollment by Type of Schools (Fall of 2003)

Kindergarten	6,890
One-Room Rural Schools	46
Elementary Schools	60,115
Secondary Schools	34,086
Total Enrollment K-12	101,137

Graduates

High Schools	8,641

Census - Enumeration

Age	2001	2003
Birth to 5	41,323	38,743
6-17	108,451	104,671
Total	149,774*	143,414

*Fort Yates not reporting

Full Time Administrative and Instructional Personnel

	No. of Positions	Average Salary
Administrators	153	63,989
Sec. Teachers	2,776	33,306
Elem. Teachers	4,922	33,869
One-Room Rural	8	22,972
Other Instr. Staff	817	34,281
Total	8,676	35,795

Cost of Education and Average Cost Per Pupil in ADM

	Cost of Education	Cost Per Pupil
Presch. Sp. Ed.	7,250,479	8,374.41
Kindergarten	29,387,497	4,110.28
Elementary 1-6	292,383,391	6,496.13
Elementary 7-8	101,148,390	6,056.53
Elementary 1-8	393,531,781	6,377.16
Elementary K-8	422,919,278	6,141.79
Secondary 9-12	237,711,311	6,642.44
All Pupils	667,881,068	6,329.91

Cost of education figures include per pupil cost expenditures from the public school district, special education units and vocational education centers. Based on average daily membership.

Average Daily Membership	105,511.86
State average capital outlay for tuition purposes	382.93

Transportation

Number of Pupils Transported*	43,249
Cost of Transportation	31,901,335
Average Transportation Cost Per Pupil	737.62
Average Transportation Cost Per Mile	1.35
Total Annual Mileage*	23,614,851

*Estimated

Taxable Valuation	2001-02	1,363,908,126
	2002-03	1,426,637,657
	2003-04	1,468,087,318

Valuation of Buildings and Equipment 1,484,139,161

As of June, 2003

FUND GROUP 1

REVENUES

Local Sources - 42.41%	
Taxes	281,651,754
Tuition	28,453,884
Transportation	397,421
In Lieu of Taxes	944,436
Other Revenue	15,348,131
Total	326,795,627
County Sources - 1.29%	
Oil and Gas	5,337,570
Coal Production	2,456,333
Coal Conversion	1,220,469
Other Revenue	907,943
Total	9,922,316
State Sources - 41.93%	
Tuition Apportionment	33,517,307
Pupil Aid	216,640,116
Transportation	16,994,871
Teacher Compensation	24,868,665
Vocational Education	3,304,507
Special Education	19,475,135
Other Revenue	8,273,639
Total	323,074,240
Federal Sources - 13.47%	103,819,724
Other Sources - 0.90%	6,960,848

EXPENDITURES

Regular Instructional Programs	
Kindergarten	11,810,434
Elementary	170,570,918
7th and 8th Grade	58,723,800
Secondary (9-12)	122,647,768
Total	363,752,920
Federal Programs	
Title I	28,597,779
Innovative Education	3,184,193
Bilingual	385,407
Title II	9,736,303
Nutrition Ed. & Training Program	17,241
Indian Education	1,275,602
Other Federal	4,197,240
Drug Free	1,540,788
Total	48,934,554
Undistributed	
Improvement of Instruction	3,172,022
Instructional Media	13,379,459
Other Support Staff Service	2,678,451
School Board	10,581,235
Exec. Administration	16,950,636
Special Area Admin.	2,247,920
Support Service Business	10,146,240
Operation and Maintenance	67,095,505
Central Support	4,443,143
Other Support	1,444,429
Total	132,139,041
Other Programs/Services	
Student Transportation	28,698,179
Facility/Construction	6,647,972
Services Provided for Another LEA	3,921,874
Extracurricular Activities	15,624,772
Extracurricular Transportation	1,777,522
Adult Education	1,604,077
Community Services	4,113,479
Food Services	2,730,428
Other Enterprise Service	720,018
Total	65,838,322
Tuition/Assessments	
Preschool Special Ed. Tuition	56,287
Kindergarten Tuition	580,542
Elementary (1-6) Tuition	13,442,964
7th & 8th Grade Tuition	1,952,669
Secondary (9-12) Tuition	8,065,246
Special Education Tuition	16,924,384
Vocational Education Tuition	1,888,210
Special Education Transportation	41,664
Vocational Education Transportation	11,354
Total	42,963,320
Other Uses	
Debt Service	3,152,379
Transfers	9,507,572
Other	725,500
Total	13,385,450
Special Programs	
Special Education	68,991,407
Vocational Education	29,131,168

Recap - Fund Group 1

Beginning Balance	154,827,579
Revenue	770,572,754
Expenditures	765,136,183
Ending Balance	160,264,150

Cooperative Programs

Special Education - Multidistrict Units	
Beginning Balance	4,726,386
Revenue	33,482,041
Expenditures	33,119,704
Ending Balance	5,088,723
Vocational Education - Area Centers	
Beginning Balance	997,582
Revenue	5,037,941
Expenditures	4,954,675
Ending Balance	1,080,848

Indebtedness

Bonds	155,206,245
Cert. Of Indebtedness	6,214,589
Construction Fund	33,357,026
Total Indebtedness	194,777,860

FUND GROUP 1 - SPECIAL EDUCATION EXPENDITURES

	District	Cooperative Multidistrict	Total
Preschool Special Education	5,061,882	1,104,315	6,166,196
Mental Retardation	12,137,674	2,120,026	14,257,701
Hearing Impaired	984,589	442,476	1,427,065
Deaf and Deaf-Blind	148,446	363	148,809
Visually Impaired	797,191	140,550	937,741
Speech Impaired	9,090,785	2,267,420	11,358,205
Physically Impaired	421,452	15,596	437,048
Autism	524,075	17,297	541,372
Traumatic Brain Injury	17,823	56	17,879
Other Health Impaired	154,390	34,423	188,813
Emotionally Disturbed	6,897,897	1,111,849	8,009,747
Learning Disabled	14,915,737	5,054,809	19,970,546
Multiple Handicapped	1,475,828	285,137	1,760,964
Gifted and Talented	1,991,687	49,555	2,041,242
Undistributed			
Social Work	719,221	877,342	1,596,563
Counseling Services	309,302	23,501	332,803
Adaptive Physical Education	103,986	48,414	152,399
Psychological Service/Testing	1,373,510	1,199,473	2,572,983
Audiology	88,803	57,771	146,574
Speech Pathology	129,535	695,516	825,052
Medical Service Diagnosis and Evaluation	35,620	39,200	74,821
Occupational Therapy	1,321,369	931,991	2,253,360
Physical Therapy	527,223	407,143	934,366
Other Student Support Service	1,642,822	1,373,356	3,016,178
Support Service Instructional Staff	3,732,119	988,807	4,720,927
Governance Board	-	344,481	344,481
Special Area Admin. Service	1,084,890	2,500,135	3,585,025
Support Service - Business	61,171	600,599	661,770
Operation & Maintenance of Plant	5,061	158,305	163,367
Support Service - Central	33,150	394,836	427,987
Other Support Services	198,000	629,925	827,926
Student Transportation Service	2,327,823	607,409	2,935,232
Boarding Care Service	678,344	7,014	685,357
Services Provided for Another LEA		1,216,166	1,216,166
Facility Acquisition/Construction		15,096	15,096
Special Education Tuition		7,359,351	7,359,351
Total Expenditures	68,991,407	33,119,704	102,111,112

FUND GROUP I - VOCATIONAL EDUCATION EXPENDITURES

	District	Cooperative Multidistrict	Total
Agriculture	3,991,144	276,721	4,267,865
Distributive Education	634,310	117,033	751,343
Health Occupations	778,076	104,049	882,126
Home Economics & Consumer Homemaking	6,409,880	101,985	6,511,865
Industrial Arts	4,752,172	31,944	4,784,116
Office Occupations	4,611,250	169,575	4,780,826
Trades and Industrial Occupation	2,827,828	684,998	3,512,826
Vocational Guidance	1,402,568	446,482	1,849,050
Diversified Coop Programs	220,113	36,705	256,818
JTPA (Classroom)	12,446	3,890	16,336
Special Projects	444,496	1,326,300	1,770,797
Vocational Special Needs	1,104,177	45,987	1,150,164
Undistributed			
Improvement of Instruction	173,655	22,165	195,820
Governance Board		279,264	279,264
Special Area Administration	862,708	339,011	1,201,719
Support Service - Business	-	65,233	65,233
Operations/Maintenance	276,466	503,059	779,526
Student Transportation Service	262,388	5,537	267,925
Other Support Service	78,852	20,101	98,952
Adult Education	288,640	279,077	567,717
Payments to Member District		95,558	95,558
Construction Services		-	-
Total Expenditures	29,131,168	4,954,675	34,085,843

per purpose funds

FUND GROUPS 2-7

Fund Group 2 - Special Reserve	
Beginning Balance	9,886,938
Revenue	
Special Reserve Levy	678,906
Other Tax Revenue	-
Lieu of Taxes	450
Interest on Investments	218,430
Interfund Transfers	82,307
Loan Repayments	142,995
Total	1,123,088
Expenditures	
Transfer to Other Funds	797,270
Ending Balance	10,212,756

Fund Group 3 - Capital Projects	
Beginning Balance	80,855,919
Revenue	
Building Fund	14,502,719
P.L. 81-815 Construction Aid	249,526
Special Assessments	1,728,168
Other Tax Revenue	648,135
Other Local Revenue	1,337,638
In Lieu of Taxes	19,016
Interest on Investments	1,630,487
Sale of Bonds	20,478,628
Interfund Transfers	1,873,115
School Construction Loans	2,699,662
Grants	3,005,187
Other	11,200,710
Total	59,372,991
Expenditures	
Fac. Acquisition/Construction	48,511,998
School Construction Repayments	2,389,071
Transfer to Other Funds	5,074,717
Total	55,975,786
Ending Balance	84,253,124

Fund Group 4 - Debt Service	
Beginning Balance	9,507,564
Revenue	
Sinking and Interest	11,710,612
Asbestos Bonding	619,748
Bond Judgment	727,932
Remodeling Bonding	128,177
Other Tax Revenue	1,558,677
Other Local Revenue	93,463
Interest on Investments	196,493
Interfund Transfers	4,408,738
Sale of Bonds	1,350,951
Total	20,794,790
Expenditures	
Debt Service	19,253,255
Transfer to Other Funds	1,728,070
Bond Refunding Transactions	1,069,737
Total	22,051,062
Ending Balance	8,251,292

Fund Group 5 - Food Service	
Beginning Balance	5,153,800
Revenue	
Interest on Investments	192,722
Receipts - Local	17,808,487
Receipts - State	741,268
Receipts - Federal	10,730,114
Other Local Revenue	574,134
Interfund Transfers	794,369
Total	30,841,093
Expenditures	
Food Service	30,158,161
Transfer to Other Funds	642,029
Total	30,800,189
Ending Balance	5,194,703

Fund Group 6 - Student Activities	
Beginning Balance	8,410,456
Revenue	
Interest on Investments	83,218
Student Activity	19,932,622
Other Local Revenue	4,278,895
Interfund Transfers	1,742,333
Total	26,037,069
Expenditures	
Student Transportation Service	3,419,845
Student Activities	22,056,732
Transfer to Other Funds	245,224
Total	25,721,801
Ending Balance	8,725,724

Fund Group 7 - Trust and Agency	
Beginning Balance	4,208,301
Revenue	
Interest on Investments	86,824
Other Local Revenue	7,415,412
State Sources	814,661
Federal Sources	4,996,904
Interfund Transfers	29,185
Total	13,342,985
Expenditures	
Consortium Instructional	3,046,365
Consortium Support Service	685,460
Trust and Agency	9,646,018
Transfer to Other Funds	99,229
Total	13,477,072
Ending Balance	4,074,214

Foundation Aid Per Pupil and Transportation Payments
2003 - 2005 Biennium

FOUNDATION AID PAYMENTS		2003-04		2004-05
Base Payment		$2,509		$2,623
	85% Weighting Factor	Weighted Payment	Five-year avg Weighting Factor	Weighted Payment
Preschool	1.1988	$3,007.79	1.2112	$3,176.98
Kindergarten	0.6055	$1,519.20	0.6351	$1,665.87
Oneroom rural (Grades 1-8)	1.3651	$3,425.04	1.4091	$3,696.07
Grades 1-6 (Less than 100)	1.2549	$3,148.54	1.3114	$3,439.80
Grades 1-6 (100-999)	0.9437	$2,367.74	0.9410	$2,468.24
Grades 1-6 (1000 or more)	1.0115	$2,537.85	1.0241	$2,686.21
Grades 7-8	0.9807	$2,460.58	0.9752	$2,557.95
Grades 9-12 (Less than 75)	1.4440	$3,623.00	1.4267	$3,742.23
Grades 9-12 (75-149)	1.1398	$2,859.76	1.0983	$2,880.84
Grades 9-12 (150-549)	0.9897	$2,483.16	0.9387	$2,462.21
Grades 9-12 (550 or more)	1.0270	$2,576.74	0.9983	$2,618.54

OTHER PAYMENT RATES	2003-04	2004-05 (Est.)
Teacher Compensation (fte)	$3,000	$3,000
1st Year Teacher Compensation (fte)	$1,000	$1,000
		Interim (85%) Budgeted
Summer School Programs - High School (wpu)	$1,500	$1,060 $1,248
Summer School Programs - Remedial Elem (wpu)	$1,753	$1,510 $1,776
Special Education (ADM)	$182	$185
Tuition Apportionment (6-17 census)	$335	$335
Home Education (wpu)	$1,254.50	$1,311.50
Transportation	50% of 2001-03 payments	50% of 2001-03 payments

School district equalization factors (NDCC 15.1-27-05)	2003-04	2004-05
a. Local Share (mill deduct) (Taxable valuation times statutory mill rate)	34 mills	36 mills
b. Excess Fund Balance Deduct (Ending fund balance in excess of statutory percentage of general fund expenditures + $20,000)	75%	50%
c. Minimum Levy Deduct (Number of general fund mills below the statutory minimum times the taxable valuation of the district).	N/A	140 mills

COUNTY Statewide — N.D. DEPARTMENT OF PUBLIC INSTRUCTION — PI3-940-AA — 06/29/2004
DISTRICT — FOUNDATION AID PAYMENT FOR JUNE 2004

Prior Year's Information

1. Net Entitlement (2002-03) $322,634,701.02
2. Kindergarten
   A. 2002-03 entitlement based on ADM = $ 10,219,917.62
      weighted units 4,354.46 X $2,347.00
   B. 2002-03 payments based on wpu = $ 10,349,706.72
   C. 2002-03 kindergarten adjustment = $ 99,395.45-
3. PK, 1-12
   A. 2002-03 entitlement based on ADM = $241,811,410.00
      weighted units 103,030.00 X $2,347.00
   B. 2002-03 payments based on wpu = $242,809,518.69
   C. 2002-03 PK, 1-12 adjustment = $ 950,628.88-
4. Net adjustment (2C + 3C). = $ 1,050,024.33-
5. Current Year's Information - 2003-04 Foundation Aid Entitlements
   A. PK, 1-12 = $2,509.00 X 101,138.12 WPU ( ) = $253,755,543.08
   B. KGTN = $2,509.00 X 4,462.25 WPU ( ) = $ 11,195,785.25
   C. Tuition apportionment (census adj for open enr)
      (104,671 Census - 1 = 104,670 X 332.00) = $ 34,750,440.00
   D. Sp Ed 99,553.52 X 182.00 = $ 18,118,740.64
   E. Teacher comp. (8,656.18 FTE X $3,000 max) $ 25,456,060.00
   F. Total entitlement (line 5A + 5B + 5C + 5D + 5E) $343,276,568.97
6. Deducts:
   A. Less .034 mills X $ 1,426,637,657 tax value = $ 48,505,680.37
   B. Less excess fund balance deduct = $ 3,611,367.42
   C. Minimum levy deduct $ 0.00
   D. Deduction for non-accreditation = $ 0.00
   E. Total deducts (line 6A + 6B + 6C + 6D) $ 52,117,047.79
7. 2003-04 net entitlement (line 5F - line 6E) $294,661,484.64
8. Adjustments for over/under payment $ 156,088.08
9. 2003-04 adjusted net entitlement (line 4 + 7 + 8) $293,767,548.39

10. 2003-04 Fall ENR.

	ENR.	OFS	WPU - ENR	Teachers
KGTN	6,899	6	4,177.73	263.86
PK	713	1	856.27	76.37
Gr 1-6	43,914	48	45,431.14	2,653.85
Gr 7-8	16,260	14	15,965.06	933.00
Gr 9-12	33,207	59	36,393.74	2,104.71
Alt 9-12	717	0	836.08	0.00
Total	94,811	122	99,482.29	5,767.93

11. 2002-03 Avg Daily Mem

	Out-State	WPU - ADM
KGTN	6,724.14	6.64	4,076.26
PK	787.42	0.37	944.51
Gr 1-6	44,300.80	50.00	45,698.54
Gr 7-8	16,313.86	21.00	16,028.56
Gr 9-12	33,061.82	94.31	36,328.86
ALT 9-12	807.49	0.00	928.36
Total	95,200.95	165.68	99,928.83

12. 2001-02 Avg Daily Mem

	Out-State	WPU - ADM
KGTN	6,895.71	10.00	4,066.54
PK, 1-12	96,901.71	187.91	101,914.64

13. Other Adm

	ESY/ Migrant	Summer Regular	Out-of Dist Sp Ed	Home-based instruct
PK	6.61	0.00	82.78	0.00
KGTN	25.72	0.00	15.07	3.22
Gr 1-6	74.84	432.01	145.25	118.37
Gr 7-8	14.93	63.32	89.82	38.44
Gr 9-12	12.77	1,655.81	262.27	39.35
ALT 9-12		0.00		
Total	134.87	2,151.14	595.19	199.38

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	Rev Code	Net Entitlement	This Month	Year-to-Date
14. A. Pupil payment	3110	$215,575,522.89	$ 50,116.75	$216,103,421.32
B. Transportation	3130	$ 17,372,600.17	$ .00	$ 17,372,600.17
C. Summer School & Extended Year Special Ed	3110	$ 3,845,465.80	$ 631,061.40	$ 3,852,375.63
D. Special education students served out-of-district	3110	$ 1,683,564.09	$ 259,757.29	$ 1,718,321.14
E. Home-based instruction supervised by district	3110	$ 272,138.79	$ 5,971.42	$ 272,138.79
F. 1. State child placement and excess cost reimb.	3140	$ 1,430,107.94	$ 712,678.74	$ 1,430,107.94
2. Other state child placement/excess cost reimb.	3140	$ 926,123.07	$ .00	$ 926,123.07
G. Tuition apportionment	3120	$ 34,660,569.54	$ 30,023.66	$ 34,685,736.00
H. Supplemental payments	3150	$ 2,500,000.00	$ .00	$ 2,500,000.00
I. Special education payment (0.00% X line 5D)	3200	$ 18,098,908.99	$ 42,129.36	$ 18,116,974.31
J. English Language Learner (1,632.00 students)	3160	$ 318,500.64	$ .00	$ 318,500.64
K. Teacher compensation	3170	$ 25,438,618.49	$ 16,600.00	$ 25,438,618.49
L. Total (lines 14A through 14K)		$322,122,120.41	$ 1,748,338.62	$322,734,917.50

Medicaid Match: Line 14I includes $ 139,199.37 paid to NDDHS on behalf of unit/district.

NOTES:
15. Enrollment excludes out-of-dist Sp Ed & students from out-of-state. PK 40 KGTN 8 1-6 64 7-8 47 9-12 162
16. Fall enrollment excludes excess pupils KGTN 1-6 3 7-8 22
17. Kindergarten is based on days
18. 2002-03 WPU - ADM based on old factors KGTN 3,970.47 PK 928.05 1-6 45,354.77 7-8 16,084.40 9-12 38,177.41 TOT PK,1-12 100,544.63
19. Open enrollment ADM KGTN 12.40 1-6 94.09 7-8 32.11 9-12 30.74

10. Fall Enrollment
11. Average Daily Membership
13. Other Membership
Prior Year ADM
Formula Payments Less Deducts
PAYMENTS

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North Dakota K-12 School Districts
Equity Indicators
Based on tables prepared by John Augenblick for the Equity Lawsuit
Updated by the Department of Public Instruction

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Table 2

Sources of Current Revenue for North Dakota School Districts

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
1. State Support	206,222,000	220,695,200	253,749,300	273,905,169	278,914,666	293,983,467	291,838,480	304,545,676	322,007,311	328,653,414
Formula Aid	150,063,400	168,163,400	191,474,100	204,983,677	209,672,707	217,081,984	217,808,149	216,572,984	214,665,338	222,063,560
Tuition Apportionment	24,664,400	23,109,100	24,246,300	25,633,558	26,449,385	27,756,770	27,353,758	32,804,515	32,754,753	33,960,866
Other	31,494,200	29,422,700	38,028,900	43,287,934	42,792,574	49,144,713	46,676,573	55,168,177	74,587,220	72,628,988
2. Local Support	129,820,400	186,597,200	231,278,800	263,557,528	281,642,718	290,642,328	303,927,743	315,312,748	326,259,999	338,280,520
Property Tax	104,705,800	149,697,400	196,252,500	215,332,403	226,431,239	235,916,102	245,325,722	258,843,065	271,277,011	285,082,455
Other	25,114,600	36,899,800	35,026,300	48,225,125	55,211,480	54,726,226	58,602,021	56,469,684	54,982,988	53,198,065
3. County Support	10,255,000	8,555,300	6,981,000	7,204,002	6,823,010	8,385,551	9,813,067	8,613,497	9,894,072	9,731,050
4. Federal Support	27,326,200	32,013,100	44,960,600	52,976,318	54,333,740	62,625,728	67,500,188	72,910,440	86,027,206	93,927,216
Unrestricted	10,858,200	6,090,800	6,579,300	7,587,270	8,520,922	9,733,334	9,229,081	9,626,934	9,322,382	10,972,750
Restricted	16,468,000	25,922,300	38,381,300	45,389,048	45,812,817	52,892,394	58,271,107	63,283,505	76,704,824	82,954,467
5. Total Current Revenue	373,623,600	447,860,800	536,969,700	597,643,016	621,714,134	655,637,074	673,079,478	701,382,362	744,188,588	770,592,201
6. Total Current Revenue Excluding Federal Restricted Revenue	357,155,600	421,938,500	498,588,400	552,253,968	575,901,317	602,744,680	614,808,371	638,098,856	667,483,764	687,637,734

Table 3

Proportion of Total Revenue by Major Source for North Dakota School Districts

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
1. State Support	57.7%	52.3%	50.9%	49.6%	48.4%	48.8%	47.5%	47.7%	48.2%	47.8%
Formula Aid	42.0%	39.9%	38.4%	37.1%	36.4%	36.0%	35.4%	33.9%	32.2%	32.3%
Tuition Apportionment	6.9%	5.5%	4.9%	4.6%	4.6%	4.6%	4.4%	5.1%	4.9%	4.9%
Other	8.8%	7.0%	7.6%	7.8%	7.4%	8.2%	7.6%	8.6%	11.2%	10.6%
2. Local Support	36.3%	44.2%	46.4%	47.7%	48.9%	48.2%	49.4%	49.4%	48.9%	49.2%
Property Tax	29.3%	35.5%	39.4%	39.0%	39.3%	39.1%	39.9%	40.6%	40.6%	41.5%
Other	7.0%	8.7%	7.0%	8.7%	9.6%	9.1%	9.5%	8.8%	8.2%	7.7%
3. County Support	2.9%	2.0%	1.4%	1.3%	1.2%	1.4%	1.6%	1.3%	1.5%	1.4%
4. Federal Support										
Unrestricted	3.0%	1.4%	1.3%	1.4%	1.5%	1.6%	1.5%	1.5%	1.4%	1.6%
Restricted										
5. Total Current Revenue										
6. Total Current Revenue Excluding Federal Restricted Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 4A

Per Pupil Revenue of North Dakota School Districts by Major Source

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
1. State Support	1,754	1,867	2,120	2,338	2,421	2,609	2,656	2,846	3,079	3,192
Formula Aid	1,276	1,422	1,599	1,750	1,820	1,927	1,982	2,024	2,053	2,156
Tuition Apportionment	210	195	203	219	230	246	249	307	313	330
Other	268	249	318	369	371	436	425	516	713	705
2. Local Support	1,104	1,578	1,932	2,249	2,445	2,580	2,766	2,946	3,120	3,285
Property Tax	891	1,266	1,639	1,838	1,966	2,094	2,233	2,419	2,594	2,768
Other	214	312	293	412	479	486	533	528	526	517
3. County Support	87	72	58	61	59	74	89	80	95	94
4. Federal Support	232	271	376	452	472	556	614	681	823	912
Unrestricted	92	52	55	65	74	86	84	90	89	107
Restricted	140	219	321	387	398	469	530	591	733	806
5. Total Current Revenue	3,178	3,788	4,485	5,101	5,397	5,819	6,125	6,554	7,116	7,483
6. Total Current Revenue Excluding Federal Restricted Revenue	3,038	3,569	4,165	4,713	4,999	5,350	5,595	5,963	6,382	6,678
7. K-12 ADM	117,568	118,229	119,714	117,166	115,201	112,665	109,886	107,018	104,585	102,977

Table 4B

Change In Per Pupil Revenue of North Dakota Revenue Sources from 1984-85

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
1. State Support	Base Year	7.0%	23.0%	32.8%	35.2%	42.6%	41.5%	47.7%	56.1%	59.4%
Formula Aid	Base Year	12.1%	27.6%	36.6%	39.7%	44.7%	45.1%	44.3%	43.0%	48.0%
Tuition Apportionment	Base Year	-6.3%	-1.7%	3.9%	7.2%	12.5%	10.9%	33.0%	32.8%	37.7%
Other	Base Year	-6.6%	20.7%	37.4%	35.9%	56.0%	48.2%	75.2%	136.8%	130.6%
2. Local Support	Base Year	43.7%	78.2%	103.0%	116.9%	123.9%	134.1%	142.9%	151.3%	160.6%
Property Tax	Base Year	43.0%	87.4%	105.7%	116.3%	125.3%	134.3%	147.2%	159.1%	172.3%
Other	Base Year	46.9%	39.5%	92.0%	119.8%	117.9%	133.3%	124.8%	118.9%	111.8%
3. County Support	Base Year	-16.6%	-31.9%	-29.8%	-33.5%	-18.2%	-4.3%	-16.0%	-3.5%	-5.1%
4. Federal Support	Base Year	17.2%	64.5%	93.9%	98.8%	129.2%	147.0%	166.8%	214.8%	243.7%
Unrestricted	Base Year	-43.9%	-39.4%	-30.1%	-21.5%	-10.4%	-15.0%	-11.3%	-14.1%	1.1%
Restricted	Base Year	57.4%	133.1%	175.6%	178.2%	221.2%	253.8%	284.3%	365.8%	403.7%
5. Total Current Revenue	Base Year	19.9%	43.7%	60.0%	66.4%	75.5%	80.1%	87.7%	99.2%	106.2%
6. Total Current Revenue Excluding Federal Restricted Revenue	Base Year	18.1%	39.6%	54.6%	61.2%	68.8%	72.1%	78.7%	86.9%	92.5%

Table 6A
Statewide Average Per Pupil Current Revenue (Excluding Federal Restricted Revenue), Per Pupil Property Wealth, and Operating Levy in Mills of North Dakota Districts

Type of School District and School Finance Variable Finance Variable	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
All K-12 Districts:										
1. Current Revenue	2,994	3,537	4,140	4,662	4,948	5,292	5,522	5,891	6,310	6,600
2. Property Wealth	8,115	7,767	8,374	9,862	10,377	11,199	12,025	12,919	13,685	14,524
3. Operating Levy (mills)	113.9	161.8	194.7	194.5	195.1	194.8	194.0	196.4	198.6	200.5
K-12 Districts Excluding Those in Which Unrestricted Federal Revenue Exceeds $500 per ADM										
4. Current Revenue	2,957	3,501	4,103	4,624	4,906	5,236	5,469	5,833	6,265	6,533
5. Property Wealth	8,304	7879	8,497	10,017	10,620	11,377	12,217	13,124	13,936	14,807
6. Operating Levy (mills)	115.2	161.9	194.8	194.7	194.0	195.0	194.6	197.1	199.1	200.5
Elementary Districts										
7. Current Revenue	4,534	4,702.0	5,111	6,794	7,103	7,603	8,688	8,868	9,674	10,334
8. Property Wealth	19,249	18,518	18,087	21,939	23,970	23,860	27,732	29,419	30,130	31,796
9. Operating Levy (mills)	72.9	121.0	153.2	162.4	167.6	166.8	164.9	159.4	175.0	177.8

Table 7
Indicators of Variation in Per Pupil Current Revenue (Excluding Federal Restricted Revenue) for North Dakota School Districts

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
All K-12 Districts										
1. 5th Percentile	2,324	2,786	3,279	3,764	3,883	4,282	4,411	4,616	5,030	5,143
2. 95th Percentile	4,024	4,798	5,365	6,085	6,266	6,947	7,126	7,739	8,313	8,810
3. 5th-95th Range	1,700	2,012	2,086	2,321	2,383	2,665	2,715	3,123	3,283	3,667
4. 5th-95th Ratio	1.73	1.72	1.64	1.62	1.61	1.62	1.62	1.68	1.65	1.71
K-12 Districts Excluding Those in Which Unrestricted Federal Revenue Exceeds $500 per ADM										
1. 5th Percentile	2,324	2,786	3,279	3,764	3,883	4,282	4,411	4,616	5,030	5,143
2. 95th Percentile	3,884	4,721	5,258	5,884	6,157	6,756	7,043	7,411	8,175	8,630
3. 5th-95th Range	1,560	1,935	1,979	2,120	2,274	2,474	2,632	2,795	3,145	3,487
4. 5th-95th Ratio	1.67	1.69	1.60	1.56	1.59	1.58	1.60	1.61	1.63	1.68
Elementary Districts										
1. 5th Percentile	2,773	3,268	3,004	4,473	4,614	4,445	5,937	5,878	6,547	7,133
2. 95th Percentile	8,894	12,271	8,307	10,752	11,177	11,262	15,279	14,899	15,607	17,068
3. 5th-95th Range	6,121	9,003	5,303	6,279	6,563	6,817	9,342	9,021	9,060	9,935
4. 5th-95th Ratio	3.21	3.75	2.77	2.40	2.42	2.53	2.57	2.53	2.38	2.39

Table 8
Indicators of Variation in Per Pupil Property Wealth for North Dakota School Districts

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
All K-12 Districts										
1. 5th Percentile	4,986	3,554	4,003	4,473	4,936	5,157	5,577	6,239	6,695	5,584
2. 95th Percentile	15,531	15,167	15,082	18,089	18,223	19,401	20,852	22,394	24,368	23,949
3. 5th-95th Range	10,545	11,613	11,079	13,616	13,287	14,244	15,275	16,155	17,673	18,365
4. 5th-95th Ratio	3.11	4.27	3.77	4.04	3.69	3.76	3.74	3.59	3.64	4.29
K-12 Districts Excluding Those in Which Unrestricted Federal Revenue Exceeds $500 per ADM										
1. 5th Percentile	5,026	3,631	4,144	5,053	5,310	5,770	6,031	6,252	6,742	7,421
2. 95th Percentile	15,531	15,321	15,082	18,217	18,223	19,595	21,067	22,893	24,429	23,949
3. 5th-95th Range	10,505	11,690	10,938	13,164	12,913	13,825	15,036	16,641	17,687	16,528
4. 5th-95th Ratio	3.09	4.22	3.64	3.61	3.43	3.40	3.49	3.66	3.62	3.23
Elementary Districts										
1. 5th Percentile	6,438	6,542	7,351	10,624	9,260	9,512	14,231	14,378	15,554	16,257
2. 95th Percentile	54,683	49,970	49,088	42,103	43,212	50,225	68,473	66,165	63,997	70,668
3. 5th-95th Range	48,245	43,428	41,737	31,479	33,952	40,713	54,242	51,787	48,443	54,411
4. 5th-95th Ratio	8.49	7.64	6.68	3.96	4.67	5.28	4.81	4.60	4.11	4.35

Table 9
Indicators of Variation in the Operating Levy in Mills
for North Dakota School Districts

	1984-85	1990-91	1995-96	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
All K-12 Districts										
1. 5th Percentile	70.9	109.3	143.0	140.6	140.5	140.8	132.7	135.5	141.2	146.1
2. 95th Percentile	169.5	213.6	269.9	289.5	287.8	295.2	295.5	291.8	288.8	289.1
3. 5th-95th Range	98.6	104.3	126.9	148.9	147.3	154.4	162.8	156.3	147.6	143.0
4. 5th-95th Ratio	2.4	2.0	1.9	2.1	2.0	2.1	2.2	2.2	2.0	2.0
K-12 Districts Excluding Those in Which Unrestricted Federal Revenue Exceeds $500 per ADM										
1. 5th Percentile	71.7	109.3	142.4	140.6	140.5	141.1	134.1	137.1	144.0	146.9
2. 95th Percentile	169.5	213.6	269.9	289.5	287.8	295.2	295.5	291.8	288.8	289.1
3. 5th-95th Range	97.8	104.3	127.5	148.9	147.3	154.1	161.4	154.7	144.8	142.2
4. 5th-95th Ratio	2.4	2.0	1.9	2.1	2.0	2.1	2.2	2.1	2.0	2.0
Elementary Districts										
1. 5th Percentile	11.7	15.0	19.8	82.4	88.4	40.8	39.9	10.1	41.6	39.7
2. 95th Percentile	120.0	259.9	293.9	245.4	233.2	239.8	252.3	254.9	256.2	292.6
3. 5th-95th Range	108.3	244.9	274.1	163.0	144.8	199.0	212.4	244.8	214.6	252.9
4. 5th-95th Ratio	10.3	17.3	14.8	3.0	2.6	5.9	6.3	25.2	6.2	7.4

Adequacy Study [redacted] rs

Eng Lang Learners

		1	2	3	4	5	6
	CatCode	Base	SE Mild	SE Mod	SE Severe	At Risk	LEP
Very Small K8	1	11,600	6,032	5,684	11,368	2,088	4,640
Small K8	2	7,765	6,367	6,134	13,201	2,330	3,106
Very Small K12	3	9,928	6,453	6,155	12,906	2,482	3,971
Small K12	4	6,510	5,924	6,054	13,150	2,018	2,669
Mod K12	5	6,003	6,483	18,489	36,018	2,221	4,562
Large K12	6	6,655	4,725	14,109	33,208	2,729	6,056

Base + Weights		1	2	3	4	5	6
	CatCode	Base	SE Mild	SE Mod	SE Severe	At Risk	LEP
Very Small K8 [<=100]	1	11,600	0.52	0.49	0.98	0.18	0.40
Small K8 [>100]	2	7,765	0.82	0.79	1.70	0.30	0.40
Very Small K12 [<=150]	3	9,928	0.65	0.62	1.30	0.25	0.40
Small K12 [150-275]	4	6,510	0.91	0.93	2.02	0.31	0.41
Mod K12 [276-2800]	5	6,003	1.08	3.08	6.00	0.37	0.76
Large K12 [>2800]	6	6,655	0.71	2.12	4.99	0.41	0.91

Source: An Estimation of Total Cost of Implementing the Results of School Finance Adequacy Study Undertaken by Augenblick, Palaich and Associates, Inc. Table 2 II. (Prepared for: The ND Department of Public Instruction July 2003)

North Dakota Public School Enrollment

Sum of Total K-12 Name	SchoolYear 1999	2000	2001	2002	2003	2004	2005
01013 Hettinger 13	472	453	406	385	364	355	347
02002 Valley City 2	1,302	1,285	1,260	1,221	1,211	1,205	1,176
02013 Oriska 13	105	95	61	72	68		
02046 Litchville-Marion 46						194	173
02052 Litchville 52	101	95	99	94	89		
02065 North Central 65	216	204	190	177	158	150	141
02082 Wimbledon-Courtenay 82	222	204	176	166	163	152	153
03005 Minnewaukan 5	139	134	148	128	117	144	169
03006 Leeds 6	234	219	202	183	188	196	183
03009 Maddock 9	236	237	233	221	228	213	205
03016 Oberon 16	32	56	43	57	50	45	39
03029 Warwick 29	255	234	229	212	203	214	192
03030 Ft Totten 30	164	175	164	191	185	212	183
04001 Billings Co 1	93	81	79	73	73	76	56
05001 Bottineau 1	832	801	801	782	797	764	759
05013 Willow City 13	102	98	86	71	52		
05017 Westhope 17	184	164	167	163	151	146	129
05035 Lansford 35	47	52	37	36	32	31	
05054 Newburg-United 54	102	91	85	83	79	80	78
06001 Bowman 1	473	466	445	424	425	427	407
06017 Rhame 17	125	110	96	92	80	73	75
06033 Scranton 33	181	181	198	187	176	163	164
07014 Bowbells 14	119	122	114	107	102	88	85
07027 Powers Lake 27	145	128	128	116	118	115	102
07036 Burke Central 36	135	125	114	101	108	91	89
08001 Bismarck 1	10,697	10,663	10,476	10,534	10,399	10,370	10,394
08002 Regan 2	20	14	15	13	9		
08025 Naughton 25	7	4	5	5	5	5	5
08028 Wing 28	77	71	75	76	77	90	81
08029 Baldwin 29	13	14	14	19	22	26	21
08033 Menoken 33	39	34	34	30	21	19	18
08034 McKenzie 34	9	6	6				
08035 Sterling 35	41	34	37	39	43	38	29
08036 Driscoll 36	35	29	19				
08039 Apple Creek 39	46	48	45	42	49	44	51
08045 Manning 45	16	12	12	6	4	5	4
09001 Fargo 1	11,685	11,556	11,382	11,223	11,095	11,142	11,151
09002 Kindred 2	721	732	726	706	712	688	720
09004 Maple Valley 4	227	203	212	203	199	264	256
09006 West Fargo 6	4,867	4,914	5,025	5,112	5,207	5,372	5,461
09007 Mapleton 7	105	102	111	113	105	96	87
09017 Central Cass 17	804	818	826	853	841	835	827
09080 Page 80	156	154	148	136	129	126	106
09097 Northern Cass 97	448	462	485	473	457	461	482
10001 Langdon Area 23	23	25	19				
10014 Border Central 14	44	31	32	30	33	28	26
10019 Munich 19	151	160	155	133	126	117	112
10023 Langdon Area 23	624	583	589	553	548	496	483
10030 Langdon Area 23	32	31	32				
11040 Ellendale 40	417	427	390	388	374	363	355
11041 Oakes 41	547	568	555	525	519	527	545
12001 Divide County 1	391	363	332	313	302	299	280
13008 Dodge 8	72	65	51	58	47	36	30
13016 Killdeer 16	381	376	364	359	365	403	397
13019 Halliday 19	105	104	93	78	79	34	28

North Dakota Public School Enrollment

Sum of Total K-12 Name	SchoolYear 1999	2000	2001	2002	2003	2004	2005
13037 Twin Buttes 37	51	58	49	54	46	56	41
14001 New Rockford 1	408	395	373	385	397	386	389
14012 Sheyenne 12	169	177	145	141	115	91	103
15006 Hazelton-Moffit-Braddock 6	179	177	161	141	142	146	144
15010 Bakker 10	12	12	10	7	8	6	7
15012 Union 12	5	5	5	8	5	4	
15015 Strasburg 15	249	235	233	225	207	193	184
15036 Linton 36	378	372	375	379	377	375	343
16010 Carrington 10	763	755	706	688	651	643	614
17003 Beach 3	412	377	392	366	341	336	325
17006 Lone Tree 6	50	54	55	52	51	45	42
18001 Grand Forks 1	8,701	8,559	8,351	8,084	8,008	7,899	7,634
18044 Larimore 44	593	613	583	583	573	541	522
18061 Thompson 61	555	527	518	502	481	438	428
18125 Manvel 125	222	212	192	186	176	154	151
18127 Emerado 127	146	151	116	114	98	104	113
18128 Midway 128	360	349	328	324	323	298	271
18129 Northwood 129	372	359	359	331	315	311	318
19018 Roosevelt 18	151	151	141	137	124	113	147
19049 Elgin-New Leipzig 49	283	268	248	260	244	242	173
20007 Midkota 7	234	230	210	179	168	150	147
20018 Griggs County Central 18	396	381	355	348	341	335	336
21001 Mott-Regent 1					294	288	274
21006 Mott 6	242	254	235	225			
21009 New England 9	273	246	230	220	199	190	192
21014 Regent 14	108	109	98	96			
22011 Pettibone-Tuttle 11	41	33	24	22	18	15	10
22014 Robinson 14	13	12	14	13	10	8	9
22020 Tuttle-Pettibone 20	85	83	75	67	58	49	38
22026 Steele-Dawson 26	266	252	263	279	274	276	287
22028 Tappen 28	127	132	121	119	110	105	107
23003 Edgeley 3	282	276	271	274	260	243	236
23007 Kulm 7	171	161	157	156	131	136	134
23008 LaMoure 8	381	408	396	375	363	349	326
23009 Marion 9	127	113	109	114	108		
23011 Verona 11	86	74	72	61	50	47	29
24002 Napoleon 2	268	267	266	255	244	236	245
24056 Gackle-Streeter 56	209	197	176	165	153	127	116
25001 Velva 1	483	470	467	447	454	434	430
25014 Anamoose 14	107	102	96	92	83	81	80
25057 Drake 57	166	164	152	157	141	138	136
25060 TGU 60	443	437	411	368	373	385	383
26004 Zeeland 4	61	60	65	56	60	65	58
26009 Ashley 9	222	214	203	189	185	172	167
26019 Wishek 19	285	276	264	267	266	257	230
27001 McKenzie Co 1	681	669	657	635	617	585	579
27002 Alexander 2	128	109	105	86	80	68	49
27014 Yellowstone 14	84	84	82	64	54	47	48
27018 Earl 18	8	4	10	6	7	5	5
27019 Bowline Butte 19	3	2	2	4	6	4	3
27032 Horse Creek 32	7	7	4	10	10	6	5
27036 Mandaree 36	246	238	232	230	190	198	191
28001 Montefiore 1	291	280	233	222	218	207	203
28004 Washburn 4	468	456	409	391	375	336	314
28008 Underwood 8	339	307	273	248	230	226	211

North Dakota Public School Enrollment

Sum of Total K-12	SchoolYear						
Name	1999	2000	2001	2002	2003	2004	2005
28050 Max 50	177	169	168	181	179	170	166
28051 Garrison 51	435	403	362	363	369	351	354
28072 Turtle Lake-Mercer 72	214	209	207	207	200	191	182
28085 White Shield 85	167	165	164	145	145	140	123
29003 Hazen 3	892	876	808	793	769	735	704
29020 Golden Valley 20	76	64	71	63	55	50	40
29022 Stanton 22	105	101	93	95	87	47	
29027 Beulah 27	1,058	1,041	1,021	981	915	862	812
30001 Mandan 1	3,682	3,621	3,495	3,424	3,351	3,250	3,263
30004 Little Heart 4	33	30	28	27	32	25	23
30007 New Salem 7	398	389	397	372	354	373	378
30008 Sims 8	37	35	35	38	39	34	24
30013 Hebron 13	212	200	196	190	171	168	147
30017 Sweet Briar 17	15	12	7	9	12	10	11
30039 Flasher 39	290	263	251	234	231	221	223
30048 Glen Ullin 48	256	251	235	213	210	212	193
31001 New Town 1	758	765	745	749	761	772	726
31002 Stanley 2	449	429	425	406	376	363	340
31003 Parshall 3	327	314	328	289	302	307	282
31137 Plaza 137	67	68	24	26	26		
32001 Dakota Prairie 1	455	418	399	343	324	325	314
32066 Lakota 66	290	292	295	270	264	257	243
33001 Center-Stanton 1							281
33018 Center 18	334	320	282	270	248	250	
34001 Pembina 1	151	155	156	149	149	138	154
34006 Cavalier 6	667	660	633	623	555	521	538
34012 Valley 12	174	163	164	159	158	151	161
34019 Drayton 19	252	237	248	229	209	189	178
34027 Walhalla 27	355	332	301	306	314	300	298
34043 St Thomas 43	131	129	124	132	141	135	130
34055 Neche 55	137	129	121	102	102	104	86
35001 Wolford 1	56	68	66	73	60	58	49
35005 Rugby 5	757	743	665	647	605	587	560
36001 Devils Lake 1	2,042	2,038	2,010	1,976	1,906	1,866	1,865
36002 Edmore 2	139	136	113	114	101	93	90
36044 Starkweather 44	133	140	121	113	113	100	92
37002 Sheldon 2	56	57	44	44	40	33	27
37006 Ft Ransom 6	31	29	24	18	20	23	12
37010 Salund 10	7	7	6	4			
37019 Lisbon 19	700	694	690	661	662	646	636
37022 Enderlin 22	392	373	352	349	339	340	311
38001 Mohall-Lansford-Sherwood 1							345
38002 Sherwood 2	143	130	130	118	106	106	
38009 Mohall 9	297	280	269	256	248	230	
38026 Glenburn 26	326	324	320	297	302	293	279
39005 Mantador 5	23	24	22	19	11	11	
39008 Hankinson 8	345	344	318	325	328	329	320
39018 Fairmount 18	144	147	134	132	126	106	108
39028 Lidgerwood 28	280	272	251	233	236	227	211
39037 Wahpeton 37	1,650	1,580	1,586	1,507	1,519	1,494	1,409
39042 Wyndmere 42	355	338	313	297	280	265	257
39044 Richland 44	324	326	320	308	309	304	335
40001 Dunseith 1	512	563	547	548	523	484	448
40003 St John 3	317	285	282	286	294	295	303
40004 Mt Pleasant 4	210	199	349	333	331	322	315

North Dakota Public School Enrollment

Sum of Total K-12 Name	SchoolYear 1999	2000	2001	2002	2003	2004	2005
40007 Belcourt 7	1,897	1,850	1,762	1,766	1,763	1,727	1,686
40029 Rolette 29	218	216	216	217	192	185	182
41002 Milnor 2	306	322	337	305	294	311	291
41003 North Sargent 3	200	203	187	193	198	190	204
41006 Sargent Central 6	359	347	349	334	321	306	303
42016 Goodrich 16	71	65	62	54	55	51	47
42019 McClusky 19	150	140	135	118	113	111	99
43003 Solen 3	216	197	195	173	153	146	160
43004 Ft Yates 4	240	201	192	168	136	227	309
43008 Selfridge 8	91	82	74	69	58	70	90
44012 Marmarth 12	23	18	15	10	10	12	10
44014 Sheets 14	5	5	9	6	6	7	2
44032 Central Elem 32	13	7	11	12	11	9	4
45001 Dickinson 1	3,045	3,012	2,906	2,755	2,717	2,670	2,626
45009 South Heart 9	296	274	274	267	257	251	247
45013 Belfield 13	350	318	308	274	258	233	235
45034 Richardton-Taylor 34	336	342	316	311	301	286	280
46010 Hope 10	180	156	154	147	145	146	140
46019 Finley-Sharon 19	186	184	181	175	164	178	186
47001 Jamestown 1	2,685	2,635	2,671	2,589	2,542	2,477	2,419
47003 Medina 3	199	192	170	168	151	159	157
47010 Pingree-Buchanan 10	136	141	163	163	156	155	159
47014 Montpelier 14	152	140	121	108	116	99	108
47019 Kensal 19	98	87	93	81	66	61	63
47026 Spiritwood 26	12	13	14	14	11	7	15
48002 Bisbee-Egeland 2	130	125	111	99	93	85	78
48008 Southern 8	344	302	308	295	278	259	224
48028 North Central 28	98	89	78	72	69	69	69
49003 Central Valley 3	325	323	311	307	288	277	291
49007 Hatton 7	272	283	270	250	257	253	241
49009 Hillsboro 9	510	480	476	444	426	426	406
49014 May-Port CG 14	707	691	664	618	618	600	593
50003 Grafton 3	1,138	1,095	1,010	958	911	907	953
50020 Minto 20	286	263	260	228	238	222	238
50039 Lankin 39	71	71	63	57	56	58	47
50051 Nash 51	28	29	27	27	25	17	19
50078 Park River 78	484	485	454	445	429	413	418
50079 Fordville 79	94	86	97	96	86	79	84
50106 Edinburg 106	179	170	144	148	138	138	136
50128 Adams 128	116	119	113	92	91	95	76
51001 Minot 1	7,531	7,493	7,175	6,953	6,905	6,753	6,639
51004 Nedrose 4	265	259	248	245	246	253	260
51007 United 7	702	680	673	655	618	602	574
51010 Bell 10	137	136	129	145	142	151	148
51016 Sawyer 16	182	169	165	160	152	132	126
51019 Eureka 19	12	9	16	11	21	13	9
51028 Kenmare 28	389	380	364	347	318	296	288
51041 Surrey 41	480	476	439	425	419	395	364
51054 Berthold 54	210	218	215	214	215		
51070 South Prairie 70	137	133	136	142	154	151	153
51158 North Shore 158	111	108	121	111	112		
51161 Lewis and Clark 161						383	398
52023 Fessenden-Bowdon 25	101	91	75				
52025 Fessenden-Bowdon 25	209	198	197	252	237	225	191
52035 Pleasant Valley 35	30	27	25	22	17	21	20

Sum of Total K-12	SchoolYear						
Name	1999	2000	2001	2002	2003	2004	2005
52038 Harvey 38	604	590	556	533	517	490	448
52039 Sykes 39	89	85	72	79	79	72	56
53001 Williston 1	2,629	2,499	2,493	2,461	2,345	2,204	2,169
53002 Nesson 2	230	208	198	194	179	173	163
53006 Eight Mile 6	191	191	201	209	219	232	219
53008 New 8	247	247	224	211	224	220	228
53015 Tioga 15	379	346	311	294	280	257	245
53091 Wildrose-Alamo 91	68	65	62	53	49	50	40
53099 Grenora 99	97	87	75	73	65	62	61
Grand Total	113,315	111,116	108,089	105,217	103,013	101,137	99,421

Aleeker
10 Jan 05

Financial Evolution

Faced with lawsuits, higher expectations for academic performance, and limited funding, state policymakers are looking for new and better ways to finance public education.

States are at a crossroads over how they raise and distribute money for K-12 education.

Historically, states have focused on how to allocate aid across school districts that have widely different tax bases to achieve some level of fiscal parity. States have paid far less attention to what schools and districts do with that money and the results they produce.

Now that states have set ambitious performance goals for their students—and the federal No Child Left Behind Act of 2001 has demanded that all children achieve those standards in reading and mathematics by 2013-14—the push is on to link education spending to academic results.

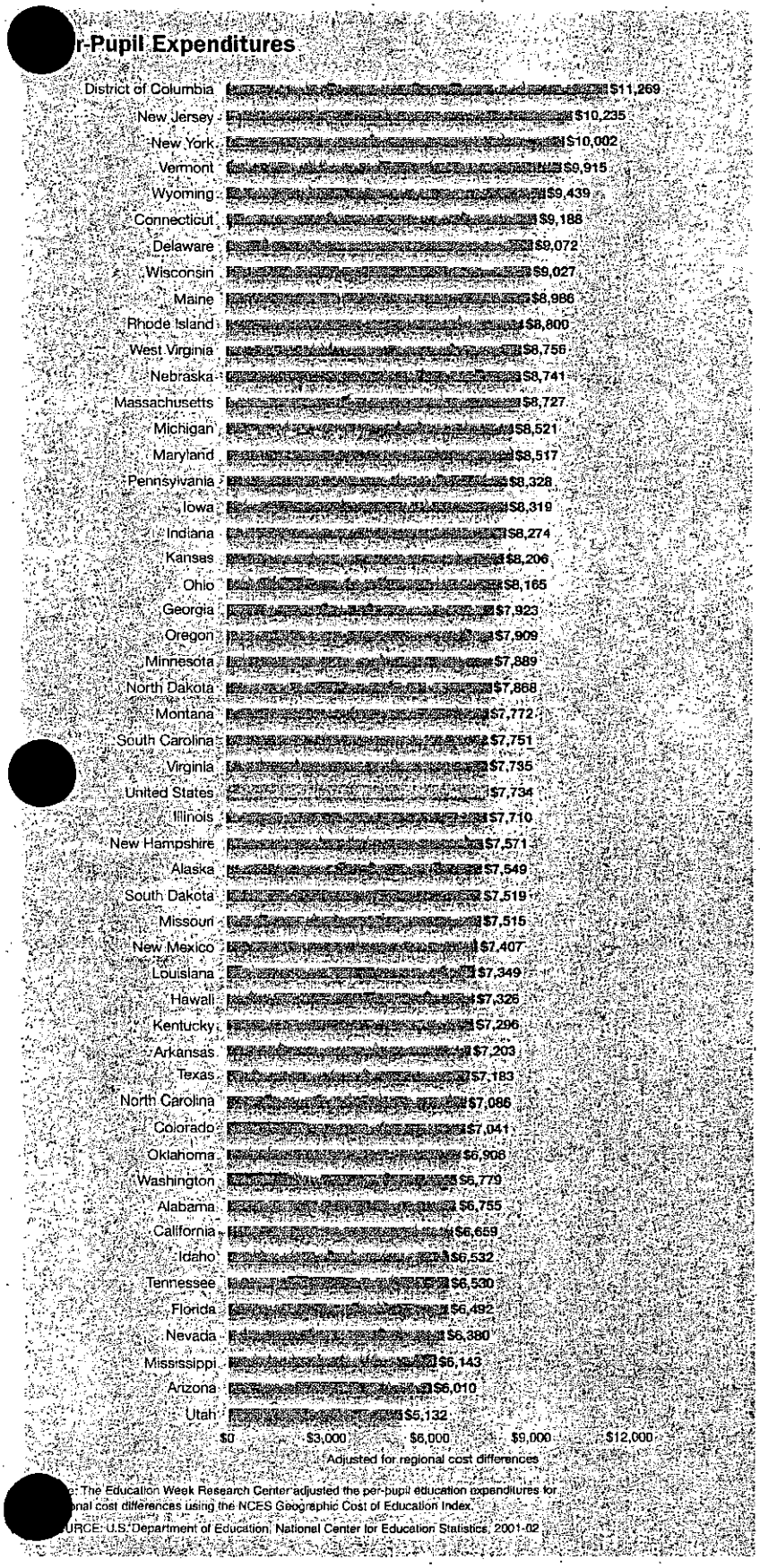
"Public school finance systems today uniformly fail to support the nation's education goals regarding greater student performance," says Jacob E. Adams, who directs the School Finance Redesign Project at the University of Washington. "Finance systems determine levels of support based on political bargaining rather than student needs," he says, "and local finance systems are so convoluted that district leaders really don't know where the money is going at the nuts-and-bolts level, where it counts."

Yet increasingly, legislators want to know what their state education outlays are buying. They're asking what it would actually cost to enable all students to meet state standards—especially those who are poor, speak limited English, or have disabilities—and how to raise the revenues called for by those calculations.

And a new generation of lawsuits is relying on the expectations spelled out in state academic-content standards and tests to argue that states have a constitutional obligation to supply the dollars needed to attain the desired results.

By Lynn Olson

r-Pupil Expenditures



e: The Education Week Research Center adjusted the per-pupil education expenditures for onal cost differences using the NCES Geographic Cost of Education Index.
URCE: U.S. Department of Education, National Center for Education Statistics, 2001-02

Those nascent efforts to link funding to educational outcomes are the focus of *No Small Change: Targeting Money Toward Student Performance*, this year's edition of *Quality Counts*.

Systems in Flux

Today, 31 states are debating or considering major changes to the ways they pay for education or distribute money to school districts, according to the Education Week Research Center's policy survey of 50 states and the District of Columbia for *Quality Counts 2005*. Sixteen states are embroiled in litigation challenging the school finance systems they now have in place. Lawsuits in 20 other states have been decided or settled in the past five years.

The tight state budgets of recent years have also put pressure on education spending, forcing many schools and districts to do more with less. Thirty-seven states and the District identified a lack of resources or unpredictable funding levels as the most pressing school finance issue, particularly given state revenue trends.

The recommendations of an education finance task force in Minnesota capture the tenor of the school finance debate.

Named by Gov. Tim Pawlenty, a Republican, shortly after he took office in 2003, the task force last July advocated a new model for financing schools based on a data-driven analysis of how much it costs to ensure all students have the chance to meet state academic standards.

"We need to make education funding decisions based on data, not on how much money is available year to year," Ric Dressen, the superintendent of the 4,000-student Alexandria, Minn., school district and the chairman of the task force, said in releasing the report.

Among other recommendations, the group suggested that the formula take into account the added costs of educating students who share certain characteristics, such as family mobility or poverty. It also advocated forming a tighter link between education funding and results, in part by creating a school-based information system that would link student-performance data with detailed information on school spending.

Nearly $500 billion in combined federal, state, and local money is spent on precollegiate education in the United States each year, with nearly half the total coming from state sources.

That large sum of money raises three concerns: Could existing resources be better spent to produce the desired results? How much money is needed to bring all children to state standards? Could state tax systems be improved to better withstand economic downturns and provide greater fairness for students and the public? *Quality Counts 2005* draws on *Education Week*'s annual survey of state education departments to explore those questions.

Recognizing that no two state finance systems are alike, the report provides details on how each state structures its school funding system. It seeks experts' advice on how states, districts, and schools could get a better handle on where their dollars flow and how to get more bang for the buck. It includes an analysis of studies that try to parse out what an "adequate" education costs in three states: Kentucky, Maryland, and New York. And it looks in depth at what happened in one state, New Jersey, when the courts decreed how the state's poorest districts should spend state largess.

The report also examines whether the 3-year-old No Child Left Behind law, the latest reauthorization of the Elementary and Secondary Education Act first adopted in 1965, is an "unfunded mandate," as its critics allege. Finally, this ninth annual *Quality Counts* examines what might be done to fix the revenue side of the school funding picture, which many observers maintain is broken and will be unable to keep pace with future demands, even if the economy improves.

One of the most notable changes in the past decade has been how policymakers talk about school finance. Historically, state legislatures and the courts have sought to make funding more equitable across districts and schools, without much thought to how the money was spent.

Increasingly, though, legislators and judges are asking what's needed to provide children with a sound basic education—in teachers, books, facilities, and programs—and then working to ensure the resources are there to pay for those items regardless of where children live.

To understand that evolution, it's helpful to understand how schools are financed in the United States.

For much of the 20th century, per-pupil spending was hooked strongly to local property taxes. But huge variations in property values within states typically meant that wealthy districts could generate more money per student with less tax effort than their property-poor neighbors. States focused on shrinking such disparities, often by boosting expenditures for low-wealth districts while providing them with some tax relief as long as they maintained a minimum local tax effort.

School finance lawsuits, meanwhile, centered around the equal-protection clauses in state constitutions, arguing that states had a legal responsibility to ensure that equal tax efforts yielded equal resources.

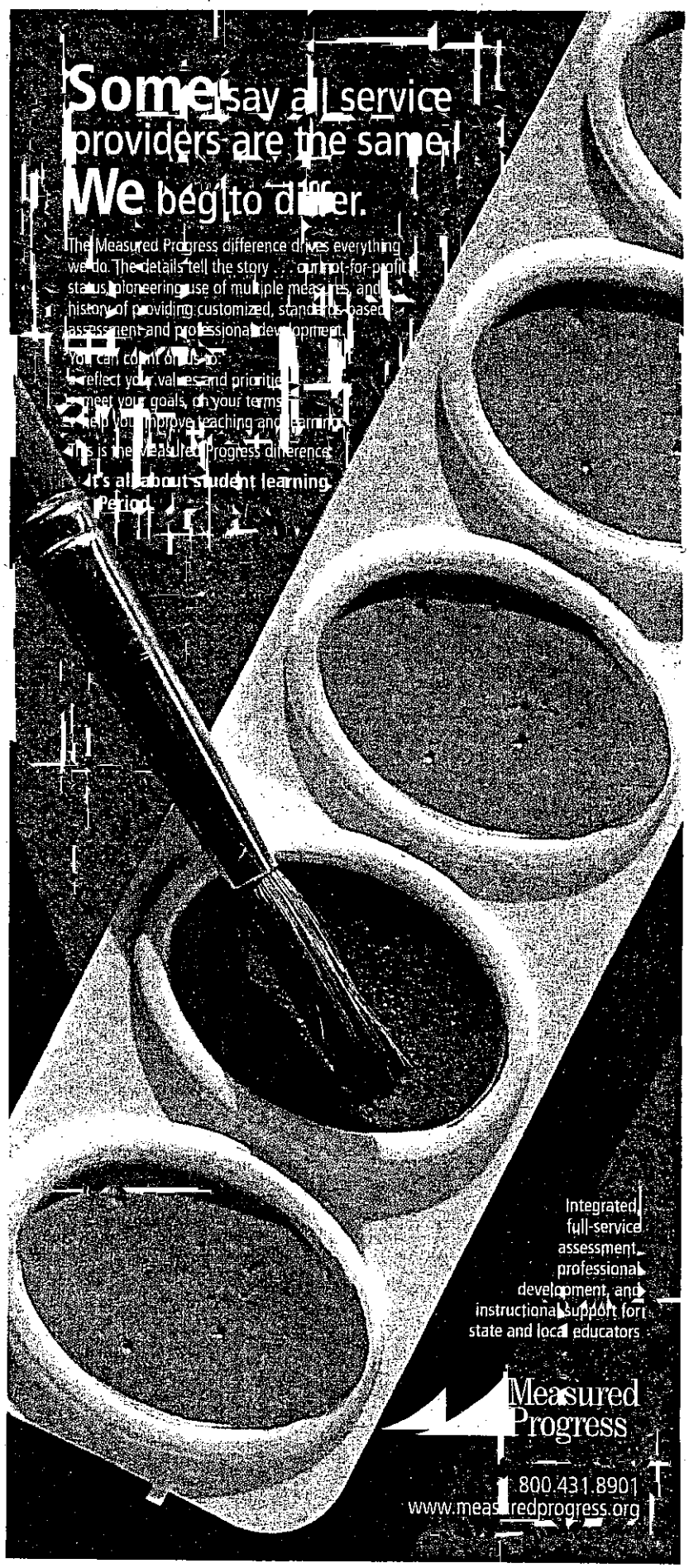
But while the focus on equity helped narrow spending disparities across districts, it did not eliminate them. Indeed, a study released last fall by the Education Trust, a Washington-based research and advocacy group, found that in half the states, the funding gap between districts in high-poverty and low-poverty areas was widening—a striking reversal of progress made during the better economic times of the middle to late 1990s. The focus on equity by states also failed to address any inefficiencies in how districts—rich or poor—used their resources to promote learning.

Since the 1990s, legislatures and the courts have increasingly shifted their gaze to questions of "adequacy," seeking to identify the level of spending needed to produce the objectives spelled out in state constitutions. Although the specific language varies, almost all state constitutions contain requirements for the provision of a "thorough and efficient" or "adequate" education.

"When you put it in adequacy terms, what you're focusing on is children's rights, which judges understand and deal with every day," says Michael A. Rebell, the executive director of the Campaign for Fiscal Equity, a New York City group that successfully challenged its state's system of school finance.

"The judges don't have to concern themselves with all these complex issues about what the [millage] rates are and how the property tax works," he says. "They're saying, we're just going to draw a line about what minimum adequacy is, and you, legislators, figure out how to fund it."

According to Rebell, plaintiffs' lawyers have won almost two-thirds of the major school fi-



nance decisions in states' highest courts since 1989, including a string of cases in the past two years.

Like the equity lawsuits that preceded them, such cases often stress the relative inability of poor districts to provide their students with the education available in more affluent settings. The cases also highlight that children with the greatest needs are typically the furthest from meeting state performance standards.

But How Much?

Yet, while adequacy "really sounds like a simple concept," observes Lawrence O. Picus, an economist at the University of Southern California, "the question is, how much is that?"

In the past decade, a handful of consultants have worked with states to put a price tag on adequacy, using four different methods:

- The "successful schools" model identifies schools or districts within a state that have met a specific level of student performance, and then determines how much, on average, those schools or districts spend. The model is sometimes refined to focus on sites that achieve the desired results for the lowest cost. The assumption is that the amount spent is adequate to produce the same outcomes elsewhere.
- The "professional judgment" method relies on panels of educators to identify the resources and programs a school would need—such as teachers, textbooks, and facilities—to produce the desired ends.
- The "evidence based" method is similar, but relies on research to identify individual strategies or comprehensive school designs that have a chance of producing the desired goals, and then calculates how much it would cost to install those strategies in schools.
- The "cost function" method uses statistical models to study the relationship between a desired level of student performance and associated levels of spending for students and districts with different characteristics.

Increasingly, such cost studies are not only required by state legislatures, but also are being ordered by state courts or underwritten by special-interest groups that hope to use the results to spotlight flaws in the existing system.

Education Week's policy survey for *Quality Counts* found that 30 states have had adequacy studies conducted. Six of those studies were currently under way late last fall.

In addition, the *Education Week* survey showed, 14 states have had studies done to estimate the costs associated with implementing the No Child Left Behind Act. In nine of those states, the studies were still in progress as of late last fall. The debate over NCLB funding is, in large part, about which obligations should be assigned to the federal government and which belong to states, such as bringing students up to state-mandated levels of achievement.

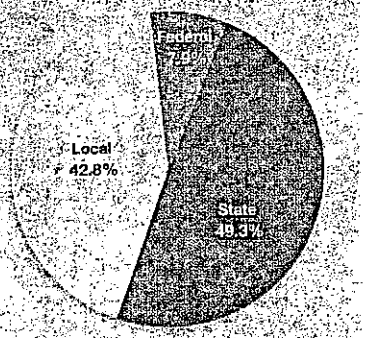
In a perfect world, argues Bruce D. Baker, a finance expert at the University of Kansas, who categorized the adequacy methods and findings across state studies for *Quality Counts*, experts would know enough about the ties between resources and student outcomes for the different adequacy methods to yield similar results.

But that's not the case. Baker's analysis for *Quality Counts* found that the cost per pupil, adjusted for regional cost differences and inflation, ranged from $6,820 to $11,107 within Maryland, depending on the method used. Across states, the estimated price tag ranged from a low of $5,009 per pupil in Illinois to a high of $15,639 in New York.

Education Week's analysis of the different methods and the methods' findings in a handful of states—Kentucky, Maryland, and New York—found that each has its strengths and shortcomings. The methods' widely varied results stem, in part, from divergent assumptions about the outcomes to be achieved and the costs of educating students with different needs.

Spending Split

The share of federal, state, and local revenue for education varies greatly from state to state. For example, the state share of funding for the 2001-02 school year ranged from a low of 31.5 percent in Nevada to a high of 89.1 percent in Hawaii.



SOURCE: U.S. Department of Education, National Center for Education Statistics, 2001-02

Searching for the Holy Grail?

The idea that students with special needs might cost more to educate is not new. According to *Education Week*'s survey, 43 states and the District of Columbia include weights or adjustments in their school finance formulas that provide extra money for students with certain characteristics, such as poverty, disabilities, or lack of fluency in English.

Twenty-six states and the District adjust their general funding formulas for "at risk" students, broadly defined as students in poverty or those deemed more likely than others to fail academically or drop out of school. But there's little evidence that those dollar amounts are based on empirical data showing what it takes to bring a low-income student, for example, to the proficient level on state tests.

"At the moment, the science of determining adequacy does not permit us even to begin discussions with such precision," argued the economists James W. Guthrie and Richard Rothstein in a 1999 report by the National Research Council, *Equity and Adequacy in Education Finance*.

Nine states adjust their formulas to reflect differences in what a dollar can buy across different regions of a state, such as urban or rural districts.

Eric A. Hanushek, an economist at the Hoover Institution at Stanford University, compares lawmakers' quest for an adequacy figure to "a futile search for the Holy Grail."

Hanushek says that under the existing system, "there's very little relationship between spending and performance." And nothing suggests that schools would spend any additional cash more productively. "Within the current system," he warns, "the 'required spending' could be infinite if the resources aren't used effectively to promote greater student performance."

Hanushek also worries that once lawmakers and the courts mandate more spending, it's likely to come with more strings attached—a move he considers wrongheaded.

Wyoming avoided that dilemma by determining what it costs to provide an adequate education and then distributing the money to schools in the form of block grants. Policymakers and observers on all sides of the school funding debate are closely watching New Jersey, where the courts in the *Abbott* v. *Burke* finance case ruled that the state's poorest districts be able to spend as much as the wealthiest districts. They also defined the "inputs" that districts must provide to improve outcomes for low-income students, such as preschool and broad social-service programs.

'Information Gap'

Efforts to link spending to results are hampered, in part, by limited evidence about which practices and programs actually produce learning gains. "It's an information gap," explains Baker of the University of Kansas. "It's that we just don't know how to set up a school to achieve an outcome with any precision."

To break through, argues Allan Odden, a professor of educational administration at the University of Wisconsin-Madison, researchers need to focus on what strategies in schools actually raise student performance and then figure out how to apply those strategies cost-effectively. "We need to go inside schools, because the major impacts on student performance are produced by what goes on inside schools," he says.

But getting a clear picture of how schools spend money on instructional programs and services—including staffing—is surprisingly difficult. Most state systems for tracking education expenditures focus on district-level functions. They don't provide useful information on how resources are deployed within schools.

"Our fiscal-accounting categories are too broad and imprecise," says Odden. "Our system doesn't track the dollars in terms of how they're used in the instructional category. And reallocating those dollars is where the action is."

Education Week found that 22 states and the District collect some school-level financial data. Florida, Ohio, and Texas are some of the pioneers in such efforts. The Florida Department of Education provides information on its Web site about student achievement and spending levels at every school and uses the data to calculate a "return on investment" rating.

When researchers Karen Hawley Miles and Marguerite Roza tracked actual expenditures down to the school site within districts—including teacher salaries, central-office services, and what are known as categorical funds—they

found large, previously unrecognized inequities in spending between schools within districts. Typically, they learned, the least amount of money flowed to schools serving large concentrations of poor and minority students.

To distribute money more equitably across schools, experts suggest, states and districts must move to "weighted student" funding formulas that are based on individual students and their educational needs. States, they add, should move away from categorical programs that obscure how much money is available at each site.

Education Week found that, on top of their base funding formulas, 48 states and the District now provide categorical funding to schools or districts. Such aid is used for specific purposes, such as early-childhood education, school construction, reading initiatives, and special populations, and often comes with strings attached.

In contrast, says Adams of the University of Washington, state finance systems need to encourage school-level problem-solving by giving schools the authority to spend money as they see fit to meet the particular needs of their students and communities, including the ability to choose and reject staff members.

Weighted-student funding formulas also would permit money to follow a student to his or her school. That school-based funding approach would also open the way for charter schools and other schools of choice to spend their money quite differently from how it's spent in a more traditional setting, as the pro- of the Cesar Chavez Academy in Colorado gests.

Based on research showing a strong link between teacher quality and student learning, experts also suggest that states and districts move away from single-salary schedules and shift toward compensation plans that reward teachers who have special knowledge or skills, or who succeed in boosting student performance. Teachers willing to work in subject areas with shortages or in hard-to-staff schools also should earn more, those experts say.

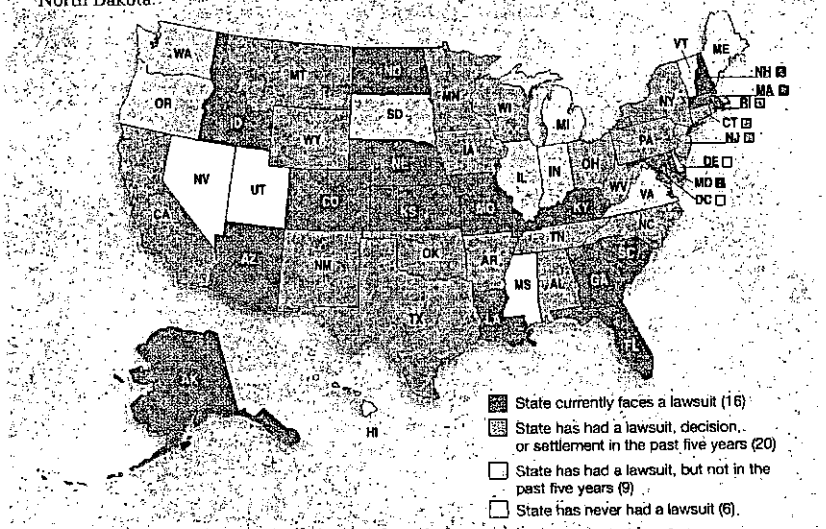
Education Week found that in the current school year, only six states have some type of pay-for-performance program based on teacher acquisition of knowledge and skills. Five states have programs that reward teachers based on their students' achievement. Some states also are working with the Milken Family Foundation's Teacher Advancement Program, or TAP. That comprehensive model pays teachers on the basis of their acquired knowledge and skills as well as their students' academic gains.

In addition, 26 states provide recruitment or retention incentives to attract and keep teachers in high-demand subject areas. Fourteen states have such incentives to attract and keep teachers in high-poverty or low-performing schools.

At the same time, 20 states have laws mandating a single-salary schedule. Such statewide pay scales potentially restrict flexibility in how much schools choose to pay teachers.

School Finance Litigation

The court system across the states has played a significant role in school finance reform, with most states facing legal challenges in the past five years. Some of the most recent cases have been filed in Georgia, Kentucky, Lousiana, Missouri, Nebraska, and North Dakota.



SOURCE: Data compiled by Education Week Research Center from: ACCESS, the National School Boards Association, and the National Conference of State Legislatures' National Center on Education Finance, 2004

The Revenue Fix

Even if states could determine how much it costs to bring all, or most, students to a specified level of performance, they'd still need to find the cash. Economists suggest that could be difficult, given the patched-together nature of most state revenue systems.

Education Week found that 31 states have taxes or fees earmarked for education. Twenty-four have lotteries dedicated at least in part to pre-K-12 education. And 35 states require or assume a minimum local tax effort to finance schools. But as the reliance on local property taxes has lessened (33 states limit property taxes), state tax structures have not necessarily stepped into the breach.

Increasingly, states have turned to a variety of "sin taxes"—such as levies on cigarettes, alcohol, and gambling—to help finance public schools, rather than raise sales or income taxes. But those sin taxes are inherently unstable sources of funding. And while 43 states enacted large tax cuts during the boom years of the 1990s, most have neither reversed those cuts nor enacted other tax increases to replace lost revenues, the economist Alice Rivlin points out.

Moreover, experts contend that sales taxes—historically the engine of state budgets—have not kept pace with changes in consumer spending, such as online purchases and the increased consumption of services.

For the foreseeable future, such structural problems mean that state demands for better results from their schools will be accompanied by limited revenue increases, at best. And lawmakers, faced with the large price tags often suggested by adequacy studies, may balk at passing new taxes to pay for such systems. ■

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HB 1154
11 Jan 05

House Education Committee
Tuesday, January 11, 2005

HB 1154 Testimony
Bev Nielson, North Dakota School Boards Association

Chairman Kelsch and members of the House Education Committee. I am Bev Nielson with the North Dakota School Boards Association. Thank you for the opportunity to express concerns about HB1154.

I would like to begin by addressing the proposed increases in the per pupil payments. Although there is a $203 increase over the biennium, it is $73 less of an increase compared to both the 2003 and 1999 sessions. As the figures below indicate, these increases are very modest when compared with recent years.

Recent history of foundation aid increases:

1999 Session	$191 85 $276
2001 Session	$ 57 60 $117 plus $3,000 per full-time teacher
2003 Session	$162 114 $276
2005 Bill	$103 100 $203

We believe this illustrates that the 2005-07 foundation aid increases likely will fall far short of funds districts need, particularly in view of new challenges such as:

- Increased mandated course offerings beginning in the fall of 2005
- Implementation of NCLB mandates
- Implementation of professional development
- Testing requirements
- School improvement requirements
- Special education cost increases (accentuated by shortfalls in state reimbursements)
- Declining enrollment

This brings us to the amendment proposing a $3,000 increase in the state-mandated minimum teacher salary over the biennium (from $21,500 to $23,000 in 2005-06; and from $23,000 to $24,500 in 2006-07). Let me say at the outset that our association supports an increase in teacher compensation. Teachers deserve a level of compensation that corresponds to increased demands of their job.

However, I want to make sure that you understand that this legislation is really an unfunded mandate. Here is why. The $100 and $103 a year increase in foundation aid proposed in this legislation is distributed to schools on a per pupil basis. Many of our districts suffer from declining enrollment which means these districts will receive less state aid than the previous year. Without sufficient net gain in state aid, these districts do not have sufficient funds to push their salary schedule by $3,000 over two years. For example, a $3,000 increase in the minimum teacher salary in Jamestown will cost the district $600,000. Due to declining enrollment, this will leave Jamestown with a $500,000 shortfall–just in teacher salaries (excluding benefits such as health insurance and teacher retirement payments). This shortfall does not include inevitable increases in district operating expenses, maintenance, and raises for non-teaching staff. These shortages must be compensated for at the local level.

How many districts will have shortfalls? Most of those whose minimum is less than that proposed in this legislation. Of the 199 districts who responded to NDSBA's salary survey, 84 districts have a minimum salary under $23,000 and 163 districts are under $24,500. That is nearly 80% of the state's school districts that will be affected.

Before hastily adopting the proposed amendment, please take a very close look at the affected districts and the level of foundation aid increases (or decreases) they will be experiencing. We believe you will find that this costly mandate is not fairly funded, and we ask that you resist adopting the amendment.

It seems reasonable and appropriate to ask DPI for a statement of the expected fiscal impact on school districts before adopting the amendment.

Finally, we would like to address the 70% language. Inclusion of this language appears to make the statement that the state believes nearly all its funding should go to teacher compensation without consideration for the burden this places on each district's ability to fund all other expenses necessary to provide quality education to their students.

With that in mind, we recommend the section of current law that allows for local discussion, public testimony, and documentary evidence that a district has insufficient resources to meet this obligation remain in law and not be removed as proposed by this legislation.

We have a long way to go with HB 1154, and I want to thank you in advance for your careful consideration of the concerns expressed by the school boards.

HB 1154
1/19/05

Testimony on HB 1154

By

Dr. M. Douglas Johnson, Assistant Executive Director—NDCEL

Madam Chairman and members of the Committee, my name is Doug Johnson and I represent the school administrators of North Dakota. I think I am here to testify in support to HB 1154 but believe there needs to be significant increases in the foundation aid per pupil payment to support the funding mandates included in the bill.

The NDCEL firmly believes that we need to get funding of public education by the State of North Dakota to seventy percent of the cost of education as defined by current law. Last year the total state appropriation for public education from all sources reached only 41.93% of the total cost of educating students in our State's public schools. The current Governor's budget allocates only $26,700,000 in additional funding for elementary and secondary education and derives this increase based on the average of the increases provided during the previous three biennia.

The NDCEL believes that it is important for our state to get to the seventy percent funding level as defined by current law and that using a formula that averages the previous three biennia will be a formula that will never attain that level (70%) of support. For that reason, we believe the legislature needs to consider a per pupil payment of $3,000 the first year and $3500 the second year of the biennium with additional funding to come from an increase in income and sales tax. This increase would add approximately $22,160,000 to the needed funding for the first ~~biennium~~ year ($277 increase over the Governor's proposal the first year at approximately $8,000,000 for every $100 increase in per pupil payment) and $40,000,000 for the second year of the biennium. This increase of approximately $36,000,000 over the Governor's proposal would bring the States commitment to public education to a 47% level the first year and 52.4% the second year assuming the state average cost per pupil is $6,384 the first year and $6,684 the second year of the biennium. These percentages of increase do not include income from other sources of revenue.

Thank you for your attention and I encourage you to give HB 1154 a closer look at the needed funding increases to meet the additional mandates that are facing our schools. I will be happy to answer any questions that you might have regarding this testimony.

HB 1154
11 Jan 05

TESTIMONY ON HB 1154
HOUSE EDUCATION COMMITTEE
January 11, 2004
By Steve Swiontek, Superintendent, Devils Lake Public Schools
662-7640

Madam Chairperson Kelsch and Committee Members:

My name is Steve Swiontek, Superintendent of Devils Lake Public Schools. Thank you for this opportunity to address this committee in regards to House Bill 1154.

HB 1154, which now includes recommendations to increase the base salary for beginning teachers to a level of $24,500 at the end of the biennium, is certainly admirable, but the dollars are far short of what they need to be. We all want the salaries of our teachers to be far better than they are. Our teachers, who I believe are second to none, need to have average salaries that are far above 48th in the nation. HB 1154 recommends a $103 increase in foundation aid in the first year and a $100 increase in foundation aid in the second year. I would like to demonstrate how this recommendation to increase base salaries for beginning teachers to $24,500 in the next two years would affect Devils Lake Public Schools.

Year One

DLPS current base salary is $22,100 and teachers receive both sides of TFFR.

Cost to the district to increase teacher salaries to $23,000 in the first year	$270,000
(This includes co-curricular schedule, TFFR, and SSN)	
Cost to the district for the increase in medical/dental/vision	$100,000
Cost to the district for the increase in classified and administrative salaries	$100,000
Total cost	$470,000
Increased revenue due to the increase in foundation aid (1,800 students)	$180,000
Increased revenue due to tuition apportionment	$ 32,000
Increased revenue due to supplemental equity	$100,000
Total increase in revenue	$312,000
Shortfall Year One	**($158,000)**

Year Two

Cost to the district to increase teacher salaries from $23,000 to $24,500	$385,000
(This includes co-curricular schedule, TFFR, and SSN)	
Cost to the district for the increase in classified and administrative salaries	$120,000
Total cost	$505,000
Increased revenue due to the increase in foundation aid (1,800 students)	$180,000
Shortfall Year Two	**($325,000)**
Total shortfall over those two years	**($483,000)**

Of course these numbers only reflect salaries and benefits and do not include the cost for maintaining six school buildings. So where does Devils Lake Public Schools find those funds when we are currently deficit spending? Our carryover, we hope, at the end of this year will be somewhere around $1.1 million. Where does a property poor school district come up with those dollars when we are assessing the maximum number of mills for the General Fund? It is obvious that this type of shortfall in funds would bankrupt the school district very quickly. The Governor and the Legislature needs to continue to promote the importance of education in North Dakota, encourage school boards to improve teacher salaries, but the Governor and the Legislature need to provide the funds for such improvement.

HED 11 SP
17 Jan 05

Dickinson Public School District #1

Statements and Information Concerning Foundation Aid

Dickinson Public Schools currently is scheduled to receive $5,965,581 in foundation aid pupil payments for the 2004-2005 school year. This amount is strictly for pupil membership payments and does not include summer school, special education, transportation, tuition apportionment, supplemental payments, and teacher compensation payments.

Like the vast majority of North Dakota school districts, Dickinson Public Schools has recently experienced declining enrollments. This loss of pupils directly impacts the amount of foundation aid received by our district. In some years, this decline in enrollment actually may cause our district to receive less money in foundation aid from the state than the previous year.

The Dickinson Public School District strongly supports and strives to achieve increases in teachers' salaries. The current proposal by the governor to increase minimum salaries for teachers by $1,500 each year would not come without challenges. Without adequate state funding for teacher salary increases, the burden is placed upon local funding sources.

Using Dickinson Public Schools' current salary schedule and assuming no changes in that schedule or the current staff, increasing the base salary by $1,500 would have the following ramifications to our budget for next year:

- $631,929 increase for experience step movement and increases in the base salary
- $24,000 increase for educational steps
- $11,412 increase for extra curricular salaries
- $43,700 increase for new career increment salaries

Total Estimated Salary Increases From 2004-2005 to 2005-2006.....$711,041

Attached to this document is a spreadsheet displaying Dickinson Public Schools' foundation aid payment information for last year, this year, and an estimate for next year. It is very clear that an increase of $103 in the per pupil payment will not fund any mandated teacher salary increases.

The Dickinson Public School District strongly supports a larger increase in the per pupil foundation aid payments for the next biennium.

prepared by Vince Reep - Director of Business and Personnel 1/7/2005

Dickinson Public School District #1
Foundation Aid Payments

YEAR	WPU	PUPIL PAYMENT	MILL DEDUCT	ADJUSTMENTS	TOTAL FOUNDATION AID	CHG. FROM PREVIOUS
2003-2004 (actual)	2692.66	$2,509	$927,296	-$18,259	$5,810,329	NA
2004-2005 (actual)	2662.49	$2,623	$1,017,327	-$803	$5,965,581	$155,252
2005-2006 (projected)	2591.51	$2,726	$1,137,159	$0	$5,927,297	-$38,284

NOTES:

1. All of the weighted pupil units (WPU) are based on average daily membership (ADM) from the previous year.
2. The per pupil payment for 2005-2006 is based on the governor's proposed budget.
3. The 2005-2006 projected WPUs are estimated ADM from Dickinson's January enrollment.
4. The mill deductions are 34, 36, and 38 respectively for each year above, and assumes no change in NDCC.

prepared by Vince Reep - Director of Business and Personnel

1/10/2005

HB 1154
11 Jan 05

TO: House Education Committee

FROM: Joe Sykora, Business Manager - Jamestown Public Schools

RE: HB 1154

DATE: January 11, 2005

Joe Sykora
Business Manager
Jamestown
1-11-2005

The enclosures summarize the financial impact of HB 1154 in respects to Jamestown Public Schools.

- A minimum base salary of $24,500 amounts to an additional $527,696 of new salary dollars which is a 7.2% increase. An additional 15% for benefits (TFFR, FICA, etc:) is not included in this figure, but is a cost of $79,154 to the district that is often overlooked with salary increases.
- With an increase in per pupil payments to $2,726 and $2,826, Jamestown would see a net reduction of $143,702 in per pupil aid because of declining enrollment and the increase in the mill deduct by two each year.
- Assume no enrollment decline, Jamestown would see a net gain of $293,567 in state revenue which is still short $234,129 in salary dollars to meet the minimum base salary of $24,500.
- With a base salary of $24,500 and per pupil payments at $2,726 and $2,826, the Jamestown School District is facing a state revenue shortfall of $671,398 ($527,696 plus $143,702) to meet the proposed state requirement.
- Minimal increases in tuition apportionment and supplemental equity revenue of approximately $50,000 can be expected.
- No significant increase expected in special education and transportation.
- The district expects to see a decrease in teacher compensation revenue due to staff positions that will not be filled through attrition, resignations, early retirements and reduction in forces.
- Jamestown Public Schools is capped at the 185 mills for its general fund levy.
- In June 2000, Jamestown's ending percent balance (ending fund balance divided by total expenditures) was at 30%. In June 2004 the ending percent is at 20.4% and is estimated to be at 18.1% in June 2005.
- In order to find the dollars necessary to meet the state requirement for a base salary, the district will 1) continue to use reserves till a 12-15% carry over percentage is reached, and 2) eliminate educational programs and opportunities for students.

JAMESTOWN PUBLIC SCHO[redacted]ALARY PROJECTIONS

For every additional $100 on the base amount (step 0) on Jamestown's salary schedule . . .

AVERAGE TEACHER SALARY $38,123

BASE AMOUNT	BASE INCREASE	ADJ INDEX	SALARY BASE INC.	BUILT IN ADVANCEMENT	TOTAL NEW DOLLARS	PERCENT INC	AVG INC PER FTE
$23,200	$0	322	$0	$109,005	$109,005	1.5%	$564
$23,300	$100	322	$32,207	$109,005	$141,212	1.9%	$731
$23,400	$200	322	$64,414	$109,005	$173,419	2.4%	$898
$23,500	$300	322	$96,621	$109,005	$205,626	2.8%	$1,065
$23,600	$400	322	$128,828	$109,005	$237,833	3.2%	$1,231
$23,700	$500	322	$161,035	$109,005	$270,040	3.7%	$1,398
$23,800	$600	322	$193,242	$109,005	$302,247	4.1%	$1,565
$23,900	$700	322	$225,449	$109,005	$334,454	4.5%	$1,732
$24,000	$800	322	$257,656	$109,005	$366,661	5.0%	$1,899
$24,100	$900	322	$289,863	$109,005	$398,868	5.4%	$2,065
$24,200	$1,000	322	$322,070	$109,005	$431,075	5.9%	$2,232
$24,300	$1,100	322	$354,277	$109,005	$463,282	6.3%	$2,399
$24,400	$1,200	322	$386,484	$109,005	$495,489	6.7%	$2,566
$24,500	$1,300	322	$418,691	$109,005	$527,696	7.2%	$2,732
$24,600	$1,400	322	$450,898	$109,005	$559,903	7.6%	$2,899
$24,700	$1,500	322	$483,105	$109,005	$592,110	8.0%	$3,066
$24,800	$1,600	322	$515,312	$109,005	$624,317	8.5%	$3,233
$24,900	$1,700	322	$547,519	$109,005	$656,524	8.9%	$3,399
$25,000	$1,800	322	$579,726	$109,005	$688,731	9.4%	$3,566
$25,100	$1,900	322	$611,933	$109,005	$720,938	9.8%	$3,733
$25,200	$2,000	322	$644,140	$109,005	$753,145	10.2%	$3,900
$25,300	$2,100	322	$676,347	$109,005	$785,352	10.7%	$4,066
$25,400	$2,200	322	$708,554	$109,005	$817,559	11.1%	$4,233
$25,500	$2,300	322	$740,761	$109,005	$849,766	11.5%	$4,400
$25,600	$2,400	322	$772,968	$109,005	$881,973	12.0%	$4,567
$25,700	$2,500	322	$805,175	$109,005	$914,180	12.4%	$4,733
$25,800	$2,600	322	$837,382	$109,005	$946,387	12.9%	$4,900
$25,900	$2,700	322	$869,589	$109,005	$978,594	13.3%	$5,067
$26,000	$2,800	322	$901,796	$109,005	$1,010,801	13.7%	$5,234
$26,100	$2,900	322	$934,003	$109,005	$1,043,008	14.2%	$5,401
$26,200	$3,000	322	$966,210	$109,005	$1,075,215	14.6%	$5,567

NOTE: In addition, 15% needs to be added for benefits paid (TFFR, FICA, etc.) and additional increase (7-10%) in health insurance costs are not included.

Joe Sykora
Business Manager
1-11-2005

JAMESTOWN PUBLIC SCHOOLS

ESTIMATED STATE FOUNDATION AID FOR 2005-2006 & 2006-2007

The Average Daily Membership (ADM) is multiplied by a weighted factor/ADM to get a total number of weighted units.

Grade Span Span	Dec 2004 Enrollment	2004-2005 Weighted/ADM	Total Weighted Units
PreSchool	12	1.23	14.79
Kindergarten	140	0.62	87.37
Grade 1-6	999	0.95	949.55
Grade 7-8	390	0.98	380.45
Grade 9-12	860	1.01	866.02
Alternative	25	1.42	35.50
			2,333.67

Description	Actual 2004-2005	Estimated 2005-2006	Estimated 2006-2007
Pupil Aid Entitlement			
Weighted per Units	2,440	2,334	2,285
Foundation Aid Payment Rate	$2,623	$2,726	$2,826
Estimated Entitlement	$6,399,359	$6,361,595	$6,457,410
** Assumes minimal decrease in enrollment.			
Mill Deduct			
Taxable Valuation	$28,342,557	$29,518,951	$30,552,114
Less Mill Deduct (increases by 2 each year)	$1,020,332	$1,121,720	$1,222,085
Estimated State Foundation Aid	$5,379,027	$5,239,874	$5,235,325
Estimated Inc/Dec From Previous Year		-$139,153	-$4,549
Biennium Total			-$143,702

Joe Sykora
Business Manager
Jamestown
1-11-2005

JAMESTOWN PUBLIC SCHOOLS

ESTIMATED STATE FOUNDATION AID WITH NO DECLINING ENROLLMENT

Description	2004-2005	2005-2006	2006-2007
Per Pupil Aid Entitlement			
Weighted per Units (Enrollment)	2,440	2,440	2,440
Foundation Aid Per Pupil Payment	$2,623	$2,726	$2,826
State Per Pupil Aid Entitlement	$6,400,120	$6,651,440	$6,895,440
** Assumes no decline in enrollment			
Mill Deduct			
Taxable Valuation	$28,342,557	$29,518,951	$30,552,114
Less Mill Deduct (increases by 2 each year)	$1,020,332	$1,121,720	$1,222,085
te Foundation Aid less Mill Deduct	$5,379,788	$5,529,720	$5,673,355
Increase From Previous Year (Assumes No Enrollment Decline)		$149,932	$143,636
Biennium Total			$293,567

Joe Sykora
Business Manager
Jamestown
1-11-2005

HB 1154
11 Jan 05

2005-2007 Per Student Aid Projections

HB 1154
House Education Committee
January 11, 2005

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DEPARTMENT OF PUBLIC INSTRUCTION
Dr. Wayne G. Sanstead, Superintendent
600 East Boulevard Avenue Dept. 201
Bismarck, North Dakota 58505-0440

HB 1154 Restructured Factor Categories
Includes financial data through June 30, 2004)

	Expenditures (5-Year)	ADM (5-Year)	Average Cost Per Pupil (5-Year)	Factors (5-Year)	Indexed To Lowest
Non-Operating	1,243,216.02	-	-	0.0000	0.0000
Preschool Special Ed.	28,038,904.93	4,296.15	6,526.52	1.1611	1.1871
Kindergarten	131,381,506.63	36,418.30	3,607.57	0.6418	0.6562
Elementary (1-6) < 100	223,164,435.91	29,805.42	7,487.38	1.3320	1.3619
Elementary (1-6) 100 and over	1,120,895,671.00	202,520.52	5,534.73	0.9846	1.0067
Elementary (7-8)	467,333,620.23	84,933.88	5,502.32	0.9789	1.0008
High School (9-12) < 120	260,537,560.66	36,919.33	7,056.94	1.2555	1.2836
High School (9-12) 120-299	208,348,827.32	36,955.59	5,637.82	1.0030	1.0254
High School (9-12) 300 and over	602,899,928.16	109,659.94	5,497.90	0.9781	1.0000
State Average	3,043,843,670.86	541,509.13	5,621.04	1.0000	
Lowest Cateory			5,497.90		1.0000

Current Weighting Factor Calculation
(Includes financial data through June 30, 2004)

	Expenditures (5-Year)	ADM (5-Year)	Average Cost Per Pupil (5-Year)	Factors (5-Year)
Non-Operating	1,243,216.02	-	-	0.0000
Preschool Special Ed.	28,038,904.93	4,296.15	6,526.52	1.1611
Preschool (Not Spec. Ed.)	-	-	-	0.0000
Kindergarten	131,381,506.62	36,418.30	3,607.57	0.6418
Rural (1-8)	1,980,835.93	243.43	8,137.19	1.4476
Elementary (1-6) < 100	221,441,634.19	29,596.50	7,482.02	1.3311
Elementary (1-6) 100-999	457,432,223.28	87,073.50	5,253.40	0.9346
Elementary (1-6) > 999	663,463,447.72	115,447.02	5,746.91	1.0224
Elementary (7-8)	467,075,586.02	84,899.37	5,501.52	0.9787
High School (9-12) < 75	127,360,421.81	15,722.66	8,100.44	1.4411
High School (9-12) 75-149	196,019,609.32	32,075.65	6,111.17	1.0872
High School (9-12) 150-549	182,168,955.29	34,458.45	5,286.63	0.9405
High School (9-12) > 549	566,237,329.72	101,278.10	5,590.92	0.9946
Total	3,043,843,670.85	541,509.13	5,621.04	1.0000

Current Expenditures by Type of District For 2003-2004

Kind of District	Number of Districts	Expenditures	ADM	ADM/Student	ADA	ADA/Student	RATIO*
Nonoperating	2	220,305.79	-		-		-
Rural (1-6)	8	339,550.97	36.65	9,264.69	33.25	10,212.06	1.45
Rural (7-8)	1	20,735.72	4.00	5,183.93	3.95	5,249.55	0.81
Preschool	69	6,296,097.13	946.35	6,653.03	824.01	7,640.80	1.04
KGTN	188	30,022,445.86	7,219.43	4,158.56	6,916.68	4,340.59	0.65
Graded Elem (1-6) < 100	31	9,599,911.34	941.58	10,195.53	909.17	10,558.98	1.60
Graded Elem (1-6) 100-999	5	3,500,705.75	648.50	5,398.16	624.79	5,603.01	0.85
Graded Elem (1-6) > 1000	-	-	-	-	-		-
Graded Elem (7-8)	21	2,918,243.57	360.48	8,095.44	345.31	8,451.08	1.27
High School (1-6) < 100	82	40,908,313.41	4,809.31	8,506.07	4,616.30	8,861.71	1.33
High School (1-6) 100-999	72	92,098,730.40	15,398.65	5,980.96	14,885.81	6,187.02	0.94
High School (1-6) > 1000	8	144,495,090.37	22,550.93	6,407.50	21,739.52	6,646.66	1.00
High School (7-8)	165	99,590,874.15	15,893.13	6,266.28	15,219.53	6,543.62	0.98
High School (9-12)							
550 and up	11	123,114,342.19	19,321.26	6,371.96	18,455.30	6,670.95	1.00
500-549	1	2,473,463.96	540.24	4,578.45	520.86	4,748.81	0.72
400-499	1	2,119,002.94	448.63	4,723.28	429.03	4,939.06	0.74
300-399	3	4,794,555.80	962.86	4,979.49	921.22	5,204.57	0.78
200-299	13	16,898,716.32	2,907.84	5,811.43	2,794.05	6,048.11	0.91
150-199	10	12,385,380.82	1,660.54	7,458.65	1,562.46	7,926.85	1.17
120-149	13	11,251,774.78	1,765.28	6,373.93	1,705.22	6,598.43	1.00
100-119	18	13,552,801.87	1,997.98	6,783.25	1,927.77	7,030.30	1.06
75-99	28	17,982,910.42	2,452.28	7,333.14	2,363.13	7,609.78	1.15
50-74	32	16,496,544.72	1,902.89	8,669.21	1,790.19	9,214.97	1.36
25-49	29	10,241,315.74	999.84	10,242.95	957.74	10,693.21	1.60
24 or less	8	2,085,926.15	154.69	13,484.56	144.00	14,485.60	2.11
HS Total	167	233,396,735.71	35,114.33	6,646.77	33,570.97	6,952.34	1.04
Total	213	663,407,740.17	103,923.34	6,383.63	99,689.29	6,654.75	

* The ratio is calculated by dividing the ADM cost per pupil for each category by the ADM average cost per pupil for all pupils (excluding vocational centers and special education multidistrict units.

This schedule compares the district projection at the current 11 factor categories to the proposed 8 factor categories.

			11 current categories		8 collapsed categories					
			$ 2,780	$ 2,878	$ 2,726	$ 2,826				
			11 current categories		8 collapsed categories		Change	Change	Percent	Percent
ID	DNAME	DTYPE	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1013	Hettinger 13	1	718,627	762,023	796,960	803,790	78,333	41,767	11%	5%
2002	Valley City 2	1	2,424,899	2,340,588	2,545,569	2,461,845	120,670	121,257	5%	5%
2046	Litchville-Marion 46	1	381,255	357,006	350,080	326,110	(31,175)	(30,896)	-8%	-9%
2065	N Central 65	1	255,804	228,071	231,204	203,803	(24,600)	(24,268)	-10%	-11%
2082	Wimbledon-Courtenay 82	1	316,016	287,125	291,685	263,143	(24,331)	(23,982)	-8%	-8%
3005	Minnewaukan 5	1	466,512	478,534	448,980	461,729	(17,532)	(16,805)	-4%	-4%
3006	Leeds 6	1	477,978	484,773	462,939	466,583	(15,039)	(18,190)	-3%	-4%
3009	Maddock 9	1	567,205	577,943	549,028	556,648	(18,177)	(21,295)	-3%	-4%
3016	Oberon 16	2	54,287	54,095	54,679	54,649	392	554	1%	1%
3029	Warwick 29	1	583,718	596,628	555,136	568,550	(28,582)	(28,078)	-5%	-5%
3030	Ft Totten 30	1	535,917	546,367	570,870	582,909	34,953	36,542	7%	7%
4001	Billings Co 1	2	-	-	-	-	-	-	#DIV/0!	#DIV/0!
5001	Bottineau 1	1	1,437,194	1,293,335	1,530,874	1,384,096	93,680	90,761	7%	7%
5017	Westhope 17	1	288,322	250,194	263,970	226,500	(24,352)	(23,694)	-8%	-9%
5054	Newburg-United 54	1	63,282	32,888	50,761	20,680	(12,521)	(12,208)	-20%	-37%
6001	Bowman 1	1	931,291	949,169	927,540	949,385	(3,751)	216	0%	0%
6017	Rhame 17	1	172,835	177,960	158,731	163,265	(14,104)	(14,695)	-8%	-8%
6033	Scranton 33	1	396,358	408,633	371,390	382,479	(24,968)	(26,154)	-6%	-6%
7014	Bowbells 14	1	172,373	159,161	162,596	150,479	(9,777)	(8,682)	-6%	-5%
7027	Powers Lake 27	1	270,303	258,214	252,516	241,886	(17,787)	(16,328)	-7%	-6%
7036	Burke Central 36	1	172,986	158,370	157,040	143,924	(15,946)	(14,446)	-9%	-9%
8001	Bismarck 1	1	23,274,000	23,844,493	22,738,380	23,336,981	(535,620)	(507,512)	-2%	-2%
8025	Naughton 25	3	621	132	-	-	(621)	(132)	-100%	-100%
8028	Wing 28	1	183,482	188,526	173,619	178,752	(9,863)	(9,774)	-5%	-5%
8029	Baldwin 29	2	39,756	39,682	40,051	40,094	295	412	1%	1%
8033	Menoken 33	2	19,006	17,307	19,307	17,718	301	411	2%	2%
8035	Sterling 35	2	29,144	26,049	29,562	26,649	418	600	1%	2%
8039	Apple Creek 39	2	98,991	98,740	99,527	99,563	536	823	1%	1%
8045	Manning 45	3	8,556	8,439	7,317	7,180	(1,239)	(1,259)	-14%	-15%
9001	Fargo 1	1	23,680,545	24,414,170	23,090,785	23,845,579	(589,760)	(568,591)	-2%	-2%
9002	Kindred 2	1	1,430,492	1,478,717	1,524,226	1,580,295	93,734	101,578	7%	7%
9004	Maple Valley 4	1	497,897	497,938	518,872	528,251	20,975	30,313	4%	6%
9006	West Fargo 6	1	11,558,160	11,905,107	11,265,915	11,623,183	(292,245)	(281,924)	-3%	-2%
9007	Mapleton 7	2	205,267	210,463	206,272	212,047	1,005	1,584	0%	1%
9017	Central Cass 17	1	1,751,006	1,809,374	1,857,345	1,924,735	106,339	115,361	6%	6%
9080	Page 80	2	230,031	234,862	231,203	236,639	1,172	1,777	1%	1%
9097	Northern Cass	1	903,694	917,245	935,483	961,252	31,789	44,007	4%	5%

ID	DNAME	DTYPE	11 current categories 2005-06	2006-07	8 collapsed categories 2005-06	2006-07	Change 2005-06	Change 2006-07	Percent 2005-06	Percent 2006-07
10014	Border Central 14	1	-	-	-	-	-	-	#DIV/0!	#DIV/0!
10019	Munich 19	1	248,227	238,033	225,279	214,743	(22,948)	(23,290)	-9%	-10%
10023	Langdon Area 23	1	711,251	663,887	772,281	727,725	61,030	63,838	9%	10%
11040	Ellendale 40	1	726,452	745,602	798,796	824,966	72,344	79,364	10%	11%
11041	Oakes 41	1	1,163,533	1,179,534	1,184,249	1,229,559	20,716	50,025	2%	4%
12001	Divide County 1	1	529,499	470,620	586,563	529,118	57,064	58,498	11%	12%
13008	Dodge 8	2	70,781	60,457	71,078	60,868	297	411	0%	1%
13016	Killdeer 16	1	728,466	720,008	720,080	736,613	(8,386)	16,605	-1%	2%
13019	Halliday 19	1	13,959	6,439	10,652	3,138	(3,307)	(3,301)	-24%	-51%
13037	Twin Buttes 37	2	127,754	126,315	128,445	127,258	691	943	1%	1%
14001	New Rockford 1	1	842,346	841,920	899,159	912,639	56,813	70,719	7%	8%
14012	Sheyenne 12	1	273,663	280,778	260,902	268,578	(12,761)	(12,200)	-5%	-4%
15006	Hazelton-Moffit-Braddock 6	1	336,650	316,784	315,348	295,333	(21,302)	(21,451)	-6%	-7%
15010	Bakker 10	2	-	-	-	-	-	-	#DIV/0!	#DIV/0!
15015	Strasburg 15	1	517,524	496,741	483,098	462,396	(34,426)	(34,345)	-7%	-7%
15036	Linton 36	1	690,387	672,820	766,171	734,291	75,784	61,471	11%	9%
16010	Carrington 10	1	1,163,149	1,137,650	1,240,167	1,219,152	77,018	81,502	7%	7%
17003	Beach 3	1	730,930	780,045	787,928	808,529	56,998	28,484	8%	4%
17006	Lone Tree 6	2	84,551	70,101	85,280	71,000	729	899	1%	1%
18001	Grand Forks 1	1	16,222,578	16,272,367	15,843,895	15,916,035	(378,683)	(356,332)	-2%	-2%
18044	Larimore 44	1	1,055,494	1,057,014	1,120,607	1,125,559	65,113	68,545	6%	6%
18061	Thompson 61	1	895,635	904,731	924,061	926,924	28,426	22,193	3%	2%
18125	Manvel 125	2	361,873	357,029	364,039	359,995	2,166	2,966	1%	1%
18127	Emerado 127	2	296,307	298,831	297,887	301,047	1,580	2,216	1%	1%
18128	Midway 128	1	613,850	618,459	613,805	616,040	(45)	(2,419)	0%	0%
18129	Northwood 129	1	682,617	687,153	739,484	746,962	56,867	59,809	8%	9%
19018	Roosevelt 18	1	368,353	343,176	370,917	346,369	2,564	3,193	1%	1%
19049	Elgin-New Leipzig 49	1	346,126	363,044	394,864	418,794	48,738	55,750	14%	15%
20007	Midkota 7	1	324,196	302,538	292,906	273,570	(31,290)	(28,968)	-10%	-10%
20018	Griggs County Central 18	1	685,169	672,293	760,224	744,733	75,055	72,440	11%	11%
21001	Mott-Regent 1	1	565,165	555,435	617,044	607,304	51,879	51,869	9%	9%
21009	New England 9	1	458,818	467,662	436,877	431,511	(21,941)	(36,151)	-5%	-8%
22011	Pettibone-Tuttle 11	2	-	-	-	-	-	-	#DIV/0!	#DIV/0!
22014	Robinson 14	2	-	-	-	-	-	-	#DIV/0!	#DIV/0!
22020	Tuttle-Pettibone 20	1	75,100	63,888	61,587	51,070	(13,513)	(12,818)	-18%	-20%
22026	Steele-Dawson 26	1	673,336	668,207	694,332	669,317	20,996	1,110	3%	0%
22028	Tappen 28	1	298,670	295,253	279,303	277,271	(19,367)	(17,982)	-6%	-6%
23003	Edgeley 3	1	555,487	501,757	521,182	473,072	(34,305)	(28,685)	-6%	-6%
23007	Kulm 7	1	239,632	196,332	220,054	179,819	(19,578)	(16,513)	-8%	-8%
23008	LaMoure 8	1	661,571	648,588	685,289	626,847	23,718	(21,741)	4%	-3%

ID	DNAME	DTYPE	11 current categories 2005-06	2006-07	8 collapsed categories 2005-06	2006-07	Change 2005-06	Change 2006-07	Percent 2005-06	Percent 2006-07
23011	Verona 11	1	20,223	4,815	13,849	-	(6,374)	(4,815)	-32%	-100%
24002	Napoleon 2	1	641,288	647,328	619,873	622,698	(21,415)	(24,630)	-3%	-4%
24056	Gackle 14	1	220,982	213,300	200,177	192,864	(20,805)	(20,436)	-9%	-10%
25001	Velva 1	1	878,725	873,695	893,260	895,411	14,535	21,716	2%	2%
25014	Anamoose 14	1	268,478	270,101	246,374	247,745	(22,104)	(22,356)	-8%	-8%
25057	Drake 57	1	344,836	342,628	321,528	319,190	(23,308)	(23,438)	-7%	-7%
25060	TGU 60	1	641,330	628,543	676,764	659,729	35,434	31,186	6%	5%
26004	Zeeland 4	1	94,163	67,283	85,555	59,649	(8,608)	(7,634)	-9%	-11%
26009	Ashley 9	1	431,270	374,343	398,703	345,620	(32,567)	(28,723)	-8%	-8%
26019	Wishek 19	1	618,238	570,942	607,405	537,023	(10,833)	(33,919)	-2%	-6%
27001	McKenzie Co 1	1	1,067,711	1,016,651	1,139,311	1,089,598	71,600	72,947	7%	7%
27002	Alexander 2	1	60,065	45,306	49,822	35,941	(10,243)	(9,365)	-17%	-21%
27014	Yellowstone 14	2	216,796	206,366	202,340	192,764	(14,456)	(13,602)	-7%	-7%
27018	Earl 18	3	30,938	26,922	25,041	21,412	(5,897)	(5,510)	-19%	-20%
27019	Bowline Butte 19	3	-	-	-	-	-	-	#DIV/0!	#DIV/0!
27032	Horse Creek 32	3	-	-	-	-	-	-	#DIV/0!	#DIV/0!
27036	Mandaree 36	1	633,139	629,152	610,321	608,484	(22,818)	(20,668)	-4%	-3%
28001	Montefiore 1	1	564,759	561,686	536,938	534,266	(27,821)	(27,420)	-5%	-5%
28004	Washburn 4	1	715,335	699,115	774,042	759,653	58,707	60,538	8%	9%
28008	Underwood 8	1	533,217	521,851	500,837	490,295	(32,380)	(31,556)	-6%	-6%
28050	Max 50	1	457,085	452,515	429,769	426,016	(27,316)	(26,499)	-6%	-6%
28051	Garrison 51	1	685,344	655,216	760,413	732,944	75,069	77,728	11%	12%
28072	Turtle Lake-Mercer 72	1	472,664	459,845	440,413	428,307	(32,251)	(31,538)	-7%	-7%
28085	White Shield 85	1	389,420	393,717	375,955	380,841	(13,465)	(12,876)	-3%	-3%
29003	Hazen 3	1	1,444,534	1,344,242	1,527,864	1,425,809	83,330	81,567	6%	6%
29020	Golden Valley 20	1	85,522	70,809	72,040	58,586	(13,482)	(12,223)	-16%	-17%
29027	Beulah 27	1	1,550,623	1,424,055	1,646,938	1,518,354	96,315	94,299	6%	7%
30001	Mandan 1	1	7,386,773	7,402,858	7,225,644	7,252,584	(161,129)	(150,274)	-2%	-2%
30004	Little Heart 4	2	44,171	40,134	44,561	40,644	390	510	1%	1%
30007	New Salem 7	1	875,388	878,864	898,844	904,119	23,456	25,255	3%	3%
30008	Sims 8	2	24,291	18,173	24,681	18,691	390	518	2%	3%
30013	Hebron 13	1	390,800	386,303	371,207	366,749	(19,593)	(19,554)	-5%	-5%
30017	Sweet Briar 17	3	26,481	26,672	19,820	19,831	(6,661)	(6,841)	-25%	-26%
30039	Flasher 39	1	622,624	624,916	608,195	610,983	(14,429)	(13,933)	-2%	-2%
30048	Glen Ullin 48	1	524,625	524,129	499,373	498,915	(25,252)	(25,214)	-5%	-5%
31001	New Town 1	1	1,718,899	1,723,499	1,803,468	1,812,762	84,569	89,263	5%	5%
31002	Stanley 2	1	690,416	693,943	740,547	747,275	50,131	53,332	7%	8%
31003	Parshall 3	1	707,758	714,204	673,252	679,640	(34,506)	(34,564)	-5%	-5%
32001	Dakota Prairie 1	1	502,685	506,342	554,477	565,150	51,792	58,808	10%	12%
32066	Lakota 66	1	598,577	581,917	601,856	608,082	3,279	26,165	1%	4%

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ID	DNAME	DTYPE	11 current categories 2005-06	2006-07	8 collapsed categories 2005-06	2006-07	Change 2005-06	Change 2006-07	Percent 2005-06	Percent 2006-07
33001	Center-Stanton 1	1	757,154	877,425	810,462	932,374	53,308	54,949	7%	6%
34001	Pembina 1	1	335,843	334,680	311,108	310,347	(24,735)	(24,333)	-7%	-7%
34006	Cavalier 6	1	1,008,863	1,017,279	1,076,821	1,088,690	67,958	71,411	7%	7%
34012	Valley 12	1	418,055	420,293	395,285	398,114	(22,770)	(22,179)	-5%	-5%
34019	Drayton 19	1	406,495	407,219	374,559	375,584	(31,936)	(31,635)	-8%	-8%
34027	Walhalla 27	1	653,633	672,831	678,084	692,308	24,451	19,477	4%	3%
34043	St Thomas 43	1	328,237	335,553	312,861	320,339	(15,376)	(15,214)	-5%	-5%
34055	Neche 55	1	155,263	156,698	143,422	144,905	(11,841)	(11,793)	-8%	-8%
35001	Wolford 1	1	111,773	109,489	101,030	98,624	(10,743)	(10,865)	-10%	-10%
35005	Rugby 5	1	993,247	963,951	1,062,015	1,037,210	68,768	73,259	7%	8%
36001	Devils Lake 1	1	4,294,229	4,376,833	4,391,971	4,489,653	97,742	112,820	2%	3%
36002	Edmore 2	1	118,728	108,959	93,133	83,987	(25,595)	(24,972)	-22%	-23%
36044	Starkweather 44	1	210,476	209,064	196,828	195,927	(13,648)	(13,137)	-6%	-6%
37002	Sheldon 2	2	33,999	32,366	34,285	32,799	286	433	1%	1%
37006	Ft Ransom 6	2	12,875	7,753	13,022	7,959	147	206	1%	3%
37019	Lisbon 19	1	1,257,323	1,199,643	1,335,860	1,278,487	78,537	78,844	6%	7%
37022	Enderlin 22	1	675,411	644,693	731,602	701,909	56,191	57,216	8%	9%
38001	Mohall-Lansford-Sherwood	1	574,829	555,817	652,997	632,723	78,168	76,906	14%	14%
38026	Glenburn 26	1	706,305	704,235	765,542	761,181	59,237	56,946	8%	8%
39008	Hankinson 8	1	670,953	662,766	723,345	716,218	52,392	53,452	8%	8%
39018	Fairmount 18	1	198,273	185,581	182,025	169,789	(16,248)	(15,792)	-8%	-9%
39028	Lidgerwood 28	1	596,402	590,712	561,355	557,057	(35,047)	(33,655)	-6%	-6%
39037	Wahpeton 37	1	2,860,709	2,802,257	3,006,204	2,954,182	145,495	151,925	5%	5%
39042	Wyndmere 42	1	557,991	541,639	611,647	596,461	53,656	54,822	10%	10%
39044	Richland 44	1	687,589	682,521	743,201	739,522	55,612	57,001	8%	8%
40001	Dunseith 1	1	1,519,262	1,509,288	1,553,088	1,553,108	33,826	43,820	2%	3%
40003	St John 3	1	811,673	827,319	825,890	850,505	14,217	23,186	2%	3%
40004	Mt Pleasant 4	1	730,442	745,342	780,436	792,216	49,994	46,874	7%	6%
40007	Belcourt 7	1	4,268,250	4,303,308	4,349,324	4,388,452	81,074	85,144	2%	2%
40029	Rolette 29	1	513,242	512,177	479,851	477,919	(33,391)	(34,258)	-7%	-7%
41002	Milnor 2	1	698,484	713,012	705,639	739,869	7,155	26,857	1%	4%
41003	N Sargent 3	1	558,646	558,927	534,923	533,723	(23,723)	(25,204)	-4%	-5%
41006	Sargent Central 6	1	598,425	618,172	648,851	674,273	50,426	56,101	8%	9%
42016	Goodrich 16	1	82,407	73,987	75,770	66,179	(6,637)	(7,808)	-8%	-11%
42019	McClusky 19	1	212,651	214,656	196,687	195,920	(15,964)	(18,736)	-8%	-9%
43003	Solen 3	1	609,860	668,120	584,857	640,774	(25,003)	(27,346)	-4%	-4%
43004	Ft Yates 4	2	578,234	640,593	560,974	622,210	(17,260)	(18,383)	-3%	-3%
43008	Selfridge 8	1	411,880	459,247	387,229	432,468	(24,651)	(26,779)	-6%	-6%
44012	Marmarth 12	2	1	-	-	-	(1)	-	-100%	#DIV/0!
44014	Sheets 14	3	-	-	-	-	-	-	#DIV/0!	#DIV/0!

ID	DNAME	DTYPE	11 current categories 2005-06	2006-07	8 collapsed categories 2005-06	2006-07	Change 2005-06	Change 2006-07	Percent 2005-06	Percent 2006-07
44032	Central Elementary 32	2	-	-	-	-	-	-	#DIV/0!	#DIV/0!
45001	Dickinson 1	1	6,047,336	6,107,767	5,918,383	5,986,150	(128,953)	(121,617)	-2%	-2%
45009	South Heart 9	1	700,442	710,464	721,278	729,608	20,836	19,144	3%	3%
45013	Belfield 13	1	673,083	683,608	726,460	739,590	53,377	55,982	8%	8%
45034	Richardton-Taylor 34	1	673,961	682,799	727,314	738,935	53,353	56,136	8%	8%
46010	Hope 10	1	286,569	311,994	316,705	363,086	30,136	51,092	11%	16%
46019	Finley-Sharon 19	1	511,827	543,721	484,970	515,532	(26,857)	(28,189)	-5%	-5%
47001	Jamestown 1	1	5,212,042	5,145,822	5,335,738	5,281,283	123,696	135,461	2%	3%
47003	Medina 3	1	418,519	413,223	399,577	395,512	(18,942)	(17,711)	-5%	-4%
47010	Pingree-Buchanan	1	399,849	394,424	375,484	371,046	(24,365)	(23,378)	-6%	-6%
47014	Montpelier 14	1	256,693	248,654	241,432	234,426	(15,261)	(14,228)	-6%	-6%
47019	Kensal 19	1	120,998	111,879	107,900	99,105	(13,098)	(12,774)	-11%	-11%
47026	Spiritwood 26	2	-	-	-	-	-	-	#DIV/0!	#DIV/0!
48002	Bisbee-Egeland 2	1	126,515	91,915	109,300	77,570	(17,215)	(14,345)	-14%	-16%
48008	Southern 8	1	590,115	531,582	558,364	505,362	(31,751)	(26,220)	-5%	-5%
48028	North Central 28	1	123,592	103,785	114,566	96,273	(9,026)	(7,512)	-7%	-7%
49003	Central Valley 3	1	652,656	651,582	706,161	707,363	53,505	55,781	8%	9%
49007	Hatton 7	1	662,379	676,063	655,410	666,429	(6,969)	(9,634)	-1%	-1%
49009	Hillsboro 9	1	800,251	808,607	797,198	814,100	(3,053)	5,493	0%	1%
49014	May-Port CG 14	1	1,124,640	1,136,246	1,200,282	1,217,129	75,642	80,883	7%	7%
50003	Grafton 3	1	2,146,872	2,235,673	2,249,633	2,347,253	102,761	111,580	5%	5%
50020	Minto 20	1	656,322	665,670	652,593	677,549	(3,729)	11,879	-1%	2%
50039	Lankin 39	2	134,388	137,114	134,953	137,974	565	860	0%	1%
50051	Nash 51	2	32,428	31,739	32,658	32,083	230	344	1%	1%
50078	Park River 78	1	929,501	972,327	951,078	971,832	21,577	(495)	2%	0%
50079	Fordville 79	1	207,225	216,048	180,322	187,574	(26,903)	(28,474)	-13%	-13%
50106	Edinburg 106	1	392,969	416,416	369,802	391,545	(23,167)	(24,871)	-6%	-6%
50128	Adams 128	2	181,127	181,650	182,390	183,344	1,263	1,694	1%	1%
51001	Minot 1	1	15,120,474	15,321,024	14,781,158	14,999,043	(339,316)	(321,981)	-2%	-2%
51004	Nedrose 4	2	451,068	445,785	477,281	473,693	26,213	27,908	6%	6%
51007	United 7	1	1,290,501	1,308,337	1,363,180	1,385,890	72,679	77,553	6%	6%
51010	Bell 10	2	365,685	370,556	367,579	373,222	1,894	2,666	1%	1%
51016	Sawyer 16	1	339,393	339,820	319,814	320,130	(19,579)	(19,690)	-6%	-6%
51019	Eureka 19	2	88	-	205	-	117	-	133%	#DIV/0!
51028	Kenmare 28	1	621,845	621,332	675,560	678,288	53,715	56,956	9%	9%
51041	Surrey 41	1	868,396	878,937	947,947	962,576	79,551	83,639	9%	10%
51070	S Prairie 70	2	341,295	343,608	343,175	346,298	1,880	2,690	1%	1%
51161	Lewis and Clark 161	1	721,284	713,976	803,801	800,821	82,517	86,845	11%	12%
52025	Fessenden-Bowdon 25	1	330,276	284,410	322,324	248,391	(7,952)	(36,019)	-2%	-13%
52035	Pleasant Valley 3	2	17,477	12,208	17,727	12,538	250	330	1%	3%

ID	DNAME	DTYPE	11 current categories 2005-06	2006-07	8 collapsed categories 2005-06	2006-07	Change 2005-06	Change 2006-07	Percent 2005-06	Percent 2006-07
52038	Harvey 38	1	769,200	721,212	806,025	734,695	36,825	13,483	5%	2%
52039	Sykes 39	1	112,463	95,060	102,406	85,858	(10,057)	(9,202)	-9%	-10%
53001	Williston 1	1	4,874,031	4,827,805	4,980,696	4,944,315	106,665	116,510	2%	2%
53002	Nesson 2	1	436,598	429,025	407,595	400,882	(29,003)	(28,143)	-7%	-7%
53006	Eight Mile 6	1	686,744	685,159	657,534	657,068	(29,210)	(28,091)	-4%	-4%
53008	New 8	2	260,784	248,530	266,310	252,043	5,526	3,513	2%	1%
53015	Tioga 15	1	564,869	562,286	564,607	552,321	(262)	(9,965)	0%	-2%
53091	Wildrose-Alamo 91	1	68,113	58,640	59,321	50,258	(8,792)	(8,382)	-13%	-14%
			218,638,077	219,719,080	218,772,081	220,088,089	134,004	369,009		
				438,357,157		438,860,169		503,013		

Payment Factors	2004-05	2006-07	2006-07
1. Per student payments	$ 2,623	$ 2,726	$ 2,826
2. Taxable valuation increase			3.6%
3. Mill deduct	36	38	40
4. Percentage of appropriation paid each year		49.85%	50.15%
5. Funding Proposal: Executive Budget			$ 511,668,671

Executive Budget

Column descriptions for Foundation Aid Per Student Payment Projection

DNAME	District name.
DTYPE	District type. 1 = high school, 2 = graded elementary, 3= one room rural (grades K-8), 4 = non-operating.
Actual Pay 00-01	The actual net entitlement for the district for the current school year. This is the net entitlement amount reported on Pupil Payment Line 14 A of the PI3940 Foundation Aid payment report. It includes the wpu adjustments identified in adjustments identified in the NOTE below that are not included in the projection.
Actual Pay wpu 00-01	The actual weighted pupil units (wpu) the district payments were based on for the current school year. It is included for reference purposes.

Repeat for each of the three years presented. xxxx represents the school year end.

Enr xxxx	Actual/projected school district enrollment. Actual enrollments are from line 10 of the PI3-940 Foundation AidPayment report.
Enr wpu xxxx	Weighted pupil units calculated by applying the appropriate weighting factor for each districtsize/grade-level category based on enrollments. NOTE:. The weighted unit calculations do not include adjustments for prior year ADM if higher, small isolated schools, alternative high schools, reorganized districts, or ND students attending bordering states. These are estimated at the state level.
Gross Pay xxxx	Weighted pupil units multiplied by the base per student rate.
Deduct xxxx	Taxable valuation times the mill deduct rate. This line also includes the excess fund balance deduct.
Net Pay xxxx	Projected school district payment after deducts. (GrossPay xxxx minus Deduct xxxx).
Year 1 change	Computes the percentage change from the current payment year to the first year of the next biennium.
Year 2 change	Computes the percentage change from the first year ofthe next biennium to the second year of the next biennium.

Foundation Aid Per Student Payment Projection for 2005-07 Biennium Budget

Executive Budget

1. 2004-05 Actual Net Entitlement (Jan 05)
2. 2004-05 Payment Year If Based on 2004 Fall Enr Only. $ 2,623 rate 36 mill deduct
3. 2005-2006 Projection Projected from 2004 Fall Enr. $ 2,726 rate 38 mill deduct
4. 2005-2006 Projection Projected from 2004 Fall Enr. $ 2,826 rate 40 mill deduct

ID	DNAME	DTYPE	Actual Pay 04-05	Actual Pay wpu 04-05	Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 04-05	Proj wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 05-06	Proj wpu 05-06	Gross Pay 05-06	Deduct 05-06	Net Pay 05-06	Year 1 change	Year 2 change
1013	Hettinger 13	1	761,196	375	350	380	995,717	221,022	774,695	348	377	1,027,811	230,851	796,960	346	374	1,055,539	251,749	803,790	2.9%	0.9%
2002	Valley City 2	1	2,429,353	1,122	1,171	1,156	3,031,375	512,472	2,518,903	1,149	1,133	3,089,866	544,297	2,545,569	1,097	1,081	3,055,415	593,570	2,461,845	1.1%	-3.3%
2046	Litchville-Marion 46	1	432,349	246	170	214	562,345	213,329	349,016	167	210	571,888	221,808	350,080	161	201	567,998	241,888	326,110	0.3%	-6.8%
2065	N Central 65	1	272,837	187	138	171	449,320	216,641	232,679	135	167	454,642	223,438	231,204	129	158	447,469	243,666	203,803	-0.6%	-11.9%
2082	Wimbledon-Courtenay 82	1	306,490	193	156	190	498,370	199,749	298,621	153	185	505,618	213,933	291,685	146	176	496,443	233,300	263,143	-2.3%	-9.8%
3005	Minnewaukan 5	1	466,006	188	151	184	483,865	51,143	432,722	151	185	503,410	54,430	448,980	151	184	521,086	59,357	461,729	3.8%	2.8%
3006	Leeds 6	1	479,657	241	182	226	593,742	152,126	441,616	184	229	624,581	161,642	462,939	183	227	642,858	176,275	466,583	4.8%	0.8%
3009	Maddock 9	1	554,522	264	203	253	662,465	139,052	523,413	205	255	696,002	146,975	549,028	204	254	716,928	160,280	556,648	4.9%	1.4%
3016	Oberon 16	2	75,673	50	31	34	88,998	57,717	31,281	31	34	92,493	37,814	54,679	31	34	95,886	41,237	54,649	74.8%	-0.1%
3029	Warwick 29	1	546,465	244	179	218	571,657	40,273	531,384	180	219	598,139	43,003	555,136	179	218	615,446	46,896	568,550	4.5%	2.4%
3030	Ft Totten 30	1	451,106	189	194	201	526,462	3,493	522,969	204	211	575,077	4,207	570,870	201	208	587,497	4,588	582,909	9.2%	2.1%
4001	Billings Co 1	2	-	81	50	61	160,055	160,055	-	48	58	157,972	157,972	-	42	52	146,669	146,669	-	0.0%	0.0%
5001	Bottineau 1	1	1,603,945	747	777	783	2,053,284	352,955	1,700,329	712	717	1,955,523	424,649	1,530,874	649	654	1,847,187	463,091	1,384,096	-10.0%	-9.6%
5017	Westhope 17	1	346,152	181	128	160	419,155	127,290	291,865	117	146	398,623	134,653	263,970	106	132	373,343	146,843	226,500	-9.6%	-14.2%
5054	Newburg-United 54	1	80,737	102	78	96	251,021	180,209	70,812	71	87	237,789	187,028	50,761	65	79	224,639	203,959	20,680	-28.3%	-59.3%
6001	Bowman 1	1	922,964	414	414	415	1,088,152	163,907	924,245	403	406	1,105,993	178,453	927,540	404	405	1,143,993	194,608	949,385	0.4%	2.4%
6017	Rhame 17	1	210,657	109	75	94	246,929	75,879	171,050	73	92	250,356	91,625	158,731	74	93	263,185	99,920	163,265	-7.2%	2.9%
6033	Scranton 33	1	401,127	199	152	188	493,176	121,611	371,565	148	183	499,839	128,449	371,390	149	185	522,556	140,077	382,479	0.0%	3.0%
7014	Bowbells 14	1	185,257	110	85	107	280,031	104,454	175,577	80	100	273,254	110,658	162,596	77	96	271,155	120,676	150,479	-7.4%	-7.5%
7027	Powers Lake 27	1	296,929	141	103	125	327,403	73,075	254,328	100	121	329,628	77,112	252,516	96	115	325,979	84,093	241,886	-0.7%	-4.2%
7036	Burke Central 36	1	185,674	118	89	109	286,537	122,554	163,983	86	105	287,184	130,144	157,040	83	101	285,850	141,926	143,924	-4.2%	-8.4%
8001	Bismarck 1	1	22,095,103	10,394	10,521	10,353	27,156,208	4,827,904	22,328,304	10,526	10,358	28,237,026	5,498,646	22,738,380	10,547	10,380	29,333,400	5,996,419	23,336,981	1.8%	2.6%
8025	Naughton 25	3	15,003	8	3	3	8,866	6,606	260	3	3	9,214	9,214	-	3	3	9,552	9,552	-	-100.0%	0.0%
8028	Wing 28	1	217,276	112	77	92	240,162	73,103	167,059	77	92	249,593	75,974	173,619	78	93	261,603	82,851	178,752	3.9%	3.0%
8029	Baldwin 29	2	13,514	26	20	24	64,027	43,273	20,754	20	24	66,542	26,491	40,051	20	24	68,983	28,889	40,094	93.0%	0.1%
8033	Menoken 33	2	23,400	25	18	23	59,647	40,681	18,966	18	23	61,989	42,682	19,307	18	23	64,263	46,545	17,718	1.8%	-8.2%
8035	Sterling 35	2	34,968	41	29	38	99,884	69,333	30,551	29	38	103,806	74,244	29,562	29	38	107,614	80,965	26,649	-3.2%	-9.9%
8039	Apple Creek 39	2	96,575	59	48	61	160,370	59,857	100,513	48	61	166,668	67,141	99,527	48	61	172,782	73,219	99,563	-1.0%	0.0%
8045	Manning 45	3	8,404	6	4	5	14,295	6,965	7,330	4	5	14,857	7,540	7,317	4	5	15,402	8,222	7,180	-0.2%	-1.9%
9001	Fargo 1	1	22,668,963	11,051	11,221	11,002	28,858,980	6,334,328	22,524,652	11,344	11,126	30,328,094	7,238,309	23,090,785	11,449	11,231	31,739,145	7,893,566	23,845,579	2.5%	3.3%
9002	Kindred 2	1	1,346,034	661	718	708	1,856,323	377,180	1,479,143	725	715	1,948,599	424,373	1,524,226	733	723	2,043,085	462,790	1,580,295	3.0%	3.7%
9004	Maple Valley 4	1	547,294	324	250	302	792,933	301,343	491,590	253	306	833,066	314,194	518,872	256	308	870,888	342,637	528,251	5.5%	1.8%
9006	West Fargo 6	1	11,117,941	5,433	5,514	5,402	14,169,525	3,014,265	11,155,260	5,572	5,460	14,884,805	3,618,890	11,265,915	5,621	5,509	15,569,677	3,946,494	11,623,183	1.0%	3.2%
9007	Mapleton 7	2	208,357	115	87	114	299,678	93,742	205,936	87	114	311,446	105,174	206,272	88	116	326,742	114,695	212,047	0.2%	2.8%
9017	Central Cass 17	1	1,722,049	803	837	834	2,188,159	399,985	1,788,174	846	843	2,298,945	441,600	1,857,345	854	851	2,406,311	481,576	1,924,735	3.9%	3.6%
9080	Page 80	2	245,000	140	97	132	345,580	121,485	224,095	97	132	359,151	127,948	231,203	98	133	376,169	139,530	236,639	3.2%	2.4%
9097	Northern Cass	1	834,147	458	479	474	1,243,512	348,787	894,725	485	480	1,308,916	373,433	935,483	489	484	1,368,491	407,239	961,252	4.6%	2.8%
10014	Border Central 14	1	5,810	45	26	34	88,552	88,552	-	25	32	88,540	88,540	-	24	31	88,708	88,708	-	0.0%	0.0%
10019	Munich 19	1	264,455	144	110	135	355,049	112,811	242,238	102	126	344,539	119,260	225,279	98	122	344,800	130,057	214,743	-7.0%	-4.7%
10023	Langdon Area 23	1	827,507	479	483	481	1,262,371	428,569	833,802	452	450	1,226,346	454,065	772,281	435	433	1,222,895	495,170	727,725	-7.4%	-5.8%

Foundation Aid Per Student Payment Projection for 2005-07 Biennium Budget

Executive Budget

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2. 2004-05 Payment Year If Based on 2004 Fall Enr Only. $ 2,623 rate 36 mill deduct
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ID	DNAME	DTYPE	Actual Pay 04-05	Actual Pay wpu 04-05	Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 04-05	Proj wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 05-06	Proj wpu 05-06	Gross Pay 05-06	Deduct 05-06	Net Pay 05-06	Year 1 change	Year 2 change
11040	Ellendale 40	1	688,403	350	358	378	991,048	222,539	768,509	360	380	1,035,444	236,648	798,796	362	383	1,083,036	258,070	824,966	3.9%	3.3%
11041	Oakes 41	1	1,092,238	527	546	540	1,416,682	271,009	1,145,673	547	541	1,474,984	290,735	1,184,249	553	547	1,546,613	317,054	1,229,559	3.4%	3.8%
12001	Divide County 1	1	612,159	324	275	338	887,518	237,693	649,825	247	307	837,018	250,455	586,563	228	284	802,245	273,127	529,118	-9.7%	-9.8%
13008	Dodge 8	2	100,641	47	30	39	101,615	22,486	79,129	27	35	94,483	23,405	71,078	24	31	86,391	25,523	60,868	-10.2%	-14.4%
13016	Killdeer 16	1	759,768	390	396	395	1,037,160	258,179	778,981	368	369	1,005,949	285,869	720,080	347	371	1,048,361	311,748	736,613	-7.6%	2.3%
13019	Halliday 19	1	39,487	42	28	35	92,828	70,942	21,886	25	31	85,569	74,917	10,652	24	30	84,837	81,699	3,138	-51.3%	-70.5%
13037	Twin Buttes 37	2	171,849	66	41	51	132,540	3,153	129,387	39	47	129,349	904	128,445	38	45	128,244	986	127,258	-0.7%	-0.9%
14001	New Rockford 1	1	841,013	391	390	414	1,087,155	193,570	893,585	385	404	1,102,367	203,208	899,159	379	401	1,134,243	221,604	912,639	0.6%	1.5%
14012	Sheyenne 12	1	255,798	118	95	118	308,517	54,713	253,804	94	117	318,669	57,767	260,902	94	117	331,575	62,997	268,578	2.8%	2.9%
15006	Hazelton-Moffit-Braddock 8	1	359,054	188	145	177	463,773	134,989	328,784	138	168	457,913	142,565	315,348	131	160	450,804	155,471	295,333	-4.1%	-6.3%
15010	Bakker 10	2	-	6	7	7	17,600	17,600	-	7	7	18,291	18,291	-	7	7	18,962	18,962	-	0.0%	0.0%
15015	Strasburg 15	1	524,152	240	181	227	595,106	105,499	489,607	174	218	594,213	111,115	483,098	165	207	583,569	121,173	462,396	-1.3%	-4.3%
15036	Linton 36	1	762,580	367	343	371	972,031	189,503	782,528	327	355	967,021	200,850	766,171	310	337	953,323	219,032	734,291	-2.1%	-4.2%
16010	Carrington 10	1	1,191,974	594	615	613	1,608,135	364,663	1,243,473	600	598	1,630,393	390,226	1,240,167	584	582	1,644,704	425,552	1,219,152	-0.3%	-1.7%
17003	Beach 3	1	717,689	339	297	345	905,486	144,382	761,104	284	345	940,034	152,106	787,928	291	345	974,405	165,876	808,529	3.5%	2.6%
17006	Lone Tree 6	2	-	58	42	53	137,970	137,970	-	42	52	141,452	56,172	85,280	38	47	132,257	61,257	71,000	0.0%	-16.7%
18001	Grand Forks 1	1	16,455,983	7,637	7,632	7,465	19,581,062	3,474,719	16,106,343	7,436	7,268	19,813,413	3,969,518	15,843,895	7,332	7,164	20,244,899	4,328,864	15,916,035	-1.6%	0.5%
18044	Larimore 44	1	1,107,008	510	519	514	1,348,432	229,699	1,118,733	506	501	1,365,426	244,819	1,120,607	498	493	1,392,540	266,981	1,125,559	0.2%	0.4%
18061	Thompson 61	1	892,195	408	426	425	1,114,486	178,406	936,080	415	414	1,127,801	203,740	924,061	408	407	1,149,108	222,184	926,924	-1.3%	0.3%
18125	Manvel 125	2	347,094	177	153	183	479,038	116,775	362,263	150	180	491,389	127,350	364,039	147	177	498,874	138,879	359,995	0.5%	-1.1%
18127	Emerado 127	2	284,702	136	117	140	366,564	66,274	300,290	114	136	370,763	72,876	297,887	113	135	380,521	79,474	301,047	-0.8%	1.1%
18128	Midway 128	1	560,569	292	271	305	799,648	192,217	607,431	264	300	817,800	203,995	613,805	260	297	838,502	222,462	616,040	1.0%	0.4%
18129	Northwood 129	1	672,712	326	313	348	912,148	182,124	730,024	305	342	931,229	191,745	739,484	301	338	956,064	209,102	746,962	1.3%	1.0%
19018	Roosevelt 18	2	380,477	173	140	172	449,976	75,674	374,302	138	167	454,451	83,534	370,917	129	155	437,465	91,096	346,369	-0.9%	-6.6%
19049	Elgin-New Leipzig 49	1	491,324	242	169	214	561,191	144,491	416,700	157	198	540,157	145,293	394,864	162	204	577,239	158,445	418,794	-5.2%	6.1%
20007	Midkota 7	1	305,126	190	148	185	485,622	194,451	291,171	145	182	496,241	203,335	292,906	140	175	495,313	221,743	273,570	0.6%	-6.6%
20018	Griggs County Central 18	1	694,070	337	341	368	965,185	202,628	762,557	330	357	974,354	214,130	760,224	321	346	978,248	233,515	744,733	-0.3%	-2.0%
21001	Mott-Regent 1	1	689,359	356	274	337	883,531	245,635	637,896	261	318	867,222	250,178	617,044	257	311	880,129	272,825	607,304	-3.3%	-1.6%
21009	New England 9	1	420,896	227	192	238	623,802	172,006	451,796	183	227	617,957	181,080	436,877	180	223	628,983	197,472	431,511	-3.3%	-1.2%
22011	Pettibone-Tuttle 11	2	892	16	10	12	32,027	32,027	-	10	12	33,284	33,284	-	10	12	34,505	34,505	-	0.0%	0.0%
22014	Robinson 14	2	-	11	9	12	30,322	30,322	-	9	12	31,513	31,513	-	9	12	32,669	32,669	-	0.0%	0.0%
22020	Tuttle-Pettibone 20	1	117,771	63	36	45	116,881	46,665	70,216	33	41	110,975	49,388	61,587	30	37	104,929	53,859	51,070	-12.3%	-17.1%
22026	Steele-Dawson 26	1	622,863	300	283	325	853,288	151,278	702,010	276	314	857,300	162,968	694,332	268	300	847,037	177,720	669,317	-1.1%	-3.6%
22028	Tappen 28	1	299,922	136	103	130	339,915	58,065	281,850	100	125	342,004	62,701	279,303	97	122	345,648	68,377	277,271	-0.9%	-0.7%
23003	Edgeley 3	1	545,907	282	239	293	768,906	190,717	578,189	217	266	724,271	203,089	521,182	202	246	694,546	221,474	473,072	-9.9%	-9.2%
23007	Kulm 7	1	312,535	178	135	171	447,615	155,094	292,521	124	157	427,055	207,001	220,054	114	144	405,559	225,740	179,819	-24.8%	-18.3%
23008	LaMoure 8	1	714,247	339	326	350	918,732	174,844	743,888	300	320	871,393	186,104	685,289	278	294	829,798	202,951	626,847	-7.9%	-8.5%
23011	Verona 11	1	67,748	52	28	34	89,497	69,435	20,062	26	32	86,033	72,184	13,849	23	28	78,082	78,082	-	-31.0%	-100.0%
24002	Napoleon 2	1	606,170	285	245	290	761,404	138,126	623,278	238	280	764,043	144,170	619,873	237	276	779,919	157,221	622,698	-0.5%	0.5%
24056	Gackle 14	1	262,998	163	116	142	373,200	163,528	209,672	111	136	371,090	170,913	200,177	109	134	379,249	186,385	192,864	-4.5%	-3.7%

Foundation Aid Per Student Payment Projection for 2005-07 Biennium Budget

Executive Budget — 1. 2004-05 Actual Net Entitlement (Jan 05) — 2. 2004-05 Payment Year If Based on 2004 Fall Enr Only. — $ 2,623 rate — 36 mill deduct — 3. 2005-2006 Projection Projected from 2004 Fall Enr. — $ 2,726 rate — 38 mill deduct — 4. 2005-2006 Projection Projected from 2004 Fall Enr. — $ 2,826 rate — 40 mill deduct

ID	DNAME	DTYPE	Actual Pay 04-05	Actual Pay wpu 04-05	Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 04-05	Proj wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 05-06	Proj wpu 05-06	Gross Pay 05-06	Deduct 05-06	Net Pay 05-06	Year 1 change	Year 2 change
25001	Velva 1	1	816,216	411	427	424	1,111,575	261,968	849,607	424	421	1,146,992	253,732	893,260	418	415	1,172,112	276,701	895,411	5.1%	0.2%
25014	Anamoose 14	1	254,396	123	93	117	307,284	67,027	240,257	93	116	317,388	71,014	246,374	92	115	325,188	77,443	247,745	2.5%	0.6%
25057	Drake 57	1	334,786	178	136	169	444,231	131,703	312,528	137	169	459,604	138,076	321,528	135	166	469,766	150,576	319,190	2.9%	-0.7%
25060	TGU 60	1	805,244	486	386	399	1,045,816	480,466	565,350	384	398	1,084,185	407,421	676,764	379	391	1,104,033	444,304	659,729	19.7%	-2.5%
26004	Zeeland 4	1	119,427	90	57	74	193,420	119,254	74,166	53	68	186,186	100,631	85,555	47	60	169,390	109,741	59,649	15.4%	-30.3%
26009	Ashley 9	1	453,030	224	168	209	547,918	134,994	412,924	161	199	542,474	143,771	398,703	146	178	502,406	156,786	345,620	-3.4%	-13.3%
26019	Wishek 19	1	618,632	289	231	280	734,335	142,415	591,920	220	278	757,501	150,096	607,405	199	248	700,707	163,684	537,023	2.6%	-11.6%
27001	McKenzie Co 1	1	1,143,532	560	578	576	1,509,746	342,414	1,167,332	554	551	1,502,544	363,233	1,139,311	529	526	1,485,713	396,115	1,089,598	-2.4%	-4.4%
27002	Alexander 2	1	127,814	90	49	59	154,783	108,754	46,029	47	56	153,665	103,843	49,822	44	53	149,185	113,244	35,941	8.2%	-27.9%
27014	Yellowstone 14	2	236,856	110	80	99	258,811	52,514	206,297	77	95	258,261	55,921	202,340	73	90	253,747	60,983	192,764	-1.9%	-4.7%
27018	Earl 18	3	-	20	12	16	40,709	40,709	-	12	16	42,308	17,267	25,041	11	14	40,242	18,830	21,412	0.0%	-14.5%
27019	Bowline Butte 19	3	-	4	2	3	7,135	7,135	-	2	3	7,415	7,415	-	2	3	7,687	7,687	-	0.0%	0.0%
27032	Horse Creek 32	3	-	13	5	7	17,863	17,863	-	5	7	18,564	18,564	-	5	7	19,245	19,245	-	0.0%	0.0%
27036	Mandaree 36	1	620,695	241	191	235	616,930	5,497	611,433	183	225	613,077	2,756	610,321	176	216	611,490	3,006	608,484	-0.2%	-0.3%
28001	Montefiore 1	1	564,877	259	205	250	656,143	114,008	542,135	198	241	657,947	121,009	536,938	192	236	666,230	131,964	534,266	-1.0%	-0.5%
28004	Washburn 4	1	730,615	337	314	349	916,581	152,969	763,612	302	346	943,550	169,508	774,042	293	334	944,506	184,853	759,653	1.4%	-1.9%
28008	Underwood 8	1	598,017	289	213	258	676,393	159,999	516,394	205	248	676,239	175,402	500,837	198	241	681,575	191,280	490,295	-3.0%	-2.1%
28050	Max 50	1	448,713	210	166	204	535,066	98,604	436,462	160	196	535,632	105,863	429,769	155	192	541,462	115,446	426,016	-1.5%	-0.9%
28051	Garrison 51	1	712,916	356	354	382	1,001,435	221,685	779,750	343	369	1,004,531	244,118	760,413	329	354	999,161	266,217	732,944	-2.5%	-3.6%
28072	Turtle Lake-Mercer 72	1	472,462	239	188	230	603,972	149,847	454,125	181	221	603,700	163,287	440,413	174	215	606,375	178,068	428,307	-3.0%	-2.7%
28085	White Shield 85	1	340,256	152	123	147	384,847	9,611	375,236	119	142	386,520	10,565	375,955	116	139	392,362	11,521	380,841	0.2%	1.3%
29003	Hazen 3	1	1,612,141	693	707	704	1,845,517	199,591	1,645,926	643	639	1,741,260	213,396	1,527,864	592	587	1,658,523	232,714	1,425,809	-7.2%	-6.7%
29020	Golden Valley 20	1	116,818	64	38	46	121,419	50,136	71,283	35	43	116,455	44,415	72,040	31	38	107,021	48,435	58,586	1.1%	-18.7%
29027	Beulah 27	1	1,756,008	800	814	803	2,106,348	342,215	1,764,133	740	736	2,006,418	359,480	1,646,938	681	676	1,910,376	392,022	1,518,354	-6.6%	-7.8%
30001	Mandan 1	1	7,153,028	3,253	3,299	3,251	8,526,298	1,349,645	7,176,653	3,255	3,206	8,740,510	1,514,866	7,225,644	3,200	3,151	8,904,585	1,652,001	7,252,584	0.7%	0.4%
30004	Little Heart 4	2	52,076	31	23	28	72,893	29,814	43,079	23	28	75,756	31,195	44,561	22	26	74,663	34,019	40,644	3.4%	-8.8%
30007	New Salem 7	1	864,703	377	379	387	1,014,393	136,443	877,950	374	383	1,043,240	144,396	898,844	367	376	1,061,587	157,468	904,119	2.4%	0.6%
30008	Sims 8	2	53,805	41	24	30	78,297	54,393	23,904	24	30	81,371	56,690	24,681	23	28	80,513	61,822	18,691	3.3%	-24.3%
30013	Hebron 13	1	420,080	211	150	190	498,449	132,639	365,810	148	187	510,607	139,400	371,207	145	184	518,769	152,020	366,749	1.5%	-1.2%
30017	Sweet Briar 17	3	5,185	15	11	12	31,869	31,869	-	11	12	33,121	13,301	19,820	11	12	34,336	14,505	19,831	0.0%	0.1%
30039	Flasher 39	1	499,755	271	221	269	704,721	212,127	492,594	218	265	721,490	113,295	608,195	214	260	734,534	123,551	610,983	23.5%	0.5%
30048	Glen Ullin 48	1	534,915	261	190	243	637,651	145,368	492,283	187	239	651,787	152,414	499,373	184	235	665,127	166,212	498,915	1.4%	-0.1%
31001	New Town 1	1	1,718,372	701	729	716	1,876,094	95,521	1,782,573	713	700	1,907,464	103,996	1,803,468	695	682	1,926,173	113,411	1,812,762	1.2%	0.5%
31002	Stanley 2	1	739,951	365	336	354	927,598	208,899	718,699	326	353	961,106	220,559	740,547	321	350	987,800	240,525	747,275	3.0%	0.9%
31003	Parshall 3	1	309,846	299	282	299	785,169	336,013	449,156	274	294	801,798	128,546	673,252	268	290	819,823	140,183	679,640	49.9%	0.9%
32001	Dakota Prairie 1	1	536,468	330	311	347	909,997	334,461	575,536	299	331	902,497	348,020	554,477	294	334	944,675	379,525	565,150	-3.7%	1.9%
32066	Lakota 66	1	604,866	292	240	294	772,395	159,949	612,446	230	282	769,250	167,394	601,856	227	280	790,630	182,548	608,082	-1.7%	1.0%
33001	Center-Stanton 1	1	631,131	332	281	337	883,558	168,829	714,729	320	349	952,246	141,784	810,462	365	385	1,086,993	154,619	932,374	13.4%	15.0%
34001	Pembina 1	1	375,610	184	141	171	449,556	134,065	315,491	136	166	451,644	140,536	311,108	135	164	463,605	153,258	310,347	-1.4%	-0.2%
34006	Cavalier 6	1	1,050,490	507	525	523	1,371,436	281,392	1,090,044	507	504	1,374,831	298,010	1,076,821	503	500	1,413,678	324,988	1,088,690	-1.2%	1.1%

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Foundation Aid Per Student Payment Projection for 2005-07 Biennium Budget

Executive Budget | 1. 2004-05 Actual Net Entitlement (Jan 05) | 2. 2004-05 Payment Year If Based on 2004 Fall Enr Only. | $ 2,623 rate | 36 mill deduct | 3. 2005-2006 Projection Projected from 2004 Fall Enr. | $ 2,726 rate | 38 mill deduct | 4. 2005-2006 Projection Projected from 2004 Fall Enr. | $ 2,826 rate | 40 mill deduct

ID	DNAME	DTYPE	Actual Pay 04-05	Actual Pay wpu 04-05	Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 04-05	Proj wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 05-06	Proj wpu 05-06	Gross Pay 05-06	Deduct 05-06	Net Pay 05-06	Year 1 change	Year 2 change
34012	Valley 12	1	414,145	205	161	199	520,666	124,497	396,169	156	193	526,500	131,215	395,285	155	192	541,207	143,093	398,114	-0.2%	0.7%
34019	Drayton 19	1	402,310	226	177	219	575,565	192,019	383,546	170	212	576,604	202,045	374,559	170	211	595,919	220,335	375,584	-2.3%	0.3%
34027	Walhalla 27	1	633,022	303	298	329	861,918	162,177	699,741	289	311	847,050	168,966	678,084	286	310	876,569	184,261	692,308	-3.1%	2.1%
34043	St Thomas 43	1	317,134	160	130	159	415,982	102,310	313,672	126	155	421,249	108,388	312,861	127	155	438,539	118,200	320,339	-0.3%	2.4%
34055	Neche 55	1	203,923	122	84	102	268,333	117,106	151,227	80	98	266,603	123,181	143,422	81	99	279,237	134,332	144,905	-5.2%	1.0%
35001	Wolford 1	1	141,136	76	49	62	162,862	57,686	105,176	47	59	162,061	61,031	101,030	46	58	165,180	66,556	98,624	-3.9%	-2.4%
35005	Rugby 5	1	1,053,689	546	557	554	1,454,296	369,926	1,084,370	536	533	1,453,203	391,188	1,062,015	521	518	1,463,811	426,601	1,037,210	-2.1%	-2.3%
36001	Devils Lake 1	1	4,106,132	1,795	1,883	1,848	4,847,094	595,744	4,251,350	1,886	1,851	5,046,235	654,264	4,391,971	1,876	1,841	5,203,146	713,493	4,489,653	3.3%	2.2%
36002	Edmore 2	1	169,647	126	79	99	260,228	161,270	98,958	77	97	263,441	170,308	93,133	76	95	269,713	185,726	83,987	-5.9%	-9.8%
36044	Starkweather 44	1	229,191	124	90	109	285,645	96,507	189,138	91	110	298,851	102,023	196,828	90	109	307,186	111,259	195,927	4.1%	-0.5%
37002	Sheldon 2	2	51,668	39	25	33	85,588	49,763	35,825	24	31	85,242	50,957	34,285	24	31	88,369	55,570	32,799	-4.3%	-4.3%
37006	Ft Ransom 6	2	30,489	26	12	16	42,860	30,120	12,740	12	16	44,543	31,521	13,022	11	15	42,333	34,374	7,959	2.2%	-38.9%
37019	Lisbon 19	1	1,289,447	606	631	623	1,634,155	306,516	1,327,639	614	606	1,651,956	316,096	1,335,860	583	574	1,623,198	344,711	1,278,487	0.6%	-4.3%
37022	Enderlin 22	1	676,352	334	303	346	908,240	195,905	712,335	295	343	934,418	202,816	731,602	279	327	923,085	221,176	701,909	2.7%	-4.1%
38001	Mohall-Lansford-Sherwood	1	726,275	445	350	375	984,045	365,027	619,018	353	380	1,036,180	383,183	652,997	348	372	1,050,594	417,871	632,723	5.5%	-3.1%
38026	Glenburn 26	1	720,452	321	267	324	850,586	122,554	728,032	269	329	895,736	130,194	765,542	263	320	903,161	141,980	761,181	5.2%	-0.6%
39008	Hankinson 8	1	689,665	329	323	346	908,161	180,149	728,012	313	336	917,108	193,763	723,345	303	328	927,521	211,303	716,218	-0.6%	-1.0%
39018	Fairmount 18	1	201,354	133	104	129	337,659	147,237	190,422	101	125	341,704	159,679	182,025	98	122	343,924	174,135	169,789	-4.4%	-6.7%
39028	Lidgerwood 28	1	581,081	270	213	264	691,397	126,867	564,530	206	256	697,175	135,820	561,355	201	250	705,172	148,115	557,057	-0.6%	-0.8%
39037	Wahpeton 37	1	2,929,306	1,375	1,437	1,421	3,727,152	658,427	3,068,725	1,394	1,378	3,755,256	749,052	3,006,204	1,351	1,334	3,771,043	816,861	2,954,182	-2.0%	-1.7%
39042	Wyndmere 42	1	570,534	301	258	319	836,160	219,435	616,725	250	310	844,869	233,222	611,647	243	301	850,796	254,335	596,461	-0.8%	-2.5%
39044	Richland 44	1	672,446	325	329	353	924,948	181,274	743,674	318	346	942,596	199,396	743,201	309	339	956,968	217,446	739,522	-0.1%	-0.5%
40001	Dunseith 1	1	1,535,538	609	619	611	1,603,755	51,671	1,552,084	598	590	1,608,885	55,797	1,553,088	579	571	1,613,957	60,849	1,553,108	0.1%	0.0%
40003	St John 3	1	763,719	303	294	317	832,094	25,556	806,538	284	313	854,274	28,384	825,890	276	312	881,458	30,953	850,505	2.4%	3.0%
40004	Mt Pleasant 4	1	717,315	326	309	343	899,033	137,604	761,429	298	343	934,337	153,901	780,436	292	340	960,049	167,833	792,216	2.5%	1.5%
40007	Belcourt 7	1	3,761,992	1,614	1,686	1,657	4,347,413	54,042	4,293,371	1,629	1,600	4,362,036	12,712	4,349,324	1,587	1,558	4,402,315	13,863	4,388,452	1.3%	0.9%
40029	Rolette 29	1	499,903	231	181	224	588,444	100,417	488,027	175	216	589,688	109,837	479,851	171	212	597,699	119,780	477,919	-1.7%	-0.4%
41002	Milnor 2	1	682,662	308	281	309	809,327	123,395	685,932	278	306	834,619	128,980	705,639	274	312	880,525	140,656	739,869	2.9%	4.9%
41003	N Sargent 3	1	568,013	248	195	238	623,382	100,663	522,719	194	235	641,918	106,995	534,923	190	230	650,404	116,681	533,723	2.3%	-0.2%
41006	Sargent Central 6	1	569,493	309	303	334	874,875	238,884	635,991	300	331	902,715	253,864	648,851	296	337	951,119	276,846	674,273	2.0%	3.9%
42016	Goodrich 16	1	119,282	68	47	57	150,691	58,846	91,845	41	51	138,617	62,847	75,770	38	48	134,715	68,536	66,179	-17.5%	-12.7%
42019	McClusky 19	1	283,244	141	100	122	319,534	85,147	234,387	87	107	290,891	94,204	196,687	86	106	298,652	102,732	195,920	-16.1%	-0.4%
43003	Solen 3	1	499,299	206	162	197	517,282	50,818	466,464	190	234	639,192	54,335	584,857	205	248	700,028	59,254	640,774	25.4%	9.6%
43004	Ft Yates 4	2	273,268	183	157	183	480,639	17,926	462,713	179	213	579,493	18,519	560,974	190	227	642,406	20,196	622,210	21.2%	10.9%
43008	Selfridge 8	1	327,164	143	110	134	351,823	47,369	304,454	130	161	437,550	50,321	387,229	139	172	487,344	54,876	432,468	27.2%	11.7%
44012	Marmarth 12	2	-	20	15	18	48,342	48,342	-	14	17	47,514	47,514	-	15	17	49,088	49,088	-	0.0%	0.0%
44014	Sheets 14	3	-	3	2	3	7,135	7,135	-	2	3	7,415	7,415	-	1	1	3,843	3,843	-	0.0%	0.0%
44032	Central Elementary 32	2	-	9	4	5	14,295	14,295	-	4	5	14,857	14,857	-	2	3	7,687	7,687	-	0.0%	0.0%
45001	Dickinson 1	1	5,965,581	2,662	2,649	2,598	6,813,715	1,017,327	5,796,388	2,640	2,588	7,055,542	1,137,159	5,918,383	2,609	2,557	7,226,252	1,240,102	5,986,150	2.1%	1.1%
45009	South Heart 9	1	701,056	296	244	297	779,083	96,669	682,414	244	298	813,411	92,133	721,278	240	294	830,081	100,473	729,608	5.7%	1.2%

Foundation Aid Per Student Payment Projection for 2005-07 Biennium Budget

Executive Budget

1. 2004-05 Actual Net Entitlement (Jan 05) — 2. 2004-05 Payment Year If Based on 2004 Fall Enr Only. — $ 2,623 rate — 36 mill deduct — 3. 2005-2006 Projection Projected from 2004 Fall Enr. — $ 2,726 rate — 38 mill deduct — 4. 2005-2006 Projection Projected from 2004 Fall Enr. — $ 2,826 rate — 40 mill deduct

ID	DNAME	DTYPE	Actual Pay 04-05	Actual Pay wpu 04-05	Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 04-05	Proj wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 05-06	Proj wpu 05-06	Gross Pay 05-06	Deduct 05-06	Net Pay 05-06	Year 1 change	Year 2 change
45013	Belfield 13	1	668,020	276	232	285	746,663	55,520	691,143	234	288	785,960	59,500	726,460	231	285	804,477	64,887	739,590	5.1%	1.8%
45034	Richardton-Taylor 34	1	683,798	318	273	323	846,311	152,718	693,593	274	325	886,822	159,508	727,314	271	323	912,883	173,948	738,935	4.9%	1.6%
46010	Hope 10	1	271,669	152	132	158	415,509	123,297	292,212	137	164	446,301	129,596	316,705	150	178	504,413	141,327	363,086	8.4%	14.6%
46019	Finley-Sharon 19	1	479,918	235	185	229	600,247	149,562	450,685	191	236	642,982	158,012	484,970	198	243	687,848	172,316	515,532	7.6%	6.3%
47001	Jamestown 1	1	5,400,764	2,455	2,452	2,426	6,363,503	1,024,915	5,338,588	2,395	2,369	6,457,458	1,121,720	5,335,738	2,328	2,302	6,504,548	1,223,265	5,281,283	-0.1%	-1.0%
47003	Medina 3	1	405,779	198	163	195	512,508	113,055	399,453	160	192	522,683	123,106	399,577	157	187	529,762	134,250	395,512	0.0%	-1.0%
47010	Pingree-Buchanan	1	391,108	193	151	184	483,550	106,675	376,875	147	179	489,099	113,615	375,484	144	175	494,946	123,900	371,046	-0.4%	-1.2%
47014	Montpelier 14	1	266,542	132	102	124	324,229	83,501	240,728	100	121	329,764	88,332	241,432	97	117	330,755	96,329	234,426	0.3%	-2.9%
47019	Kensal 19	1	125,933	84	63	77	200,764	94,005	106,759	62	75	205,159	97,259	107,900	60	73	205,168	106,063	99,105	1.1%	-8.2%
47026	Spiritwood 26	2	-	17	15	18	46,165	46,165	-	15	18	47,978	47,978	-	14	16	45,894	45,894	-	0.0%	0.0%
48002	Bisbee-Egeland 2	1	143,401	104	77	98	256,451	128,126	128,325	71	90	244,549	135,249	109,300	63	80	225,063	147,493	77,570	-14.8%	-29.0%
48008	Southern 8	1	623,796	292	226	277	726,964	137,649	589,315	212	258	703,390	145,026	558,364	193	235	663,517	158,155	505,362	-5.3%	-9.5%
48028	North Central 28	1	146,981	90	66	81	212,515	86,774	125,741	62	76	205,895	91,329	114,566	57	69	195,870	99,597	96,273	-8.9%	-16.0%
49003	Central Valley 3	1	593,106	313	303	337	883,584	208,520	675,064	304	339	924,059	217,898	706,161	302	334	944,986	237,623	707,363	4.6%	0.2%
49007	Hatton 7	1	663,188	296	241	292	765,837	130,872	634,965	240	292	795,447	140,037	655,410	238	290	819,144	152,715	666,429	3.2%	1.7%
49009	Hillsboro 9	1	828,294	433	420	420	1,102,919	308,488	794,431	420	415	1,132,462	335,264	797,198	420	417	1,179,714	365,614	814,100	0.3%	2.1%
49014	May-Port CG 14	1	1,102,251	564	593	586	1,537,996	375,967	1,162,029	592	585	1,595,991	395,709	1,200,282	590	583	1,648,660	431,531	1,217,129	3.3%	1.4%
50003	Grafton 3	1	2,033,789	904	971	960	2,517,005	348,702	2,168,303	975	961	2,618,541	368,908	2,249,633	988	973	2,749,557	402,304	2,347,253	3.8%	4.3%
50020	Minto 20	1	610,958	285	238	291	763,844	136,623	627,221	239	293	797,464	144,871	652,593	242	296	835,535	157,986	677,549	4.0%	3.8%
50039	Lankin 39	2	165,632	76	44	60	157,170	33,873	123,297	46	63	170,784	35,831	134,953	46	63	177,049	39,075	137,974	9.5%	2.2%
50051	Nash 51	2	31,124	23	19	23	59,516	31,211	28,305	20	24	65,588	32,930	32,658	20	24	67,994	35,911	32,083	15.4%	-1.8%
50078	Park River 78	1	876,970	411	420	426	1,116,768	201,791	914,977	421	426	1,160,595	209,517	951,078	428	425	1,200,315	228,483	971,832	3.9%	2.2%
50079	Fordville 79	1	192,404	100	80	93	243,362	66,661	176,701	79	92	250,901	70,579	180,322	80	94	264,542	76,968	187,574	2.0%	4.0%
50106	Edinburg 106	1	400,774	177	132	160	419,969	64,662	355,307	132	161	438,395	68,593	369,802	135	165	466,347	74,802	391,545	4.1%	5.9%
50128	Adams 128	2	207,274	108	75	93	243,336	68,640	174,696	75	93	254,826	72,436	182,390	74	93	262,338	78,994	183,344	4.4%	0.5%
51001	Minot 1	1	15,575,145	6,838	6,673	6,540	17,155,364	2,436,013	14,719,351	6,542	6,409	17,470,634	2,689,476	14,781,158	6,479	6,345	17,931,987	2,932,944	14,999,043	0.4%	1.5%
51004	Nedrose 4	2	457,755	234	251	245	642,766	156,031	486,735	247	241	657,048	179,767	477,281	243	237	669,734	196,041	473,693	-1.9%	-0.8%
51007	United 7	1	1,267,664	568	601	602	1,577,944	220,568	1,357,376	589	589	1,606,677	243,497	1,363,180	584	584	1,651,430	265,540	1,385,890	0.4%	1.7%
51010	Bell 10	2	327,331	165	147	169	442,815	78,730	364,085	145	169	460,203	92,624	367,579	143	168	474,231	101,009	373,222	1.0%	1.5%
51016	Sawyer 16	1	363,530	169	125	152	398,985	80,990	317,995	123	149	407,455	87,641	319,814	121	147	415,705	95,575	320,130	0.6%	0.1%
51019	Eureka 19	2	-	16	9	12	32,158	32,158	-	9	12	33,421	33,216	205	9	12	34,647	34,647	-	0.0%	-100.0%
51028	Kenmare 28	1	599,785	319	286	344	901,237	236,532	664,705	281	340	926,131	250,571	675,560	277	337	951,542	273,254	678,288	1.6%	0.4%
51041	Surrey 41	1	930,778	393	366	395	1,035,639	99,904	935,735	360	388	1,057,579	109,632	947,947	355	383	1,082,132	119,556	962,576	1.3%	1.5%
51070	S Prairie 70	2	343,073	171	149	171	448,874	108,874	340,000	147	171	466,500	123,325	343,175	145	170	480,787	134,489	346,298	0.9%	0.9%
51161	Lewis and Clark 161	1	938,651	479	402	427	1,119,759	318,469	801,290	395	419	1,142,249	338,448	803,801	390	414	1,169,907	369,086	800,821	0.3%	-0.4%
52025	Fessenden-Bowdon 25	1	475,080	280	194	241	632,851	259,255	373,596	178	219	596,612	274,288	322,324	158	194	547,509	299,118	248,391	-13.7%	-22.9%
52035	Pleasant Valley 3	2	31,457	26	21	24	63,424	34,941	28,483	18	20	54,793	37,066	17,727	17	19	52,959	40,421	12,538	-37.8%	-29.3%
52038	Harvey 38	1	886,776	453	448	455	1,193,308	300,603	892,705	406	413	1,124,802	318,777	806,025	361	383	1,082,330	347,635	734,695	-9.7%	-8.8%
52039	Sykes 39	1	175,710	89	54	67	175,610	60,017	115,593	50	61	166,695	64,289	102,406	45	55	155,967	70,109	85,858	-11.4%	-16.2%
53001	Williston 1	1	4,914,027	2,096	2,159	2,123	5,569,914	576,996	4,992,918	2,099	2,063	5,624,556	643,860	4,980,696	2,034	1,998	5,646,461	702,146	4,944,315	-0.2%	-0.7%

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Foundation Aid Per Student Payment Projection for 2005-07 Biennium Budget

Executive Budget

	1. 2004-05 Actual Net Entitlement (Jan 05)		2. 2004-05 Payment Year If Based on 2004 Fall Enr Only.			$ 2,623 rate	36 mill deduct	3. 2005-2006 Projection Projected from 2004 Fall Enr.			$ 2,726 rate	38 mill deduct	4. 2005-2006 Projection Projected from 2004 Fall Enr.			$ 2,826 rate	40 mill deduct		
ID	DNAME	DTYPE	Actual Pay 04-05	Actual Pay wpu 04-05	Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 04-05	Proj wpu 04-05	Gross Pay 04-05	Deduct 04-05	Net Pay 04-05	Proj Enr 05-06	Proj wpu 05-06	Gross Pay 05-06	Deduct 05-06	Net Pay 05-06	Year 1 change	Year 2 change
53002	Nesson 2	1	462,747	221	163	202	528,561	117,697	410,864	158	195	532,333	124,738	407,595	154	190	536,912	136,030	400,882	-0.8%	-1.6%
53006	Eight Mile 6	1	716,432	291	218	269	705,613	51,997	653,616	212	261	712,658	55,124	657,534	206	254	717,182	60,114	657,068	0.6%	-0.1%
53008	New 8	2	279,614	206	215	206	540,312	260,299	280,013	211	202	550,543	284,233	266,310	205	199	562,007	309,964	252,043	-4.9%	-5.4%
53015	Tioga 15	1	559,830	291	240	295	773,470	203,306	570,164	233	286	779,636	215,029	564,607	227	278	786,815	234,494	552,321	-1.0%	-2.2%
53091	Wildrose-Alamo 91	1	99,043	64	39	49	127,976	68,803	59,173	38	48	129,485	70,164	59,321	36	45	126,774	76,516	50,258	0.2%	-15.3%
53099	Grenora 99	1	117,941	96	65	75	197,800	135,153	62,648	64	74	202,078	129,211	72,867	61	70	199,176	140,908	58,268	16.3%	-20.0%
	Statewide Total		217,616,768	104,008	99,727	103,022	270,227,934	53,330,598	216,897,336	98,295	101,532	276,776,992	57,932,045	218,844,947	97,063	100,233	283,258,831	63,112,474	220,146,357	0.9%	0.6%
	Other pupil payments								7,500,921					15,826,062					15,952,826		
	Transportation								17,372,600					17,400,000					17,400,000		
	Tuition Reimbursement								2,585,487					2,670,823					2,777,656		
	Limited English Proficient Students								325,000					325,000					325,000		
	Total Foundation Aid and Transportation						2004-05 Anticipated		244,681,343					255,066,832			Year 2		256,601,839		
							2003-04 expenditures		241,498,718								Year 1		255,066,832		
							Contingent payments		3,199,929												
									489,379,990										511,668,671		

Testimony on HB 1154

By

Dr. M. Douglas Johnson, Assistant Executive Director—NDCEL

Chairman Freborg and members of the Committee, my name is Doug Johnson and I represent the school administrators of North Dakota. I think I am here to testify in support of HB 1154 but believe there needs to be significant changes to the bill as it is currently amended. First, there needs to be an increase in the foundation aid per pupil payment to support the funding mandates which are currently included in the bill. Second, the amendments which move fifty percent of funding of the 03'-05 transportation block grant need reconsideration.

The NDCEL firmly believes that the funding of public education by the State of North Dakota needs to be at seventy percent of the cost of education as defined by current law. Last year the total state appropriation for public education from all sources reached only 42% of the total cost of educating students in our State's public schools. The current amended version of HB 1154 reduces the increases for foundation aid to $23,175,000. This amount of increase is neither enough to fund all of the mandates asked for in HB 1154 nor enough to have a significant impact on starting to address the State's commitment of 70% funding of public education.

The NDCEL, at its fall representative assembly, supported the need for our state to get to the seventy percent funding level as defined by current law. Further, we feel that using a formula that averages the previous three biennia, as stated in Governor's budget address, will be a formula that will never attain that level (70%). For that reason, we believe the legislature needs to consider increasing the per pupil payment $2,948 the first year and $3,048 the second year of the biennium. This increase would add approximately $27,000,000 to the needed funding for the first biennium over the Governor's proposal would bring the States commitment to public education to about the 46% level the first year and the 50% level the second year assuming the state average cost per pupil is $6,384 the first year and $6,684 the second year of the biennium. These percentages of increase do not include income from other sources of revenue.

Finally, the NDCEL, at its fall representative assembly, adopted a resolution to have the transportation aid funding to return to the formula of the 2001 legislative session. The current proposal of placing the 50 % of the transportation block grant in the ADM per pupil

formula, while substantially increasing the per pupil payment over the next biennium, does not treat districts with declining student populations and large areas for which to transport students, fairly. The $16,750,000 taken out of the transportation grant to increase per pupil payments needs to be returned to, at a minimum, the funding level for transportation established at the last legislative session. This would then give school districts and opportunity to study ways to improve efficiency as well as develop plans for an equitable plan for funding transportation. HB 1154 provides for that study through the grant provide to the NDLEAD Center.

Thank you for your attention and I encourage you to give HB 1154 a closer look and consider the needed funding increases to meet the additional mandates that our schools are facing in this bill. This concludes my testimony and I will be happy to answer any questions that you might have regarding this testimony.

NORTH DAKOTA
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Senate Education Committee
HB 1154 Testimony
Bev Nielson, North Dakota School Boards Association

Chairman Freborg and members of the Education Committee, my name is Bev Nielson with the North Dakota School Boards Association. Thank you for the opportunity to speak to our concerns with HB1154.

I would like to begin by addressing the increases proposed in the original bill for the per pupil payments. The increases were very modest compared with recent years.

Recent history of foundation aid increases:

1999 Session:	$191
	85
	$276
2001 Session:	$ 57
	60
	$117 plus $3,000 per full time teacher
2003 Session:	$162
	114
	$276
2005 Original HB1154	$103
	100
	$203

We believe this illustrates that the 2005-07 proposed foundation aid increases proposed in the original HB1154 would fall far short of funds districts will require in the upcoming biennium to face several new challenges, including:

- Increased mandated course offerings beginning the fall of 2005

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- Implementation of NCLB mandates; professional development, testing, school improvement, etc.
- Special education cost increases and short-falls in state reimbursements
- Declining enrollment reducing state aid payments

With this information as a background, it brings me to the manner in which the House answered our call for significant increases in the foundation aid portion of HB1154.

The problem of adequate funding is not solved by taking ½ of the transportation money already budgeted by districts and adding it to foundation aid. This shell game leaves our most vulnerable districts, those with declining enrollment and significant transportation costs, with no way to make up their losses. It also causes confusion regarding the "70% new foundation aid" having to go to teacher compensation.

Real "new" money must be found to enhance the foundation aid payments to schools.

Next, I would like to address state-mandated minimum teacher salary. NDSBA, by policy resolutions, strongly objects to the state interfering with local salary negotiations. Salary schedules and benefit packages in every district have evolved over decades of local negotiations. Each district has a unique balance of salary and benefits.

These mandated increases are proposed with no regard for specific districts' net foundation increases (or decreases) or a district's ability to pay for a push in its salary schedule by raising the base. Even with significantly larger increases in per pupil payments, given wide-spread declining enrollment, there is no guarantee that the districts who need to raise their base will even get a net increase in foundation aid over this years funding. How can they afford to push their schedules?

While the House reduction in the increases from $3,000 to $1,000 was a move in the right direction. We maintain our position that, unless the legislature wants to make teachers state employees, the state should not be setting salaries. As you recall, none of you wanted to take on the teachers as state employees, so please respect the process now in place for local negotiations.

Finally, we would like to address the 70% language. The inclusion of this language appears to make the statement that the state believes nearly all its funding should go exclusively to teacher compensation without consideration for a district's ability to raise funds locally for all other expenses necessary to provide quality education to their students.

Again, we would ask you to revisit your vote on making teachers state employees. It needs to be state run or locally negotiated. A hybrid system of state set percentages and minimum salaries setting the parameters of local negotiations is not reasonable.

In conclusion, Mr. Chairman and members of the committee, NDSBA makes the following recommendations for HB1154:

1. Significantly increase the per pupil payments for 2005-2007
2. Maintain all the transportation funds for block grant distribution
3. Remove references to minimum salary mandates
4. Remove references to percentages mandated to teacher salaries

We would respectfully ask an opportunity to comment on amendments considered for HB1154. Thank you for your thoughtful consideration.

Federal Court Orders More Funding for ELL Students in Arizona

On January 25, 2005, federal District Court Judge Raner Collin ruled that the state of Arizona must provide additional funding for the state's English language learner (ELL) students and must do so during the current legislative session. Judge Collin granted plaintiffs' Motion for Injunctive Relief "to ensure that Plaintiffs receive the relief they were found to be entitled to more than five years ago. . . ."

Five years ago, in January 2000, the court ruled that the State of Arizona was violating the federal Equal Education Opportunity Act "by failing to adequately fund instruction for children who are ELLs." The case, *Flores v. Arizona*, was filed by the Arizona Center for Law in the Public Interest on behalf of the approximately 200,000 ELL school children in the state, about one in every five students.

After recounting a number of delays in the course of the litigation, the court's decision stated that "the legislature has failed to meet the Court's deadlines as well as their own." The court chose not to defer its ruling because that might "jeopardize any opportunity for the ELL programs to be funded . . . and the children will have to wait more than another year for any type of relief." The court ruled one day after hearing oral argument on plaintiffs' motion.

As reported by *The Arizona Republic*, Speaker of the House, Jim Weiers said that the court order "wasn't necessary. We've taken steps. We're waiting for the [cost study] to come out." Tim Hogan, counsel for plaintiffs, disagreed, saying that "we could have easily lost another year. These kids aren't learning English. You can't just disregard federal law on the one hand and then on the other keep taking all the benefits of federal funding."

The court's order could result in significant increased annual funding for ELL programs, because the state now provides about $360 per student and cost estimates place the need at about $1,200 per student. A cost study that was due in August 2004 is now expected February 15, 2005.

Prepared by Molly A. Hunter, January 27, 2005

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Dr. Wayne G. Sanstead
State Superintendent

To: Senate Education Committee

From: Jerry Coleman, Assistant Director
School Finance and Organization
Date: 3/21/2005
Re: HB 1154 Weighting Factors

HB 1154 amends the language in NDCC sections 15.1-27-06 and 15.1-27-07 relating to calculating weighting factors for the foundation aid formula. Currently the factors are calculated by indexing to the state average. Under the amendment the factors will be indexed to the lowest category factor excluding kindergarten. Kindergarten factors are allowed to be less than one because they are considered half day programs.

The calculation of the weighting factors in HB 1154 is interpreted as simply dividing the five-year average cost per pupil by the lowest five-year average factor (excluding kindergarten) as illustrated in the table.

	Expenditures (5-Year)	ADM (5-Year)	Average Cost Per Pupil (5-Year)	Weighting Factor
Preschool Special Ed.	28,038,905	4,296	6,527	1.1871
Kindergarten	131,125,981	36,375	3,605	0.6557
Elementary (1-6) < 100	222,488,335	29,713	7,488	1.3619
Elementary (1-6) 100 and over	1,119,649,814	202,333	5,534	1.0065
Elementary (7-8)	466,660,217	84,849	5,500	1.0004
High School (9-12) < 120	259,069,879	36,735	7,052	1.2828
High School (9-12) 120-299	208,348,827	36,956	5,638	1.0254
High School (9-12) 300 and over	602,899,928	109,660	5,498	1.0000
State Wide	3,039,525,103	540,917	5,619	
Lowest category factor			5,498	1.0000

NDCC 15.1--27-11 - Current Excludes Federal 4110 Impact Aid

ID	DNAME	2003-04	Feb 2004-05	2003-04 Restated	2004-05 Restated
02002	Valley City 2	84,009.31	82,047.77	85,758.07	95,833.25
05001	Bottineau 1	29,433.18	-	28,828.21	1,523.11
08001	Bismarck 1	789,799.38	504,745.82	772,773.81	692,972.98
09002	Kindred 2	9,075.63	5,791.39	7,263.37	11,675.57
09006	West Fargo 6	58,326.38	-	26,470.05	1,496.07
09017	Central Cass 17	13,395.46	10,965.93	11,938.09	15,870.05
11040	Ellendale 40	455.08	-	-	-
11041	Oakes 41	15,543.84	7,629.91	13,822.24	13,613.26
14001	New Rockford 1	8,952.00	10,816.32	7,811.29	15,081.01
15036	Linton 36	3,850.11	7,526.34	3,337.21	10,513.23
16010	Carrington 10	1,936.52	-	606.29	815.99
18001	Grand Forks 1	-	460,622.06	-	-
18044	Larimore 44	22,239.21	31,000.78	25,309.32	38,061.10
18061	Thompson 61	11,550.16	17,038.35	12,013.15	19,092.32
18129	Northwood 129	-	-	-	1,784.41
22026	Steele-Dawson 26	-	-	-	322.71
23008	LaMoure 8	2,836.99	3,035.56	2,720.09	3,987.32
24002	Napoleon 2	-	-	-	1,204.93
26019	Wishek 19	2,005.82	808.61	1,193.85	2,529.65
29003	Hazen 3	39,372.58	29,243.12	39,874.83	37,488.65
29027	Beulah 27	15,168.26	-	10,219.75	5,852.90
30001	Mandan 1	112,869.07	112,818.99	116,282.90	137,596.87
30007	New Salem 7	8,877.82	5,383.98	8,902.82	6,811.84
30039	Flasher 39	8,298.13	9,192.54	7,961.30	11,686.54
31002	Stanley 2	1,113.37	-	-	881.03
34006	Cavalier 6	15,333.00	11,375.04	13,247.75	18,567.58
34027	Walhalla 27	3,468.53	-	857.45	-
35005	Rugby 5	4,673.89	-	836.98	-
36001	Devils Lake 1	191,972.59	183,916.33	218,628.56	200,416.46
37019	Lisbon 19	25,721.47	15,104.42	24,951.64	21,889.81
39008	Hankinson 8	1,354.17	-	-	-
39028	Lidgerwood 28	3,761.51	1,105.97	2,609.57	3,792.32
39037	Wahpeton 37	84,993.01	76,881.32	85,479.85	92,953.29
39044	Richland 44	370.67	-	-	-
40004	Mt Pleasant 4	14,019.87	16,825.18	16,482.77	19,646.85
41002	Milnor 2	1,600.05	13,410.59	1,640.59	15,527.78
41003	N Sargent 3	4,002.10	2,456.76	3,074.72	4,900.88
45001	Dickinson 1	126,706.04	145,809.40	129,220.09	173,418.68
45009	South Heart 9	-	2,940.22	-	3,728.85
45013	Belfield 13	2,861.63	1,451.32	2,984.95	1,724.33
45034	Richardton-Taylor 34	2,160.58	-	891.14	-
47001	Jamestown 1	178,585.33	152,413.63	182,371.67	180,963.21
48008	Southern 8	2,750.10	3,170.68	2,521.74	4,758.56
49007	Hatton 7	2,919.73	4,035.72	2,318.82	6,365.92
50003	Grafton 3	88,847.57	85,178.87	91,275.64	96,304.27
50078	Park River 78	18,180.49	11,717.35	17,406.81	16,563.87
50106	Edinburg 106	3,810.21	5,611.13	3,647.46	6,991.26
51007	United 7	-	7,623.88	-	8,443.06
51041	Surrey 41	36,249.02	41,123.12	38,818.17	43,903.67
52038	Harvey 38	687.49	-	-	-
53001	Williston 1	445,862.65	419,181.60	477,646.99	452,444.56
99000		2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00

NOTE: The authorizing language for the 140 Min Levy Redistribution is in SB 2421 of the 58th Legislative Assembly. The amount will be finalized in June.

NDCC 15.1--27-11 - Current Excludes Federal 4110 Impact Aid

ID	DNAME	2003-04	Feb 2004-05	2003-04 Restated	2004-05 Restated
02002	Valley City 2	84,009.31	82,047.77	85,758.07	95,833.25
05001	Bottineau 1	29,433.18	-	28,828.21	1,523.11
08001	Bismarck 1	789,799.38	504,745.82	772,773.81	692,972.98
09002	Kindred 2	9,075.63	5,791.39	7,263.37	11,675.57
09006	West Fargo 6	58,326.38	-	26,470.05	1,496.07
09017	Central Cass 17	13,395.46	10,965.93	11,938.09	15,870.05
11040	Ellendale 40	455.08	-	-	-
11041	Oakes 41	15,543.84	7,629.91	13,822.24	13,613.26
14001	New Rockford 1	8,952.00	10,816.32	7,811.29	15,081.01
15036	Linton 36	3,850.11	7,526.34	3,337.21	10,513.23
16010	Carrington 10	1,936.52	-	606.29	815.99
18001	Grand Forks 1	-	460,622.06	-	-
18044	Larimore 44	22,239.21	31,000.78	25,309.32	38,061.10
18061	Thompson 61	11,550.16	17,038.35	12,013.15	19,092.32
18129	Northwood 129	-	-	-	1,784.41
22026	Steele-Dawson 26	-	-	-	322.71
23008	LaMoure 8	2,836.99	3,035.56	2,720.09	3,987.32
24002	Napoleon 2	-	-	-	1,204.93
26019	Wishek 19	2,005.82	808.61	1,193.85	2,529.65
29003	Hazen 3	39,372.58	29,243.12	39,874.83	37,488.65
29027	Beulah 27	15,168.26	-	10,219.75	5,852.90
30001	Mandan 1	112,869.07	112,818.99	116,282.90	137,596.87
30007	New Salem 7	8,877.82	5,383.98	8,902.82	6,811.84
30039	Flasher 39	8,298.13	9,192.54	7,961.30	11,686.54
31002	Stanley 2	1,113.37	-	-	881.03
34006	Cavalier 6	15,333.00	11,375.04	13,247.75	18,567.58
34027	Walhalla 27	3,468.53	-	857.45	-
35005	Rugby 5	4,673.89	-	836.98	-
36001	Devils Lake 1	191,972.59	183,916.33	218,628.56	200,416.46
37019	Lisbon 19	25,721.47	15,104.42	24,951.64	21,889.81
39008	Hankinson 8	1,354.17	-	-	-
39028	Lidgerwood 28	3,761.51	1,105.97	2,609.57	3,792.32
39037	Wahpeton 37	84,993.01	76,881.32	85,479.85	92,953.29
39044	Richland 44	370.67	-	-	-
40004	Mt Pleasant 4	14,019.87	16,825.18	16,482.77	19,646.85
41002	Milnor 2	1,600.05	13,410.59	1,640.59	15,527.78
41003	N Sargent 3	4,002.10	2,456.76	3,074.72	4,900.88
45001	Dickinson 1	126,706.04	145,809.40	129,220.09	173,418.68
45009	South Heart 9	-	2,940.22	-	3,728.85
45013	Belfield 13	2,861.63	1,451.32	2,984.95	1,724.33
45034	Richardton-Taylor 34	2,160.58	-	891.14	-
47001	Jamestown 1	178,585.33	152,413.63	182,371.67	180,963.21
48008	Southern 8	2,750.10	3,170.68	2,521.74	4,758.56
49007	Hatton 7	2,919.73	4,035.72	2,318.82	6,365.92
50003	Grafton 3	88,847.57	85,178.87	91,275.64	96,304.27
50078	Park River 78	18,180.49	11,717.35	17,406.81	16,563.87
50106	Edinburg 106	3,810.21	5,611.13	3,647.46	6,991.26
51007	United 7	-	7,623.88	-	8,443.06
51041	Surrey 41	36,249.02	41,123.12	38,818.17	43,903.67
52038	Harvey 38	687.49	-	-	-
53001	Williston 1	445,862.65	419,181.60	477,646.99	452,444.56
99000		2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00

NOTE: The authorizing language for the 140 Min Levy Redistribution is in SB 2421 of the 58th Legislative Assembly. The amount will be finalized in June.

Rep Haas

Projected Supplemental Payments to High School Districts under 15.1-27-11

Districts with educational expenditures per student less than the state average are listed.
The column entitlement MAX_STAT is the projected entitlement under existing law.
Column descriptions are at the end of the report.

			Eligibility Tests							3	1	2
										GF, Tuition and Transp Levies	Cost of Education	Taxable Valuation Per Pupil
											6384	18,744
ID	**DNAME**	**TYPE**	**TAXVAL**	**Imputed Tax Value/Other Sources**	**Adjusted Taxable Value**	**ADM112**	**TOT_GEN**	**NET_ADDL**	**MAX_STAT**	**COEPP**	**TVALPADM**	
01013	Hettinger 13	1	6,075,030	1,347,430	7,422,460	327.95	186.69		-	6,636	22,633	
02002	**Valley City 2**	1	**14,323,610**	**52,883**	**14,376,493**	**1,104.12**	**193.73**	**276,349.19**	**116,221.93**	**5,137**	**13,021**	
02046	Litchville-Marion 46	1	5,837,065	-	5,837,065	179.13	144.38		-	7,183	32,586	
02065	N Central 65	1	5,879,959	-	5,879,959	138.00	152.25		-	8,866	42,608	
02082	Wimbledon-Courtenay 82	1	5,629,824	30,682	5,660,506	139.68	159.05		-	8,079	40,525	
03005	Minnewaukan 5	1	1,432,361	104,664	1,537,025	131.80	191.41		-	7,538	11,662	
03006	Leeds 6	1	4,253,732	221,270	4,475,002	178.97	168.09		-	6,233	25,004	
03009	Maddock 9	1	3,867,750	40,724	3,908,474	189.22	171.32		-	6,432	20,656	
03016	Oberon 16	2	995,093	-	995,093	34.94	115.70		-	11,767	28,480	
03029	Warwick 29	1	1,131,666	-	1,131,666	185.81	149.15		-	9,522	6,090	
03030	Ft Totten 30	1	110,704	-	110,704	177.64	308.41		-	15,763	623	
04001	Billings Co 1	2	5,042,886	19,064,801	24,107,687	62.49	39.66		-	17,290	385,785	
05001	Bottineau 1	1	11,174,975	3,144,420	14,319,395	722.20	152.13		-	5,820	19,827	
05017	Westhope 17	1	3,543,497	414,314	3,957,811	133.44	158.93		-	7,205	29,660	
05054	Newburg-United 54	1	4,921,783	211,840	5,133,623	72.48	150.38		-	12,177	70,828	
06001	Bowman 1	1	4,696,142	4,033,690	8,729,832	384.02	168.22		-	6,557	22,733	
06017	Rhame 17	1	2,411,188	1,385,928	3,797,116	64.50	133.01		-	9,978	58,870	
06033	Scranton 33	1	3,380,226	1,523,203	4,903,429	147.68	165.67		-	7,613	33,203	
07014	Bowbells 14	1	2,912,065	343,410	3,255,475	83.49	171.70		-	9,072	38,992	
07027	Powers Lake 27	1	2,029,273	488,907	2,518,180	105.69	184.91		-	8,234	23,826	
07036	Burke Central 36	1	3,424,853	472,974	3,897,827	87.67	139.28		-	10,577	44,460	
08001	Bismarck 1	1	144,701,220	4,299,414	149,000,634	9,464.60	231.40	1,704,388.95	716,800.98	6,164	15,743	
08025	Naughton 25	3	242,627	-	242,627	5.00	243.17		-	9,033	48,525	
08028	Wing 28	1	1,999,310	277,394	2,276,704	79.25	150.05		-	7,445	28,728	
08029	Baldwin 29	2	697,122	15,916	713,038	19.00	157.79		-	5,169	37,528	
08033	Menoken 33	2	1,123,199	-	1,123,199	19.74	301.85		-	8,726	56,900	
08035	Sterling 35	2	1,953,781	2,599	1,956,380	33.28	192.36		-	6,783	58,785	
08039	Apple Creek 39	2	1,766,878	32,603	1,799,481	41.87	226.19		-	6,098	42,978	

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ID	DNAME	TYPE	TAXVAL	Imputed Tax Value/Other Sources	Adjusted Taxable Value	ADM112	TOT_GEN	NET_ADDL	MAX_STAT	COEPP	TVALPADM
08045	Manning 45	3	198,408	41,927	240,335	3.68	252.01		-	8,019	65,308
09001	Fargo 1	1	190,481,817	4,354,930	194,836,747	10,074.84	289.13		-	6,891	19,339
09002	Kindred 2	1	11,167,706	31,553	11,199,259	643.59	167.97		-	4,210	17,401
09004	Maple Valley 4	1	8,268,266	-	8,268,266	246.89	167.05		-	7,389	33,490
09006	West Fargo 6	1	95,233,937	1,846,118	97,080,055	4,895.27	188.36		-	5,723	19,831
09007	Mapleton 7	2	2,767,748	-	2,767,748	81.99	265.35		-	8,109	33,757
09017	Central Cass 17	1	11,621,048	507,456	12,128,504	770.74	163.20		-	4,245	15,736
09080	Page 80	2	3,367,046	-	3,367,046	108.78	170.01		-	5,463	30,953
09097	Northern Cass	1	9,827,195	95,060	9,922,255	430.70	190.58		-	6,039	23,038
10014	Border Central 14	1	3,101,955	-	3,101,955	24.53	169.78		-	16,937	126,456
10019	Munich 19	1	3,138,431	-	3,138,431	111.47	150.39		-	7,286	28,155
10023	Langdon Area 23	1	11,949,082	168,844	12,117,926	471.09	164.23		-	6,378	25,723
11040	Ellendale 40	1	6,227,567	28,246	6,255,813	328.04	175.35		-	5,330	19,070
11041	Oakes 41	1	7,650,911	9,562	7,660,473	476.01	183.01	41,658.39	17,519.93	4,594	16,093
12001	Divide County 1	1	6,590,911	1,201,942	7,792,853	281.36	146.56		-	7,197	27,697
13008	Dodge 8	2	615,909	352,502	968,411	34.03	189.14		-	11,848	28,458
13016	Killdeer 16	1	7,522,872	1,470,300	8,993,172	372.99	158.04		-	6,005	24,111
13019	Hallday 19	1	1,971,506	196,338	2,167,844	31.25	161.04		-	21,192	69,371
13037	Twin Buttes 37	2	23,801	-	23,801	51.38	-		-	35,810	463
14001	New Rockford 1	1	5,347,576	6,892	5,354,468	368.06	185.00	54,059.35	22,735.30	5,106	14,548
14012	Sheyenne 12	1	1,520,191	93,597	1,613,788	86.27	167.74		-	11,782	18,706
15006	Hazelton-Moffit-Braddock 6	1	3,751,708	33,569	3,785,277	140.31	155.13		-	7,074	26,978
15010	Bakker 10	2	625,458	-	625,458	1.91	140.53		-	9,376	327,465
15012	Union 12	4	599,041	-	599,041	9.45	86.77		-	14,961	63,391
15015	Strasburg 15	1	2,924,066	318,702	3,242,768	178.00	139.53		-	6,142	18,218
15036	Linton 36	1	5,285,527	-	5,285,527	349.51	174.37		-	5,630	15,123
16010	Carrington 10	1	10,269,110	679,521	10,948,631	590.79	169.69		-	5,124	18,532
17003	Beach 3	1	4,002,796	6,034,838	10,037,634	294.48	148.65		-	8,209	34,086
17006	Lone Tree 6	2	1,478,198	128,198	1,606,396	42.70	181.50		-	7,479	37,621
18001	Grand Forks 1	1	104,461,000	33,149,380	137,610,380	7,132.08	221.61		-	6,326	19,295
18044	**Larimore 44**	**1**	**6,442,600**	**951,036**	**7,393,636**	**497.27**	**190.52**	**78,095.57**	**32,844.02**	**5,502**	**14,868**
18061	**Thompson 61**	**1**	**5,361,587**	**85,297**	**5,446,884**	**408.08**	**163.49**		**-**	**4,553**	**13,348**
18125	Manvel 125	2	3,351,328	-	3,351,328	139.61	213.61		-	4,536	24,005
18127	Emerado 127	2	1,917,801	-	1,917,801	92.55	292.61		-	6,396	20,722
18128	Midway 128	1	5,368,301	-	5,368,301	239.40	184.42		-	6,989	22,424
18129	Northwood 129	1	5,045,908	161,166	5,207,074	275.40	178.36		-	6,210	18,907
18140	Grand Forks AFB 1	4	25,531	-	25,531	-	-		-	-	#DIV/0!

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ID	DNAME	TYPE	TAXVAL	Imputed Tax Value/Other Sources	Adjusted Taxable Value	ADM112	TOT_GEN	NET_ADDL	MAX_STAT	COEPP	TVALPADM
19018	Roosevelt 18	2	2,198,259	122,566	2,320,825	104.22	185.47		-	5,871	22,269
19049	Elgin-New Leipzig 49	1	3,823,488	2,734	3,826,222	226.96	210.67		-	6,486	16,859
20007	Midkota 7	1	5,350,934	-	5,350,934	143.37	194.13		-	10,382	37,323
20018	Griggs County Central 18	1	5,635,012	93,212	5,728,224	319.05	196.10	11,623.60	4,888.44	6,109	17,954
21001	Mott-Regent 1	1	6,583,623	15,915	6,599,538	271.43	146.09		-	5,966	24,314
21009	New England 9	1	4,765,251	412,027	5,177,278	180.77	170.58		-	8,142	28,640
22011	Pettibone-Tuttle 11	2	1,114,154	-	1,114,154	11.14	202.29		-	17,481	100,014
22014	Robinson 14	2	1,150,383	-	1,150,383	8.00	214.97		-	25,069	143,798
22020	Tuttle-Pettibone 20	1	1,299,679	969,409	2,269,088	47.38	184.01		-	12,838	47,891
22026	Steele-Dawson 26	1	4,288,620	108,503	4,397,123	254.60	166.72		-	6,619	17,271
22028	Tappen 28	1	1,650,027	34,364	1,684,391	97.23	195.00		-	7,521	17,324
23003	Edgeley 3	1	5,344,455	1,782	5,346,237	231.64	157.17		-	5,776	23,080
23007	Kulm 7	1	5,447,386	-	5,447,386	121.82	146.86		-	8,814	44,717
23008	LaMoure 8	1	4,897,466	34,338	4,931,804	317.99	163.35		-	5,275	15,509
23011	Verona 11	1	1,899,578	-	1,899,578	38.10	181.62		-	10,182	49,858
24002	Napoleon 2	1	3,793,945	89,325	3,883,270	217.39	172.64		-	6,086	17,863
24056	Gackle 14	1	4,497,703	-	4,497,703	121.09	143.63		-	8,937	37,143
25001	Velva 1	1	6,677,152	327,153	7,004,305	402.23	148.27		-	5,119	17,414
25014	Anamoose 14	1	1,868,796	98,506	1,967,302	81.40	181.94		-	8,319	24,168
25057	Drake 57	1	3,633,585	49,818	3,683,403	130.45	159.84		-	7,246	28,236
25060	TGU 60	1	10,721,615	98,413	10,820,028	359.72	142.24		-	6,817	30,079
26004	Zeeland 4	1	2,648,179	-	2,648,179	62.21	145.19		-	9,530	42,568
26009	Ashley 9	1	3,783,439	-	3,783,439	166.85	168.20		-	7,076	22,676
26019	Wishek 19	1	3,949,893	29,455	3,979,348	237.77	169.92		-	5,823	16,736
27001	McKenzie Co 1	1	9,558,764	4,086,455	13,645,219	561.74	144.67		-	6,523	24,291
27002	Alexander 2	1	2,732,711	461,449	3,194,160	63.63	144.55		-	12,078	50,199
27014	Yellowstone 14	2	1,471,609	395,575	1,867,184	72.12	207.40		-	10,046	25,890
27018	Earl 18	3	454,401	353,783	808,184	3.00	22.67		-	10,095	269,395
27019	Bowline Butte 19	3	427,059	42,525	469,584	3.00	139.00		-	14,758	156,528
27032	Horse Creek 32	3	1,084,151	78,692	1,162,843	7.00	94.16		-	7,219	166,120
27036	Mandaree 36	1	72,527	-	72,527	173.16	-		-	25,137	419
28001	Montefiore 1	1	3,184,452	496,081	3,680,533	189.69	176.01		-	6,934	19,403
28004	Washburn 4	1	4,460,749	1,392,178	5,852,927	313.53	144.82		-	6,078	18,668
28008	Underwood 8	1	4,615,829	790,366	5,406,195	209.97	168.12		-	7,603	25,747
28050	Max 50	1	2,785,863	502,674	3,288,537	156.78	149.08		-	6,723	20,975
28051	Garrison 51	1	6,424,159	1,396,752	7,820,911	336.59	171.23		-	6,212	23,236
28072	Turtle Lake-Mercer 72	1	4,297,014	653,457	4,950,471	173.09	158.25		-	7,551	28,601

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ID	DNAME	TYPE	TAXVAL	Imputed Tax Value/Other Sources	Adjusted Taxable Value	ADM112	TOT_GEN	NET_ADDL	MAX_STAT	COEPP	TVALPADM
28085	White Shield 85	1	278,027	432,965	710,992	111.34	185.00		-	8,501	6,386
29003	Hazen 3	1	5,615,685	4,797,504	10,413,189	689.08	185.28	88,309.99	37,139.81	4,814	15,112
29020	Golden Valley 20	1	1,168,809	674,008	1,842,817	48.49	152.08		-	9,664	38,004
29027	Beulah 27	1	9,459,998	5,433,095	14,893,093	812.67	185.00		-	5,594	18,326
30001	Mandan 1	1	39,864,893	2,541,765	42,406,658	2,963.43	181.86	418,662.96	176,073.67	5,428	14,310
30004	Little Heart 4	2	820,929	-	820,929	25.27	164.85		-	4,850	32,486
30007	New Salem 7	1	3,799,896	698,393	4,498,289	348.35	162.77		-	4,974	12,913
30008	Sims 8	2	1,491,841	-	1,491,841	30.50	170.93		-	9,872	48,913
30013	Hebron 13	1	3,668,425	90,022	3,758,447	157.09	156.74		-	7,733	23,925
30017	Sweet Briar 17	3	350,024	-	350,024	10.00	105.62		-	5,184	35,002
30039	Flasher 39	1	2,981,455	-	2,981,455	201.86	186.42		-	5,887	14,770
30048	Glen Ullin 48	1	4,010,905	287,509	4,298,414	200.26	157.07		-	6,991	21,464
31001	New Town 1	1	2,736,746	951,931	3,688,677	681.67	169.18		-	6,594	5,411
31002	Stanley 2	1	5,804,179	131,041	5,935,220	340.57	185.00	15,698.22	6,602.07	6,353	17,427
31003	Parshall 3	1	3,382,794	284,322	3,667,116	251.96	171.57		-	7,365	14,554
32001	Dakota Prairie 1	1	9,158,415	-	9,158,415	304.15	189.45		-	6,576	30,112
32066	Lakota 66	1	4,405,107	-	4,405,107	237.92	187.01	2,018.20	848.78	5,434	18,515
33001	Center-Stanton 1	1	3,731,154	2,828,336	6,559,490	277.86	170.00		-	7,322	23,607
34001	Pembina 1	1	3,698,317	151,214	3,849,531	139.54	170.47		-	7,545	27,587
34006	Cavalier 6	1	7,842,366	202,636	8,045,002	465.22	189.81	26,880.15	11,304.77	5,966	17,293
34012	Valley 12	1	3,453,027	489,230	3,942,257	137.59	205.49		-	7,880	28,652
34019	Drayton 19	1	5,316,962	95,208	5,412,170	166.49	187.18		-	8,593	32,507
34027	Walhalla 27	1	4,446,463	7,961	4,454,424	269.51	210.39		-	6,550	16,528
34043	St Thomas 43	1	2,852,316	-	2,852,316	113.26	220.71		-	7,923	25,184
34055	Neche 55	1	3,241,612	-	3,241,612	89.65	191.98		-	11,001	36,159
35001	Wolford 1	1	1,606,075	1,946	1,608,021	54.43	185.00		-	8,737	29,543
35005	Rugby 5	1	10,294,429	173,283	10,467,712	553.74	185.00		-	6,493	18,904
36001	**Devils Lake 1**	**1**	**17,217,484**	**435,401**	**17,652,885**	**1,698.91**	**188.00**	**539,294.62**	**226,806.74**	**5,611**	**10,391**
36002	Edmore 2	1	4,481,796	51,297	4,533,093	80.77	145.25		-	9,465	56,123
36044	Starkweather 44	1	2,684,825	448,471	3,133,296	91.67	152.86		-	8,270	34,180
37002	Sheldon 2	2	1,340,985	-	1,340,985	27.06	243.11		-	9,832	49,556
37006	Ft Ransom 6	2	829,489	-	829,489	16.93	261.39		-	9,006	48,995
37019	Lisbon 19	1	8,318,319	543,003	8,861,322	604.06	187.39	92,029.70	38,704.18	4,841	14,670
37022	Enderlin 22	1	5,337,252	913,123	6,250,375	286.62	185.49		-	5,952	21,807
38001	Mohall-Lansford-Sherwood 1	1	10,083,757	2,026,450	12,110,207	337.68	157.87		-	8,053	35,863
38026	Glenburn 26	1	3,426,156	1,175,491	4,601,647	273.04	139.22		-	6,478	16,853
39005	Mantador 5	4	1,363,609	-	1,363,609	-	148.65		-	11,114	#DIV/0!

6384 18,744

ID	DNAME	TYPE	TAXVAL	Imputed Tax Value/Other Sources	Adjusted Taxable Value	ADM112	TOT_GEN	NET_ADDL	MAX_STAT	COEPP	TVALPADM
39008	Hankinson 8	1	5,099,020	516,206	5,615,226	302.12	185.00		-	4,917	18,586
39018	Fairmount 18	1	4,202,089	18,523	4,220,612	93.60	188.09		-	8,791	45,092
39028	Lidgerwood 28	1	3,574,200	-	3,574,200	212.86	185.00		-	5,921	16,791
39037	Wahpeton 37	1	19,711,907	83,050	19,794,957	1,370.97	186.30	214,274.89	90,115.85	4,993	14,439
39042	Wyndmere 42	1	6,137,433	55,250	6,192,683	256.99	157.23		-	6,443	24,097
39044	Richland 44	1	5,247,250	81,074	5,328,324	275.97	185.00		-	5,436	19,308
40001	Dunseith 1	1	1,468,352	-	1,468,352	584.18	151.75		-	10,836	2,514
40003	St John 3	1	746,935	7,794	754,729	269.60	153.96		-	8,431	2,799
40004	Mt Pleasant 4	1	4,050,035	11,441	4,061,476	293.31	170.44		-	5,656	13,847
40007	Belcourt 7	1	334,520	-	334,520	1,573.57	-		-	7,647	213
40029	Rolette 29	1	2,890,447	5,957	2,896,404	171.41	189.68		-	8,072	16,898
41002	Milnor 2	1	3,394,207	35,038	3,429,245	279.37	180.73	55,539.72	23,357.89	5,036	12,275
41003	N Sargent 3	1	2,815,655	55,417	2,871,072	178.92	188.23	18,451.89	7,760.16	5,610	16,047
41006	Sargent Central 6	1	6,680,640	-	6,680,640	282.08	186.30		-	6,319	23,683
42016	Goodrich 16	1	1,653,856	11,567	1,665,423	50.05	193.96		-	11,923	33,275
42019	McClusky 19	1	2,479,058	1,700	2,480,758	101.80	176.48		-	10,124	24,369
43003	Solen 3	1	1,429,863	-	1,429,863	145.45	182.64		-	13,931	9,831
43004	Ft Yates 4	2	487,344	-	487,344	118.59	185.00		-	15,122	4,109
43008	Selfridge 8	1	1,324,228	-	1,324,228	81.16	187.01		-	11,880	16,316
44012	Marmarth 12	2	1,285,341	167,639	1,452,980	13.48	71.97		-	10,089	107,788
44014	Sheets 14	3	397,228	44,640	441,868	1.00	137.19		-	7,032	441,868
44032	Central Elementary 32	2	1,402,140	167,905	1,570,045	7.00	77.74		-	11,280	224,292
45001	Dickinson 1	1	29,925,240	3,726,483	33,651,723	2,473.39	185.00	444,856.38	187,089.62	5,893	13,606
45009	South Heart 9	1	2,424,540	883,217	3,307,757	233.92	149.62		-	5,622	14,141
45013	Belfield 13	1	1,565,802	1,262,911	2,828,713	225.23	185.00	48,757.14	20,505.39	6,107	12,559
45034	Richardton-Taylor 34	1	4,197,583	622,807	4,820,390	270.46	185.00	8,721.59	3,667.97	6,059	17,823
46010	Hope 10	1	3,410,409	-	3,410,409	143.86	175.35		-	5,212	23,706
46019	Finley-Sharon 19	1	4,158,200	6,013	4,164,213	166.53	187.10		-	7,392	25,006
47001	Jamestown 1	1	29,518,951	1,716,788	31,235,739	2,296.31	191.00	484,084.42	203,587.44	5,396	13,603
47003	Medina 3	1	3,239,627	1,122,546	4,362,173	138.95	167.56		-	6,956	31,394
47010	Pingree-Buchanan	1	2,989,868	61,431	3,051,299	137.08	163.55		-	6,596	22,259
47014	Montpelier 14	1	2,324,534	211,732	2,536,266	91.49	185.00		-	7,002	27,722
47019	Kensal 19	1	2,559,445	-	2,559,445	58.96	161.65		-	9,922	43,410
47026	Spiritwood 26	2	3,061,077	-	3,061,077	-	136.93		-	36,426	#DIV/0!
48002	Bisbee-Egeland 2	1	3,559,195	-	3,559,195	73.77	176.69		-	9,817	48,247
48008	Southern 8	1	3,816,484	115,936	3,932,420	242.07	168.21		-	5,857	16,245
48028	North Central 28	1	2,403,405	-	2,403,405	64.55	170.06		-	11,489	37,233

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ID	DNAME	TYPE	TAXVAL	Imputed Tax Value/Other Sources	Adjusted Taxable Value	ADM112	TOT_GEN	NET_ADDL	MAX_STAT	COEPP	TVALPADM
49003	Central Valley 3	1	5,734,149	215,524	5,949,673	260.47	152.29		-	5,388	22,842
49007	**Hatton 7**	**1**	**3,685,197**	**-**	**3,685,197**	**230.69**	**176.38**		**-**	**5,825**	**15,975**
49009	Hillsboro 9	1	8,822,729	156,633	8,979,362	402.62	172.28		-	5,369	22,302
49014	May-Port CG 14	1	10,413,382	69,896	10,483,278	559.22	180.00		-	5,407	18,746
50003	**Grafton 3**	**1**	**9,708,110**	**91,322**	**9,799,432**	**830.12**	**185.01**	**201,677.48**	**84,817.86**	**4,682**	**11,805**
50020	Minto 20	1	3,812,402	111,894	3,924,296	208.64	176.21		-	6,000	18,809
50039	Lankin 39	2	942,927	-	942,927	55.00	179.66		-	7,578	17,144
50051	Nash 51	2	866,568	-	866,568	16.00	208.19		-	11,593	54,161
50078	Park River 78	1	5,513,593	114,442	5,628,035	375.61	190.22		-	5,548	14,984
50079	Fordville 79	1	1,857,333	-	1,857,333	65.56	169.89		-	7,499	28,330
50106	Edinburg 106	1	1,805,069	-	1,805,069	125.26	186.42	19,770.21	8,314.59	5,702	14,411
50128	Adams 128	2	1,906,219	110,626	2,016,845	83.23	167.09		-	6,208	24,232
51001	Minot 1	1	70,775,673	58,193,744	128,969,417	6,305.00	197.01		-	6,286	20,455
51004	Nedrose 4	2	4,730,708	2,356	4,733,064	218.22	213.50		-	4,455	21,689
51007	**United 7**	**1**	**6,407,828**	**747,999**	**7,155,827**	**554.43**	**167.37**		**-**	**4,763**	**12,907**
51010	Bell 10	2	2,437,480	1,293	2,438,773	116.64	222.92		-	5,085	20,909
51016	Sawyer 16	1	2,306,348	214,652	2,521,000	123.76	180.46		-	7,971	20,370
51019	Eureka 19	2	874,114	328	874,442	12.48	133.30		-	9,824	70,067
51028	Kenmare 28	1	6,593,970	89,096	6,683,066	283.01	185.00		-	7,027	23,614
51041	**Surrey 41**	**1**	**2,885,044**	**263,712**	**3,148,756**	**370.53**	**177.95**		**-**	**4,841**	**8,498**
51070	S Prairie 70	2	3,245,389	1,719	3,247,108	128.96	176.60		-	5,099	25,179
51160	Minot AFB 160	4	-	-	-	-	-		-	-	#DIV/0!
51161	Lewis and Clark 161	1	8,906,525	53,419	8,959,944	354.23	140.00		-	7,350	25,294
52025	Fessenden-Bowdon 25	1	7,218,106	-	7,218,106	213.57	151.01		-	7,132	33,797
52035	Pleasant Valley 3	2	975,413	-	975,413	19.71	179.03		-	8,935	49,488
52038	Harvey 38	1	8,388,873	634,190	9,023,063	458.97	184.14		-	6,614	19,659
52039	Sykes 39	1	1,691,815	-	1,691,815	68.41	185.00		-	8,521	24,731
53001	**Williston 1**	**1**	**16,943,686**	**3,175,705**	**20,119,391**	**2,050.75**	**238.36**	**1,099,226.20**	**462,292.61**	**5,377**	**9,811**
53002	Nesson 2	1	3,282,575	441,811	3,724,386	164.25	184.71		-	7,092	22,675
53006	Eight Mile 6	1	1,450,638	949,622	2,400,260	216.34	179.23		-	11,020	11,095
53008	New 8	2	7,479,825	251,377	7,731,202	188.20	199.87		-	6,985	41,080
53015	Tioga 15	1	5,658,646	1,058,226	6,716,872	244.01	184.62		-	8,164	27,527
53091	Wildrose-Alamo 91	1	1,846,432	128,603	1,975,035	44.74	173.31		-	12,397	44,145
53099	Grenora 99	1	3,400,295	236,884	3,637,179	61.03	185.28		-	12,662	59,597
99000			1,532,751,262	206,767,294	1,739,518,556	92,802.62	199.52	5,944,428.79	2,500,000.00	6,384	18,744

ID	DNAME	TYPE	TAXVAL	Imputed Tax Value/Other Sources	Adjusted Taxable Value	ADM112	TOT_GEN	NET_ADDL	MAX_STAT	COEPP	TVALPADM
								Biennium Fundi	5,000,000.00		
								Eligible Count	23		

Formula Factors...NDCC 15-40.1-07.5

TVALPP	18,744.28	= State average taxable valuation per ADM [Gr 1-12]
COEPP	6,383.63	= State average cost of education per student [finance facts]
MINLEVY	150	= Minimum levy required for eligibility
MAXLEVY	210	= Maximum levy
FUNDING	0.420561854	= Statutory funding percentage

Eligibilty test [must meet all three]:

Be a high school district levying over 150 mills;
Have taxable valuation per ADM [Gr 1-12] less than the state average; and
Spend less than the state average on education per student.

Added tests

Ending fund balance does not exceed 35% of the uobligated general fund expenditures of the previous year.
Minimum levy must be 180 or more.

The formula for calculating the average valuation of property per student is as follows:

Multiply the difference in adjusted taxable valuation per ADM [from the state average taxable valuation] times the ADM times the number of mills levied in excess of 150 (not to exceed 210).
Multiply the result by a 30% factor (limited to legislative appropriation).

$1,000,000 = $5/year on per pupil payment

Contains in line item for contingency funds #1

Amended Section 15437 as #1

adopted 6-0

Fifty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 4, 2005

15.1

HOUSE BILL NO. 1311
(Representatives Nelson, Charging, Mueller)
(Senators Erbele, Taylor)

AN ACT to amend and reenact section 37 of chapter 667 of the 2003 Session Laws, relating to contingent payments; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. 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 $119,190, or so much of that amount as is necessary, for the purpose of reimbursing eligible school districts that received reduced amounts of state aid. For the purposes of this subsection, an eligible school district is one that received a reduction in state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below one hundred forty mills as the result of a reorganization or the dissolution of a contiguous district. The following affected districts listed are entitled to receive reimbursements:

Velva 1	$24,355
TGU 60	93,514
Lewis and Clark	1,321

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.

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

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Author by
Sen Flakoll

From Senator Tim Flakoll

April 20, 2005

Earlier in the session I requested data from the Department of Public Instruction on local tax contribution per resident of a school district.

The state-wide average in local contribution per person is $526/person.

The school districts who are suing the state for what they feel are educational inadequacies are as follows:

Williston $325/person (61.8% of the state average)
Devils Lake $343/person (65.2% of state average)
Valley City $364/person (69.2% of state average)
Surrey $366/person (69.6% of state average)
Grafton $402/person (76.4% of state average)
United 7 (DLB) $407/person (77.3% of state average)
Thompson $427/person (81.2% of state average)
Larimoure $585/person (111.2% of state average)
Hatton $650/person (123.6% of state average)

Rest by Sen Stenehjem
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plaintiffs], brought this action
executive officials constitutior
public elementary and second
The plaintiffs challenged the c
to public schools, alleging it v
base, which resulted in these
fewer educational resources p
alleged that the statutory me
equalize local property tax di:
opportunities in property poo
and equal protection [Article
The district court held that th
both the education and the e
jurisdiction to monitor the en
defendants appealed.

Judge Neumann

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listributing funding
strict's property tax
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Relying on *Dickinson Pub. School Dist. v. Sanstead*, 425 N.W.2d 906 (N.D.1988), and *County of Stutsman v. State Historical Society*, 371 N.W.2d 321 (N.D.1985), the defendants assert that the nine school districts, as political subdivisions, do not have standing to challenge the constitutionality of the statutory method for distributing funding for public education. In *Sanstead*, this court concluded that NDCC ch. 15-40.1 [State School Aid] did not create an express contract between the State and local school districts for state foundation aid. We thus held that a school district's action against the State for "compensatory damages" for the alleged failure to properly calculate past foundation aid payments was not one arising upon contract and was barred by the doctrine of sovereign immunity. We indicated that "state aid to local school districts is a mere gratuity." *Sanstead, supra*, 425 N.W.2d at 910. *See also Zenith School District No. 32 v. Peterson*, 81 N.W.2d 764, 768 (N.D.1957). In *County of Stutsman*, this court held that Stutsman County, as a political subdivision of the state, could not successfully assert that the state had violated its constitutional rights, because a county is a creature of the constitution and is not a person or private party under the applicable constitutional provisions.

School districts are political subdivisions created by the state. *Baldwin v. Board of Education*, 76 N.D. 51, 33 N.W.2d 473 (1948); NDCC § 15-47-43. For purposes of challenging the constitutionality of the statutory method for distributing funding for education, *County of Stutsman* and *Sanstead* suggest that the nine plaintiff school districts do not have standing to raise those issues. *But see Application of Otter Tail Power Co.*, 451 N.W.2d 95, 97 (N.D.1990), and *State v. Woodworth*, 234 N.W.2d 243, 249 (N.D.1975) ["weighty countervailing policies" may authorize standing to assert another party's rights]. *See also Metropolitan Sports Facilities Commission v. County of Hennepin*, 451 N.W.2d 319, 321 (Minn.1990) [case must involve "substantial public interest" for governmental unit to have standing to challenge constitutionality of statute under which it operates]. However, the defendants concede that the remaining plaintiffs have standing to challenge the constitutionality of the statutory method for distributing funding for education. Accordingly, it is not necessary for us to resolve the standing issue.

Before evaluating the pa
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taxes. *Dornacker v. Olsc*
583, 164 N.W. 289 (191

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Alt by Sen Flakoll 1154

"shall be open to all child §§ 1 & 2, N.D. Const. In order to meet those state education must be at least on par with the righ nson v. Williams County, *supra*], and homestead i Although the statutory m nay not totally deprive any student of access to ve the method of distributing funding for th stantive matters similar to those rights involved ii diate level of scrutiny. Accordingly, we analyze t mediate level of scrutiny, and we require the distrit e correspondence to legislative goals. *E.g., Ha* The Legislature has identi elementary and secondary education in th itional cost per pupil." NDCC § 15-40.1-06(1). W nd equal protection provisions to entitle childr ucation opportunity." *Lapp v. Reeder Public Sch Interest of G.H.*, 218 N.W.2d 441, 447 (N.D.19

Justice Neumann

[11] The State is responsible for implementing our public school system, and the Legislature is authorized to provide for the maintenance of that system through a state or legislative levy of taxes, or through a mandatory local tax levy. *Dornacker v. Olson*, 248 N.W.2d 844 (N.D.1976). All taxes for education purposes, including local property taxes, are State taxes. *Id.*; *State ex rel. Haig v. Hauge*, 37 N.D. 583, 164 N.W. 289 (1917).

[12] In this case, the overall effect of the n education authorizes the distribution of fundir ed the different school districts throughout the s bear to any aspect of educational needs, or educat al a close correspondence either to the constitut n in opportunity, or to the legislative goal of "supp). this state from state funds based on the educ IDCC The lack of a close correspondence to those g e of § 15-40.1-06(3)(a). *See* fn. 4. A deduct at th ce state equalization of disparities in per pupil ex ir on unequalized school district tax bases [illegible] property [illegible]

ne on.

uct y of ate foundation aid payments were equalized the statewide average mill levy for education innesota education funding system did not ns where approximately 93% of revenues y state law and approximately seven percent

nd tuition apportionment represented about pupil. In the 1981-1982 school year, ented about 64% of the statewide average year, foundation aid and tuition he statewide average expenditure per pupil. ct is that its capacity for equalization has been dramatically

SANDSTRC

We are ask ıance system meets the state
constitutior 'y "provide for a uniform system of free
public scho shall have uniform operation."
Because th ed, ignoring the clear meaning of the
constitutior [dissent.
The district nce statute unconstitutional. The
majority pu ıres no statute unconstitutional, but
says the "e inconstitutional result.
There is a f , however, have failed to establish any
student is t ıtiff districts meet or exceed the
educational lorth Dakota in general, and in the
plaintiff dist

Justice Sandstrom

School districts, as political subdivisions of the state, cannot sue the state for "uniform funding." Through lawsuit, taxpayers are not entitled to the same tax burden as different taxpayers. Students deprived of an education can sue to obtain one, but none assert an education is being denied.

Regardless of the flawed logic of the majority, there is no constitutional right to equal education financing.

To claim the constitutional requirements of a uniform system of education requires substantially ***264** the same per pupil spending everywhere in the state ignores the clear words of the constitution. It ignores the words of the drafters as recorded in the proceedings of the Constitutional Convention. It ignores the contemporaneous interpretation of the constitutional language by the First Legislative Assembly. It ignores all the previous holdings of this Court on this issue since statehood.

In citing this Court's decisions holding the right to an education cannot be denied to handicapped children, the majority ignores the rationale of the cases and overstates their holdings as a "constitutionally mandated goal of equal educational opportunity."

The right to an education cannot be denied, but it is absurd to suggest "equal educational opportunity" requires the same educational experience, the same textbooks, the same teachers, the same class options, or the same dollar spending. Students are entitled to the opportunity to receive an education under a uniform system of structure and standards.

The majority seeks to manufacture a new constitutional right where none exists and none was intended. Absent the violation of a legitimate constitutional right, we are not to supplant our judgment for the legislature's.

I

Justice Sandstrom

The majority wrongly states it is unnecessary to resolve the issue of the nine plaintiff school districts' standing to challenge the constitutionality of North Dakota's school financing statutes. The districts lack standing. Their lack of standing is not only important, but the majority must ignore their lack of standing in order to find unconstitutionality.

School districts are political subdivisions of the state created by statute. *See* N.D.C.C. § 15-47-43; *Baldwin v. Board of Education,* 76 N.D. 51, 33 N.W.2d 473, 482 (1948). Political subdivisions created and controlled by the state do not have standing to claim violations of constitutional rights. *County of Stutsman v. State Historical Soc.,* 371 N.W.2d 321 (N.D.1985). In *County of Stutsman,* this Court held:

"A political subdivision, as an agency of the state in the exercise of governmental powers, generally has no privileges or immunities under the Federal Constitution which it may invoke in opposition to the will of the State.

"In this instance the County, rather than a private person, is the party asserting a violation of its constitutional rights. Stutsman County may not successfully assert a violation of those constitutional rights because it is not a person or private party within the context of those provisions. If Stutsman County has a serious complaint about the burdens placed upon it by this designation under the legislative enactment of chapter 55-10 for preservation of historic sites, the County must take it to the Legislature which controls the County's fate in matters such as this."

County of Stutsman at 330 (citations omitted, footnote omitted).

This Court has previously held school districts have no enforceable rights against the state regarding education funding. In *Dickinson Public School Dist. v. Sanstead,* 425 N.W.2d 906 (N.D.1988), this Court held local school districts have no contract rights against the state to foundation aid payments. In *Sanstead,* this Court said, "state aid to local school districts is a mere gratuity." *Sanstead* at 910. *See also Zenith School District No. 32 v. Peterson,* 81 N.W.2d 764, 768 (N.D.1957).

The district court erred when it ignored established North Dakota law and instead applied Minnesota law to find the school districts have standing to assert constitutional claims on their own behalf. *See Metro. Sports Fac. v. County of Hennepin,* 451 N.W.2d 319 (Minn.1990). Since the majority's finding of unconstitutionality is not based on specific claims of any but the school district plaintiffs, the ignoring of established North Dakota law is crucial to its holding.

TRENDS IN NORTH DAKOTA PER PUPIL COSTS/PAYMENTS

Year	Actual Cost Per Pupil	Foundation Payment	Tuition Apportionment	Teacher Comp Reimbursement	Total From State Sources	Cost From State Sources
1981-82	$2,392	$1,425	$98		$1,523	63.7%
1982-83	$2,477	$1,353	$158		$1,511	61.0%
1983-84	$2,577	$1,400	$176		$1,576	61.2%
1984-85	$2,851	$1,350	$202		$1,552	54.4%
1985-86	$2,960	$1,425	$209		$1,634	55.2%
1986-87	$2,949	$1,367	$216		$1,583	53.7%
1987-88	$3,041	$1,400	$215		$1,615	53.1%
1988-89	$3,213	$1,385	$206		$1,591	49.5%
1989-90	$3,427	$1,411	$199		$1,610	47.0%
1990-91[1]	$3,425	$1,480	$198		$1,678	49.0%
1991-92	$3,677	$1,552	$197		$1,749	47.6%
1992-93	$3,701	$1,542	$198		$1,740	47.0%
1993-94	$3,772	$1,570	$198		$1,768	46.9%
1994-95[2]	$3,850	$1,636	$198		$1,834	47.6%
1995-96	$4,016	$1,757	$207		$1,964	48.9%
1996-97	$4,223	$1,862	$209		$2,071	49.0%
1997-98	$4,464	$1,954	$216		$2,170	48.6%
1998-99	$4,747	$2,032	$223		$2,255	47.5%
1999-00	$5,137	$2,145	$248		$2,393	46.6%
2000-01	$5,494	$2,230	$250		$2,480	45.1%
2001-02[3]	$5,799	$2,287	$300	$81.32	$2,668	46.0%
2002-03[4]	$6,330	$2,347	$300	$243.49	$2,890	45.7%
2003-04[5]	$6,675	$2,509	$335	$244.78	$3,089	46.3%
2004-05[6]	$7,060*	$2,623	$335	$258.58*	$3,217	45.6%

All data provided by DPI

1 A supplementary emergency appropriation of $7 milliion was made in addition to the $1,480 foundation aid parment.

2 A $46.25/pupil supplementary payment was made at the ending of the biennium in addition to the $1,636 foundation aid payment.

3 Includes Teacher Compensation Reimbursement ($8,768,010 TCR / 107,823.35 students)

4 Includes Teacher Compensation Reimbursement ($25,691,030 TCR / 105,511.86 students)

5 Includes Teacher Compensation Reimbursement ($25,438,618 TCR / 103,923.34 students)

6 Teacher Compensation Reimbursement estimate ($25,677,035 TCR / 99,300 students)

* Estimate

SUMMARY OF TRENDS IN ND PER PUPIL COSTS/PAYMENTS COMPARED TO CPI AND AVERAGE NORTH DAKOTA TEACHER SALARIES

The chart entitled "Trends in North Dakota Per Pupil Costs/Trends" is our compilation of the historical data related to actual per pupil cost, the foundation payment per year, the tuition apportionment payment, the teacher compensation payments, the total of all of these payments from state sources and the percentage of per pupil cost provided by the aforementioned state payments.

Listed below is a summary of the data on this chart:

	94-95	2004-05	Total Percent Change	Percent Change/Year
Per Pupil Cost	$3,850	$7,060*	83.3%	8.33%
Foundation Payment	$1,636	$2,623	60.4%	6.03%
Total, State sources	$1,834	$3,217	75.4%	7.54%
CPI	149.4	189.9	27.1%	2.71%
Avg. Teacher Salary	$26,327	$36,468*	38.5%	3.85%

*estimate

OK 5yr

4/16 in
335 to 351

Tuition Apport. 71.6

Add: Tuition Apportionment. Add: Tuition Apportionment

ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	04-05 Per Student and Tuition Apport	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	05-06 Per Student and Tuition Apport	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	06-07 Per Student and Tuition Apport
			2,623							3,069					3,173		
1013	Hettinger 13	1	351	345	685,120	114,840	799,960	348	377	926,285		926,285	346	374	933,398		933,398
2002	Valley City 2	1	1171	1,090	2,346,887	387,750	2,734,637	1149	1,133	2,934,353		2,934,353	1097	1,081	2,837,014		2,837,014
2046	Litchville-Marion 46	1	170	219	360,242	61,050	421,292	167	210	422,038		422,038	161	201	395,853		395,853
2065	N Central 65	1	138	175	241,335	47,190	288,525	135	167	288,410		288,410	129	158	258,747		258,747
2082	Wimbledon-Courtenay 82	1	156	193	306,490	47,190	353,680	153	185	355,305		355,305	146	176	324,101		324,101
3005	Minnewaukan 5	1	151	185	435,345	19,470	454,815	151	185	512,322		512,322	151	184	525,712		525,712
3006	Leeds 6	1	182	230	450,508	56,100	506,608	184	229	541,527		541,527	183	227	545,519		545,519
3009	Maddock 9	1	203	256	533,459	67,980	601,439	205	255	636,603		636,603	204	254	644,678		644,678
3016	Oberon 16	2	31	33	28,291	9,240	37,531	31	34	66,317		66,317	31	34	66,423		66,423
3029	Warwick 29	1	179	221	539,384	101,970	641,354	180	219	630,397		630,397	179	218	644,120		644,120
3030	Ft Totten 30	1	194	185	482,024	151,140	633,164	204	211	643,229		643,229	201	208	655,047		655,047
4001	Billings Co 1	2	50	59	-	-	-	48	58	-		-	42	52	-		-
5001	Bottineau 1	1	777	734	1,571,016	229,020	1,800,036	712	717	1,776,929		1,776,929	649	654	1,610,909		1,610,909
5017	Westhope 17	1	128	164	301,623	47,520	349,143	117	146	314,127		314,127	106	132	272,342		272,342
5054	Newburg-United 54	1	78	97	75,088	28,380	103,468	71	87	80,681		80,681	65	79	48,263		48,263
6001	Bowman 1	1	414	412	916,953	124,410	1,041,363	403	406	1,066,702		1,066,702	404	405	1,089,854		1,089,854
6017	Rhame 17	1	75	96	177,031	20,790	197,821	73	92	190,232		190,232	74	93	195,581		195,581
6033	Scranton 33	1	152	191	380,116	46,860	426,976	148	183	434,283		434,283	149	185	446,642		446,642
7014	Bowbells 14	1	85	107	175,420	29,370	204,790	80	100	196,979		196,979	77	96	183,773		183,773
7027	Powers Lake 27	1	103	127	259,967	39,270	299,237	100	121	293,991		293,991	96	115	281,913		281,913
7036	Burke Central 36	1	89	111	169,097	28,380	197,477	86	105	193,175		193,175	83	101	179,023		179,023
8001	Bismarck 1	1	10521	10,365	22,360,330	3,670,920	26,031,250	10526	10,358	26,291,314		26,291,314	10547	10,380	26,938,782		26,938,782
8025	Naughton 25	3	3	3	470	3,630	4,100	3	3	1,153		1,153	3	3	671		671
8028	Wing 28	1	77	92	168,921	25,740	194,661	77	92	205,024		205,024	78	93	210,874		210,874
8029	Baldwin 29	2	20	24	18,446	13,860	32,306	20	24	48,423		48,423	20	24	48,564		48,564
8033	Menoken 33	2	18	22	16,841	18,150	34,991	18	23	27,107		27,107	18	23	25,609		25,609
8035	Sterling 35	2	29	37	26,905	19,470	46,375	29	38	42,624		42,624	29	38	39,863		39,863
8039	Apple Creek 39	2	48	59	94,611	43,890	138,501	48	61	120,498		120,498	48	61	120,778		120,778
8045	Manning 45	3	4	6	7,829	6,600	14,429	4	5	9,186		9,186	4	5	9,071		9,071
9001	Fargo 1	1	11221	11,015	22,557,335	3,641,550	26,198,885	11344	11,126	26,906,955		26,906,955	11449	11,231	27,742,778		27,742,778
9002	Kindred 2	1	718	661	1,357,751	223,740	1,581,491	725	715	1,769,410		1,769,410	733	723	1,831,162		1,831,162
9004	Maple Valley 4	1	250	287	451,222	94,050	545,272	253	306	623,692		623,692	256	308	635,186		635,186
9006	West Fargo 6	1	5514	5,410	11,175,194	1,644,060	12,819,254	5572	5,460	13,138,801		13,138,801	5621	5,509	13,534,959		13,534,959
9007	Mapleton 7	2	87	110	194,867	62,040	256,907	87	114	245,459		245,459	88	116	252,167		252,167
9017	Central Cass 17	1	837	782	1,651,726	257,730	1,909,456	846	843	2,146,610		2,146,610	854	851	2,220,202		2,220,202
9080	Page 80	2	97	127	211,636	31,350	242,986	97	132	276,393		276,393	98	133	282,828		282,828
9097	Northern Cass	1	479	458	852,337	146,520	998,857	485	480	1,100,178		1,100,178	489	484	1,129,286		1,129,286

Add: Tuition Apportionment. Add: Tuition Apportionment

					2,623					3,069					3,173		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	04-05 Per Student and Tuition Apport	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	05-06 Per Student and Tuition Apport	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	06-07 Per Student and Tuition Apport
10014	Border Central 14	1	26	35	-	8,250	8,250	25	32	-		-	24	31	-		-
10019	Munich 19	1	110	140	253,911	39,930	293,841	102	126	268,631		268,631	98	122	257,081		257,081
10023	Langdon Area 23	1	483	449	749,919	187,110	937,029	452	450	926,586		926,586	435	433	877,882		877,882
11040	Ellendale 40	1	358	346	686,173	132,990	819,163	360	380	929,081		929,081	362	383	957,951		957,951
11041	Oakes 41	1	546	524	1,104,256	165,000	1,269,256	547	541	1,369,840		1,369,840	553	547	1,419,465		1,419,465
12001	Divide County 1	1	275	314	586,270	93,390	679,660	247	307	691,881		691,881	228	284	627,624		627,624
13008	Dodge 8	2	30	37	75,404	8,580	83,984	27	35	82,967		82,967	24	31	71,476		71,476
13016	Killdeer 16	1	396	384	747,768	130,350	878,118	368	369	846,653		846,653	347	371	865,340		865,340
13019	Halliday 19	1	28	36	22,463	11,220	33,683	25	31	21,419		21,419	24	30	13,554		13,554
13037	Twin Buttes 37	2	41	49	124,666	22,770	147,436	39	47	144,720		144,720	38	45	143,005		143,005
14001	New Rockford 1	1	390	383	810,724	117,810	928,534	385	404	1,037,865		1,037,865	379	401	1,051,911		1,051,911
14012	Sheyenne 12	1	95	118	255,798	16,170	271,968	94	117	300,999		300,999	94	117	309,291		309,291
15006	Hazelton-Moffit-Braddock 6	1	145	179	334,712	45,870	380,582	138	168	372,966		372,966	131	160	350,686		350,686
15010	Bakker 10	2	7	6	-	-	-	7	7	-		-	7	7	-		-
15015	Strasburg 15	1	181	232	502,958	59,400	562,358	174	218	557,866		557,866	165	207	534,052		534,052
15036	Linton 36	1	343	338	695,760	105,270	801,030	327	355	887,847		887,847	310	337	851,348		851,348
16010	Carrington 10	1	615	575	1,142,409	196,350	1,338,759	600	598	1,445,312		1,445,312	584	582	1,421,102		1,421,102
17003	Beach 3	1	297	322	700,303	75,240	775,543	284	345	906,208		906,208	291	345	928,174		928,174
17006	Lone Tree 6	2	42	51	-	21,450	21,450	42	52	103,078		103,078	38	47	87,239		87,239
18001	Grand Forks 1	1	7632	7,469	16,115,183	2,473,020	18,588,203	7436	7,268	18,336,925		18,336,925	7332	7,164	18,401,873		18,401,873
18044	Larimore 44	1	519	481	1,030,784	169,620	1,200,404	506	501	1,292,412		1,292,412	498	493	1,296,546		1,296,546
18061	Thompson 61	1	426	404	880,420	149,160	1,029,580	415	414	1,065,967		1,065,967	408	407	1,068,021		1,068,021
18125	Manvel 125	2	153	176	345,424	90,750	436,174	150	180	425,868		425,868	147	177	421,251		421,251
18127	Emerado 127	2	117	135	287,988	58,410	346,398	114	136	344,539		344,539	113	135	347,770		347,770
18128	Midway 128	1	271	292	573,515	89,430	662,945	264	300	716,705		716,705	260	297	718,999		718,999
18129	Northwood 129	1	313	319	654,351	98,670	753,021	305	342	856,656		856,656	301	338	864,356		864,356
19018	Roosevelt 18	2	140	165	358,275	40,260	398,535	138	167	428,099		428,099	129	155	400,084		400,084
19049	Elgin-New Leipzig 49	1	169	191	356,974	68,640	425,614	157	198	462,829		462,829	162	204	489,672		489,672
20007	Midkota 7	1	148	190	305,126	46,530	351,656	145	182	355,346		355,346	140	175	334,389		334,389
20018	Griggs County Central 18	1	341	336	678,595	99,000	777,595	330	357	882,823		882,823	321	346	864,851		864,851
21001	Mott-Regent 1	1	274	308	563,482	90,750	654,232	261	318	726,163		726,163	257	311	715,374		715,374
21009	New England 9	1	192	226	420,844	66,990	487,834	183	227	514,632		514,632	180	223	508,743		508,743
22011	Pettibone-Tuttle 11	2	10	12	-	8,250	8,250	10	12	-		-	10	12	-		-
22014	Robinson 14	2	9	11	-	-	-	9	12	-		-	9	12	-		-
22020	Tuttle-Pettibone 20	1	36	49	80,944	6,930	87,874	33	41	75,551		75,551	30	37	63,954		63,954
22026	Steele-Dawson 26	1	283	300	635,333	81,510	716,843	276	314	802,202		802,202	268	300	773,323		773,323
22028	Tappen 28	1	103	133	291,607	36,630	328,237	100	125	322,336		322,336	97	122	319,713		319,713

Add: Tuition Apportionment. Add: Tuition Apportionment

					2,623					3,069					3,173		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	04-05 Per Student and Tuition Apport	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	05-06 Per Student and Tuition Apport	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	06-07 Per Student and Tuition Apport
23003	Edgeley 3	1	239	282	548,943	84,810	633,753	217	266	612,314		612,314	202	246	558,354		558,354
23007	Kulm 7	1	135	174	300,862	39,270	340,132	124	157	273,789		273,789	114	144	229,617		229,617
23008	LaMoure 8	1	326	320	663,205	113,190	776,395	300	320	794,933		794,933	278	294	728,737		728,737
23011	Verona 11	1	28	36	24,337	11,220	35,557	26	32	24,674		24,674	23	28	8,951		8,951
24002	Napoleon 2	1	245	280	596,970	70,620	667,590	238	280	716,009		716,009	237	276	718,464		718,464
24056	Gackle 14	1	116	146	219,640	45,540	265,180	111	136	246,870		246,870	109	134	239,432		239,432
25001	Velva 1	1	427	411	816,216	136,290	952,506	424	421	1,037,580		1,037,580	418	415	1,039,332		1,039,332
25014	Anamoose 14	1	93	122	253,635	25,080	278,715	93	116	286,310		286,310	92	115	287,674		287,674
25057	Drake 57	1	136	173	320,948	40,260	361,208	137	169	379,357		379,357	135	166	376,872		376,872
25060	TGU 60	1	386	381	519,343	104,940	624,283	384	398	813,182		813,182	379	391	795,292		795,292
26004	Zeeland 4	1	57	74	76,107	21,450	97,557	53	68	108,982		108,982	47	60	80,449		80,449
26009	Ashley 9	1	168	214	426,669	57,420	484,089	161	199	466,960		466,960	146	178	407,310		407,310
26019	Wishek 19	1	231	275	580,012	78,210	658,222	220	278	702,718		702,718	199	248	623,061		623,061
27001	McKenzie Co 1	1	578	538	1,069,022	213,180	1,282,202	554	551	1,328,369		1,328,369	529	526	1,272,026		1,272,026
27002	Alexander 2	1	49	61	51,433	18,810	70,243	47	56	69,157		69,157	44	53	54,259		54,259
27014	Yellowstone 14	2	80	101	212,881	28,380	241,261	77	95	234,836		234,836	73	90	223,921		223,921
27018	Earl 18	3	12	17	-	-	-	12	16	30,364		30,364	11	14	26,354		26,354
27019	Bowline Butte 19	3	2	3	-	-	-	2	3	-		-	2	3	-		-
27032	Horse Creek 32	3	5	7	-	-	-	5	7	-		-	5	7	-		-
27036	Mandaree 36	1	191	237	615,079	58,740	673,819	183	225	687,462		687,462	176	216	683,568		683,568
28001	Montefiore 1	1	205	254	551,106	67,650	618,756	198	241	619,725		619,725	192	236	616,071		616,071
28004	Washburn 4	1	314	329	710,759	99,000	809,759	302	346	892,765		892,765	293	334	875,627		875,627
28008	Underwood 8	1	213	263	529,142	69,960	599,102	205	248	585,925		585,925	198	241	573,984		573,984
28050	Max 50	1	166	208	447,531	57,750	505,281	160	196	497,165		497,165	155	192	492,501		492,501
28051	Garrison 51	1	354	348	691,040	115,170	806,210	343	369	886,809		886,809	329	354	855,629		855,629
28072	Turtle Lake-Mercer 72	1	188	235	469,312	61,050	530,362	181	221	516,374		516,374	174	215	502,763		502,763
28085	White Shield 85	1	123	147	376,836	36,630	413,466	119	142	424,589		424,589	116	139	429,018		429,018
29003	Hazen 3	1	707	658	1,526,238	238,260	1,764,498	643	639	1,746,958		1,746,958	592	587	1,629,456		1,629,456
29020	Golden Valley 20	1	38	50	81,407	17,490	98,897	35	43	86,693		86,693	31	38	71,727		71,727
29027	Beulah 27	1	814	758	1,646,386	266,640	1,913,026	740	736	1,899,396		1,899,396	681	676	1,752,926		1,752,926
30001	Mandan 1	1	3299	3,253	7,181,663	1,177,440	8,359,103	3255	3,206	8,325,422		8,325,422	3200	3,151	8,345,963		8,345,963
30004	Little Heart 4	2	23	27	40,482	13,860	54,342	23	28	54,093		54,093	22	26	49,812		49,812
30007	New Salem 7	1	379	374	844,454	108,240	952,694	374	383	1,030,110		1,030,110	367	376	1,034,469		1,034,469
30008	Sims 8	2	24	29	21,097	15,840	36,937	24	30	34,920		34,920	23	28	28,577		28,577
30013	Hebron 13	1	150	191	369,403	53,130	422,533	148	187	435,454		435,454	145	184	430,448		430,448
30017	Sweet Briar 17	3	11	14	1,513	5,610	7,123	11	12	23,987		23,987	11	12	24,047		24,047
30039	Flasher 39	1	221	264	481,552	73,590	555,142	218	265	698,977		698,977	214	260	701,175		701,175

Add: Tuition Apportionment. Add: Tuition Apportionment

					2,623						3,069						3,173		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	04-05 Per Student and Tuition Apport	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	05-06 Per Student and Tuition Apport	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	06-07 Per Student and Tuition Apport
30048	Glen Ullin 48	1	190	243	493,018	65,670	558,688	187	239	581,384		581,384	184	235	580,585		580,585
31001	New Town 1	1	729	672	1,666,873	239,580	1,906,453	713	700	2,043,475		2,043,475	695	682	2,049,274		2,049,274
31002	Stanley 2	1	336	334	666,134	123,750	789,884	326	353	861,478		861,478	321	350	868,565		868,565
31003	Parshall 3	1	282	299	448,946	106,260	555,206	274	294	774,139		774,139	268	290	780,304		780,304
32001	Dakota Prairie 1	1	311	319	502,433	115,500	617,933	299	331	668,034		668,034	294	334	681,145		681,145
32066	Lakota 66	1	240	275	560,589	73,590	634,179	230	282	698,647		698,647	227	280	705,162		705,162
33001	Center-Stanton 1	1	281	309	641,626	99,000	740,626	320	349	930,279		930,279	365	385	1,065,844		1,065,844
34001	Pembina 1	1	141	176	327,163	45,210	372,373	136	166	367,936		367,936	135	164	367,273		367,273
34006	Cavalier 6	1	525	488	999,288	160,710	1,159,998	507	504	1,249,809		1,249,809	503	500	1,262,274		1,262,274
34012	Valley 12	1	161	201	403,801	52,140	455,941	156	193	461,532		461,532	155	192	464,568		464,568
34019	Drayton 19	1	177	225	399,127	57,420	456,547	170	212	447,110		447,110	170	211	448,756		448,756
34027	Walhalla 27	1	298	303	632,094	90,090	722,184	289	311	784,664		784,664	286	310	799,940		799,940
34043	St Thomas 43	1	130	160	317,134	45,540	362,674	126	155	365,865		365,865	127	155	374,186		374,186
34055	Neche 55	1	84	104	155,581	37,950	193,531	80	98	176,967		176,967	81	99	179,192		179,192
35001	Wolford 1	1	49	64	110,763	20,790	131,553	47	59	121,421		121,421	46	58	118,906		118,906
35005	Rugby 5	1	557	518	989,103	221,430	1,210,533	536	533	1,244,865		1,244,865	521	518	1,216,950		1,216,950
36001	Devils Lake 1	1	1883	1,784	4,084,213	661,320	4,745,533	1886	1,851	5,026,915		5,026,915	1876	1,841	5,128,539		5,128,539
36002	Edmore 2	1	79	106	115,876	24,420	140,296	77	97	126,280		126,280	76	95	117,105		117,105
36044	Starkweather 44	1	90	111	193,859	30,360	224,219	91	110	234,431		234,431	90	109	233,646		233,646
37002	Sheldon 2	2	25	31	32,678	33,990	66,668	24	31	45,011		45,011	24	31	43,650		43,650
37006	Ft Ransom 6	2	12	16	11,166	11,550	22,716	12	16	18,626		18,626	11	15	13,158		13,158
37019	Lisbon 19	1	631	583	1,223,060	190,410	1,413,470	614	606	1,543,718		1,543,718	583	574	1,477,797		1,477,797
37022	Enderlin 22	1	303	318	637,160	93,390	730,550	295	343	849,176		849,176	279	327	815,253		815,253
38001	Mohall-Lansford-Sherwood	1	350	343	535,292	113,520	648,812	353	380	783,375		783,375	348	372	761,723		761,723
38026	Glenburn 26	1	267	297	657,002	86,790	743,792	269	329	878,249		878,249	263	320	872,079		872,079
39008	Hankinson 8	1	323	316	648,273	95,700	743,973	313	336	838,741		838,741	303	328	830,107		830,107
39018	Fairmount 18	1	104	131	195,169	30,690	225,859	101	125	225,020		225,020	98	122	212,019		212,019
39028	Lidgerwood 28	1	213	268	575,808	71,610	647,418	206	256	649,077		649,077	201	250	643,644		643,644
39037	Wahpeton 37	1	1437	1,343	2,863,790	502,590	3,366,380	1394	1,378	3,478,710		3,478,710	1351	1,334	3,417,222		3,417,222
39042	Wyndmere 42	1	258	293	548,212	82,170	630,382	250	310	717,953		717,953	243	301	700,928		700,928
39044	Richland 44	1	329	325	670,388	107,910	778,298	318	346	861,804		861,804	309	339	857,027		857,027
40001	Dunseith 1	1	619	585	1,481,813	269,610	1,751,423	598	590	1,755,527		1,755,527	579	571	1,751,283		1,751,283
40003	St John 3	1	294	299	758,380	170,610	928,990	284	313	933,379		933,379	276	312	958,737		958,737
40004	Mt Pleasant 4	1	309	322	706,582	96,030	802,612	298	343	897,999		897,999	292	340	910,099		910,099
40007	Belcourt 7	1	1686	1,599	4,141,315	710,490	4,851,805	1629	1,600	4,898,179		4,898,179	1587	1,558	4,929,005		4,929,005
40029	Rolette 29	1	181	230	502,112	63,690	565,802	175	216	554,049		554,049	171	212	551,310		551,310
41002	Milnor 2	1	281	290	638,534	97,020	735,554	278	306	810,656		810,656	274	312	847,987		847,987

Add: Tuition Apportionment. Add: Tuition Apportionment

					2,623						3,069						3,173		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	04-05 Per Student and Tuition Apport	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	05-06 Per Student and Tuition Apport	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	06-07 Per Student and Tuition Apport
41003	N Sargent 3	1	195	239	527,519	59,400	586,919	194	235	615,693		615,693	190	230	613,585		613,585
41006	Sargent Central 6	1	303	307	566,718	92,730	659,448	300	331	762,435		762,435	296	337	791,059		791,059
42016	Goodrich 16	1	47	58	94,442	17,160	111,602	41	51	93,212		93,212	38	48	82,721		82,721
42019	McClusky 19	1	100	125	242,702	34,980	277,682	87	107	233,289		233,289	86	106	232,591		232,591
43003	Solen 3	1	162	198	469,402	104,280	573,682	190	234	665,284		665,284	205	248	726,730		726,730
43004	Ft Yates 4	2	157	183	462,555	222,420	684,975	179	213	633,889		633,889	190	227	701,090		701,090
43008	Selfridge 8	1	110	137	311,930	43,560	355,490	130	161	442,284		442,284	139	172	492,308		492,308
44012	Marmarth 12	2	15	18	-	-	-	14	17	4,650		4,650	15	17	1,850		1,850
44014	Sheets 14	3	2	3	-	-	-	2	3	-		-	1	1	-		-
44032	Central Elementary 32	2	4	5	-	-	-	4	5	-		-	2	3	-		-
45001	Dickinson 1	1	2649	2,596	5,792,453	1,003,530	6,795,983	2640	2,588	6,806,150		6,806,150	2609	2,557	6,873,449		6,873,449
45009	South Heart 9	1	244	287	655,948	83,820	739,768	244	298	823,626		823,626	240	294	831,532		831,532
45013	Belfield 13	1	232	260	627,509	56,430	683,939	234	288	825,354		825,354	231	285	838,371		838,371
45034	Richardton-Taylor 34	1	273	297	626,785	92,400	719,185	274	325	838,899		838,899	271	323	851,026		851,026
46010	Hope 10	1	132	145	255,963	51,480	307,443	137	164	372,861		372,861	150	178	425,022		425,022
46019	Finley-Sharon 19	1	185	231	456,902	58,410	515,312	191	236	565,873		565,873	198	243	599,992		599,992
47001	Jamestown 1	1	2452	2,428	5,342,837	842,820	6,185,657	2395	2,369	6,148,250		6,148,250	2328	2,302	6,079,966		6,079,966
47003	Medina 3	1	163	197	403,440	52,140	455,580	160	192	465,344		465,344	157	187	460,561		460,561
47010	Pingree-Buchanan	1	151	188	386,082	50,160	436,242	147	179	437,025		437,025	144	175	431,819		431,819
47014	Montpelier 14	1	102	125	245,476	35,640	281,116	100	121	282,925		282,925	97	117	275,039		275,039
47019	Kensal 19	1	63	79	113,501	16,830	130,331	62	75	133,714		133,714	60	73	124,297		124,297
47026	Spiritwood 26	2	15	17	-	-	-	15	18	-		-	14	16	-		-
48002	Bisbee-Egeland 2	1	77	102	139,420	25,410	164,830	71	90	140,071		140,071	63	80	105,205		105,205
48008	Southern 8	1	226	274	581,210	89,100	670,310	212	258	646,868		646,868	193	235	586,834		586,834
48028	North Central 28	1	66	82	129,492	22,110	151,602	62	76	140,473		140,473	57	69	120,324		120,324
49003	Central Valley 3	1	303	311	607,417	90,750	698,167	304	339	822,432		822,432	302	334	823,396		823,396
49007	Hatton 7	1	241	289	628,224	83,490	711,714	240	292	755,497		755,497	238	290	767,011		767,011
49009	Hillsboro 9	1	420	410	767,676	132,660	900,336	420	415	939,691		939,691	420	417	958,955		958,955
49014	May-Port CG 14	1	593	549	1,063,562	181,170	1,244,732	592	585	1,401,098		1,401,098	590	583	1,419,565		1,419,565
50003	Grafton 3	1	971	904	2,022,700	322,080	2,344,780	975	961	2,579,112		2,579,112	988	973	2,684,866		2,684,866
50020	Minto 20	1	238	285	610,958	69,630	680,588	239	293	752,934		752,934	242	296	780,143		780,143
50039	Lankin 39	2	44	58	117,474	12,870	130,344	46	63	156,442		156,442	46	63	159,713		159,713
50051	Nash 51	2	19	22	26,206	8,580	34,786	20	24	40,910		40,910	20	24	40,431		40,431
50078	Park River 78	1	420	411	876,970	128,700	1,005,670	421	426	1,097,110		1,097,110	428	425	1,119,217		1,119,217
50079	Fordville 79	1	80	100	194,511	27,390	221,901	79	92	211,892		211,892	80	94	220,057		220,057
50106	Edinburg 106	1	132	163	364,094	41,910	406,004	132	161	424,964		424,964	135	165	448,806		448,806
50128	Adams 128	2	75	90	166,171	30,360	196,531	75	93	214,454		214,454	74	93	215,556		215,556

Add: Tuition Apportionment. Add: Tuition Apportionment

ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	04-05 Per Student and Tuition Apport	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	05-06 Per Student and Tuition Apport	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	06-07 Per Student and Tuition Apport
				2,623						3,069					3,173		
51001	Minot 1	1	6673	6,550	14,743,640	1,887,270	16,630,910	6542	6,409	16,979,407		16,979,407	6479	6,345	17,200,883		17,200,883
51004	Nedrose 4	2	251	231	450,957	143,220	594,177	247	241	559,954		559,954	243	237	555,928		555,928
51007	United 7	1	601	565	1,262,057	206,250	1,468,307	589	589	1,565,341		1,565,341	584	584	1,588,666		1,588,666
51010	Bell 10	2	147	163	348,058	73,590	421,648	145	169	425,485		425,485	143	168	431,452		431,452
51016	Sawyer 16	1	125	155	324,526	43,890	368,416	123	149	371,082		371,082	121	147	371,173		371,173
51019	Eureka 19	2	9	12	-	6,113	6,113	9	12	4,410		4,410	9	12	2,678		2,678
51028	Kenmare 28	1	286	316	592,703	94,710	687,413	281	340	792,091		792,091	277	337	795,127		795,127
51041	Surrey 41	1	366	360	844,979	121,440	966,419	360	388	1,081,017		1,081,017	355	383	1,095,449		1,095,449
51070	S Prairie 70	2	149	165	323,816	58,740	382,556	147	171	401,873		401,873	145	170	405,333		405,333
51161	Lewis and Clark 161	1	402	391	705,839	118,140	823,979	395	419	947,524		947,524	390	414	944,473		944,473
52025	Fessenden-Bowdon 25	1	194	236	358,934	75,240	434,174	178	219	397,393		397,393	158	194	315,619		315,619
52035	Pleasant Valley 3	2	21	23	26,411	10,890	37,301	18	20	24,621		24,621	17	19	19,041		19,041
52038	Harvey 38	1	448	425	812,913	157,410	970,323	406	413	947,554		947,554	361	383	867,592		867,592
52039	Sykes 39	1	54	69	119,737	18,810	138,547	50	61	123,380		123,380	45	55	105,009		105,009
53001	Williston 1	1	2159	2,050	4,799,472	808,830	5,608,302	2099	2,063	5,688,408		5,688,408	2034	1,998	5,637,635		5,637,635
53002	Nesson 2	1	163	206	423,113	53,790	476,903	158	195	474,576		474,576	154	190	466,808		466,808
53006	Eight Mile 6	1	218	272	661,459	67,980	729,439	212	261	747,205		747,205	206	254	745,130		745,130
53008	New 8	2	215	195	250,504	110,550	361,054	211	202	335,582		335,582	205	199	321,051		321,051
53015	Tioga 15	1	240	281	534,072	80,520	614,592	233	286	662,705		662,705	227	278	648,933		648,933
53091	Wildrose-Alamo 91	1	39	51	64,052	18,480	82,532	38	48	75,614		75,614	36	45	65,825		65,825
53099	Grenora 99	1	65	77	67,081	19,140	86,221	64	74	98,294		98,294	61	70	82,725		82,725
	Statewide Total		99,728	100,904	211,346,306	33,755,543	245,101,849	98,295	101,532	253,615,613	-	253,615,613	97,063	100,233	254,870,518	-	254,870,518

Transportation funding was allocated to districts based on the block grant funding received for the 2003-2005 biennium.

Funding Distributions

CoDist	Dname	Projected 2005 Census	Projected 2005-06 wpu	2004-05 fte	Distribute on Census	71,600,000 Distbribute on wpu	Distribute on fte	50,912,120 Distbribute on wpu	Net
01013	Hettinger 13	324	348	35	228,822	253,490	206,216	180,247	(1,301)
02002	Valley City 2	1,107	1,149	89	781,807	836,954	530,370	595,127	119,904
02046	Litchville-Marion 46	176	167	22	124,298	121,646	128,614	86,498	(44,768)
02065	N Central 65	136	135	21	96,049	98,337	124,929	69,924	(52,717)
02082	Wimbledon-Courtenay 82	130	153	17	91,811	111,448	98,597	79,247	287
03005	Minnewaukan 5	113	151	16	79,805	109,991	97,720	78,211	10,677
03006	Leeds 6	165	184	17	116,530	134,029	104,493	95,303	8,310
03009	Maddock 9	154	205	18	108,761	149,326	106,883	106,180	39,863
03016	Oberon 16	28	31	8	19,775	22,581	48,761	16,057	(29,898)
03029	Warwick 29	305	180	23	215,403	131,116	136,482	93,231	(127,538)
03030	Ft Totten 30	453	204	21	319,927	148,598	128,275	105,662	(193,942)
04001	Billings Co 1	113	48	-	79,805	34,964	-	24,862	(19,979)
05001	Bottineau 1	616	712	61	435,044	518,635	367,158	368,782	85,215
05017	Westhope 17	122	117	17	86,161	85,225	100,449	60,600	(40,785)
05054	Newburg-United 54	89	71	14	62,855	51,718	81,646	36,775	(56,009)
06001	Bowman 1	348	403	35	245,771	293,553	207,710	208,735	48,806
06017	Rhame 17	57	73	12	40,256	53,175	69,934	37,811	(19,204)
06033	Scranton 33	134	148	18	94,636	107,806	107,082	76,657	(17,255)
07014	Bowbells 14	78	80	13	55,087	58,274	76,188	41,436	(31,565)
07027	Powers Lake 27	108	100	14	76,274	72,842	82,463	51,795	(34,099)
07036	Burke Central 36	70	86	15	49,437	62,644	88,418	44,544	(30,667)
08001	Bismarck 1	10,961	10,526	750	7,741,094	7,667,344	4,478,698	5,451,966	899,518
08025	Naughton 25	13	3	1	9,181	2,185	7,708	1,554	(13,150)
08028	Wing 28	69	77	11	48,731	56,088	67,464	39,882	(20,224)
08029	Baldwin 29	48	20	2	33,900	14,568	13,684	10,359	(22,656)
08033	Menoken 33	67	18	2	47,318	13,112	9,700	9,323	(34,584)
08035	Sterling 35	49	29	4	34,606	21,124	23,384	15,021	(21,845)
08039	Apple Creek 39	152	48	5	107,348	34,964	28,962	24,862	(76,484)
08045	Manning 45	30	4	1	21,187	2,914	7,708	2,072	(23,910)
09001	Fargo 1	11,076	11,344	812	7,822,312	8,263,191	4,852,568	5,875,651	1,463,962
09002	Kindred 2	673	725	52	475,299	528,104	313,358	375,515	114,962
09004	Maple Valley 4	307	253	35	216,816	184,290	206,376	131,042	(107,859)
09006	West Fargo 6	5,270	5,572	372	3,721,884	4,058,754	2,224,699	2,886,030	998,202
09007	Mapleton 7	164	87	10	115,823	63,373	57,664	45,062	(65,053)
09017	Central Cass 17	753	846	63	531,799	616,243	375,046	438,188	147,586
09080	Page 80	82	97	12	57,912	70,657	71,966	50,241	(8,979)
09097	Northern Cass	442	485	40	312,158	353,283	238,066	251,207	54,266
10014	Border Central 14	24	25	7	16,950	18,210	39,638	12,949	(25,428)
10019	Munich 19	99	102	11	69,918	74,299	65,512	52,831	(8,300)

Funding Distributions

CoDist	Dname	Projected 2005 Census	Projected 2005-06 wpu	2004-05 fte	Distribute on Census	71,600,000 Distbribute on wpu	Distribute on fte	50,912,120 Distbribute on wpu	Net
10023	Langdon Area 23	506	452	46	357,357	329,246	273,023	234,114	(67,020)
11040	Ellendale 40	390	360	38	275,434	262,231	228,684	186,463	(55,424)
11041	Oakes 41	506	547	36	357,357	398,445	214,124	283,320	110,284
12001	Divide County 1	263	247	29	185,741	179,920	171,558	127,934	(49,445)
13008	Dodge 8	19	27	6	13,419	19,667	34,061	13,985	(13,827)
13016	Killdeer 16	369	368	36	260,602	268,058	216,136	190,606	(18,073)
13019	Halliday 19	23	25	10	16,244	18,210	56,947	12,949	(42,031)
13037	Twin Buttes 37	70	39	12	49,437	28,408	71,707	20,200	(72,535)
14001	New Rockford 1	323	385	33	228,115	280,442	197,612	199,412	54,126
14012	Sheyenne 12	65	94	11	45,906	68,471	66,946	48,688	4,307
15006	Hazelton-Moffit-Braddock 6	143	138	17	100,992	100,522	100,210	71,477	(29,203)
15010	Bakker 10	23	7	-	16,244	5,099	-	3,626	(7,519)
15012	Union 12	-	-	-	-	-	-	-	-
15015	Strasburg 15	163	174	16	115,117	126,745	95,768	90,124	5,983
15036	Linton 36	282	327	30	199,160	238,193	177,852	169,370	30,552
16010	Carrington 10	523	600	47	369,363	437,052	282,126	310,771	96,334
17003	Beach 3	219	284	31	154,667	206,871	186,417	147,098	12,886
17006	Lone Tree 6	54	42	5	38,137	30,594	29,479	21,754	(15,269)
18001	Grand Forks 1	7,050	7,436	689	4,978,990	5,416,528	4,115,065	3,851,493	173,965
18044	Larimore 44	453	506	46	319,927	368,580	276,668	262,084	34,069
18061	Thompson 61	406	415	30	286,733	302,294	180,701	214,950	49,810
18125	Manvel 125	254	150	17	179,385	109,263	100,788	77,693	(93,217)
18127	Emerado 127	228	114	14	161,023	83,040	84,395	59,047	(103,331)
18128	Midway 128	246	264	28	173,735	192,303	167,455	136,739	(12,148)
18129	Northwood 129	295	305	25	208,341	222,168	146,421	157,975	25,382
18140	Grand Forks AFB 1	798	-	-	563,579	-	-	-	(563,579)
19018	Roosevelt 18	154	138	14	108,761	100,522	85,590	71,477	(22,351)
19049	Elgin-New Leipzig 49	146	157	19	103,111	114,362	115,527	81,319	(22,958)
20007	Midkota 7	143	145	20	100,992	105,621	120,348	75,103	(40,616)
20018	Griggs County Central 18	294	330	28	207,634	240,378	169,287	170,924	34,381
21001	Mott-Regent 1	260	261	25	183,622	190,118	150,664	135,186	(8,983)
21009	New England 9	198	183	23	139,835	133,301	135,944	94,785	(47,693)
22011	Pettibone-Tuttle 11	18	10	3	12,712	7,284	17,927	5,180	(18,175)
22014	Robinson 14	30	9	3	21,187	6,556	17,329	4,662	(27,299)
22020	Tuttle-Pettibone 20	17	33	8	12,006	24,038	46,968	17,092	(17,844)
22026	Steele-Dawson 26	224	276	27	158,198	201,044	159,189	142,955	26,612
22028	Tappen 28	114	100	12	80,511	72,842	72,503	51,795	(28,378)
23003	Edgeley 3	236	217	26	166,673	158,067	157,695	112,396	(53,905)
23007	Kulm 7	127	124	18	89,692	90,324	109,173	64,226	(44,316)

Funding Distributions

CoDist	Dname	Projected 2005 Census	Projected 2005-06 wpu	2004-05 fte	Distribute on Census	71,600,000 Distbribute on wpu	Distribute on fte	50,912,120 Distbribute on wpu	Net
23008	LaMoure 8	289	300	29	204,103	218,526	173,530	155,386	(3,722)
23011	Verona 11	30	26	6	21,187	18,939	37,367	13,467	(26,149)
24002	Napoleon 2	221	238	23	156,079	173,364	136,641	123,273	3,917
24056	Gackle 14	109	111	16	76,980	80,855	95,310	57,493	(33,943)
25001	Velva 1	364	424	36	257,071	308,850	214,722	219,612	56,669
25014	Anamoose 14	74	93	10	52,262	67,743	61,668	48,170	1,983
25057	Drake 57	124	137	16	87,574	99,793	93,458	70,959	(10,278)
25060	TGU 60	339	384	39	239,415	279,713	232,130	198,894	7,061
26004	Zeeland 4	62	53	11	43,787	38,606	65,134	27,451	(42,863)
26009	Ashley 9	155	161	18	109,467	117,276	108,755	83,390	(17,556)
26019	Wishek 19	201	220	20	141,954	160,252	122,340	113,950	9,908
27001	McKenzie Co 1	602	554	51	425,156	403,544	302,084	286,946	(36,751)
27002	Alexander 2	39	47	13	27,543	34,236	74,694	24,344	(43,658)
27014	Yellowstone 14	76	77	6	53,674	56,088	37,646	39,882	4,650
27018	Earl 18	10	12	0	7,062	8,741	2,410	6,215	5,484
27019	Bowline Butte 19	5	2	1	3,531	1,457	6,334	1,036	(7,373)
27032	Horse Creek 32	6	5	1	4,237	3,642	6,334	2,590	(4,340)
27036	Mandaree 36	195	183	32	137,717	133,301	190,222	94,785	(99,853)
28001	Montefiore 1	206	198	19	145,485	144,227	114,930	102,555	(13,634)
28004	Washburn 4	242	302	25	170,910	219,983	148,094	156,422	57,400
28008	Underwood 8	207	205	23	146,192	149,326	138,135	106,180	(28,820)
28050	Max 50	161	160	17	113,705	116,547	101,525	82,872	(15,810)
28051	Garrison 51	326	343	29	230,234	249,848	176,100	177,658	21,172
28072	Turtle Lake-Mercer 72	170	181	24	120,061	131,844	143,732	93,749	(38,199)
28085	White Shield 85	98	119	25	69,211	86,682	150,385	61,636	(71,278)
29003	Hazen 3	631	643	54	445,637	468,374	323,935	333,043	31,845
29020	Golden Valley 20	44	35	6	31,075	25,495	38,303	18,128	(25,755)
29027	Beulah 27	713	740	64	503,549	539,030	384,109	383,285	34,658
30001	Mandan 1	3,543	3,255	239	2,502,207	2,371,006	1,430,647	1,685,935	124,086
30004	Little Heart 4	32	23	3	22,600	16,754	15,676	11,913	(9,609)
30007	New Salem 7	349	374	27	246,478	272,429	159,069	193,714	60,596
30008	Sims 8	31	24	4	21,893	17,482	21,632	12,431	(13,612)
30013	Hebron 13	145	148	17	102,405	107,806	102,819	76,657	(20,761)
30017	Sweet Briar 17	17	11	1	12,006	8,013	5,976	5,697	(4,272)
30039	Flasher 39	195	218	20	137,717	158,795	120,308	112,914	13,684
30048	Glen Ullin 48	188	187	19	132,773	136,214	115,826	96,857	(15,528)
31001	New Town 1	701	713	63	495,074	519,363	373,552	369,300	20,037
31002	Stanley 2	311	326	31	219,641	237,465	186,298	168,852	379
31003	Parshall 3	301	274	27	212,578	199,587	161,181	141,919	(32,253)

Funding Distributions

CoDist	Dname	Projected 2005 Census	Projected 2005-06 wpu	2004-05 fte	Distribute on Census	71,600,000 Distbribute on wpu	Distribute on fte	50,912,120 Distbribute on wpu	Net
32001	Dakota Prairie 1	394	299	32	278,258	217,797	190,222	154,868	(95,815)
32066	Lakota 66	162	230	24	114,411	167,536	141,820	119,129	30,435
33001	Center-Stanton 1	272	320	29	192,097	233,094	174,566	165,745	32,176
34001	Pembina 1	141	136	16	99,580	99,065	92,820	70,442	(22,894)
34006	Cavalier 6	453	507	47	319,927	369,309	279,417	262,602	32,567
34012	Valley 12	162	156	18	114,411	113,633	107,042	80,801	(27,019)
34019	Drayton 19	146	170	21	103,111	123,831	125,546	88,052	(16,774)
34027	Walhalla 27	269	289	26	189,978	210,513	154,129	149,688	16,094
34043	St Thomas 43	129	126	14	91,105	91,781	85,092	65,262	(19,154)
34055	Neche 55	106	80	14	74,861	58,274	85,630	41,436	(60,781)
35001	Wolford 1	47	47	11	33,193	34,236	63,341	24,344	(37,955)
35005	Rugby 5	621	536	52	438,575	390,433	310,151	277,622	(80,671)
36001	Devils Lake 1	1,990	1,886	156	1,405,417	1,373,799	931,469	976,858	13,771
36002	Edmore 2	68	77	12	48,024	56,088	70,611	39,882	(22,665)
36044	Starkweather 44	69	91	11	48,731	66,286	66,448	47,134	(1,759)
37002	Sheldon 2	68	24	4	48,024	17,482	21,392	12,431	(39,504)
37006	Ft Ransom 6	22	12	2	15,537	8,741	12,071	6,215	(12,651)
37019	Lisbon 19	539	614	52	380,663	447,250	308,080	318,023	76,529
37022	Enderlin 22	253	295	29	178,679	214,884	175,641	152,796	13,360
38001	Mohall-Lansford-Sherwood 1	337	353	39	238,003	257,132	234,680	182,837	(32,713)
38026	Glenburn 26	159	269	29	112,292	195,945	170,562	139,329	52,420
39005	Mantador 5	-	-	-	-	-	-	-	-
39008	Hankinson 8	286	313	30	201,985	227,995	179,864	162,119	8,266
39018	Fairmount 18	80	101	15	56,499	73,570	90,530	52,313	(21,145)
39028	Lidgerwood 28	196	206	23	138,423	150,054	134,450	106,698	(16,120)
39037	Wahpeton 37	1,409	1,394	108	995,092	1,015,417	645,679	722,025	96,672
39042	Wyndmere 42	231	250	22	163,141	182,105	133,016	129,488	15,436
39044	Richland 44	334	318	27	235,884	231,637	161,619	164,709	(1,157)
40001	Dunseith 1	721	598	56	509,199	435,595	332,619	309,735	(96,488)
40003	St John 3	526	284	29	371,482	206,871	175,143	147,098	(192,656)
40004	Mt Pleasant 4	268	298	31	189,272	217,069	182,752	154,350	(606)
40007	Belcourt 7	2,063	1,629	123	1,456,973	1,186,595	736,945	843,744	(163,578)
40029	Rolette 29	178	175	19	125,711	127,473	113,954	90,642	(21,549)
41002	Milnor 2	291	278	20	205,516	202,501	122,240	143,991	18,736
41003	N Sargent 3	181	194	21	127,829	141,313	125,407	100,483	(11,440)
41006	Sargent Central 6	268	300	29	189,272	218,526	171,080	155,386	13,559
42016	Goodrich 16	44	41	7	31,075	29,865	41,470	21,236	(21,444)
42019	McClusky 19	92	87	13	64,974	63,373	75,272	45,062	(31,812)
43003	Solen 3	349	190	23	246,478	138,400	137,438	98,411	(147,105)

Funding Distributions

CoDist	Dname	Projected 2005 Census	Projected 2005-06 wpu	2004-05 fte	Distribute on Census	71,600,000 Distbribute on wpu	Distribute on fte	50,912,120 Distbribute on wpu	Net
43004	Ft Yates 4	1,101	179	29	777,570	130,387	172,096	92,713	(726,565)
43008	Selfridge 8	158	130	13	111,586	94,695	77,682	67,334	(27,240)
44012	Marmarth 12	21	14	2	14,831	10,198	14,102	7,251	(11,484)
44014	Sheets 14	4	2	2	2,825	1,457	10,876	1,036	(11,208)
44032	Central Elementary 32	10	4	1	7,062	2,914	8,067	2,072	(10,144)
45001	Dickinson 1	2,942	2,640	209	2,077,757	1,923,028	1,251,221	1,367,394	(38,557)
45009	South Heart 9	248	244	19	175,147	177,734	113,595	126,380	15,372
45013	Belfield 13	154	234	19	108,761	170,450	115,428	121,201	67,462
45034	Richardton-Taylor 34	231	274	27	163,141	199,587	160,364	141,919	18,001
46010	Hope 10	129	137	15	91,105	99,793	89,574	70,959	(9,926)
46019	Finley-Sharon 19	202	191	21	142,660	139,128	123,694	98,929	(28,297)
47001	Jamestown 1	2,474	2,395	184	1,747,237	1,744,565	1,102,032	1,240,496	135,792
47003	Medina 3	160	160	18	112,998	116,547	106,206	82,872	(19,784)
47010	Pingree-Buchanan	109	147	16	76,980	107,078	97,581	76,139	8,656
47014	Montpelier 14	98	100	16	69,211	72,842	92,840	51,795	(37,415)
47019	Kensal 19	53	62	7	37,431	45,162	43,203	32,113	(3,359)
47026	Spiritwood 26	33	15	3	23,306	10,926	17,927	7,769	(22,537)
48002	Bisbee-Egeland 2	70	71	12	49,437	51,718	72,503	36,775	(33,448)
48008	Southern 8	220	212	22	155,373	154,425	132,956	109,806	(24,098)
48028	North Central 28	76	62	9	53,674	45,162	53,601	32,113	(30,000)
49003	Central Valley 3	300	304	24	211,872	221,440	142,597	157,457	24,428
49007	Hatton 7	248	240	21	175,147	174,821	124,132	124,309	(150)
49009	Hillsboro 9	378	420	33	266,959	305,936	197,791	217,540	58,727
49014	May-Port CG 14	566	592	51	399,732	431,224	305,650	306,628	32,471
50003	Grafton 3	1,008	975	66	711,890	710,209	391,399	505,003	111,924
50020	Minto 20	210	239	23	148,310	174,092	138,274	123,791	11,298
50039	Lankin 39	30	46	8	21,187	33,507	45,892	23,826	(9,746)
50051	Nash 51	26	20	3	18,362	14,568	20,317	10,359	(13,752)
50078	Park River 78	381	421	36	269,077	306,665	214,064	218,058	41,581
50079	Fordville 79	82	79	9	57,912	57,545	52,306	40,918	(11,754)
50106	Edinburg 106	106	132	14	74,861	96,151	86,148	68,370	3,512
50128	Adams 128	77	75	9	54,380	54,631	55,095	38,846	(15,997)
51001	Minot 1	5,538	6,542	561	3,911,156	4,765,321	3,353,103	3,388,444	889,506
51004	Nedrose 4	419	247	18	295,914	179,920	104,572	127,934	(92,633)
51007	United 7	613	589	43	432,925	429,039	256,949	305,074	44,239
51010	Bell 10	241	145	11	170,204	105,621	68,420	75,103	(57,900)
51016	Sawyer 16	132	123	14	93,224	89,596	83,459	63,708	(23,378)
51019	Eureka 19	18	9	1	12,712	6,556	7,728	4,662	(9,223)
51028	Kenmare 28	256	281	26	180,797	204,686	156,201	145,545	13,232

Funding Distributions

CoDist	Dname	Projected 2005 Census	Projected 2005-06 wpu	2004-05 fte	Distribute on Census	71,600,000 Distbribute on wpu	Distribute on fte	50,912,120 Distbribute on wpu	Net
51041	Surrey 41	308	360	34	217,522	262,231	200,440	186,463	30,732
51070	S Prairie 70	173	147	13	122,179	107,078	78,479	76,139	(17,442)
51160	Minot AFB 160	1,242	-	-	877,150	-	-	-	(877,150)
51161	Lewis and Clark 161	391	395	39	276,140	287,726	230,656	204,591	(14,479)
52025	Fessenden-Bowdon 25	189	178	22	133,479	129,659	133,195	92,196	(44,820)
52035	Pleasant Valley 3	40	18	3	28,250	13,112	17,329	9,323	(23,144)
52038	Harvey 38	412	406	47	290,971	295,738	283,421	210,289	(68,364)
52039	Sykes 39	52	50	10	36,724	36,421	62,445	25,898	(36,850)
53001	Williston 1	2,297	2,099	175	1,622,233	1,528,953	1,044,945	1,087,182	(51,043)
53002	Nesson 2	148	158	20	104,523	115,090	119,551	81,836	(27,148)
53006	Eight Mile 6	173	212	24	122,179	154,425	144,569	109,806	(2,517)
53008	New 8	340	211	21	240,122	153,697	126,044	109,288	(103,181)
53015	Tioga 15	221	233	26	156,079	169,722	154,129	120,683	(19,804)
53091	Wildrose-Alamo 91	43	38	8	30,368	27,680	45,474	19,682	(28,480)
53099	Grenora 99	58	64	12	40,962	46,619	71,707	33,149	(32,901)
	Total	101,382	98,295	8,520	71,600,000	71,600,000	50,912,120	50,912,120	0

Ending Fund Balances

Fund Group 1 Report - Districts, Units, Center Fund Balances

	03-04	02-03	01-02	00-01	99-00	98-99	97-98	96-97
School Districts								
Beginning Balance	159,474,233	154,827,579	145,839,467	149,148,537	135,982,657	124,335,129	108,658,054	103,204,388
Total Revenue	*794,440,958*	*770,572,754*	*725,730,352*	*698,094,202*	*679,703,003*	*649,690,796*	*620,441,083*	*585,295,152*
Regular (includes federal grant programs)	687,600,856	667,013,607	623,916,935	614,692,373	582,650,803	555,757,821	531,595,806	510,805,998
Special Education	73,269,967	68,991,407	64,247,940	60,273,469	56,964,267	55,077,932	49,753,793	46,159,324
Vocational Education	29,462,310	29,131,168	28,136,096	27,502,355	26,748,301	25,313,326	23,358,215	22,469,591
Total Expenditures	790,333,132	765,136,183	716,300,971	702,468,197	666,363,371	636,149,078	604,707,814	579,434,912
Ending Balance - Fund Group 1 District	163,582,059	160,264,150	155,268,849	144,774,542	149,322,289	137,876,847	124,391,324	109,064,627
Cooperative Programs								
Special Education - Multidistrict								
Beginning Balance	5,207,398	4,726,386	4,391,960	3,901,833	3,568,126	3,632,386	3,661,266	3,363,011
Revenue	35,921,007	33,482,041	31,075,193	28,231,766	26,633,812	25,431,108	24,899,751	25,062,945
Expenditures	36,058,387	33,119,704	30,750,138	27,740,965	26,279,368	25,487,892	25,044,151	24,600,701
Ending Balance - Fund Group 1 Sp Ed Unit	5,070,018	5,088,723	4,717,015	4,392,634	3,922,570	3,575,602	3,516,866	3,825,255
Vocational Education - Multidistrict								
Beginning Balance	1,080,704	997,582	892,267	896,103	796,673	838,845	958,204	1,179,019
Revenue	5,022,990	5,037,941	4,939,437	5,397,758	5,149,051	5,029,992	4,485,859	4,301,890
Expenditures	4,959,445	4,954,675	4,834,121	5,258,315	5,071,719	5,027,087	4,617,136	4,462,155
Ending Balance - Fund Group 1 Vo Ed Centers	1,144,250	1,080,848	997,582	1,035,546	874,005	841,750	826,927	1,018,754
Combined								
Beginning Balance	165,762,335	160,551,547	151,123,694	153,946,473	140,347,456	128,806,360	113,277,524	107,746,418
Revenue	835,384,955	809,092,736	761,744,982	731,723,726	711,485,866	680,151,896	649,826,693	614,659,987
Expenditures	831,350,964	803,210,562	751,885,230	735,467,477	697,714,458	666,664,057	634,369,101	608,497,768
Ending Balance - Fund Group 1	169,796,326	166,433,721	160,983,446	150,202,722	154,118,864	142,294,199	128,735,117	113,908,636
Percent of Expenditures	20%	21%	21%	20%	22%	21%	20%	19%

Fund Group 1 Report - Districts, Units, Center Fun

	95-96	94-95	93-94	92-93	91-92	90-91	89-90	88-89
School Districts								
Beginning Balance	97,395,091	93,871,276	95,765,285	99,310,102	105,482,797	94,357,421	107,887,181	120,127,501
Total Revenue	*556,586,700*	*531,075,549*	*511,549,590*	*499,573,443*	*487,326,728*	*465,915,006*	*435,395,815*	*412,315,871*
Regular (includes federal grant programs)	486,018,009	467,591,615	456,058,003	448,596,508	439,905,284	404,964,965	401,037,787	380,572,743
Special Education	43,049,488	39,450,676	37,676,920	34,302,076	32,797,768	29,752,058	29,257,632	25,963,219
Vocational Education	21,380,705	20,292,563	19,535,074	19,205,467	19,916,995	18,253,168	18,921,196	17,861,599
Total Expenditures	550,448,202	527,334,854	513,269,996	502,104,051	492,620,047	452,970,190	449,216,614	424,397,560
Ending Balance - Fund Group 1 District	103,533,589	97,611,971	94,044,879	96,779,493	100,189,479	107,302,237	94,066,381	108,045,812
Cooperative Programs								
Special Education - Multidistrict								
Beginning Balance	2,735,819	2,549,196	2,412,821	2,779,172	2,718,523	2,748,991	1,985,111	2,508,099
Revenue	25,335,641	25,236,809	25,171,377	24,665,061	23,220,094	21,663,915	22,672,660	20,229,519
Expenditures	24,691,129	24,969,572	25,048,545	24,618,986	23,157,650	21,705,384	21,901,151	20,775,969
Ending Balance - Fund Group 1 Sp Ed Unit	3,380,331	2,816,433	2,535,653	2,825,247	2,780,967	2,707,522	2,756,620	1,961,649
Vocational Education - Multidistrict								
Beginning Balance	1,098,583	1,014,243	954,653	961,441	922,487	3,648,522	903,379	686,610
Revenue	4,326,970	4,345,373	4,118,873	3,608,600	4,339,069	3,249,906	3,100,819	3,062,568
Expenditures	4,200,835	4,249,423	4,059,256	3,648,565	4,292,656	3,224,552	3,130,195	2,847,044
Ending Balance - Fund Group 1 Vo Ed Centers	1,224,718	1,110,193	1,014,270	921,476	968,900	3,673,876	874,003	902,134
Combined								
Beginning Balance	101,229,493	97,434,715	99,132,759	103,050,715	109,123,807	100,754,934	110,775,671	123,322,210
Revenue	586,249,311	560,657,731	540,839,840	527,847,104	514,885,891	490,828,827	461,169,294	435,607,958
Expenditures	579,340,166	556,553,849	542,377,797	530,371,602	520,070,353	477,900,126	474,247,960	448,020,573
Ending Balance - Fund Group 1	108,138,638	101,538,597	97,594,802	100,526,216	103,939,346	113,683,635	97,697,004	110,909,595
Percent of Expenditures	19%	18%	18%	19%	20%	24%	21%	25%

Fund Group 1 Report - Districts, Units, Center Func

	87-88	86-87	85-86	84-85	83-84
School Districts					
Beginning Balance	114,385,361	109,208,834	109,229,638	111,546,392	95,705,234
Total Revenue	*404,712,151*	*393,098,563*	*393,242,666*	*379,050,907*	*365,059,900*
Regular (includes federal grant programs)	357,005,559	348,143,255	354,318,652	345,457,262	318,656,003
Special Education	24,031,629	23,579,220	22,578,872	21,050,327	18,998,360
Vocational Education	16,785,008	15,907,635	16,091,147	15,168,634	13,596,252
Total Expenditures	397,822,196	387,630,111	392,988,671	381,676,223	351,250,615
Ending Balance - Fund Group 1 District	121,275,316	114,677,287	109,483,632	108,921,076	109,514,519
Cooperative Programs					
Special Education - Multidistrict					
Beginning Balance	2,279,964	2,786,300	2,352,046	2,178,707	2,224,058
Revenue	18,761,083	13,896,231	18,489,974	16,316,125	11,467,237
Expenditures	18,636,320	14,244,259	17,839,746	16,147,714	10,406,355
Ending Balance - Fund Group 1 Sp Ed Unit	2,404,727	2,438,272	3,002,274	2,347,118	3,284,940
Vocational Education - Multidistrict					
Beginning Balance	714,744	715,931	767,494	721,413	540,822
Revenue	3,028,835	2,684,235	2,585,991	2,713,892	2,597,157
Expenditures	2,985,899	2,682,314	2,652,501	2,613,742	2,472,777
Ending Balance - Fund Group 1 Vo Ed Centers	757,680	717,852	700,984	821,563	665,202
Combined					
Beginning Balance	117,380,069	112,711,065	112,349,178	114,446,512	98,470,114
Revenue	426,502,069	409,679,029	414,318,631	398,080,924	379,124,294
Expenditures	419,444,415	404,556,684	413,480,918	400,437,679	364,129,747
Ending Balance - Fund Group 1	124,437,723	117,833,411	113,186,890	112,089,757	113,464,661
Percent of Expenditures	30%	29%	27%	28%	31%

Flakoll, Tim

From: Morrissette, Joe R.
Sent: Wednesday, April 06, 2005 1:54 PM
To: Flakoll, Tim
Subject: RE: Foundation aid stabilization

Tim,

$5.5 million was transferred from the foundation aid stabilization fund to the general fund during the 2001-03 biennium to offset the portion of the general fund allotment allocated to foundation aid and special education. That is the only time since the inception of the fund that it has been used.

The earliest schedule I have for this fund goes back to July 1, 1997, at which time there was a $3.3 million balance. Biennial revenues are as follows:

1997-99 $2.6 million
1999-2001 $4.5 million
2001-03 $4.0 million
2003-05 (estimate) $6.4 million
2005-07 (estimate) $6.3 million

check new numbers below

Let me know if you need any additional information.

Joe

Flakoll, Tim

From: Morrissette, Joe R.
Sent: Wednesday, April 06, 2005 2:01 PM
To: Flakoll, Tim
Subject: RE: Foundation aid stabilization

That would be true based on the original executive revenue forecast. We thought the June 30, 2005 balance would be $15.4 million, which should match the number on the schedule you got from Jerry Coleman.

I just realized that for the 2003-05 and 2005-07 biennium, the numbers I just sent (and the numbers on the schedule you got from Jerry) reflect the original executive forecast. Updated numbers based on the March legislative revenue forecast would be:

2003-05 $7.4 million
2005-07 $8.2 million

} updated forecast

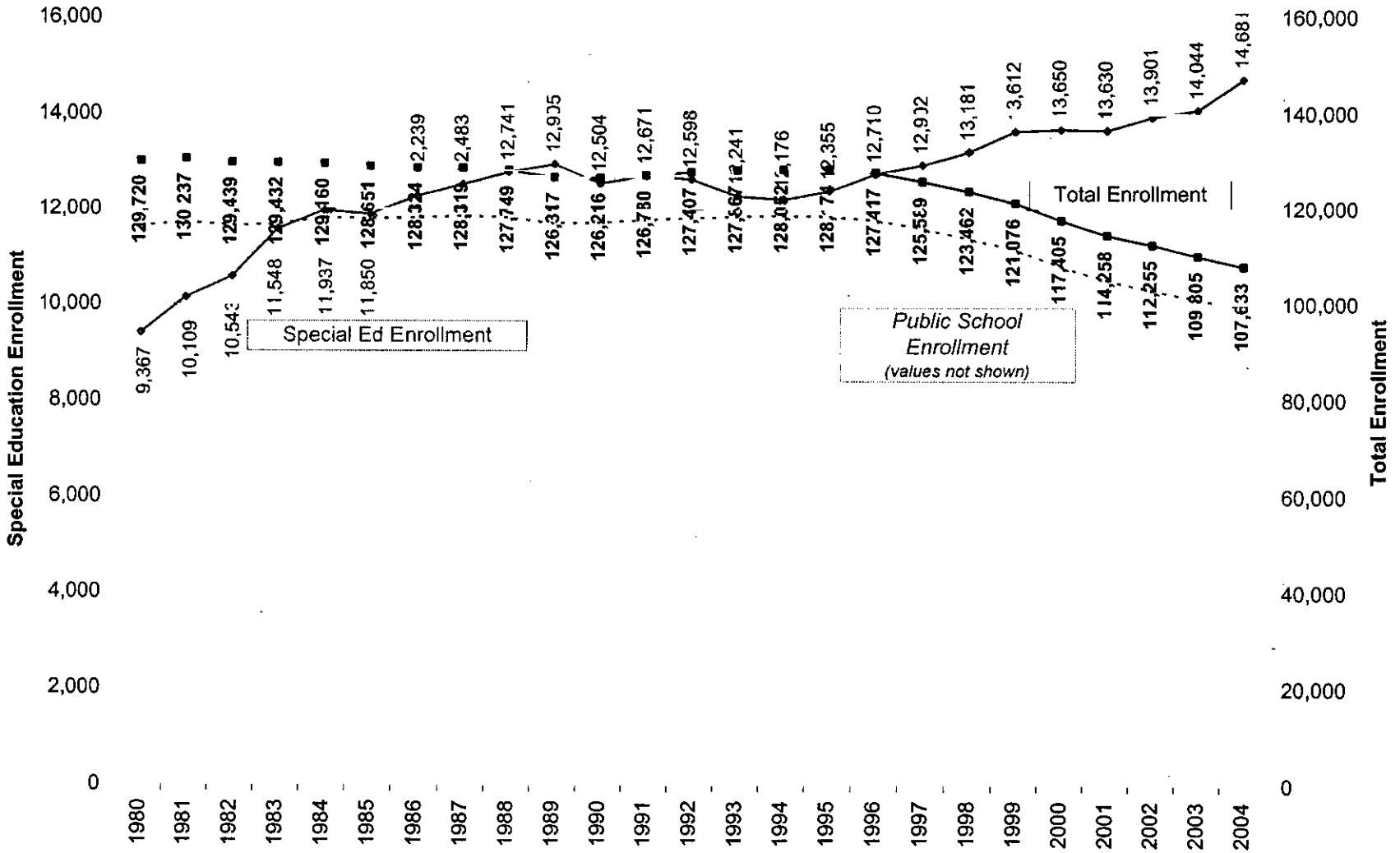
This would provide for a June 30, 2005 balance of $16.4 million and a June 30, 2007 balance of $24.6 million.

I have a new schedule with these amounts if you would like a copy.

Joe

ND Special Education vs. Total Enrollments

Note: Special Education and Total Enrollment Scales are 1:10 showing a one-in ten ratio from 1987 to 1997.



NDDPI

02/14/2005

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The North Dakota Education Coalition

POSITION PAPER ON FOUNDATION AID PROVISIONS IN HB1154 AND HB1013

****

April 13, 2005

EDUCATION COALITION POSITION PAPER ON FOUNDATION AID PROVISIONS IN HB1154 AND HB1013

North Dakota's 2003-05 state general fund ending balance had been estimated to be $126.7 million. The March revenue forecast estimated a higher ending balance of an additional $40 million. North Dakota will have the largest end-of-biennium state general fund balance since 1983-85. This is the biennium to add significant dollars to foundation aid. *(See Appendix 1)*

The Education Coalition (North Dakota Education Association, North Dakota Council of Educational Leaders, and the North Dakota School Boards Association) believes the 2005 Legislature should place an additional $15,000,000 in foundation aid compared to the Senate versions of HB1154 and HB1013. The Coalition believes this is reasonable and affordable.

STATE FUNDING HISTORY AND COMPARISON

2001-03 Biennium

- 7.6% increase in total state aid over previous biennium *(See Appendix 2)*
- $57/$60 increase in per-pupil payments plus teacher compensation $1,000/$3,000 FTE payments *(See Appendix 3)*
- 42% state support compared to 49.7% when the first lawsuit was filed *(See Appendix 4 and 5)*

2003-05 Biennium

- 5.7% increase in total state aid
- $162/$114 increase in per-pupil payments
- Note: 2003-05 percentage of state support is not available, as final 2004-05 revenue figures from all sources are not known at this time.

2005-07 Executive Budget and House Version of HB1154

- 3.7% increase in total state aid
- $103/$100 increase in per-pupil payments (Exclusive of jackpotting ½ of transportation block grants)
- Note: 2005-07 percentage of state support is not available, as revenue estimates from all sources are not known at this time.

2005-07 Senate Version of HB1154

- 4.9% increase in total state aid ($5 million added by Senate)
- $20-$25 in additional per-pupil payments over House version (Assumes $5 per year per million)
- Note: 2005-07 percentage of state support is not available, as revenue estimates from all sources are not known at this time.

2005-07 Coalition Proposal for HB1154

- 7.2% increase in total state aid ($15 million added to the Senate version)
- $70-$75 in additional per-pupil payments over the Senate version (Assumes $5 per year per million)
- Note: 2005-07 percentage of state support is not available, as revenue estimates from all sources are not known at this time.

The Education Coalition proposal increases the state percentage of support for education with the intent of reducing reliance on local property taxes. *(See Appendix 6)*

HISTORIC GENERAL FUND APPROPRIATIONS AND END-OF-BIENNIUM BALANCES

Biennium	General Fund Appropriations (In Millions)\1	End-of-Biennium General Fund Balance (In Millions)	General Fund Balance as a Percentage of Appropriations
1967-69	$145.64	$20.60 \2	14.1%
1969-71	$183.69	$25.90 \2	14.1%
1971-73	$226.26	$52.50 \2	23.2%
1973-75	$297.82	$150.50 \3	50.5%
1975-77	$442.53	$208.30 \3	47.1%
1977-79	$575.07	$151.00 \3	26.3%
1979-81	$680.42	$174.50 \3	25.6%
1981-83	$910.25	$43.40 \3	4.8%
1983-85	$1,017.86	$150.41 \3	14.8%
1985-87	$1,134.18	$18.66 \3	1.6%
1987-89	$1,058.71	$40.00 \3,\4	3.8%
1989-91	$1,061.51	$105.67 \3	10.0%
1991-93	$1,202.89	$19.76 \3	1.6%
1993-95	$1,251.93	$31.15 \3	2.5%
1995-97	$1,352.47	$65.00 \3,\5	4.8%
1997-99	$1,510.75	$61.11 \3	4.0%
1999-2001	$1,614.88	$62.24 \3	3.9%
2001-03	$1,727.97 \6	$14.79 \3,\7	0.9%
2003-05	$1,814.55	$126.71 (estimate)	7.0%
2005-07	$2,007.00 \8	$10.15 (estimate)	0.5%

\1 Appropriation amounts are restated to reflect, where appropriate, deficiency appropriations provided by a subsequent Legislative Assembly and general fund allotments and reductions.

\2 The amount shown reflects the actual cash balance in the general fund on June 30 at the end of the biennium.

\3 The amount shown is the unobligated balance, which is the June 30 cash balance reduced by June obligations not paid until after the end of the biennium.

SCHOOL DISTRICT GENERAL FUND STATE REVENUE
YEAR-TO-YEAR AND BIENNIAL INCREASE COMPARISON
1993-94 TO 2005-07

YEAR-TO-YEAR INCREASE COMPARISON

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
State Revenue	233,948,663	244,200,928	254,466,423	260,649,726	274,547,973	279,576,308	294,723,948	292,669,581	305,325,384	323,074,240	329,330,694	336,796,862
$ Increase	2,129,243	10,252,265	10,265,495	6,183,303	13,898,247	5,028,335	15,147,640	-2,054,367	12,655,803	17,748,856	6,256,454	7,466,168
% Increase	0.92%	4.38%	4.20%	2.43%	5.33%	1.83%	5.42%	-0.70%	4.32%	5.81%	1.94%	2.27%

BIENNIAL INCREASE COMPARISON

	1993-95	1995-97	1997-99	1999-01	2001-03	2003-05
State Revenue	478,149,591	515,116,149	554,124,281	585,734,476	630,010,368	666,127,556
$ Increase	Not Available	36,966,558	39,008,132	31,610,195	44,275,892	36,117,188
% Increase	Not Available	7.73%	7.57%	5.70%	7.56%	5.73%

2005-07 LEGISLATIVE PROPOSALS - INCREASES COMPARED TO 2003-05

	DPI Request	Exec Budget Rec	House Version	Senate Version	Coalition Proposal
State Revenue	741,433,965	697,165,879	691,015,796	698,774,069	713,774,069
$ Increase	75,306,409	31,038,323	24,888,240	32,646,513	47,646,513
% Increase	11.31%	4.66%	3.74%	4.90%	7.15%

Note: Senate Version includes $5 million more for foundation aid than House Version.

Note: Coalition Proposal adds $15 million for foundation aid to Senate version.

Source: DPI State Aid to Schools Senate Amendments, March 23, 2005, Page 1

Appendix 2

FOUNDATION AID PER PUPIL PAYMENTS
YEAR-TO-YEAR INCREASE AND BIENNIAL COMPARISON
1999-00 TO 2005-07

YEAR-TO-YEAR INCREASE COMPARISON

Year	Foundation Aid	Year-to-Year $ Increase
1999-00	2,145	113
2000-01	2,230	85
2001-02	2,287	57
2002-03	2,347	60
2003-04	2,509	162
2004-05	2,623	114

2005-07 EXECUTIVE BUDGET AND HOUSE VERSION COMPARED TO 2004-05

2005-06	2,726	103
2006-07	2,826	100

Note: The Executive Budget recommendation for foundation aid and the House version are the same. These figures represent foundation aid only. They do not include transportation money transferred to foundation aid by the House.

2005-07 SENATE VERSION COMPARED TO 2004-05

2005-06	2,751	128
2006-07	2,851	100

Note: The Senate increased foundation aid $5 million. These figures assume $5 additional foundation aid per million. These figures represent foundation aid only. They do not include tuition apportionment and teacher compensation FTE money transferred to foundation aid by the Senate.

2005-07 COALITION PROPOSAL COMPARED TO 2004-05

2005-06	2,826	203
2006-07	2,926	100

Note: The Coalition Proposal adds $15 million to the Senate Version. These figures assume $5 additional foundation aid per million. These figures represent foundation aid only. They do not include any other funds transferred to foundation aid.

Appendix 3

SCHOOL DISTRICT GENERAL FUND REVENUE SOURCES
YEAR-TO-YEAR AND BIENNIAL COMPARISON
1993-94 TO 2003-04

YEAR-TO-YEAR REVENUE COMPARISON

Revenue	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
Local	212,006,652	219,938,170	235,159,404	248,438,314	263,560,983	281,643,836	290,852,105	304,546,207	315,573,484	326,975,627	338,291,719
County	6,623,549	6,688,209	6,980,973	8,072,343	7,204,005	6,823,010	8,385,634	9,821,448	8,615,083	9,922,316	9,731,050
State	233,948,663	244,200,928	254,466,423	260,649,726	274,547,973	279,576,308	294,723,948	292,669,581	305,325,384	323,074,240	329,330,694
Federal	52,355,393	55,086,311	55,086,440	62,039,032	69,815,960	76,637,955	80,210,981	85,623,141	90,495,339	103,819,724	110,071,064
Other	6,588,864	5,161,923	4,893,470	6,095,749	5,312,167	5,009,687	5,530,335	5,433,825	5,721,063	6,960,848	7,016,432
Total	**511,523,121**	**531,075,541**	**556,586,710**	**585,295,164**	**620,441,088**	**649,690,796**	**679,703,003**	**698,094,202**	**725,730,353**	**770,752,755**	**794,440,959**
State % of Total	**45.74%**	**45.98%**	**45.72%**	**44.53%**	**44.25%**	**43.03%**	**43.36%**	**41.92%**	**42.07%**	**41.92%**	**41.45%**
Local % of Total	**41.45%**	**41.41%**	**42.25%**	**42.45%**	**42.48%**	**43.35%**	**42.79%**	**43.63%**	**43.48%**	**42.42%**	**42.58%**

BIENNIAL REVENUE COMPARISON

Revenue	1993-95	1995-97	1997-99	1999-01	2001-03
Local	431,944,822	483,597,718	545,204,819	595,398,312	642,549,111
County	13,311,758	15,053,316	14,027,015	18,207,082	18,537,399
State	478,149,591	515,116,149	554,124,281	587,393,529	628,399,624
Federal	107,441,704	117,125,472	146,453,915	165,834,122	194,315,063
Other	11,750,787	10,989,219	10,321,854	10,964,160	12,681,911
Total	**1,042,598,662**	**1,141,881,874**	**1,270,131,884**	**1,377,797,205**	**1,496,483,108**
State % of Total	**45.86%**	**45.11%**	**43.63%**	**42.63%**	**41.99%**
Local % of Total	**41.43%**	**42.35%**	**42.93%**	**43.21%**	**42.94%**

Note: 2003-05 biennial comparison not available, as 2004-05 revenue figures from all sources are not known at this time

Source: DPI School Finance Update, January 10, 2005, Page 3

Source: DPI School finance Facts

Appendix 4

BISMARCK PUBLIC SCHOOL DISTRICT NO. 1 v. State, 511 N.W. 2nd 247,252 (N.D. 1994)

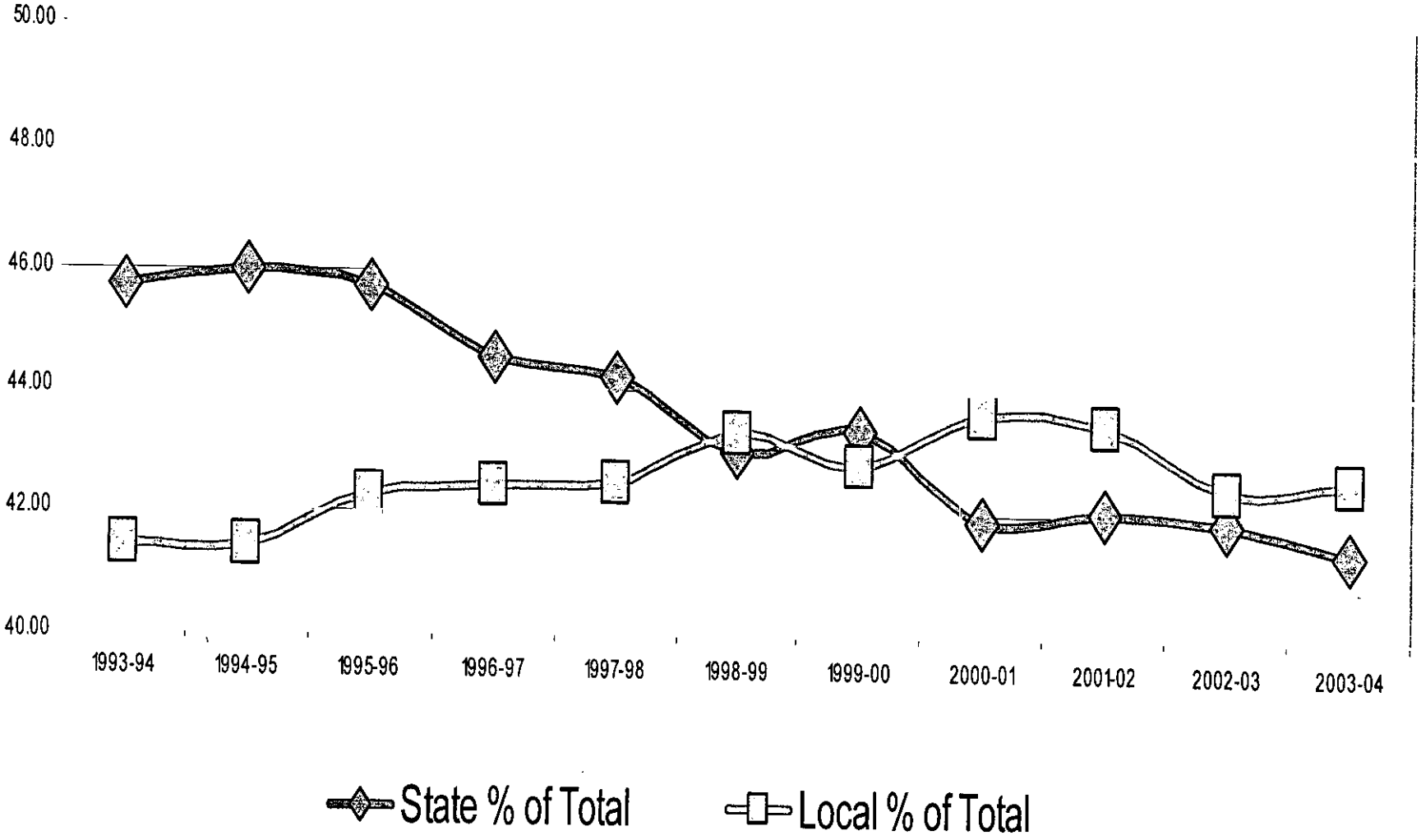
Quote from lawsuit:

"The statutory method for distributing funding for public schools uses a mix of revenues from state, local, and federal sources. The trial court found that, excluding $26 million in federal revenue earmarked for specific purposes, school districts in North Dakota incurred approximately $417 million in operating expenses during the 1990-1991 school year. Of that amount $417 million, state sources of revenue were $220 million (52.8%), school district sources of revenue were $182 million (43.6%), county sources of revenue were $8.6 million (2.1%), and unrestricted sources of revenue were $6 million (1.5%)."

1990-91 School Year

$220,000,000	State Revenue
182,000,000	Local Revenue
26,000,000	Federal Restricted Revenue
6,000,000	Federal Unrestricted Revenue
8,600,000	County Revenue
$442,600,000	Total Revenue
49.7%	**State Percent of Total**

STATE AND LOCAL REVENUE AS PERCENT OF TOTAL REVENUE



Appendix 6

EXAMINATION OF PROVISIONS IN HB1154 IN LIGHT OF 1994 EQUITY LAWSUIT DECISION

HB1154 as amended by the Senate calls for the distribution of tuition apportionment and teacher compensation (FTE) money through the formula of weighted per pupil units (WPU). The rationale for these changes in distribution is in large part based on DPI's interpretation of the 1994 equity lawsuit decision, which DPI claims determined that using the WPU method for distribution creates equity.

In our reading of the decision, the Education Coalition does not find the arguments to support this rationale.

The WPU method of distribution does not take into account the individual district's ability to pay. What it does take into account is the cost of education in size categories. If a district is smaller, the district receives more money per student in foundation aid. The Coalition believes WPU distribution may, in some cases, exacerbate the equity issue.

Specifically, with regard to tuition apportionment, DPI has testified the equity lawsuit decision states that tuition apportionment should be distributed by WPU. The Coalition cannot find that specific argument in the decision. In fact, we find an argument opposing the distribution of tuition apportionment on any equalization basis.

Justice Sandstrom, in his dissenting opinion in the equity lawsuit, wrote the following about tuition apportionment based on his review of Debates of the Constitution, pp. 161-68 and 288-89.

> "Although the drafters of North Dakota's Constitution were aware of the divergent value of property throughout the state, and therefore, the differing ability of local communities to raise money for schools, the drafters determined the proceeds from North Dakota's trust fund should be distributed on a per student basis, rather than on an equal educational opportunity basis."

Northern Cass School District No. 97
Home of the Jaguars

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Web Site: www.northerncass.k12.nd.us

Allen Burgad, Superintendent
Todd Kaylor, High School Principal
Duane Silseth, Elementary Principal
Julie Keckler, Business Manager

HB 1154
Legislative Testimony
Monday, March 7th, 2005

Mr. Chairman and members of the Senate Education Committee:

I am here to testify against HB 1154. HB 1154 is a great step in the right direction to increase foundation aid. However rolling the current transportation funding into foundation aid seems to have a detrimental impact of the future of our transportation at Northern Cass.

I. Dynamics of the District
   a. Reorganized in 1997
      i. Four Buildings in four different communities that would have required 4 million to upgrade.
      ii. Built a new facility between the communities in 1999 at a cost of 8 million
      iii. Current Levy – 256 (4th highest in state)
      iv. Cost per child - $6,000 (114th out of 166 schools)
         1. Our property owners are paying their share of taxes
   b. The vision of our school and community leaders have provided educational opportunities that never existed before they were two separate school districts of Cass Valley North and Dakota Arthur.

II. Some state legislators and the Department of Public Instruction has encouraged school district to look at reorganization as a means to provide better educational opportunities to North Dakota students.

III. Our Newly Reorganized District Requires Transportation.

   a. Transportation funding is essential for school districts to consider reorganization.

IV. A look at the negative impact that occurs when placing transportation funding into foundation aid.
   a. Comparison of the old funding formula with the new funding formula.

Transportation Budgeted Expenditures for 04-05 $242,800
Actual Expenditures for 03-04 $192,493

Northern Cass School Term 2004-2005 – Current Funding

Foundation/Student 458 Students	Gross Foundation	Blocked Transportation	Deduct 36 Mills	Total Foundation & Transportation
$2,623	1,201,334	$135,623	348,787	988,170

988,170 / 458 = $2,157.57 per student

2005-2006 – Original 1154

Foundation/Student 480 Students	Gross Foundation	Blocked Transportation	Deduct 38 Mills	Total Foundation & Transportation
$2,726	1,308,916	$135,623	373,433	1,071,106

1,071,106 / 480 students = $2,231.47

2005-2006 – Second Engrossment 1154

Foundation/Student 480 Students	Gross Foundation	Blocked Transportation	Deduct 38 Mills	Total Foundation & Transportation
$2,813	1,350,240	$65,481	373,433	1,042,288

$1,042,288 / 480 students = $2,171.43

Total Gain from 2004-2005
- 22 students
- $54,118 Total Dollars

Net Gain from 2004-2005 of $13.86
($2,171.43 per student 05-06 - $2,157.57 per student 04-05 = **$13.86 per student – Foundation Increased by $190.00)**

V. School Term 2006-2007

2006-2007 Current Funding Formula (Based on 484 students @ $2,623)
- Total Transportation and Per Student Payment

Calculations 484 x $2,623 per pupil + $135,623 blocked transportation - $407,239 mill deduct = $997,916.00

2006-2007 Original 1154 (Based on 484 students @ $2,826)
- Total Transportation and Per Student Payment

Calculations 484 x $2,826 per pupil + $135,623 blocked transportation - $407,239 mill deduct = $1,096,168.00

2006-2007 Second Engrossment 1154 (Based on 484 students @ $2,912)
- Total Transportation and Per Student Payment

Calculations 484 x $2,912 per pupil + $65,481 blocked transportation - $407,239 mill deduct = $1,067,650.00

Actual Increase
- **$69,734.00**

Actual Increase Per Student
- 1,067,650 – $997,916 = $69,734 / 484 students = $144.08 – **Foundation Increased by $289**

Actual Cost to our District

Busing
- $12,000 Equipment
- $16,000 Bus Driver Salary
- $6,500 Cost of Fuel and General Maintenance
  - Total cost to operate a bus without breakdown = $34,500

Students – 26 Additional
- 26 x $6,000 = $156,000

$35,000 Additional FTE
\+ $34,500 Additional Bus

Total Cost Increase at Northern Cass **$69,500**

Conclusion

Leave the desperately needed transportation separate from the foundation aid or have two separate foundation aid payments.
1. Students who are being transported
2. Students who are not being transported

**Data supplied by North Dakota Department of Public Instruction*

Rate Schedule Reconstruction

2005 School Transportation Statistics

Large

RouteTypeID	Description	Mileage Rate	Ride Rate	Miles	Rides	Mileage Cost	Ride Cost	Total
L2	Spec. Ed.	$ 0.67	$ 0.20	1,259,236	459,259	843,688	91,852	935,540
L3	Voc. Ed.	$ 0.67	$ 0.20	225,940	203,088	151,380	40,618	191,997
L4	ExtendedYear	$ 0.67	$ 0.20	26,027	9,006	17,438	1,801	19,239
L6	Family	$ 0.67		-	-	-	-	-
L7	InCity	$ 0.35	$ 0.20	684,930	2,499,525	239,726	499,905	739,631
L8	Rural	$ 0.67	$ 0.20	16,823,868	9,669,785	11,271,992	1,933,957	13,205,949
L9	Other Purpose	$ 0.67	$ 0.20	203,010	240,423	136,017	48,085	184,101
	Unreported est.	$ 0.67		750,000	-	502,500	-	502,500
Total Large Bus				19,973,011	13,081,086	13,162,740	2,616,217	15,778,957

Small

RouteTypeID	Description	Mileage Rate	Ride Rate	Miles	Rides	Mileage Cost	Ride Cost	Total
S2	Spec. Ed.	$ 0.25	$ 0.20	702,681	68,346	175,670	13,669	189,339
S3	Voc. Ed.	$ 0.25	$ 0.20	26,121	5,243	6,530	1,049	7,579
S4	ExtendedYear	$ 0.25	$ 0.20	24,208	2,304	6,052	461	6,513
S6	Family	$ 0.20		1,488,827	162,181	297,765	-	297,765
S7	InCity	$ 0.25	$ 0.20	9,905	111,031	2,476	22,206	24,682
S8	Rural	$ 0.25	$ 0.20	915,258	448,544	228,815	89,709	318,523
S9	Other Purpose	$ 0.25	$ 0.20	20,000	2,800	5,000	560	5,560
				3,187,000	800,449	722,309	127,654	849,962
Total				23,160,011	13,881,535	13,885,048	2,743,871	16,628,919

1154 + Tran[redacted]ation Block Grant

By County

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	HB 1154 House			1. 2004-05 Actual Net		2. 2004-05 Payment Year			$2,623		36	3. 2005-06 Payment Year			$2,813		38	4. 2006-07Payment Year			$2,912		40			
2				Entitlement (Jan 05)		if Based on Fall Enr Only.			rate		mill deduct	Projected from 2004 Fall Enr.			rate		mill deduct	Projected from 2004 Fall Enr.			rate		mill deduct			
3	ID	Name	DType	Actual Pay 04-05	Actual Pay wpu 04-05	Proj Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	Deduct 04-05	Transp Block	Net Pay 04-05	Proj Enr 05-06	Enr wpu 05-06	Gross Pay 05-06	Deduct 05-06	Transp Block	Net Pay 05-06	Enr 06-07	Enr wpu 06-07	Gross Pay 06-07	Deduct 06-07	Transp Block	Net Pay 06-07	Year 1 change	Year 2 change	2 Year Average
4	1013	Hettinger 13	1	761,196	375	351	345	906,142	221,022	133,338	818,458	348	377	1,060,614	230,851	64,378	894,141	346	374	1,087,661	251,749	64,378	900,290	8.5%	0.7%	9.1%
5	2002	Valley City 2	1	2,429,353	1,122	1,171	1,090	2,859,359	512,472	102,948	2,449,835	1,149	1,133	3,188,479	544,297	49,705	2,693,687	1,097	1,081	3,148,396	593,570	49,705	2,604,531	9.1%	-3.4%	5.6%
6	2046	Litchville-Marion 46	1	432,349	246	170	219	573,571	213,329	126,147	486,389	167	210	590,139	221,808	60,906	429,237	161	201	585,283	241,888	60,906	404,301	-13.3%	-6.2%	-19.5%
7	2065	N Central 65	1	272,837	187	138	175	457,976	216,641	114,821	356,156	135	167	469,152	223,438	55,438	301,152	129	158	461,086	243,666	55,438	272,858	-18.3%	-10.4%	-28.6%
8	2082	Wimbledon-Courtenay	1	306,490	193	156	193	506,239	199,749	77,501	383,991	153	185	521,755	213,933	37,419	345,241	146	176	511,551	233,300	37,419	315,670	-11.2%	-9.4%	-20.6%
9	3005	Minnewaukan 5	1	466,006	188	151	185	486,488	51,143	68,567	503,912	151	185	519,477	54,430	33,106	498,153	151	184	536,944	59,357	33,106	510,693	-1.2%	2.5%	1.3%
10	3006	Leeds 6	1	479,657	241	182	230	602,634	152,126	73,144	523,652	184	229	644,515	161,642	35,315	518,188	183	227	662,422	176,275	35,315	521,462	-1.1%	0.6%	-0.4%
11	3009	Maddock 9	1	554,522	264	203	256	672,511	139,052	86,747	620,206	205	255	718,215	146,975	41,883	613,123	204	254	738,745	160,280	41,883	620,348	-1.2%	1.2%	0.0%
12	3016	Oberon 16	2	75,673	50	31	33	86,008	57,717	20,145	48,436	31	34	95,445	37,814	9,726	67,357	31	34	98,804	41,237	9,726	67,293	28.1%	-0.1%	28.0%
13	3029	Warwick 29	1	546,465	244	179	221	579,657	40,273	71,088	610,472	180	219	617,228	43,003	34,323	608,548	79	218	634,175	46,896	34,323	621,602	-0.3%	2.1%	1.8%
14	3030	Ft Totten 30	1	451,106	189	194	185	485,517	3,493	59,207	541,231	204	211	593,430	4,207	28,586	617,809	201	208	605,376	4,588	28,586	629,374	12.4%	1.8%	14.2%
15	4001	Billings Co 1	2	0	81	50	59	154,337	154,337	0	0	48	58	163,013	163,013	0	0	42	52	151,133	151,133	0	0	0.0%	0.0%	0.0%
16	5001	Bottineau 1	1	1,603,945	747	777	734	1,923,971	352,955	211,221	1,782,237	712	717	2,017,934	424,649	101,981	1,695,266	649	654	1,903,400	463,091	101,981	1,542,290	-5.1%	-9.9%	-15.0%
17	5017	Westhope 17	1	346,152	181	128	164	428,913	127,290	61,148	362,771	117	146	411,345	134,653	29,523	306,215	106	132	384,704	146,843	29,523	267,384	-18.5%	-14.5%	-33.0%
18	5054	Newburg-United 54	1	80,737	102	78	97	255,297	180,209	57,821	132,909	71	87	245,378	187,028	27,917	86,267	65	79	231,475	203,959	27,917	55,433	-54.1%	-55.6%	-109.7%
19	6001	Bowman 1	1	922,964	414	414	412	1,080,860	163,907	67,451	984,404	403	406	1,141,290	178,453	32,566	995,403	404	405	1,176,807	194,608	32,566	1,016,765	1.1%	2.1%	3.2%
20	6017	Rhame 17	1	210,657	109	75	96	252,910	75,879	61,864	238,895	73	92	258,346	91,625	29,869	196,590	74	93	271,195	99,920	29,869	201,144	-21.5%	2.3%	-19.3%
21	6033	Scranton 33	1	401,127	199	152	191	501,727	121,611	103,692	483,808	148	183	515,792	128,449	50,064	437,407	149	185	538,458	140,077	50,064	448,445	-10.6%	2.5%	-8.1%
22	7014	Bowbells 14	1	185,257	110	85	107	279,874	104,454	25,439	200,859	80	100	281,975	110,658	12,283	183,600	77	96	279,406	120,676	12,283	171,013	-9.4%	-7.4%	-16.8%
23	7027	Powers Lake 27	1	296,929	141	103	127	333,042	73,075	49,741	309,708	100	121	340,148	77,112	24,016	287,052	96	115	335,899	84,093	24,016	275,822	-7.9%	-4.1%	-12.0%
24	7036	Burke Central 36	1	185,674	118	89	111	291,651	122,554	53,209	222,306	86	105	296,350	130,144	25,690	191,896	83	101	294,549	141,926	25,690	178,313	-15.8%	-7.6%	-23.5%
25	8001	Bismarck 1	1	22,095,103	10,394	10,521	10,365	27,188,234	4,827,904	337,650	22,697,980	10,526	10,358	29,138,207	5,498,646	163,024	23,802,585	10,547	10,380	30,226,065	5,996,419	163,024	24,392,670	4.6%	2.4%	7.1%
26	8025	Naughton 25	3	15,003	8	3	3	9,076	8,606	0	470	3	3	9,508	9,220	0	288	3	3	9,843	9,843	0	0	-63.2%	0.0%	-63.2%
27	8028	Wing 28	1	217,276	112	77	92	242,024	73,103	69,055	237,976	77	92	257,558	75,974	33,341	214,925	78	93	269,564	82,851	33,341	220,054	-10.7%	2.3%	-8.4%
28	8029	Baldwin 29	2	13,514	26	20	24	61,719	43,273	1,219	19,665	20	24	68,665	26,491	589	42,763	20	24	71,082	28,889	589	42,782	54.0%	0.0%	54.1%
29	8033	Menoken 33	2	23,400	25	18	22	57,522	40,681	16,047	32,888	18	23	63,968	42,682	7,748	29,034	18	23	66,219	46,545	7,748	27,422	-13.3%	-5.9%	-19.2%
30	8035	Sterling 35	2	34,968	41	29	37	96,238	69,333	30,446	57,351	29	38	107,119	74,244	14,700	47,575	29	36	110,689	80,965	14,700	44,624	-20.5%	-6.6%	-27.2%
31	8039	Apple Creek 39	2	96,575	58	48	59	154,468	59,857	0	94,611	48	61	171,987	67,141	0	104,846	48	61	178,040	73,219	0	104,821	9.8%	0.0%	9.7%
32	8045	Manning 45	3	8,404	6	4	6	14,794	6,965	0	7,829	4	5	15,331	7,540	0	7,791	4	5	15,870	8,222	0	7,648	-0.5%	-1.9%	-2.4%
33	9001	Fargo 1	1	22,668,963	11,061	11,221	11,015	28,891,663	6,334,328	388,153	22,945,488	11,344	11,126	31,297,044	7,238,309	187,407	24,246,142	11,449	11,231	32,705,021	7,893,566	187,407	24,998,862	5.4%	3.0%	8.4%
34	9002	Kindred 2	1	1,346,034	661	718	661	1,734,931	377,180	144,966	1,502,717	725	715	2,010,789	424,373	69,992	1,656,408	733	723	2,105,260	462,790	69,992	1,712,462	9.3%	3.3%	12.6%
35	9004	Maple Valley 4	1	547,294	324	250	287	752,565	301,343	123,805	575,027	253	306	859,653	314,194	59,775	605,234	256	308	897,391	342,637	59,775	614,529	5.0%	1.5%	6.5%
36	9006	West Fargo 6	1	11,117,941	5,433	5,514	5,410	14,189,459	3,014,265	295,830	11,471,024	5,572	5,460	15,359,852	3,618,890	142,832	11,883,794	5,621	5,509	16,043,489	3,946,494	142,832	12,239,827	3.5%	2.9%	6.4%
37	9007	Mapleton 7	2	208,357	115	87	110	288,609	93,742	7,841	202,708	87	114	321,385	105,174	3,786	219,997	88	116	336,685	114,695	3,786	225,776	7.9%	2.6%	10.4%
38	9017	Central Cass 17	1	1,722,049	803	837	782	2,051,711	399,985	145,059	1,796,785	846	843	2,372,315	441,600	70,037	2,000,752	854	851	2,479,539	481,576	70,037	2,068,000	10.2%	3.3%	13.4%
39	9080	Page 80	2	245,000	140	97	127	333,121	121,485	62,436	274,072	97	132	370,613	127,948	30,145	272,810	98	133	387,616	139,530	30,145	278,231	-0.5%	1.9%	1.5%
40	9097	Northern Cass	1	834,147	458	479	458	1,201,124	348,787	135,623	987,960	485	480	1,350,690	373,433	65,481	1,042,738	489	484	1,410,136	407,239	65,481	1,068,376	5.3%	2.4%	7.7%
41	10014	Border Central 14	1	5,810	45	26	35	91,307	91,307	22,730	22,730	25	32	91,366	91,366	10,975	10,975	24	31	91,408	91,408	10,975	10,975	-107.1%	0.0%	-107.1%
42	10019	Munich 19	1	264,455	144	110	140	366,722	112,811	45,201	299,112	102	126	355,535	119,260	21,824	258,099	98	122	355,293	130,057	21,824	247,060	-15.9%	-4.5%	-20.4%
43	10023	Langdon Area 23	1	827,507	479	483	449	1,178,488	428,569	145,044	894,963	452	450	1,265,484	454,065	70,030	881,449	435	433	1,260,110	495,170	70,030	834,970	-1.5%	-5.6%	-7.1%
44	11040	Ellendale 40	1	668,403	350	358	346	908,712	222,539	91,245	777,418	360	380	1,068,490	236,648	44,055	875,897	362	383	1,115,995	258,070	44,055	901,980	11.2%	2.9%	14.1%
45	11041	Oakes 41	1	1,092,238	527	546	524	1,375,265	271,009	100,849	1,205,105	547	541	1,522,058	290,735	48,692	1,280,015	553	547	1,593,679	317,054	48,692	1,325,317	5.9%	3.4%	9.3%

By County

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
46	12001	Divide County 1	1	612,159	324	275	314	823,963	237,693	121,621	707,891	247	307	863,732	250,455	58,721	671,998	228	284	826,659	273,127	58,721	612,253	-5.3%	-9.8%	-15.1%
47	13008	Dodge 8	2	100,641	47	30	37	97,890	22,486	24,129	99,533	27	35	97,499	23,405	11,650	85,744	24	31	89,020	25,523	11,650	75,147	-16.1%	-14.1%	-30.2%
48	13016	Kildeer 16	1	759,768	390	396	384	1,005,947	258,179	92,971	840,739	368	369	1,038,053	285,869	44,888	797,072	347	371	1,080,265	311,748	44,888	813,405	-5.5%	2.0%	-3.5%
49	13019	Halliday 19	1	39,487	42	28	36	93,405	70,942	44,964	67,427	25	31	88,300	74,917	21,710	35,093	24	30	87,418	81,699	21,710	27,429	-92.1%	-27.9%	-120.1%
50	13037	Twin Buttes 37	2	171,849	66	41	49	127,819	3,153	41,754	166,420	39	47	133,477	904	20,160	152,733	38	45	132,147	986	20,160	151,321	-9.0%	-0.9%	-9.9%
51	14001	New Rockford 1	1	841,013	391	390	383	1,004,294	193,570	96,214	906,938	385	404	1,137,549	203,208	46,454	980,795	379	401	1,168,760	221,604	46,454	993,610	7.5%	1.3%	8.8%
52	14012	Sheyenne 12	1	255,798	118	95	118	310,511	54,713	71,624	327,422	94	117	328,840	57,767	34,582	305,655	94	117	341,665	62,997	34,582	313,250	-7.1%	2.4%	-4.7%
53	15010	Hazelton-Moffit-Bradd	1	359,054	188	145	179	469,701	134,989	78,946	413,658	138	168	472,528	142,565	38,117	368,080	131	160	464,522	155,471	38,117	347,168	-12.4%	-6.0%	-18.4%
54	15010	Bakker 10	2	0	6	7	6	16,997	16,997	17,677	17,677	7	7	18,875	18,875	8,535	8,535	7	7	19,540	19,540	8,535	8,535	-107.1%	0.0%	-107.1%
55	15015	Strasburg 15	1	524,152	240	181	232	608,457	105,499	77,071	580,029	174	218	613,178	111,115	37,211	539,274	165	207	601,328	121,173	37,211	517,366	-7.6%	-4.2%	-11.8%
56	15036	Linton 36	1	762,580	367	343	338	885,263	189,503	100,333	796,093	327	355	997,884	200,850	48,443	845,477	310	337	982,334	219,032	48,443	811,745	5.8%	-4.2%	1.7%
57	16010	Carrington 10	1	1,191,974	594	615	575	1,507,071	364,663	165,103	1,307,511	600	598	1,682,427	390,226	79,715	1,371,916	584	582	1,694,755	425,552	79,715	1,348,918	4.7%	-1.7%	3.0%
58	17003	Beach 3	1	717,689	339	297	322	844,685	144,382	52,000	752,303	284	345	970,035	152,106	25,107	843,036	291	345	1,004,058	165,876	25,107	863,289	10.8%	2.3%	13.1%
59	17006	Lone Tree 6	2	0	58	42	51	133,012	133,012	41,282	41,282	42	52	145,967	56,172	19,932	109,727	38	47	136,282	61,257	19,932	94,957	62.4%	-15.6%	46.8%
60	18001	Grand Forks 1	1	16,455,983	7,637	7,632	7,469	19,589,902	3,474,719	372,827	16,488,010	7,436	7,268	20,445,756	3,969,518	180,008	16,656,246	7,332	7164	20,860,986	4,328,864	180,008	16,712,130	1.0%	0.3%	1.3%
61	18044	Larimore 44	1	1,107,008	510	519	481	1,260,483	229,699	125,586	1,156,370	506	501	1,409,004	244,819	60,635	1,224,820	498	493	1,434,917	266,981	60,635	1,228,571	5.6%	0.3%	5.9%
62	18061	Thompson 61	1	892,195	408	426	404	1,058,826	178,406	55,981	936,401	415	414	1,163,794	203,740	27,029	987,063	408	407	1,184,077	222,184	27,029	988,922	5.1%	0.2%	5.3%
63	18125	Manvel 125	2	347,094	177	153	176	462,199	116,775	63,951	429,375	150	180	507,071	127,350	40,533	420,254	147	177	514,055	138,879	40,533	415,709	-2.2%	-1.1%	-3.3%
64	18127	Emerado 127	2	284,702	136	117	135	354,262	66,274	44,630	332,618	114	136	382,596	72,876	21,548	331,268	113	135	392,101	79,474	21,548	334,175	-0.4%	0.9%	0.5%
65	18128	Midway 128	1	560,569	292	271	292	765,732	192,217	107,955	681,470	264	300	843,900	203,995	52,122	692,027	260	297	864,020	222,462	52,122	693,680	1.5%	0.2%	1.8%
66	18129	Northwood 129	1	672,712	326	313	319	836,475	182,124	84,920	739,271	305	342	960,949	191,745	41,001	810,205	301	338	985,159	209,102	41,001	817,058	8.8%	0.8%	9.6%
67	19018	Roosevelt 18	2	380,477	173	140	165	433,949	75,674	80,206	438,481	138	167	468,955	83,534	38,725	424,146	129	155	450,778	91,096	38,725	398,407	-3.4%	-6.5%	-9.8%
68	19049	Elgin-New Leipzig	1	491,324	242	169	191	501,465	144,491	122,304	479,278	157	198	557,396	145,293	59,050	471,153	62	204	594,805	158,445	59,050	495,410	-1.7%	4.9%	3.2%
69	20007	Mickota 7	1	305,126	190	148	190	499,577	194,451	130,495	435,621	145	182	512,079	203,335	63,005	371,749	140	175	510,386	221,743	63,005	351,648	-17.2%	-5.7%	-22.9%
70	20018	Griggs County Centra	1	694,070	337	341	336	881,223	202,628	116,424	795,019	330	357	1,005,451	214,130	56,212	847,533	321	346	1,008,018	233,515	56,212	830,715	6.2%	-2.0%	4.2%
71	21001	Mott-Regent 1	1	689,359	356	274	308	809,117	245,635	167,317	730,799	261	318	894,900	250,178	80,784	725,506	257	311	906,913	272,825	80,784	714,872	-0.7%	-1.5%	-2.2%
72	21009	New England 9	1	420,896	227	192	226	592,850	172,006	114,904	535,748	183	227	637,679	181,080	55,478	512,077	180	223	648,124	197,472	55,478	506,130	-4.6%	-1.2%	-5.8%
73	22011	Pettibone-Tuttle	2	892	16	10	12	30,846	30,846	26,831	26,831	10	12	34,347	34,347	12,954	12,954	10	12	35,556	35,556	12,954	12,954	-107.1%	0.0%	-107.1%
74	22014	Robinson 14	2	0	11	9	11	29,194	29,194	2,999	2,999	9	12	32,518	32,518	1,448	1,448	9	12	33,663	33,663	1,448	1,448	-107.1%	0.0%	-107.1%
75	22020	Tuttle-Pettibone	1	117,771	63	36	49	127,609	46,665	35,404	116,348	33	41	114,517	49,388	17,094	82,223	30	37	108,123	53,659	17,094	71,358	-41.5%	-15.2%	-56.7%
76	22026	Steele-Dawson 26	1	622,863	300	283	300	786,611	151,278	85,278	720,611	276	314	884,660	162,968	41,174	782,866	268	300	872,814	177,720	41,174	736,268	5.5%	-3.6%	1.9%
77	22028	Tappen 28	1	299,922	136	103	133	349,872	58,065	49,188	340,795	100	125	352,919	62,701	23,749	313,967	97	122	356,167	68,377	23,749	311,539	-8.5%	-0.8%	-9.3%
78	23003	Edgeley 3	1	545,907	282	239	282	739,660	190,717	75,742	624,685	217	266	747,386	203,089	36,570	580,867	202	246	715,682	221,474	36,570	530,778	-7.5%	-9.4%	-17.0%
79	23007	Kulm 7	1	312,535	178	135	174	455,956	155,094	72,104	372,966	124	157	440,685	207,001	34,813	268,497	114	144	417,901	225,740	34,813	226,974	-38.9%	-18.3%	-57.2%
80	23008	LaMoure 8	1	714,247	339	326	320	838,049	174,644	75,650	738,855	300	320	899,204	186,104	36,525	749,625	278	294	855,051	202,951	36,525	688,625	1.4%	-8.9%	-7.4%
81	23011	Verona 11	1	67,748	52	28	36	93,772	69,435	29,582	53,919	26	32	88,778	72,184	14,283	30,677	23	28	80,459	78,719	14,283	16,023	-74.6%	-92.7%	-167.3%
82	24002	Napoleon 2	1	606,170	285	245	280	735,096	138,126	83,632	680,602	238	280	788,428	144,170	40,379	684,637	237	276	803,654	157,221	40,379	686,812	0.6%	0.3%	0.9%
83	24056	Gackle 14	1	262,998	163	116	146	383,168	163,528	118,364	338,004	111	136	382,934	170,913	57,148	269,169	109	134	390,790	186,385	57,148	261,553	-25.6%	-2.9%	-28.5%
84	25001	Velva 1	1	816,218	411	427	411	1,078,184	261,968	121,599	937,815	424	421	1,183,598	253,732	58,710	988,576	418	415	1,207,781	276,701	58,710	989,790	5.1%	0.1%	5.3%
85	25014	Anamoose 14	1	254,396	123	93	122	320,662	67,027	54,626	308,261	93	116	327,518	71,014	26,374	282,876	92	115	335,084	77,443	26,374	284,015	-9.0%	0.4%	-8.6%
86	25057	Drake 57	1	334,786	178	136	173	452,651	131,703	80,987	401,935	137	169	474,272	138,076	39,102	375,298	135	166	484,062	150,576	39,102	372,588	-7.1%	-0.7%	-7.8%
87	25060	TGU 60	1	805,244	486	386	381	999,809	480,466	211,308	730,651	384	398	1,118,786	407,421	102,024	813,389	379	391	1,137,631	444,304	102,024	795,351	10.2%	-2.3%	7.9%
88	26004	Zeeland 4	1	119,427	90	57	74	195,361	119,254	20,054	96,161	53	68	192,128	100,631	9,682	101,179	47	60	174,545	109,741	9,682	74,486	5.0%	-35.8%	-30.9%
89	26009	Ashley 9	1	453,030	224	168	214	561,663	134,994	90,687	517,356	161	199	559,787	143,771	43,785	459,801	146	178	517,695	156,786	43,785	404,694	-12.5%	-13.6%	-26.1%
90	26019	Wishek 19	1	618,632	289	231	275	722,427	142,415	78,898	658,910	220	278	781,676	150,096	38,094	669,674	199	248	722,030	163,684	38,094	596,440	1.6%	-12.3%	-10.7%
91	27001	McKenzie Co 1	1	1,143,532	560	578	538	1,411,436	342,414	264,569	1,333,591	554	551	1,550,497	363,233	127,739	1,315,003	529	526	1,530,926	396,115	127,739	1,262,550	-1.4%	-4.2%	-5.6%

By County

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
92	27002	Alexander 2	1	127,814	90	49	61	160,187	108,754	54,182	105,615	47	56	158,569	103,843	26,160	80,886	44	53	153,724	113,244	26,160	66,640	-30.6%	-21.4%	-52.0%
93	27014	Yellowstone 14	2	236,856	110	80	101	265,395	52,514	31,237	244,118	77	95	266,504	55,921	15,082	225,665	73	90	261,468	60,983	15,082	215,567	-8.2%	-4.7%	-12.9%
94	27018	Earl 18	3	0	20	12	17	44,643	44,643	0	0	12	16	43,658	17,267	0	26,391	11	14	41,467	18,830	0	22,637	100.0%	-16.6%	83.4%
95	27019	Bowline Butte 19	3	0	4	2	3	7,397	7,397	0	0	2	3	7,651	7,651	0	0	2	3	7,921	7,921	0	0	0.0%	0.0%	0.0%
96	27032	Horse Creek 32	3	0	13	5	7	18,492	18,492	5,158	5,158	5	7	19,157	19,157	2,491	2,491	5	7	19,831	19,831	2,491	2,491	-107.1%	0.0%	-107.1%
97	27036	Mandaree 36	1	620,695	241	191	237	620,576	5,497	57,170	672,249	183	225	632,644	2,756	27,603	657,491	176	216	630,099	3,006	27,603	654,696	-2.2%	-0.4%	-2.7%
98	28001	Montefiore 1	1	564,877	259	205	254	665,114	114,008	50,950	602,056	198	241	678,946	121,009	24,599	582,536	192	236	686,504	131,964	24,599	579,139	-3.4%	-0.6%	-3.9%
99	28004	Washburn 4	1	730,615	337	314	329	863,728	152,969	67,574	778,333	302	346	973,664	169,508	32,626	836,782	293	334	973,249	184,853	32,626	821,022	7.0%	-1.9%	5.1%
100	28008	Underwood 8	1	598,017	289	213	263	689,141	159,999	44,716	573,858	205	248	697,821	175,402	21,590	544,009	198	241	702,316	191,280	21,590	532,626	-5.5%	-2.1%	-7.6%
101	28050	Max 50	1	448,713	210	166	208	546,135	98,604	63,271	510,802	160	196	552,726	105,863	30,548	477,411	155	192	557,939	115,446	30,548	473,041	-7.0%	-0.9%	-7.9%
102	28051	Garrison 51	1	712,916	356	354	348	912,725	221,685	113,979	805,019	343	369	1,036,591	244,118	55,031	847,504	329	354	1,029,567	266,217	55,031	818,381	5.0%	-3.6%	1.5%
103	28072	Turtle Lake-Mercer	1	472,462	239	188	236	619,159	149,847	116,063	585,375	181	221	622,967	163,287	56,038	515,718	174	215	624,828	178,068	56,038	502,798	-13.5%	-2.6%	-16.1%
104	28085	White Shield 85	1	340,256	152	123	147	386,447	9,611	32,714	409,550	119	142	398,855	10,565	15,795	404,085	116	139	404,302	11,521	15,795	408,576	-1.4%	1.1%	-0.3%
105	29003	Hazen 3	1	1,612,141	693	707	658	1,725,829	199,591	94,054	1,620,292	643	639	1,796,832	213,396	45,411	1,628,847	592	587	1,708,995	232,714	45,411	1,521,692	0.5%	-7.0%	-6.5%
106	29020	Golden Valley 20	1	116,818	64	38	50	131,543	50,136	31,970	113,377	35	43	120,171	44,415	15,436	91,192	31	38	110,277	48,435	15,436	77,278	-24.3%	-18.0%	-42.3%
107	29027	Beulah 27	1	1,756,008	800	814	758	1,988,601	342,215	136,307	1,782,693	740	736	2,070,452	359,480	65,811	1,776,783	681	676	1,968,512	392,022	65,811	1,642,301	-0.3%	-8.2%	-8.5%
108	30001	Mandan 1	1	7,153,028	3,253	3,299	3,253	8,531,308	1,349,645	277,621	7,459,284	3,255	3,206	9,019,463	1,514,866	134,040	7,638,637	3,200	3,151	9,175,566	1,652,001	134,040	7,657,605	2.3%	0.2%	2.6%
109	30004	Little Heart 4	2	52,076	31	23	27	70,296	29,814	13,254	53,736	23	28	78,173	31,195	6,399	53,377	22	26	76,935	34,019	6,399	49,315	-0.7%	-8.2%	-8.9%
110	30007	New Salem 7	1	864,703	377	379	374	980,897	136,443	130,847	975,301	374	383	1,076,535	144,396	63,175	995,314	367	376	1,093,893	157,468	63,175	999,600	2.0%	0.4%	2.4%
111	30008	Sims 8	2	53,805	41	24	29	75,490	54,393	32,752	53,649	24	30	83,968	56,690	15,813	43,091	23	28	82,963	61,822	15,813	36,954	-25.0%	-16.6%	-41.6%
112	30013	Hebron 13	1	420,080	211	150	191	502,042	132,639	57,642	427,045	148	187	526,903	139,400	27,830	415,333	145	184	534,556	152,020	27,830	410,366	-2.8%	-1.2%	-4.0%
113	30017	Sweet Briar 17	3	5,185	15	11	14	36,617	35,104	0	1,513	11	12	34,178	13,301	0	20,877	11	12	35,381	14,505	0	20,876	92.8%	0.0%	92.7%
114	30039	Flasher 39	1	499,755	271	221	264	693,679	212,127	167,814	649,366	218	265	744,517	113,295	81,024	712,246	214	260	756,887	123,551	81,024	714,360	8.8%	0.3%	9.1%
115	30048	Glen Ullin 48	1	534,915	261	190	243	638,386	145,368	83,384	576,402	187	239	672,588	152,414	40,259	560,433	184	235	685,368	166,212	40,259	559,415	-2.8%	-0.2%	-3.0%
116	31001	New Town 1	1	1,718,372	701	729	672	1,762,394	95,521	119,716	1,786,589	713	700	1,968,340	103,996	57,801	1,922,145	695	682	1,984,790	113,411	57,801	1,929,180	7.1%	0.4%	7.4%
117	31002	Stanley 2	1	739,951	365	336	334	875,033	208,899	192,451	858,585	326	353	991,779	220,559	92,919	864,139	321	350	1,017,860	240,525	92,919	870,254	0.6%	0.7%	1.3%
118	31003	Parshall 3	1	309,846	299	282	299	784,959	336,013	69,241	518,187	274	294	827,388	128,546	33,431	732,273	268	290	844,771	140,183	33,431	738,019	29.2%	0.8%	30.0%
119	32001	Dakota Prairie 1	1	536,468	330	311	319	836,894	334,461	209,236	711,669	299	331	931,300	348,020	101,023	684,303	294	334	973,423	379,525	101,023	694,921	-4.0%	1.5%	-2.5%
120	32066	Lakota 66	1	604,866	292	240	275	720,538	159,949	100,942	661,531	230	282	793,800	167,394	48,736	675,142	227	280	814,890	182,548	48,736	680,878	2.0%	0.8%	2.9%
121	33001	Center-Stanton	1	631,131	332	281	309	810,455	168,829	108,774	750,400	320	349	982,637	141,784	52,518	893,371	365	385	1,120,072	154,619	52,518	1,017,971	16.0%	12.2%	28.2%
122	34001	Pembina 1	1	375,610	194	141	176	461,226	134,065	11,923	339,086	136	166	466,058	140,536	5,757	331,279	135	164	477,714	153,258	5,757	330,213	-2.4%	-0.3%	-2.7%
123	34006	Cavalier 6	1	1,050,490	507	525	488	1,280,680	281,392	92,423	1,091,711	507	504	1,418,708	298,010	44,624	1,165,322	503	500	1,456,699	324,988	44,624	1,176,335	6.3%	0.9%	7.3%
124	34012	Valley 12	1	414,145	205	161	201	528,298	124,497	49,519	453,320	156	193	543,303	131,215	23,909	435,997	155	192	557,677	143,093	23,909	438,493	-4.0%	0.6%	-3.4%
125	34019	Drayton 19	1	402,310	226	177	225	591,146	192,019	43,101	442,228	170	212	595,006	202,045	20,810	413,771	170	211	614,053	220,335	20,810	414,528	-6.9%	0.2%	-6.7%
126	34027	Walhalla 27	1	633,022	303	298	303	794,271	162,177	53,268	685,362	289	311	874,083	168,966	25,719	730,836	286	310	903,244	184,261	25,719	744,702	6.2%	1.9%	8.1%
127	34043	St Thomas 43	1	317,134	160	130	160	419,444	102,310	8,747	325,881	126	155	434,693	108,388	4,223	330,526	127	155	451,684	118,200	4,223	337,907	1.4%	2.2%	3.6%
128	34055	Neche 55	1	203,923	122	84	104	272,687	117,106	17,860	173,441	80	98	275,111	123,181	8,623	160,553	81	99	287,735	134,332	8,623	162,026	-8.0%	0.9%	-7.1%
129	35001	Wolford 1	1	141,136	76	49	64	168,449	57,686	31,164	141,927	47	59	167,233	61,031	15,046	121,248	46	58	170,206	66,556	15,046	118,696	-17.1%	-2.2%	-19.2%
130	35005	Rugby 5	1	1,053,689	546	557	518	1,359,029	369,926	182,837	1,171,940	536	533	1,499,582	391,188	88,277	1,196,671	521	518	1,508,358	426,601	88,277	1,170,034	2.1%	-2.3%	-0.2%
131	36001	Devils Lake 1	1	4,106,132	1,795	1,883	1,784	4,679,957	595,744	297,102	4,381,315	1,886	1,851	5,207,285	654,264	143,446	4,696,467	1,876	1,841	5,361,487	713,493	143,446	4,791,440	6.7%	2.0%	8.7%
132	36002	Edmore 2	1	169,647	126	79	106	277,146	161,270	60,068	175,944	77	97	271,848	170,308	29,002	130,542	76	95	277,921	185,726	29,002	121,197	-34.8%	-7.7%	-42.5%
133	36044	Starkweather	1	229,191	124	90	111	290,366	96,507	41,581	235,440	91	110	308,389	102,023	20,076	226,442	90	109	316,534	111,259	20,076	225,351	-4.0%	-0.5%	-4.5%
134	37002	Sheldon 2	2	51,668	39	25	31	82,441	49,763	19,774	52,452	24	31	87,963	50,957	9,547	46,553	24	31	91,058	55,570	9,547	45,035	-12.7%	-3.4%	-16.0%
135	37006	Ft Ransom 6	2	30,489	26	12	16	41,286	30,120	25,935	37,101	12	16	45,964	31,521	12,522	26,965	11	15	43,622	34,374	12,522	21,770	-37.6%	-23.9%	-61.5%
136	37019	Lisbon 19	1	1,289,447	606	631	583	1,529,576	306,516	99,974	1,323,034	614	606	1,704,678	316,096	48,269	1,436,851	583	574	1,672,595	344,711	48,269	1,376,153	7.9%	-4.4%	3.5%
137	37022	Enderlin 22	1	676,352	334	303	318	833,065	195,905	86,158	723,318	295	343	964,240	202,816	41,599	803,023	279	327	951,176	221,176	41,599	771,599	9.9%	-4.1%	5.9%

By County

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
138	38001	Mohall-Lansford-	1	726,275	445	350	343	900,319	365,027	203,997	739,289	353	380	1,069,249	383,183	98,493	784,559	348	372	1,082,565	417,871	98,493	763,187	5.8%	-2.8%	3.0%
139	38026	Glenburn 26	1	720,452	321	267	297	779,556	122,554	90,520	747,522	269	329	924,324	130,194	43,705	837,835	263	320	930,646	141,980	43,705	832,371	10.8%	-0.7%	10.1%
140	39008	Hankinson 8	1	689,665	329	323	316	828,422	180,149	69,872	718,145	313	336	946,378	193,763	33,736	786,351	303	328	955,748	211,303	33,736	778,181	8.7%	-1.0%	7.6%
141	39018	Fairmount 18	1	201,354	133	104	131	342,406	147,237	27,666	223,035	101	125	352,610	159,679	13,454	206,385	98	122	354,390	174,135	13,454	193,709	-8.1%	-6.5%	-14.6%
142	39028	Lidgerwood 28	1	581,081	270	213	268	702,675	126,867	50,225	626,033	206	256	719,425	135,820	24,250	607,855	201	250	726,631	148,115	24,250	602,766	-3.0%	-0.8%	-3.8%
143	39037	Wahpeton 37	1	2,929,306	1,375	1,437	1,343	3,522,217	658,427	152,010	3,015,800	1,394	1,378	3,875,104	749,052	73,393	3,199,445	1,351	1334	3,885,802	816,861	73,393	3,142,334	5.7%	-1.8%	3.9%
144	39042	Wyndmere 42	1	570,534	301	258	293	767,647	219,435	83,218	631,430	250	310	871,833	233,222	40,179	678,790	243	301	876,687	254,335	40,179	662,531	7.0%	-2.5%	4.5%
145	39044	Richland 44	1	672,446	325	329	325	851,662	181,274	90,930	761,318	318	348	972,679	199,396	43,903	817,186	309	339	986,091	217,446	43,903	812,548	6.8%	-0.6%	6.3%
146	40001	Dunseith 1	1	1,535,538	609	619	585	1,533,484	51,671	95,238	1,577,051	598	590	1,660,233	55,797	45,982	1,650,418	579	571	1,663,072	60,849	45,982	1,648,205	4.4%	-0.1%	4.3%
147	40003	St John 3	1	763,719	303	294	299	783,936	25,556	78,468	836,848	284	313	881,538	28,384	37,886	891,040	276	312	908,282	30,953	37,886	915,215	6.1%	2.6%	8.7%
148	40004	Mt Pleasant 4	1	717,315	326	309	322	844,186	137,604	49,577	756,159	298	343	964,156	153,901	23,936	834,191	292	340	989,265	167,833	23,936	845,368	9.4%	1.3%	10.7%
149	40007	Belcourt 7	1	3,761,992	1,614	1,686	1,599	4,195,357	54,042	255,894	4,397,209	1,629	1,600	4,501,250	12,712	123,550	4,612,088	1,587	1,558	4,536,284	13,863	123,550	4,645,971	4.7%	0.7%	5.4%
150	40029	Rolette 29	1	499,903	231	181	230	602,529	100,417	63,915	566,027	175	216	608,508	109,837	30,859	529,530	171	212	615,888	119,780	30,859	526,967	-6.9%	-0.5%	-7.4%
151	41002	Milnor 2	1	682,662	308	281	290	761,929	123,395	45,660	684,194	278	306	861,256	128,980	22,046	754,322	274	312	907,321	140,656	22,046	788,711	9.3%	4.4%	13.7%
152	41003	N Sargent 3	1	568,013	248	195	239	628,182	100,663	27,876	555,397	194	235	662,405	106,995	13,460	568,870	190	230	670,197	116,681	13,460	566,976	2.4%	-0.3%	2.0%
153	41006	Sargent Central	1	569,493	309	303	307	805,602	238,684	131,698	698,416	300	331	931,525	253,864	63,586	741,247	296	337	980,063	276,846	63,586	766,803	5.8%	3.3%	9.1%
154	42016	Goodrich 16	1	119,282	68	47	58	153,288	58,846	33,782	128,224	41	51	143,041	62,847	16,311	96,505	38	48	138,815	68,536	16,311	86,590	-32.9%	-11.5%	-44.3%
155	42019	McClusky 19	1	283,244	141	100	125	327,849	85,147	60,045	302,747	87	107	300,175	94,204	28,991	234,962	86	106	307,740	102,732	28,991	233,999	-28.8%	-0.4%	-29.3%
156	43003	Solen 3	1	499,299	206	162	196	520,220	50,818	71,323	540,725	190	234	659,592	54,335	34,436	639,693	205	248	721,332	59,254	34,436	696,514	15.5%	8.2%	23.6%
157	43004	Ft Yates 4	2	273,268	183	157	183	480,481	17,926	59,139	521,694	179	213	597,988	18,519	28,553	608,022	190	227	661,956	20,196	28,553	670,313	14.2%	9.3%	23.5%
158	43008	Selfridge 8	1	327,164	143	110	137	359,299	47,369	90,325	402,255	130	161	451,515	50,321	43,610	444,804	139	172	502,174	54,876	43,610	490,908	9.6%	9.4%	19.0%
159	43012	Marmarth 12	2	0	20	15	18	48,106	48,106	6,336	6,336	14	17	49,031	48,843	3,060	3,248	15	17	50,581	50,581	3,060	3,060	-95.1%	0.0%	-95.1%
160	44014	Sheets 14	3	0	3	2	3	7,397	7,397	5,241	5,241	2	3	7,651	7,651	2,530	2,530	1	1	3,960	3,960	2,530	2,530	-107.2%	0.0%	-107.2%
161	44032	Central Elementary	2	0	9	4	5	13,771	13,771	13,956	13,956	4	5	15,331	15,331	6,738	6,738	2	3	7,921	7,921	6,738	6,738	-107.1%	0.0%	-107.1%
162	45001	Dickinson 1	1	5,965,581	2,662	2,649	2,596	6,809,780	1,017,327	184,765	5,977,218	2,640	2,588	7,280,719	1,137,159	89,208	6,232,768	2,609	2,557	7,446,159	1,240,102	89,208	6,295,265	4.1%	1.0%	5.1%
163	45009	South Heart 9	1	701,056	296	244	287	752,617	96,669	115,898	771,846	244	298	839,371	92,133	55,958	803,196	240	294	855,342	100,473	55,958	810,827	3.9%	0.9%	4.8%
164	45013	Belfield 13	1	668,020	276	232	260	683,029	55,520	32,577	660,086	234	288	811,044	59,500	15,729	767,273	231	285	828,959	64,887	15,729	779,801	14.0%	1.6%	15.6%
165	45034	Richardton-Taylor 34	1	683,798	318	273	297	779,503	152,718	160,459	787,244	274	325	915,125	59,508	77,473	933,090	271	323	940,663	173,946	77,473	844,188	15.6%	-10.5%	5.1%
166	46010	Hope 10	1	271,669	152	132	145	379,260	123,297	64,545	320,508	137	164	460,544	129,596	31,164	362,112	150	178	519,763	141,327	31,164	409,600	11.5%	11.6%	23.1%
167	46019	Finley-Sharon 19	1	479,918	235	185	231	606,464	149,562	49,798	506,700	191	236	663,502	158,012	24,043	529,533	198	243	708,781	172,316	24,043	560,508	4.3%	5.5%	9.8%
168	47001	Jamestown 1	1	5,400,764	2,455	2,452	2,428	6,367,752	1,024,915	187,835	5,530,672	2,395	2,369	6,663,547	1,121,720	90,690	5,632,517	2,328	2,302	6,702,492	1,223,265	90,690	5,569,917	1.8%	-1.1%	0.7%
169	47003	Medina 3	1	405,779	198	163	197	516,495	113,055	99,548	502,988	160	192	539,365	123,106	48,064	464,323	157	187	545,884	134,250	48,064	459,698	-8.3%	-1.0%	-9.3%
170	47010	Pingree-Buchanan	1	391,108	193	151	188	492,757	106,675	74,344	460,426	147	179	504,708	113,615	35,895	426,988	144	175	510,008	123,900	35,895	422,003	-7.6%	-1.2%	-9.0%
171	47014	Montpelier 14	1	266,542	132	102	125	328,977	83,501	61,688	307,164	100	121	340,289	88,332	29,784	281,741	97	117	340,820	96,329	29,784	274,275	-9.0%	-2.7%	-11.7%
172	47019	Kensal 19	1	125,933	84	63	79	207,506	94,005	16,893	130,394	62	75	211,706	97,259	8,156	122,603	60	73	211,411	106,063	8,156	113,504	-6.4%	-8.0%	-14.4%
173	47026	Spiritwood 26	2	0	17	15	17	44,512	44,512	0	0	15	18	49,509	49,509	0	0	14	16	47,291	47,291	0	0	0.0%	0.0%	0.0%
174	48002	Bisbee-Egeland 2	1	143,401	104	77	102	267,546	128,126	57,016	196,436	71	90	252,354	135,249	27,528	144,633	63	80	231,912	147,493	27,528	111,947	-35.8%	-29.2%	-65.0%
175	48008	Southern 8	1	623,796	292	226	274	718,859	137,649	41,803	623,013	212	258	725,838	145,026	20,183	600,995	193	235	683,708	158,155	20,183	545,736	-3.7%	-10.1%	-13.8%
176	48028	North Central 28	1	146,981	90	66	82	216,266	86,774	28,892	158,384	62	76	212,466	91,329	13,950	135,087	57	69	201,831	99,597	13,950	116,184	-17.2%	-16.3%	-33.5%
177	49003	Central Valley 3	1	593,106	313	303	311	815,937	208,520	109,354	716,771	304	339	953,551	217,698	52,798	788,451	302	334	973,744	237,623	52,798	788,919	9.1%	0.1%	9.2%
178	49007	Hatton 7	1	663,188	296	241	289	759,096	130,872	47,653	675,877	240	292	820,833	140,037	23,008	703,804	238	290	844,072	152,715	23,008	714,365	4.0%	1.5%	5.4%
179	49009	Hillsboro 9	1	828,294	433	420	410	1,076,164	308,488	68,218	835,894	420	415	1,168,605	335,264	32,937	866,278	420	417	1,215,614	365,614	32,937	882,937	3.5%	1.9%	5.4%
180	49014	May-Port CG 14	1	1,102,251	564	593	549	1,439,529	375,967	111,070	1,174,632	592	585	1,646,927	395,709	53,626	1,304,844	590	583	1,698,832	431,531	53,626	1,320,927	10.0%	1.2%	11.2%
181	50003	Grafton 3	1	2,033,789	904	971	904	2,371,402	348,702	69,342	2,092,042	975	961	2,702,112	368,908	33,479	2,366,683	988	973	2,833,230	402,304	33,479	2,464,405	11.6%	4.0%	15.6%
182	50020	Minto 20	1	610,958	285	238	285	747,581	136,623	59,364	670,322	239	293	822,915	144,871	28,662	706,706	242	296	860,962	157,986	28,662	731,638	5.1%	3.4%	8.6%
183	50039	Lankin 39	2	165,632	76	44	58	151,347	33,873	21,608	139,082	46	63	176,234	35,831	10,433	150,836	46	63	182,437	39,075	10,433	153,795	7.8%	1.9%	9.7%

By County

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
184	50051	Nash 51	2	31,124	23	19	22	57,417	31,211	118	26,324	20	24	67,681	32,930	57	34,808	20	24	70,063	35,911	57	34,209	24.4%	-1.8%	22.6%
185	50078	Park River 78	1	876,970	411	420	411	1,078,761	201,791	88,068	965,038	421	426	1,197,635	209,517	42,521	1,030,639	426	425	1,236,843	228,483	42,521	1,050,881	6.4%	1.9%	8.3%
186	50079	Fordville 79	1	192,404	100	80	100	261,172	66,661	42,737	237,248	79	92	258,909	70,579	20,634	208,964	80	94	272,592	76,968	20,634	216,258	-13.5%	3.4%	-10.2%
187	50106	Edinburg 106	1	400,774	177	132	163	428,756	64,662	53,088	417,182	132	161	452,387	68,593	25,632	409,426	135	165	480,538	74,802	25,632	431,368	-1.9%	5.1%	3.2%
188	50128	Adams 128	2	207,274	108	75	90	234,811	68,640	50,162	216,333	75	93	262,959	72,436	24,219	214,742	74	93	270,321	78,994	24,219	215,546	-0.7%	0.4%	-0.4%
189	51001	Minot 1	1	15,575,145	6,838	6,673	6,550	17,179,653	2,436,013	214,866	14,958,506	6,542	6,409	18,028,208	2,689,476	103,741	15,442,473	6,479	6,345	18,477,688	2,932,944	103,741	15,648,485	3.1%	1.3%	4.5%
190	51004	Nedrose 4	2	457,755	234	251	231	606,988	156,031	61,944	512,901	247	241	676,017	179,767	29,908	526,158	243	237	690,115	196,041	29,908	523,982	2.9%	-0.8%	2.1%
191	51007	United 7	1	1,267,664	568	601	565	1,482,625	220,568	154,092	1,416,149	589	589	1,657,954	243,497	74,399	1,488,856	584	584	1,701,685	265,540	74,399	1,510,544	4.9%	1.4%	6.3%
192	51010	Bell 10	2	327,331	165	147	163	426,788	78,730	46,854	394,912	145	169	474,891	92,624	22,622	404,889	143	168	488,663	101,009	22,622	410,276	2.5%	1.3%	3.8%
193	51016	Sawyer 16	1	363,530	169	125	155	405,516	80,990	43,529	368,055	123	149	420,459	87,641	21,017	353,835	121	147	428,355	95,575	21,017	353,797	-4.0%	0.0%	-4.0%
194	51019	Eureka 19	2	0	16	9	12	30,951	30,951	0	0	9	12	34,487	33,216	0	1,271	9	12	35,701	35,701	0	0	100.0%	0.0%	100.0%
195	51028	Kenmare 28	1	599,785	319	286	316	829,235	236,532	118,741	711,444	281	340	955,689	250,571	57,330	762,448	277	337	980,500	273,254	57,330	764,576	6.7%	0.3%	7.0%
196	51041	Surrey 41	1	930,778	393	366	360	944,883	99,904	75,542	920,521	360	388	1,091,331	109,632	36,473	1,018,172	355	383	1,115,063	119,556	36,473	1,031,980	9.6%	1.3%	10.9%
197	51070	S Prairie 70	2	343,073	171	149	165	432,690	108,874	73,256	397,072	147	171	481,389	123,325	35,369	393,433	145	170	495,419	134,489	35,369	396,299	-0.9%	0.7%	-0.2%
198	51161	Lewis and Clark 161	1	938,651	479	402	391	1,024,308	318,469	164,715	870,554	395	419	1,178,703	338,448	79,527	919,782	390	414	1,205,510	369,086	79,527	915,951	5.4%	-0.4%	4.9%
199	52025	Fessenden-Bowdon 2	1	475,080	280	194	236	618,189	259,255	107,026	465,960	178	219	615,653	274,268	51,674	393,039	158	194	564,171	299,118	51,674	316,727	-18.6%	-24.1%	-42.6%
200	52035	Pleasant Valley 3	2	31,457	26	21	23	61,352	34,941	28,568	54,979	18	20	56,541	37,066	13,793	33,268	17	19	54,571	40,421	13,793	27,943	-65.3%	-19.1%	-84.3%
201	52036	Harvey 36	1	886,776	453	448	425	1,113,516	300,603	131,846	944,759	406	413	1,160,700	316,777	63,658	905,581	361	383	1,115,267	347,635	63,658	831,290	-4.3%	-8.9%	-13.3%
202	52039	Sykes 39	1	175,710	89	54	69	179,754	60,017	33,329	153,066	50	61	172,015	64,289	16,092	123,818	45	55	160,713	70,109	16,092	106,696	-23.6%	-16.0%	-39.7%
203	53001	Williston 1	1	4,914,027	2,096	2,159	2,050	5,376,468	576,996	79,517	4,878,989	2,099	2,063	5,804,063	643,860	38,392	5,198,595	2,034	1,998	5,818,292	702,146	38,392	5,154,538	6.1%	-0.9%	5.3%
204	53002	Nesson 2	1	462,747	221	163	206	540,810	117,697	70,522	493,635	158	195	549,323	124,738	34,049	458,634	154	190	553,251	136,030	34,049	451,270	-7.6%	-1.6%	-9.3%
205	53006	Eight Mile 6	1	716,432	291	218	272	713,456	51,997	45,330	706,789	212	261	735,403	55,124	21,886	702,165	206	254	739,007	60,114	21,886	700,779	-0.7%	-0.2%	-0.9%
206	53008	New 8	2	279,614	206	215	195	510,803	260,299	154,349	404,853	211	202	568,113	284,233	74,523	358,403	205	199	579,109	309,964	74,523	343,668	-13.0%	-4.3%	-17.2%
207	53015	Tioga 15	1	559,830	291	240	281	737,378	203,306	75,646	609,718	233	286	804,518	215,029	36,523	626,012	227	278	810,759	234,494	36,523	612,788	2.6%	-2.2%	0.4%
208	53091	Wildrose-Alamo	1	99,043	64	39	51	132,855	68,803	34,583	98,635	38	48	133,618	70,164	16,697	80,151	36	45	130,632	76,516	16,697	70,813	-23.1%	-13.2%	-36.2%
209	53099	Grenora 99	1	117,941	96	65	77	202,233	2	55,502	257,733	64	74	208,528	129,211	26,797	106,114	61	70	205,238	140,908	26,797	91,127	-142.9%	-16.4%	-159.3%
210										252,808	252,808					115,285	115,285					115,285	115,285			
211		**Statewide Total**		217,616,770	104,003	99,728	100,904	264,670,773	53,189,318	17,107,297	228,588,752	98,295	101,529	285,610,305	57,846,970	8,259,715	236,023,050	96,863	100,238	291,878,878	63,128,305	8,259,715	237,010,288	3.1%	0.4%	3.6%
212																										

HB 1154 + Transportation Block Grant

TWO YEAR ~~AVERAGE~~ TOTAL

Ranked Highest Increase to Lowest Increase

HB 1154 House

ID	Name	DType	1. 2004-05 Actual Net) Entitlement (Jan 05) Actual Pay 04-05	Actual Pay wpu 04-05	2. 2004-05 Payment Year if Based on Fall Enr Only. Proj Enr 04-05	Enr wpu 04-05	Gross Pay 04-05	$2,623 rate Deduct 04-05	Transp Block	3. 2005-06 Payment Year mill deduct Projected from 2004 Fall Enr. Net Pay 04-05	Proj Enr 05-06	Enr wpu 05-06	Gross Pay 05-06	$2,813 rate Deduct 05-06	Transp Block	4. 2006-07 Payment Year mill deduct Projected from 2004 Fall Enr. Net Pay 05-06	Proj Enr 06-07	Enr wpu 06-07	Gross Pay 06-07	$2,912 rate Deduct 06-07	Transp Block	40 mill deduct Net Pay 06-07	Year 1 change	Year 2 change	2 Year Average
51019	Eureka 19	2	0	16	9	12	30,951	30,951	0	0	9	12	34,487	33,216	0	1,271	9	12	35,701	35,701	0	0	100.0%	0.0%	100.0%
30017	Sweet Briar 17	3	5,185	15	11	14	36,617	35,104	0	1,513	11	12	34,178	13,301	0	20,877	11	12	35,381	14,505	0	20,876	92.8%	0.0%	92.7%
27018	Earl 18	3	0	20	12	17	44,643	44,643	0	0	12	16	43,658	17,267	0	26,391	11	14	41,467	18,830	0	22,637	100.0%	-16.6%	83.4%
8029	Baldwin 29	2	13,514	26	20	24	61,719	43,273	1,219	19,665	20	24	68,665	26,491	589	42,763	20	24	71,082	28,889	589	42,782	54.0%	0.0%	54.1%
17006	Lone Tree 6	2	0	58	42	51	133,012	133,012	41,282	41,282	42	52	145,967	56,172	19,932	109,727	38	47	136,282	61,257	19,932	94,957	62.4%	-15.6%	46.8%
31003	Parshall 3	1	309,846	299	262	299	764,959	336,013	69,241	518,187	274	294	827,388	128,546	33,431	732,273	268	290	844,771	140,183	33,431	738,019	29.2%	0.8%	30.0%
33001	Center-Stanton	1	631,131	332	281	309	810,455	168,829	108,774	750,400	320	349	982,637	141,784	52,518	893,371	365	385	1,120,072	154,619	52,518	1,017,971	16.0%	12.2%	28.2%
3016	Oberon 16	2	75,673	50	31	33	86,008	57,717	20,145	48,436	31	34	95,445	37,814	9,726	67,357	31	34	98,804	41,237	9,726	67,293	28.1%	-0.1%	28.0%
43003	Solen 3	1	499,299	206	162	198	520,220	50,818	71,323	540,725	190	234	659,592	54,335	34,436	639,693	205	248	721,332	59,254	34,436	696,514	15.5%	8.2%	23.6%
43004	Ft Yates 4	2	273,268	183	157	183	480,481	17,926	59,139	521,694	179	213	597,988	18,519	28,553	608,022	190	227	661,956	20,196	28,553	670,313	14.2%	9.3%	23.5%
46010	Hope 10	1	271,669	152	132	145	379,260	123,297	64,545	320,508	137	164	460,544	129,596	31,164	362,112	150	178	519,763	141,327	31,164	409,600	11.5%	11.6%	23.1%
50051	Nash 51	2	31,124	23	19	22	57,417	31,211	118	26,324	20	24	67,681	32,930	57	34,808	20	24	70,063	35,911	57	34,209	24.4%	-1.8%	22.6%
43008	Selfridge 8	1	327,164	143	110	137	359,299	47,369	90,325	402,255	130	161	451,515	50,321	43,610	444,804	139	172	502,174	54,676	43,610	490,908	9.6%	9.4%	19.0%
45013	Belfield 13	1	668,020	276	232	260	683,029	55,520	32,577	660,086	234	288	811,044	59,500	15,729	767,273	231	285	828,959	64,687	15,729	779,801	14.0%	1.6%	15.6%
50003	Grafton 3	1	2,033,789	904	971	904	2,371,402	348,702	69,342	2,092,042	975	961	2,702,112	368,908	33,479	2,366,683	988	973	2,833,230	402,304	33,479	2,464,405	11.6%	4.0%	15.6%
3030	Ft Totten 30	1	451,106	189	194	185	485,517	3,493	59,207	541,231	204	211	593,430	4,207	28,586	617,609	201	208	605,376	-4,588	28,586	629,374	12.4%	1.8%	14.2%
11040	Ellendale 40	1	688,403	350	358	346	908,712	222,539	91,245	777,418	360	380	1,068,490	236,648	44,055	875,897	362	383	1,115,995	258,070	44,055	901,980	11.2%	2.9%	14.1%
41002	Milnor 2	1	682,662	308	281	290	761,929	123,395	45,660	684,194	278	306	861,256	128,980	22,046	754,322	274	312	907,321	140,656	22,046	788,711	9.3%	4.4%	13.7%
9017	Central Cass 17	1	1,722,049	803	837	782	2,051,711	399,985	145,059	1,796,785	846	843	2,372,315	441,600	70,037	2,000,752	854	851	2,479,539	481,576	70,037	2,068,000	10.2%	3.3%	13.4%
17003	Beach 3	1	717,689	339	297	322	844,685	144,382	52,000	752,303	284	345	970,035	152,106	25,107	843,036	291	345	1,004,058	165,876	25,107	863,289	10.8%	2.3%	13.1%
9002	Kindred 2	1	1,346,034	661	718	661	1,734,931	377,180	144,966	1,502,717	725	715	2,010,789	424,373	69,992	1,656,408	733	723	2,105,260	462,790	69,992	1,712,462	9.3%	3.3%	12.6%
49014	May-Port CG 14	1	1,102,251	564	593	549	1,439,529	375,967	111,070	1,174,632	592	585	1,646,927	395,709	53,626	1,304,844	590	583	1,698,832	431,531	53,626	1,320,927	10.0%	1.2%	11.2%
51041	Surrey 41	1	930,778	393	366	360	944,883	99,904	75,542	920,521	360	388	1,091,331	109,632	36,473	1,018,172	355	383	1,115,063	119,556	36,473	1,031,980	9.6%	1.3%	10.9%
40004	Mt Pleasant 4	1	717,315	326	309	322	844,186	137,604	49,577	756,159	298	343	964,156	153,901	23,936	834,191	292	340	989,265	167,833	23,936	845,368	9.4%	1.3%	10.7%
9007	Mapleton 7	2	208,357	115	87	110	288,609	93,742	7,841	202,708	87	114	321,385	105,174	3,786	219,997	88	116	336,685	114,695	3,786	225,776	7.9%	2.6%	10.4%
38026	Glenburn 26	1	720,452	321	267	297	779,556	122,554	90,520	747,522	269	329	924,324	130,194	43,705	837,835	263	320	930,646	141,980	43,705	832,371	10.8%	-0.7%	10.1%
46019	Finley-Sharon 19	1	479,918	235	185	231	606,464	149,562	49,798	506,700	191	236	663,502	158,012	24,043	529,533	198	243	708,781	172,316	24,043	560,508	4.3%	5.5%	9.8%
8039	Apple Creek 39	2	96,575	59	48	59	154,468	59,857	0	94,611	46	61	171,987	67,141	0	104,846	48	61	178,040	73,219	0	104,821	9.8%	0.0%	9.7%
50039	Lankin 39	2	165,632	76	44	58	151,347	33,873	21,608	139,082	46	63	176,234	35,831	10,433	150,836	46	63	182,437	39,075	10,433	153,795	7.8%	1.9%	9.7%
18129	Northwood 129	1	672,712	326	313	319	836,475	182,124	84,920	739,271	305	342	960,949	191,745	41,001	810,205	301	338	985,159	209,102	41,001	817,058	8.8%	0.8%	9.6%
11041	Oakes 41	1	1,092,238	527	546	524	1,375,265	271,009	100,849	1,205,105	547	541	1,522,058	290,735	48,692	1,280,015	553	547	1,593,679	317,054	48,692	1,325,317	5.9%	3.4%	9.3%
49003	Central Valley 3	1	593,106	313	303	311	815,937	208,520	109,354	716,771	304	339	953,551	217,898	52,798	788,451	302	334	973,744	237,623	52,798	788,919	9.1%	0.1%	9.2%
1013	Hettinger 13	1	761,196	375	351	345	906,142	221,022	133,338	818,458	348	377	1,060,614	230,851	64,378	894,141	346	374	1,087,661	251,749	64,378	900,290	8.5%	0.7%	9.1%
30039	Flasher 39	1	499,755	271	221	264	693,679	212,127	167,814	649,366	218	265	744,517	113,295	81,024	712,246	214	260	756,887	123,551	81,024	714,360	8.8%	0.3%	9.1%
41006	Sargent Central	1	569,493	309	303	307	805,602	238,884	131,698	698,416	300	331	931,525	253,864	63,586	741,247	296	337	980,063	276,846	63,586	766,803	5.8%	3.3%	9.1%
14001	New Rockford 1	1	841,013	391	390	383	1,004,294	193,570	96,214	906,938	385	404	1,137,549	203,208	46,454	980,795	379	401	1,168,760	221,604	46,454	993,610	7.5%	1.3%	8.8%
40003	St John 3	1	763,719	303	294	299	783,936	25,556	78,468	836,848	284	313	881,538	28,384	37,886	891,040	276	312	908,282	30,953	37,886	915,215	6.1%	2.6%	8.7%
36001	Devils Lake 1	1	4,106,132	1,795	1,883	1,784	4,679,957	595,744	297,102	4,381,315	1,886	1,851	5,207,285	654,264	143,446	4,696,467	1,876	1,841	5,361,487	713,493	143,446	4,791,440	6.7%	2.0%	8.7%
50020	Minto 20	1	610,958	285	238	285	747,581	136,623	59,364	670,322	239	293	822,915	144,871	28,662	706,706	242	296	860,962	157,986	28,662	731,638	5.1%	3.4%	8.6%
9001	Fargo 1	1	22,668,963	11,061	11,221	11,015	28,891,663	6,334,328	388,153	22,945,488	11,344	11,126	31,297,044	7,238,309	187,407	24,246,142	11,449	11,231	32,705,021	7,893,566	187,407	24,998,862	5.4%	3.0%	8.4%
50078	Park River 78	1	876,970	411	420	411	1,078,761	201,791	88,068	965,038	421	426	1,197,635	209,517	42,521	1,030,639	428	425	1,236,843	228,483	42,521	1,050,881	6.4%	1.9%	8.3%
34027	Walhalla 27	1	633,022	303	298	303	794,271	162,177	53,268	685,362	289	311	874,083	168,966	25,719	730,836	286	310	903,244	184,261	25,719	744,702	6.2%	1.9%	8.1%
25060	TGU 60	1	805,244	486	386	381	999,809	480,466	211,308	730,651	384	398	1,118,786	407,421	102,024	813,389	379	391	1,137,631	444,304	102,024	795,351	10.2%	-2.3%	7.9%

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TWO YEAR AVERAGE

Ranked Highest Increase to Lowest Increase

9097 Northern Cass	1	834,147	458	479	458	1,201,124	348,787	135,623	987,960	485	480	1,350,690	373,433	65,481	1,042,738	489	484	1,410,136	407,239	65,481	1,068,378	5.3%	2.4%	7.7%
39008 Hankinson 8	1	689,665	329	323	316	828,422	180,149	69,872	718,145	313	336	946,378	193,763	33,736	786,351	303	328	955,748	211,303	33,736	778,181	6.7%	-1.0%	7.6%
31001 New Town 1	1	1,718,372	701	729	672	1,762,394	95,521	119,716	1,786,589	713	700	1,968,340	103,996	57,801	1,922,145	695	682	1,984,790	113,411	57,801	1,929,180	7.1%	0.4%	7.4%
34006 Cavalier 6	1	1,050,490	507	525	488	1,280,680	281,392	92,423	1,091,711	507	504	1,418,708	298,010	44,624	1,165,322	503	500	1,456,699	324,988	44,624	1,176,335	6.3%	0.9%	7.3%
8001 Bismarck 1	1	22,095,103	10,394	10,521	10,365	27,188,234	4,827,904	337,650	22,697,980	10,526	10,358	29,138,207	5,498,646	163,024	23,802,585	10,547	10,380	30,226,065	5,996,419	163,024	24,392,670	4.6%	2.4%	7.1%
51028 Kenmare 28	1	599,785	319	286	316	829,235	236,532	118,741	711,444	281	340	955,689	250,571	57,330	762,448	277	337	980,500	273,254	57,330	764,576	6.7%	0.3%	7.0%
9004 Maple Valley 4	1	547,294	324	250	287	752,565	301,343	123,805	575,027	253	306	859,653	314,194	59,775	605,234	256	308	897,391	342,637	59,775	614,529	5.0%	1.5%	6.5%
9008 West Fargo 6	1	11,117,941	5,433	5,514	5,410	14,189,459	3,014,265	295,830	11,471,024	5,572	5,460	15,359,852	3,618,890	142,832	11,883,794	5,621	5,509	16,043,489	3,946,494	142,832	12,239,827	3.5%	2.9%	6.4%
51007 United 7	1	1,267,664	568	601	565	1,482,625	220,568	154,092	1,416,149	589	589	1,657,954	243,497	74,399	1,488,856	584	584	1,701,685	265,540	74,399	1,510,544	4.9%	1.4%	6.3%
39044 Richland 44	1	672,446	325	329	325	851,662	181,274	90,930	761,318	318	346	972,679	199,396	43,903	817,186	309	339	986,091	217,446	43,903	812,548	6.8%	-0.6%	6.3%
18044 Larimore 44	1	1,107,008	510	519	481	1,260,463	229,699	125,586	1,156,370	506	501	1,409,004	244,819	60,635	1,224,820	498	493	1,434,917	266,981	60,635	1,228,571	5.6%	0.3%	5.9%
37022 Enderlin 22	1	676,352	334	303	318	833,065	195,905	86,158	723,318	295	343	964,240	202,816	41,599	803,023	279	327	951,176	221,176	41,599	771,599	9.9%	-4.1%	5.9%
2002 Valley City 2	1	2,429,353	1,122	1,171	1,090	2,859,359	512,472	102,948	2,449,835	1,149	1,133	3,188,479	544,297	49,705	2,693,887	1,097	1,081	3,148,396	593,570	49,705	2,604,531	9.1%	-3.4%	5.6%
49007 Hatton 7	1	663,188	296	241	289	759,096	130,872	47,653	675,877	240	292	820,833	140,037	23,008	703,804	238	290	844,072	152,715	23,008	714,365	4.0%	1.5%	5.4%
49009 Hillsboro 9	1	828,294	433	420	410	1,076,164	308,488	68,218	835,894	420	415	1,168,605	335,264	32,937	866,278	420	417	1,215,614	365,614	32,937	882,937	3.5%	1.9%	5.4%
40007 Belcourt 7	1	3,761,992	1,614	1,686	1,599	4,195,357	54,042	255,894	4,397,209	1,629	1,600	4,501,250	12,712	123,550	4,612,088	1,587	1,558	4,536,284	13,863	123,550	4,645,971	4.7%	0.7%	5.4%
18061 Thompson 61	1	892,195	408	426	404	1,058,826	178,406	55,981	936,401	415	414	1,163,794	203,740	27,029	967,083	408	407	1,184,077	222,184	27,029	988,922	5.1%	0.2%	5.3%
53001 Williston 1	1	4,914,027	2,096	2,159	2,050	5,376,468	576,996	79,517	4,878,989	2,099	2,063	5,804,063	643,860	38,392	5,198,595	2,034	1,998	5,818,292	702,146	38,392	5,154,538	6.1%	-0.9%	5.3%
25001 Velva 1	1	816,216	411	427	411	1,078,184	261,968	121,599	937,815	424	421	1,183,598	253,732	58,710	988,576	418	415	1,207,781	276,701	58,710	989,790	5.1%	0.1%	5.3%
45034 Richardton-Taylor 34	1	683,798	318	273	297	779,503	152,718	160,459	787,244	274	325	915,125	59,508	77,473	933,090	271	323	940,663	173,948	77,473	844,188	15.6%	-10.5%	5.1%
45001 Dickinson 1	1	5,965,581	2,662	2,649	2,596	6,809,780	1,017,327	184,765	5,977,218	2,640	2,588	7,280,719	1,137,159	89,208	6,232,768	2,609	2,557	7,446,159	1,240,102	89,208	6,295,265	4.1%	1.0%	5.1%
28004 Washburn 4	1	730,615	337	314	329	863,728	152,969	67,574	778,333	302	346	973,664	169,508	32,626	836,782	293	334	973,249	184,853	32,626	821,022	7.0%	-1.9%	5.1%
51161 Lewis and Clark 161	1	938,651	479	402	391	1,024,308	318,469	164,715	870,554	395	419	1,178,703	338,448	79,527	919,782	390	414	1,205,510	369,086	79,527	915,951	5.4%	-0.4%	4.9%
45009 South Heart 9	1	701,056	296	244	287	752,617	96,669	115,898	771,846	244	298	839,371	92,133	55,958	803,196	240	294	855,342	100,473	55,958	810,827	3.9%	0.9%	4.8%
39042 Wyndmere 42	1	570,534	301	258	293	767,647	219,435	83,218	631,430	250	310	871,833	233,222	40,179	678,790	243	301	876,687	254,335	40,179	862,531	7.0%	-2.5%	4.5%
51001 Minot 1	1	15,575,145	6,838	6,673	6,550	17,179,653	2,436,013	214,866	14,958,506	6,542	6,409	18,028,208	2,689,476	103,741	15,442,473	6,479	6,345	18,477,688	2,932,944	103,741	15,648,485	3.1%	1.3%	4.5%
40001 Dunseith 1	1	1,535,538	609	619	585	1,533,484	51,671	95,238	1,577,051	598	590	1,660,233	55,797	45,982	1,650,418	579	571	1,663,072	60,849	45,982	1,648,205	4.4%	-0.1%	4.3%
20018 Griggs County Centra	1	694,070	337	341	336	881,223	202,628	116,424	795,019	330	357	1,005,451	214,130	56,212	847,533	321	346	1,008,018	233,515	56,212	830,715	6.2%	-2.0%	4.2%
39037 Wahpeton 37	1	2,929,306	1,375	1,437	1,343	3,522,217	658,427	152,010	3,015,600	1,394	1,378	3,875,104	749,052	73,393	3,199,445	1,351	1334	3,885,802	816,861	73,393	3,142,334	5.7%	-1.8%	3.9%
51010 Bell 10	2	327,331	165	147	163	426,788	78,730	46,854	394,912	145	169	474,891	92,624	22,622	404,889	143	168	488,663	101,009	22,622	410,276	2.5%	1.3%	3.8%
34043 St Thomas 43	1	317,134	160	130	160	419,444	102,310	8,747	325,681	126	155	434,693	108,388	4,223	330,528	127	155	451,884	118,200	4,223	337,907	1.4%	2.2%	3.6%
37019 Lisbon 19	1	1,289,447	606	631	583	1,529,576	306,516	99,974	1,323,034	614	606	1,704,678	316,096	48,269	1,436,851	583	574	1,672,595	344,711	48,269	1,376,153	7.9%	-4.4%	3.5%
6001 Bowman 1	1	922,964	414	414	412	1,080,860	163,907	67,451	984,404	403	406	1,141,290	178,453	32,566	995,403	404	405	1,178,807	194,608	32,566	1,016,765	1.1%	2.1%	3.2%
50106 Edinburg 106	1	400,774	177	132	163	428,756	64,662	53,088	417,182	132	161	452,387	68,593	25,632	409,426	135	165	480,538	74,802	25,632	431,368	-1.9%	5.1%	3.2%
19049 Elgin-New Leipzig	1	491,324	242	169	191	501,465	144,491	122,304	479,278	157	198	557,396	145,293	59,050	471,153	62	204	594,805	158,445	59,050	495,410	-1.7%	4.9%	3.2%
16010 Carrington 10	1	1,191,974	594	615	575	1,507,071	364,663	165,103	1,307,511	600	598	1,682,427	390,226	79,715	1,371,916	584	582	1,694,755	425,552	79,715	1,348,918	4.7%	-1.7%	3.0%
38001 Mohall-Lansford-	1	726,275	445	350	343	900,319	365,027	203,997	739,289	353	380	1,069,249	383,183	98,493	784,559	348	372	1,082,565	417,871	98,493	763,187	5.8%	-2.8%	3.0%
32066 Lakota 66	1	604,866	292	240	275	720,538	159,949	100,942	661,531	230	282	793,800	167,394	48,736	675,142	227	280	814,690	182,548	48,736	680,878	2.0%	0.8%	2.9%
30001 Mandan 1	1	7,153,028	3,253	3,299	3,253	8,531,308	1,349,645	277,621	7,459,284	3,255	3,206	9,019,463	1,514,866	134,040	7,638,637	3,200	3,151	9,175,566	1,652,001	134,040	7,657,605	2.3%	0.2%	2.6%
30007 New Salem 7	1	864,703	377	379	374	980,897	136,443	130,847	975,301	374	383	1,076,535	144,396	63,175	995,314	367	376	1,093,893	157,468	63,175	999,600	2.0%	0.4%	2.4%
51004 Nedrose 4	2	457,755	234	251	231	606,988	156,031	61,944	512,901	247	241	678,017	179,767	29,908	528,158	243	237	690,115	196,041	29,908	523,982	2.9%	-0.8%	2.1%
41003 N Sargent 3	1	568,013	248	195	239	628,182	100,663	27,878	555,397	194	235	662,405	106,995	13,460	568,870	190	230	670,197	116,681	13,460	566,976	2.4%	-0.3%	2.0%
22026 Steele-Dawson 26	1	622,863	300	283	300	786,611	151,278	85,278	720,611	276	314	884,660	162,968	41,174	762,866	268	300	872,814	177,720	41,174	736,268	5.5%	-3.6%	1.9%
3029 Warwick 29	1	546,465	244	179	221	579,657	40,273	71,088	610,472	180	219	617,228	43,003	34,323	608,548	79	218	634,175	46,896	34,323	621,602	-0.3%	2.1%	1.8%
18128 Midway 128	1	560,569	292	271	292	765,732	192,217	107,955	681,470	264	300	843,900	203,995	52,122	692,027	260	297	864,020	222,462	52,122	693,680	1.5%	0.2%	1.8%
15036 Linton 36	1	762,580	367	343	338	885,263	189,503	100,333	796,093	327	355	997,884	200,850	48,443	845,477	310	337	982,334	219,032	48,443	811,745	5.8%	-4.2%	1.7%
9080 Page 80	2	245,000	140	97	127	333,121	121,485	62,436	274,072	97	132	370,613	127,948	30,145	272,810	98	133	387,616	139,530	30,145	278,231	-0.5%	1.9%	1.5%

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TWO YEAR AVERAGE

Ranked Highest Increase to Lowest Increase

28051 Garrison 51	1	712,916	356	354	348	912,725	221,685	113,979	805,019	343	369	1,036,591	244,118	55,031	847,504	329	354	1,029,567	266,217	55,031	818,381	5.0%	-3.6%	1.5%
31002 Stanley 2	1	739,951	365	336	334	875,033	208,899	192,451	858,585	326	353	991,779	220,559	92,919	864,139	321	350	1,017,860	240,525	92,919	870,254	0.6%	0.7%	1.3%
18001 Grand Forks 1	1	16,455,983	7,637	7,632	7,469	19,589,902	3,474,719	372,827	16,488,010	7,436	7,268	20,445,756	3,969,518	180,008	16,656,246	7,332	7164	20,860,986	4,328,864	180,008	16,712,130	1.0%	0.3%	1.3%
3005 Minnewaukan 5	1	466,006	188	151	185	486,488	51,143	68,567	503,912	151	185	519,477	54,430	33,106	498,153	151	184	536,944	59,357	33,106	510,693	-1.2%	2.5%	1.3%
24002 Napoleon 2	1	606,170	285	245	280	735,096	138,126	83,632	680,602	238	280	788,428	144,170	40,379	684,637	237	276	803,654	157,221	40,379	686,812	0.6%	0.3%	0.9%
47001 Jamestown 1	1	5,400,764	2,455	2,452	2,428	6,367,752	1,024,915	187,835	5,530,672	2,395	2,369	6,663,547	1,121,720	90,690	5,632,517	2,328	2,302	6,702,492	1,223,265	90,690	5,569,917	1.8%	-1.1%	0.7%
18127 Emerado 127	2	284,702	136	117	135	354,262	66,274	44,630	332,618	114	136	382,596	72,876	21,548	331,268	113	135	392,101	79,474	21,548	334,175	-0.4%	0.9%	0.5%
53015 Tioga 15	1	559,830	291	240	281	737,378	203,306	75,646	609,718	233	286	804,518	215,029	36,523	626,012	227	278	810,759	234,494	36,523	612,788	2.6%	-2.2%	0.4%
3009 Maddock 9	1	554,522	264	203	256	672,511	139,052	86,747	620,206	205	255	718,215	146,975	41,883	613,123	204	254	738,745	160,280	41,883	620,348	-1.2%	1.2%	0.0%
4001 Billings Co 1	2	0	81	50	59	154,337	154,337	0	0	48	58	163,013	163,013	0	0	42	52	151,133	151,133	0	0	0.0%	0.0%	0.0%
27019 Bowline Butte 19	3	0	4	2	3	7,397	7,397	0	0	2	3	7,651	7,651	0	0	2	3	7,921	7,921	0	0	0.0%	0.0%	0.0%
47026 Spiritwood 26	2	0	17	15	17	44,512	44,512	0	0	15	18	49,509	49,509	0	0	14	16	47,291	47,291	0	0	0.0%	0.0%	0.0%
51070 S Prairie 70	2	343,073	171	149	165	432,690	108,874	73,256	397,072	147	171	481,389	123,325	35,369	393,433	145	170	495,419	134,489	35,369	396,299	-0.9%	0.7%	-0.2%
35005 Rugby 5	1	1,053,689	546	557	518	1,359,029	369,926	182,837	1,171,940	536	533	1,499,582	391,188	88,277	1,196,671	521	518	1,508,358	426,601	88,277	1,170,034	2.1%	-2.3%	-0.2%
28085 White Shield 85	1	340,256	152	123	147	386,447	9,611	32,714	409,550	119	142	398,855	10,565	15,795	404,085	116	139	404,302	11,521	15,795	408,576	-1.4%	1.1%	-0.3%
50128 Adams 128	2	207,274	108	75	90	234,611	68,640	50,162	216,333	75	93	262,959	72,436	24,219	214,742	74	93	270,321	78,994	24,219	215,546	-0.7%	0.4%	-0.4%
3006 Leeds 6	1	479,657	241	182	230	602,634	152,126	73,144	523,652	184	229	644,515	161,642	35,315	518,188	183	227	662,422	176,275	35,315	521,462	-1.1%	0.6%	-0.4%
53006 Eight Mile 6	1	716,432	291	218	272	713,456	51,997	45,330	706,789	212	261	735,403	55,124	21,886	702,165	206	254	739,007	60,114	21,886	700,779	-0.7%	-0.2%	-0.9%
21001 Mott-Regent 1	1	689,359	356	274	306	809,117	245,635	167,317	730,799	261	318	894,900	250,178	80,784	725,506	257	311	906,913	272,825	80,784	714,872	-0.7%	-1.5%	-2.2%
8045 Manning 45	3	8,404	6	4	6	14,794	6,965	0	7,829	4	5	15,331	7,540	0	7,791	4	5	15,870	8,222	0	7,648	-0.5%	-1.9%	-2.4%
32001 Dakota Prairie 1	1	536,468	330	311	319	836,894	334,461	209,236	711,669	299	331	931,300	348,020	101,023	684,303	294	334	973,423	379,525	101,023	694,921	-4.0%	1.5%	-2.5%
27036 Mandaree 36	1	620,695	241	191	237	620,576	5,497	57,170	672,249	183	225	632,644	2,756	27,603	657,491	176	216	630,099	3,006	27,603	654,696	-2.2%	-0.4%	-2.7%
34001 Pembina 1	1	375,610	194	141	176	461,228	134,065	11,923	339,086	136	166	466,058	140,536	5,757	331,279	135	164	477,714	153,258	5,757	330,213	-2.4%	-0.3%	-2.7%
30048 Glen Ullin 48	1	534,915	261	190	243	638,386	145,368	83,384	576,402	187	239	672,588	152,414	40,259	560,433	184	235	685,368	166,212	40,259	559,415	-2.8%	-0.2%	-3.0%
18125 Manvel 125	2	347,094	177	153	176	462,199	116,775	83,951	429,375	150	180	507,071	127,350	40,533	420,254	147	177	514,055	138,879	40,533	415,709	-2.2%	-1.1%	-3.3%
34012 Valley 12	1	414,145	205	161	201	528,298	124,497	49,519	453,320	156	193	543,303	131,215	23,909	435,997	155	192	557,677	143,093	23,909	438,493	-4.0%	0.6%	-3.4%
13016 Killdeer 16	1	759,768	390	396	384	1,005,947	258,179	92,971	840,739	368	369	1,038,053	285,869	44,888	797,072	347	371	1,080,265	311,748	44,888	813,405	-5.5%	2.0%	-3.5%
39028 Lidgerwood 28	1	581,081	270	213	268	702,675	126,867	50,225	626,033	206	256	719,425	135,820	24,250	607,855	201	250	726,631	148,115	24,250	602,766	-3.0%	-0.8%	-3.8%
28001 Montefiore 1	1	564,877	259	205	254	665,114	114,008	50,950	602,056	198	241	678,946	121,009	24,599	582,536	192	236	686,504	131,964	24,599	579,139	-3.4%	-0.6%	-3.9%
51016 Sawyer 16	1	363,530	169	125	155	405,516	80,990	43,529	368,055	123	149	420,459	87,641	21,017	353,835	121	147	428,355	95,575	21,017	353,797	-4.0%	0.0%	-4.0%
30013 Hebron 13	1	420,080	211	150	191	502,042	132,639	57,642	427,045	148	187	526,903	139,400	27,630	415,333	145	184	534,556	152,020	27,630	410,386	-2.8%	-1.2%	-4.0%
36044 Starkweather	1	229,191	124	90	111	290,366	96,507	41,581	235,440	91	110	308,389	102,023	20,076	226,442	90	109	316,534	111,259	20,076	225,351	-4.0%	-0.5%	-4.5%
14012 Sheyenne 12	1	255,798	118	95	118	310,511	54,713	71,624	327,422	94	117	328,840	57,767	34,582	305,655	94	117	341,665	62,997	34,582	313,250	-7.1%	2.4%	-4.7%
27001 McKenzie Co 1	1	1,143,532	560	578	538	1,411,436	342,414	264,569	1,333,591	554	551	1,550,497	363,233	127,739	1,315,003	529	526	1,530,926	396,115	127,739	1,262,550	-1.4%	-4.2%	-5.6%
21009 New England 9	1	420,896	227	192	226	592,850	172,006	114,904	535,748	183	227	637,679	181,080	55,478	512,077	180	223	648,124	197,472	55,478	506,130	-4.6%	-1.2%	-5.8%
29003 Hazen 3	1	1,612,141	693	707	658	1,725,829	199,591	94,054	1,620,292	643	639	1,796,832	213,396	45,411	1,628,847	592	587	1,708,995	232,714	45,411	1,521,692	0.5%	-7.0%	-6.5%
34019 Drayton 19	1	402,310	226	177	225	591,146	192,019	43,101	442,228	170	212	595,006	202,045	20,810	413,771	170	211	614,053	220,335	20,810	414,528	-6.9%	0.2%	-6.7%
10023 Langdon Area 23	1	827,507	479	483	449	1,178,488	428,569	145,044	894,963	452	450	1,265,484	454,065	70,030	881,449	435	433	1,260,110	495,170	70,030	834,970	-1.5%	-5.6%	-7.1%
34055 Neche 55	1	203,923	122	84	104	272,687	117,106	17,860	173,441	80	98	275,111	123,181	8,623	160,553	81	99	287,735	134,332	8,623	162,026	-8.0%	0.9%	-7.1%
40029 Rolette 29	1	499,903	231	181	230	602,529	100,417	63,915	566,027	175	216	608,508	109,837	30,859	529,530	171	212	615,888	119,780	30,859	526,967	-6.9%	-0.5%	-7.4%
23008 LaMoure 8	1	714,247	339	326	320	838,049	174,844	75,650	738,855	300	320	899,204	186,104	36,525	749,625	278	294	855,051	202,951	36,525	688,625	1.4%	-8.9%	-7.4%
28008 Underwood 8	1	598,017	289	213	263	689,141	159,999	44,716	573,858	205	248	697,621	175,402	21,590	544,009	198	241	702,316	191,280	21,590	532,626	-5.5%	-2.1%	-7.6%
25057 Drake 57	1	334,786	178	136	173	452,651	131,703	80,987	401,935	137	169	474,272	138,076	39,102	375,298	135	166	484,062	150,576	39,102	372,588	-7.1%	-0.7%	-7.8%
28050 Max 50	1	448,713	210	166	208	546,135	98,604	63,271	510,802	160	196	552,726	105,863	30,548	477,411	155	192	557,939	115,446	30,548	473,041	-7.0%	-0.9%	-7.9%
6033 Scranton 33	1	401,127	199	152	191	501,727	121,611	103,692	483,808	148	183	515,792	128,449	50,064	437,407	149	185	538,458	140,077	50,064	448,445	-10.6%	2.5%	-8.1%
8028 Wing 28	1	217,276	112	77	92	242,024	73,103	69,055	237,976	77	92	257,558	75,974	33,341	214,925	78	93	269,564	82,851	33,341	220,054	-10.7%	2.3%	-8.4%
29027 Beulah 27	1	1,756,008	800	814	758	1,988,601	342,215	136,307	1,782,693	740	736	2,070,452	359,480	65,811	1,776,783	681	676	1,968,512	392,022	65,811	1,642,301	-0.3%	-8.2%	-8.5%

HB 1154 + Transportation Block Grant

TWO YEAR AVERAGE

Ranked Highest Increase to Lowest Increase

25014 Anamoose 14	1	254,396	123	93	122	320,662	67,027	54,626	308,261	93	116	327,518	71,014	26,374	282,878	92	115	335,084	77,443	26,374	284,015	-9.0%	0.4%	-8.6%
30004 Little Heart 4	2	52,076	31	23	27	70,296	29,814	13,254	53,736	23	28	78,173	31,195	6,399	53,377	22	26	76,935	34,019	6,399	49,315	-0.7%	-8.2%	-8.9%
47010 Pingree-Buchanan	1	391,108	193	151	188	492,757	106,675	74,344	460,426	147	179	504,708	113,615	35,895	426,988	144	175	510,008	123,900	35,895	422,003	-7.8%	-1.2%	-9.0%
53002 Nesson 2	1	462,747	221	163	206	540,810	117,697	70,522	493,635	158	195	549,323	124,738	34,049	458,634	154	190	553,251	136,030	34,049	451,270	-7.6%	-1.6%	-9.3%
22028 Tappen 28	1	299,922	136	103	133	349,672	58,065	49,188	340,795	100	125	352,919	62,701	23,749	313,967	97	122	356,167	68,377	23,749	311,539	-8.5%	-0.8%	-9.3%
47003 Medina 3	1	405,779	198	163	197	516,495	113,055	99,548	502,988	160	192	539,365	123,106	48,064	464,323	157	187	545,884	134,250	48,064	459,698	-8.3%	-1.0%	-9.3%
19018 Roosevelt 18	2	380,477	173	140	165	433,949	75,674	80,206	438,481	138	167	468,955	83,534	38,725	424,146	129	155	450,778	91,096	38,725	398,407	-3.4%	-6.5%	-9.8%
13037 Twin Buttes 37	2	171,849	66	41	49	127,819	3,153	41,754	166,420	39	47	133,477	904	20,160	152,733	38	45	132,147	986	20,160	151,321	-9.0%	-0.9%	-9.9%
50079 Fordville 79	1	192,404	100	80	100	261,172	66,661	42,737	237,248	79	92	258,909	70,579	20,634	208,964	80	94	272,592	76,968	20,634	216,258	-13.5%	3.4%	-10.2%
26019 Wishek 19	1	618,632	289	231	275	722,427	142,415	78,898	658,910	220	278	781,676	150,096	38,094	669,674	199	248	722,030	163,684	38,094	596,440	1.6%	-12.3%	-10.7%
47014 Montpelier 14	1	266,542	132	102	125	328,977	83,501	61,688	307,164	100	121	340,289	88,332	29,784	281,741	97	117	340,820	96,329	29,784	274,275	-9.0%	-2.7%	-11.7%
15015 Strasburg 15	1	524,152	240	181	232	608,457	105,499	77,071	580,029	174	218	613,178	111,115	37,211	539,274	165	207	601,328	121,173	37,211	517,366	-7.6%	-4.2%	-11.8%
7027 Powers Lake 27	1	296,929	141	103	127	333,042	73,075	49,741	309,708	100	121	340,148	77,112	24,016	287,052	96	115	335,899	84,093	24,016	275,822	-7.9%	-4.1%	-12.0%
27014 Yellowstone 14	2	236,856	110	80	101	265,395	52,514	31,237	244,118	77	95	266,504	55,921	15,082	225,665	73	90	261,468	60,983	15,082	215,567	-8.2%	-4.7%	-12.9%
52036 Harvey 38	1	886,776	453	448	425	1,113,516	300,603	131,846	944,759	406	413	1,160,700	318,777	63,658	905,581	361	383	1,115,267	347,635	63,658	831,290	-4.3%	-8.9%	-13.3%
48008 Southern 8	1	623,796	292	226	274	718,859	137,649	41,803	623,013	212	258	725,838	145,026	20,163	600,995	193	235	683,708	158,155	20,163	545,736	-3.7%	-10.1%	-13.8%
47019 Kensal 19	1	125,933	84	63	79	207,506	94,005	16,893	130,394	62	75	211,706	97,259	8,156	122,603	60	73	211,411	106,063	8,156	113,504	-6.4%	-8.0%	-14.4%
39018 Fairmount 18	1	201,354	133	104	131	342,406	147,237	27,866	223,035	101	125	352,610	159,679	13,454	206,385	98	122	354,390	174,135	13,454	193,709	-8.1%	-6.5%	-14.6%
5001 Bottineau 1	1	1,603,945	747	777	734	1,923,971	352,955	211,221	1,782,237	712	717	2,017,934	424,649	101,981	1,695,266	649	654	1,903,400	463,091	101,981	1,542,290	-5.1%	-9.9%	-15.0%
12001 Divide County 1	1	612,159	324	275	314	823,963	237,693	121,621	707,891	247	307	863,732	250,455	58,721	671,998	228	284	826,659	273,127	58,721	612,253	-5.3%	-9.8%	-15.1%
37002 Sheldon 2	2	51,668	39	25	31	82,441	49,763	19,774	52,452	24	31	87,963	50,957	9,547	46,553	24	31	91,058	55,570	9,547	45,035	-12.7%	-3.4%	-16.0%
28072 Turtle Lake-Mercer	1	472,462	239	188	236	619,159	149,847	116,063	585,375	181	221	622,967	163,287	56,038	515,718	174	215	624,828	178,068	56,038	502,798	-13.5%	-2.6%	-16.1%
7014 Bowbells 14	1	185,257	110	85	107	279,874	104,454	25,439	200,859	80	100	281,975	110,658	12,283	183,600	77	96	279,406	120,676	12,283	171,013	-9.4%	-7.4%	-16.8%
23003 Edgeley 3	1	545,907	282	238	282	739,660	190,717	75,742	624,685	217	266	747,386	203,089	36,570	580,867	202	246	715,682	221,474	36,570	530,778	-7.5%	-9.4%	-17.0%
53008 New 8	2	279,614	206	215	195	510,803	260,299	154,349	404,853	211	202	568,113	284,233	74,523	358,403	205	199	579,109	309,964	74,523	343,668	-13.0%	-4.3%	-17.2%
15010 Hazelton-Moffit-Bradd	1	359,054	188	145	179	469,701	134,989	78,946	413,658	138	168	472,528	142,565	38,117	368,080	131	160	464,522	155,471	38,117	347,168	-12.4%	-6.0%	-18.4%
8033 Menoken 33	2	23,400	25	18	22	57,522	40,681	16,047	32,888	18	23	63,968	42,682	7,748	29,034	18	23	66,219	46,545	7,748	27,422	-13.3%	-5.9%	-19.2%
35001 Wolford 1	1	141,136	76	49	64	168,449	57,686	31,164	141,927	47	59	167,233	61,031	15,046	121,248	46	58	170,206	66,556	15,046	118,696	-17.1%	-2.2%	-19.2%
6017 Rhame 17	1	210,657	109	75	96	252,910	75,879	61,864	238,895	73	92	258,346	91,625	29,869	196,590	74	93	271,195	99,920	29,869	201,144	-21.5%	2.3%	-19.3%
2046 Litchville-Marion 46	1	432,349	246	170	219	573,571	213,329	126,147	486,389	167	210	590,139	221,808	60,906	429,237	161	201	585,283	241,888	60,906	404,301	-13.3%	-6.2%	-19.5%
10019 Munich 19	1	264,455	144	110	140	366,722	112,811	45,201	299,112	102	126	355,535	119,260	21,824	258,099	98	122	355,293	130,057	21,824	247,060	-15.9%	-4.5%	-20.4%
2082 Wimbledon-Courtenay	1	306,490	193	156	193	506,239	199,749	77,501	383,991	153	185	521,755	213,933	37,419	345,241	146	176	511,551	233,300	37,419	315,670	-11.2%	-9.4%	-20.6%
20007 Midkota 7	1	305,126	190	146	190	499,577	194,451	130,495	435,621	145	182	512,079	203,335	63,005	371,749	140	175	510,386	221,743	63,005	351,648	-17.2%	-5.7%	-22.9%
7036 Burke Central 36	1	185,674	118	89	111	291,651	122,554	53,209	222,306	86	105	296,350	130,144	25,690	191,896	83	101	294,549	141,926	25,690	178,313	-15.8%	-7.6%	-23.5%
26009 Ashley 9	1	453,030	224	168	214	561,663	134,994	90,687	517,356	161	199	559,787	143,771	43,785	459,801	146	178	517,695	156,786	43,785	404,694	-12.5%	-13.6%	-26.1%
8035 Sterling 35	2	34,968	41	29	37	96,238	69,333	30,446	57,351	29	38	107,119	74,244	14,700	47,575	29	38	110,889	80,965	14,700	44,624	-20.5%	-6.6%	-27.2%
24056 Gackle 14	1	262,998	163	116	146	383,168	163,528	118,364	338,004	111	136	382,934	170,913	57,148	269,169	109	134	390,790	186,385	57,148	261,553	-25.6%	-2.9%	-28.5%
2065 N Central 65	1	272,837	187	138	175	457,976	216,641	114,821	356,156	135	167	469,152	223,438	55,438	301,152	129	158	461,086	243,666	55,438	272,858	-18.3%	-10.4%	-28.6%
42019 McClusky 19	1	283,244	141	100	125	327,849	85,147	60,045	302,747	87	107	300,175	94,204	28,991	234,962	86	106	307,740	102,732	28,991	233,999	-28.8%	-0.4%	-29.3%
13008 Dodge 8	2	100,641	47	30	37	97,890	22,486	24,129	99,533	27	35	97,499	23,405	11,650	85,744	24	31	89,020	25,523	11,650	75,147	-16.1%	-14.1%	-30.2%
26004 Zeeland 4	1	119,427	90	57	74	195,361	119,254	20,054	96,161	53	68	192,128	100,631	9,682	101,179	47	60	174,545	109,741	9,682	74,486	5.0%	-35.8%	-30.9%
5017 Westhope 17	1	346,152	181	128	164	428,913	127,290	61,148	362,771	117	146	411,345	134,653	29,523	306,215	106	132	384,704	146,843	29,523	267,384	-18.5%	-14.5%	-33.0%
48028 North Central 28	1	146,981	90	66	82	216,266	86,774	28,892	158,384	62	76	212,466	91,329	13,950	135,087	57	69	201,831	99,597	13,950	116,184	-17.2%	-16.3%	-33.5%
53091 Wildrose-Alamo	1	99,043	64	39	51	132,855	68,803	34,583	98,635	38	48	133,618	70,164	16,697	80,151	36	45	130,632	76,516	16,697	70,813	-23.1%	-13.2%	-36.2%
52039 Sykes 39	1	175,710	89	54	69	179,754	60,017	33,329	153,066	50	61	172,015	64,289	16,092	123,818	45	55	160,713	70,109	16,092	106,696	-23.6%	-16.0%	-39.7%
30008 Sims 8	2	53,805	41	24	29	75,490	54,393	32,752	53,849	24	30	83,968	56,690	15,813	43,091	23	28	82,963	61,822	15,813	36,954	-25.0%	-16.6%	-41.6%
29020 Golden Valley 20	1	116,818	64	38	50	131,543	50,136	31,970	113,377	35	43	120,171	44,415	15,436	91,192	31	38	110,277	48,435	15,436	77,278	-24.3%	-18.0%	-42.3%

HB 1154 + Transportation Block Grant

TWO YEAR AVERAGE

Ranked Highest Increase to Lowest Increase

36002 Edmore 2	1	169,647	126	79	106	277,146	161,270	60,068	175,944	77	97	271,848	170,308	29,002	130,542	76	95	277,921	185,726	29,002	121,197	-34.8%	-7.7%	-42.5%
52025 Fessenden-Bowdon 2	1	475,080	280	194	236	618,189	259,255	107,026	465,960	178	219	615,653	274,288	51,674	393,039	158	194	564,171	299,118	51,674	316,727	-18.6%	-24.1%	-42.6%
42016 Goodrich 16	1	119,282	68	47	58	153,288	58,846	33,782	128,224	41	51	143,041	62,847	16,311	96,505	38	48	138,815	68,536	16,311	86,590	-32.9%	-11.5%	-44.3%
27002 Alexander 2	1	127,814	90	49	61	160,187	108,754	54,182	105,615	47	56	158,569	103,843	26,160	80,886	44	53	153,724	113,244	26,160	86,640	-30.6%	-21.4%	-52.0%
22020 Tuttle-Pettibone	1	117,771	63	36	49	127,609	46,665	35,404	116,348	33	41	114,517	49,388	17,094	82,223	30	37	106,123	53,859	17,094	71,358	-41.5%	-15.2%	-56.7%
23007 Kulm 7	1	312,535	178	135	174	455,956	155,094	72,104	372,966	124	157	440,685	207,001	34,813	268,497	114	144	417,901	225,740	34,813	226,974	-38.9%	-18.3%	-57.2%
37006 Ft Ransom 6	2	30,489	26	12	16	41,286	30,120	25,935	37,101	12	16	45,964	31,521	12,522	26,965	11	15	43,622	34,374	12,522	21,770	-37.6%	-23.9%	-61.5%
8025 Naughton 25	3	15,003	8	3	3	9,076	8,606	0	470	3	3	9,508	9,220	0	288	3	3	9,843	9,843	0	0	-63.2%	0.0%	-63.2%
48002 Bisbee-Egeland 2	1	143,401	104	77	102	267,546	128,126	57,016	196,436	71	90	252,354	135,249	27,528	144,633	63	80	231,912	147,493	27,528	111,947	-35.8%	-29.2%	-65.0%
52035 Pleasant Valley 3	2	31,457	26	21	23	61,352	34,941	28,568	54,979	18	20	56,541	37,066	13,793	33,268	17	19	54,571	40,421	13,793	27,943	-65.3%	-19.1%	-84.3%
43012 Marmarth 12	2	0	20	15	18	48,106	48,106	6,338	6,338	14	17	49,031	48,843	3,060	3,248	15	17	50,581	50,581	3,060	3,060	-95.1%	0.0%	-95.1%
27032 Horse Creek 32	3	0	13	5	7	18,492	18,492	5,158	5,158	5	7	19,157	19,157	2,491	2,491	5	7	19,831	19,831	2,491	2,491	-107.1%	0.0%	-107.1%
10014 Border Central 14	1	5,810	45	26	35	91,307	91,307	22,730	22,730	25	32	91,366	91,366	10,975	10,975	24	31	91,408	91,408	10,975	10,975	-107.1%	0.0%	-107.1%
15010 Bakker 10	2	0	6	7	6	16,997	16,997	17,677	17,677	7	7	18,875	18,875	8,535	8,535	7	7	19,540	19,540	8,535	8,535	-107.1%	0.0%	-107.1%
22014 Robinson 14	2	0	11	9	11	29,194	29,194	2,999	2,999	9	12	32,518	32,518	1,448	1,448	9	12	33,663	33,663	1,448	1,448	-107.1%	0.0%	-107.1%
44032 Central Elementary	2	0	9	4	5	13,771	13,771	13,956	13,956	4	5	15,331	15,331	6,738	6,738	2	3	7,921	7,921	6,738	6,738	-107.1%	0.0%	-107.1%
22011 Pettibone-Tuttle	2	892	16	10	12	30,846	30,846	26,831	26,831	10	12	34,347	34,347	12,954	12,954	10	12	35,556	35,556	12,954	12,954	-107.1%	0.0%	-107.1%
44014 Sheets 14	3	0	3	2	3	7,397	7,397	5,241	5,241	2	3	7,651	7,651	2,530	2,530	1	1	3,960	3,960	2,530	2,530	-107.2%	0.0%	-107.2%
5054 Newburg-United 54	1	80,737	102	78	97	255,297	180,209	57,821	132,909	71	87	245,378	187,028	27,917	86,267	65	79	231,475	203,959	27,917	55,433	-54.1%	-55.6%	-109.7%
13019 Halliday 19	1	39,487	42	28	36	93,405	70,942	44,964	67,427	25	31	88,300	74,917	21,710	35,093	24	30	87,418	81,699	21,710	27,429	-92.1%	-27.9%	-120.1%
53099 Grenora 99	1	117,941	96	65	77	202,233	2	55,502	257,733	64	74	208,526	129,211	26,797	106,114	61	70	205,238	140,908	26,797	91,127	-142.9%	-16.4%	-159.3%
23011 Verona 11	1	67,748	52	28	36	93,772	69,435	29,582	53,919	26	32	88,778	72,184	14,283	30,877	23	28	80,459	78,719	14,283	16,023	-74.6%	-92.7%	-167.3%
								252,808	252,808					115,285	115,285					115,285	115,285			
Statewide Total		217,616,770	104,003	99,728	100,904	264,670,773	53,189,318	17,107,297	228,588,752	98,295	101,529	285,610,305	57,846,970	8,259,715	236,023,050	96,863	100,238	291,678,878	63,128,305	8,259,715	237,010,288	3.1%	0.4%	3.6%

HB 1154
11 Jan 05 1

January 11, 2005
HB1i54
Gloria Lokken, NDEA

Madam Chairperson Kelsch and members of the House Education Committee:

For the record, my name is Gloria Lokken. I am a fourth grade teacher on leave from Minot Public Schools to serve as President of the North Dakota Education Association.

I support HB1154 with the amendments presented by OMB. Joe Westby will follow this testimony with supportive data and additional information.

Please allow me to briefly review compensation legislation from the 2001 and 2003 legislative sessions. In 2001 Governor Hoeven and the Legislature made history by approving HB1344---the first Teacher Compensation Bill---and recognizing the need to recruit and retain teachers in North Dakota's public schools. You may recall, HB1344 set aside a certain amount of money that school districts could only receive if they increased teacher compensation. This money went to FTE (Full-Time-Equivalent) teachers.

This new approach to funding schools made a difference---most North Dakota educators gained the greatest salary increase they had seen in 20 years---since 1983. It also made a difference in our educators choosing not to leave the state or the teaching profession. And, it allowed new graduates to pursue teaching assignments in our state.

The 2003 Legislature targeted 70% of any new money to districts for increased teacher compensation. It is very important that we maintain dedicated funding for teacher compensation and state funding to allow meaningful salary increases in every district.

We all understand the education arena has changed greatly. Our teachers realize there are opportunities in other states. In fact, many are being aggressively recruited, because the teacher shortage is nationwide. States are competing for a limited supply of teachers, and the number of teachers who will retire within the next few years is staggering. In North Dakota alone, about 40 percent of our teachers are eligible to retire in the next eight to ten years. This is further exacerbated by the December statement by the Department of Education on "highly qualified" elementary teachers. Many more may chose to elect early retirement. To retain our people and interest prospective teachers in working in North Dakota public schools, we must continue to enhance salaries. We know dedicated funds work. The Legislative efforts of 2001 and 2003 moved North Dakota's average teachers' salaries from a ranking of 50th to a ranking of 48th with an average teacher salary of $35,441. We celebrate this achievement.

We must recognize that North Dakota is not alone in mandating funds to teacher compensation. Alabama, at 49th with an average salary of $35,168, hasn't increased salaries for three years. Its money has been dedicated to state-funded health insurance. Oklahoma is at 50th with an average salary of $35,061. Four years ago each teacher was given a $3,000 increase, but since then all increases have gone to state-funded health insurance. Now its

region. Mississippi moved from 49th to 47th because its legislature mandated an eight per cent salary increase for three years.

North Dakota cannot afford to rest on its success. But, now we are hearing the argument that the salaries are better, so we should simply concentrate on foundation aid. However, with severe declining enrollment in 198 districts as stated by Tom Decker yesterday, our current foundation aid formula is not likely to produce an increase in revenue in most of those districts unless funding is increased significantly. We have a long history of working with foundation aid payments and negotiating for salaries. We know increases in foundation aid do not translate into salary increases. However, we do know dedicated funding does work. And, it works for all districts with adequate state support. We cannot have equity without adequacy.

In the past twenty years, the percentage of state support has decreased as a percentage of per pupil cost of education, and more of the funding has transferred to local property taxes. In 1982, we ranked 30th in U.S. teachers' salaries; in 2004, we ranked 48th. In 1985, funds from local sources were 35 percent, and in 2003, funds from local sources were 43 percent. Currently state and local contributions to public education are about equal. The state of North Dakota must do better. Historically, North Dakota has had a goal of funding schools at a level of 70 percent of per pupil cost. We are a long way from reaching that long sought-after goal. We have the resources, and our state has a constitutional obligation to fund public schools. State funding must provide the resources that are needed as we strive to make available quality public education to every student.

Please consider that funding the teacher compensation package commits only eight percent of the school aid package, and it delivers those dollars to the basic level of teaching students in the classroom in every district. It is also very important to raise the base salaries, and we must provide districts with state funding that allows the increases to flow through salary schedules to compensate all teachers. We know money spent for things that really matter, such as attracting and retaining qualified staff, makes a positive difference in the education of students.

As I've said before, teaching may be a calling but it should not be a sacrifice. While progress was made during the last two legislative sessions we have a lot of work to do. We must enhance the teacher compensation, and overall funding to districts to continue recruiting and retaining quality staff for North Dakota students.

We would like to thank you and Governor Hoeven for the efforts made on behalf of the children of our great state.

We urge the House Education Committee to support HB1154 with funding levels to allow all districts to deliver quality education to each and every student wherever they attend public schools in North Dakota. Our students deserve nothing less.

Joe Westby will follow with additional testimony on HB 1154.
Thank you, Madam Chairperson Kelsch and Education Committee Members. I would be willing to answer any questions you may have.

HB 1154
11Jan05

January 11, 2005
HB 1154
House Education Committee
Joseph A. Westby, NDEA

Madam Chairperson and members of the House Education Committee, my name is Joe Westby, Executive Director of the NDEA. Gloria Lokken has presented the history of teacher compensation efforts during the past two Legislative Sessions. NDEA members appreciate your support in 2001 and 2003, but we have a ways to go. Because of your effort in 2001 and 2003, North Dakota teacher salaries improved from 50th to 48th in the ranking of the states.

My purpose today is to provide you with some of the salary data we have collected which documents the improvements in salaries, shows the new rankings of the states, compares entry level salaries of teachers with other professions, and compares teachers' salaries at the MA lane, 15th step with salaries of experienced personnel in other professions.

The first page of the handout shows the history of average salaries, BA base salaries, BA lane maximums, MA base salaries, MA lane maximum salaries and the scheduled top salaries.

Please pay particular attention to the boxed in data from 2001-02, 2002-03, 2003-04 and 2004-05. These data show the effects of the $3,000 FTE payment made during the 2001-03 biennium and the lesser effect of the 70 percent of new money provision that was enacted in 2003. Notice how effective the FTE payment was in bringing increases in teacher pay moving North Dakota closer to its goal, as stated by the Governor, to make our state more competitive in recruiting and retaining licensed, qualified teachers for our classrooms. One of the difficulties causing a smaller impact from the 70 percent concept is a significant number of districts received no new money following the 2003 Session. If I recall correctly, it was something like 88 school districts in that category.

Page two gives the history of average salaries in ND compared to the national average teachers' salary showing the dollar value of increases from one year to the next and the percentage increase. Again note the boxed data at the bottom of the page. ND dollar increases and percent increases actually exceeded the increases for the national average.

The third page shows the national rankings of the states for the past four years with North Dakota now ranked 48th for 2003-04. Gloria explained to you the focus on paying for medical insurance costs as part of the reason for Alabama and Oklahoma slipping below us in addition to the effort we have made to improve our teacher pay.

Page four, Table 3 compares North Dakota's average scheduled BA base with entry level salaries in a number of different professions. We are not very competitive in this comparison.

Page five, Table 4 compares North Dakota's average salary at the MA lane, 15th step with experienced salary levels in other professions. Here we rank dead last.

With nearly 40 percent of current teachers eligible to retire in the next eight to ten years, our salaries continuing to rank near the bottom and the U.S. Department of Education declaring 3,800 elementary teachers in ND NOT "highly qualified", can we afford to remain static in our funding of public schools in our state? We think not.

We would encourage the Legislature to consider this data and the report of the Augenblick and Pailisch study that recommended North Dakota improve funding of public education by $200 million additional per year to reach a level of adequacy according to its analysis. Obviously, we can't get there in one step, but we need to continue to make strides to lead us in that direction.

Please consider increasing the level of support for public schools.

HB 1154
1 Jan 05

NORTH DAKOTA TEACHER SALARY DATA

from Joe Westby NDEA

Year	Avg Salary	% Increase	$ Increase
94-95	$26,327	3.22%	$821
95-96	$26,969	2.44%	$642
96-97	$27,711	2.75%	$742
97-98	$28,213	1.81%	$502
98-99	$29,002	2.80%	$789
99-00	$29,863	2.97%	$861
00-01	$30,891	3.44%	$1,028
01-02	$32,253	4.41%	$1,362
02-03	$33,869	5.01%	$1,616
03-04	$35,441	4.64%	$1,572
04-05	Not Available		

Note: ND classroom teacher average salary provided by DPI.

Year	MA Base	% Increase	$ Increase
94-95	$18,966	1.50%	$287
95-96	$19,420	2.39%	$454
96-97	$19,822	2.07%	$402
97-98	$20,126	1.53%	$304
98-99	$20,534	2.03%	$408
99-00	$21,124	2.87%	$590
00-01	$21,710	2.77%	$586
01-02	$22,962	5.77%	$1,252
02-03	$24,533	6.84%	$1,571
03-04	$25,379	3.45%	$846
04-05	$26,082	2.77%	$703

Year	BA Base	% Increase	$ Increase
94-95	$16,859	1.90%	$313
95-96	$17,255	2.35%	$396
96-97	$17,520	1.54%	$265
97-98	$17,806	1.63%	$286
98-99	$18,104	1.67%	$298
99-00	$18,642	2.97%	$538
00-01	$19,175	2.86%	$533
01-02	$20,373	6.25%	$1,198
02-03	$21,878	7.39%	$1,505
03-04	$22,617	3.38%	$739
04-05	$23,235	2.73%	$618

Year	MA Lane Max	% Increase	$ Increase
94-95	$27,499	1.40%	$391
95-96	$28,459	3.49%	$960
96-97	$29,084	2.20%	$625
97-98	$29,592	1.75%	$508
98-99	$30,540	3.20%	$948
99-00	$31,456	3.00%	$916
00-01	$32,443	3.14%	$987
01-02	$34,211	5.45%	$1,768
02-03	$35,995	5.21%	$1,784
03-04	$37,262	3.52%	$1,267
04-05	$37,939	1.82%	$677

Year	BA Lane Max	% Increase	$ Increase
94-95	$21,449	1.80%	$388
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96-97	$22,326	1.21%	$267
97-98	$22,632	1.37%	$306
98-99	$23,694	4.69%	$1,062
99-00	$24,325	2.66%	$631
00-01	$24,931	2.49%	$606
01-02	$26,362	5.74%	$1,431
02-03	$27,924	5.93%	$1,562
03-04	$28,742	2.93%	$818
04-05	$29,405	2.31%	$663

Year	MA Max	% Increase	$ Increase
03-04	$38,588	Not Available	
04-05	$39,282	1.80%	$694

Year	BA Max	% Increase	$ Increase
03-04	$36,193	Not Available	
04-05	$36,837	1.78%	$644

Year	Schedule Max	% Increase	$ Increase
00-01	$32,871	Not Available	
01-02	$34,805	5.88%	$1,934
02-03	$36,557	5.03%	$1,752
03-04	$37,918	3.72%	$1,361
04-05	$38,737	2.16%	$819

12/21/04

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NORTH DAKOTA TEACHER SALARY DATA

Year	Avg Salary	% Increase	$ Increase
94-95	$26,327	3.22%	$821
95-96	$26,969	2.44%	$642
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97-98	$28,213	1.81%	$502
98-99	$29,002	2.80%	$789
99-00	$29,863	2.97%	$861
00-01	$30,891	3.44%	$1,028
01-02	$32,253	4.41%	$1,362
02-03	$33,869	5.01%	$1,616
03-04	$35,441	4.64%	$1,572
04-05	$36,449	2.84%	$1,008

Note: ND classroom teacher average salary provided by DPI.

Year	MA Base	% Increase	$ Increase
94-95	$18,966	1.50%	$287
95-96	$19,420	2.39%	$454
96-97	$19,822	2.07%	$402
97-98	$20,126	1.53%	$304
98-99	$20,534	2.03%	$408
99-00	$21,124	2.87%	$590
00-01	$21,710	2.77%	$586
01-02	$22,962	5.77%	$1,252
02-03	$24,533	6.84%	$1,571
03-04	$25,379	3.45%	$846
04-05	$26,082	2.77%	$703

Year	BA Base	% Increase	$ Increase
94-95	$16,859	1.90%	$313
95-96	$17,255	2.35%	$396
96-97	$17,520	1.54%	$265
97-98	$17,806	1.63%	$286
98-99	$18,104	1.67%	$298
99-00	$18,642	2.97%	$538
00-01	$19,175	2.86%	$533
01-02	$20,373	6.25%	$1,198
02-03	$21,878	7.39%	$1,505
03-04	$22,617	3.38%	$739
04-05	$23,235	2.73%	$618

Year	MA Lane Max	% Increase	$ Increase
94-95	$27,499	1.40%	$391
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96-97	$29,084	2.20%	$625
97-98	$29,592	1.75%	$508
98-99	$30,540	3.20%	$948
99-00	$31,456	3.00%	$916
00-01	$32,443	3.14%	$987
01-02	$34,211	5.45%	$1,768
02-03	$35,995	5.21%	$1,784
03-04	$37,262	3.52%	$1,267
04-05	$37,939	1.82%	$677

Year	BA Lane Max	% Increase	$ Increase
94-95	$21,449	1.80%	$388
95-96	$22,059	2.84%	$610
96-97	$22,326	1.21%	$267
97-98	$22,632	1.37%	$306
98-99	$23,694	4.69%	$1,062
99-00	$24,325	2.66%	$631
00-01	$24,931	2.49%	$606
01-02	$26,362	5.74%	$1,431
02-03	$27,924	5.93%	$1,562
03-04	$28,742	2.93%	$818
04-05	$29,405	2.31%	$663

Year	MA Max	% Increase	$ Increase
03-04	$38,588	Not Available	
04-05	$39,282	1.80%	$694

Year	Schedule Max	% Increase	$ Increase
00-01	$32,871	Not Available	
01-02	$34,805	5.88%	$1,934
02-03	$36,557	5.03%	$1,752
03-04	$37,918	3.72%	$1,361
04-05	$38,737	2.16%	$819

Year	BA Max	% Increase	$ Increase
03-04	$36,193	Not Available	
04-05	$36,837	1.78%	$644

3/04/05

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ND/US SALARY INCREASES
1981-82 to 2004-05

Year	ND Avg Salary	Increases Dollar	Increases Percent	US Avg Salary	Increases Dollar	Increases Percent
81-82	$17,686			$19,157		
82-83	$18,774	$1,088	6.15%	$20,725	$1,568	8.18%
83-84	$19,260	$486	2.59%	$21,935	$1,210	5.84%
84-85	$20,090	$830	4.31%	$23,595	$1,660	7.57%
85-86	$20,816	$726	3.61%	$25,201	$1,606	6.81%
86-87	$21,284	$468	2.25%	$26,556	$1,355	5.38%
87-88	$21,660	$376	1.77%	$28,029	$1,473	5.55%
88-89	$22,249	$589	2.72%	$29,570	$1,541	5.50%
89-90	$23,016	$767	3.45%	$31,361	$1,791	6.06%
90-91	$23,574	$558	2.42%	$33,123	$1,762	5.62%
91-92	$24,495	$921	3.91%	$34,054	$931	2.81%
92-93	$25,211	$716	2.92%	$35,017	$963	2.83%
93-94	$25,506	$295	1.17%	$35,756	$739	2.11%
94-95	$26,327	$821	3.22%	$36,605	$849	2.37%
95-96	$26,969	$642	2.44%	$37,702	$1,097	3.00%
96-97	$27,711	$742	2.75%	$38,611	$909	2.41%
97-98	$28,213	$502	1.81%	$39,385	$774	2.00%
98-99	$29,002	$789	2.80%	$40,580	$1,195	3.03%
99-00	$29,863	$861	2.97%	$41,754	$1,174	2.89%
00-01	$30,891	$1,028	3.44%	$43,335	$1,581	3.79%
01-02	$32,253	$1,362	4.41%	$44,714	$1,379	3.18%
02-03	$33,869	$1,616	5.01%	$45,810	$1,096	2.45%
03-04	$35,441	$1,572	4.64%	$46,726	$916	2.00%
04-05						

Source: NEA Rankings of the States
DPI Administrative and Instructional Personnel

12/21/04
salgap\salary increases

TEACHER AVERAGE SALARY RA[redacted]GS OF THE STATES - (* = Estimate)

1999-00 Rankings			2000-01 Rankings			2001-02 Rankings			2002-03 Rankings			2003-04 Rankings		
1	New Jersey	$52,174 •	1	New Jersey	$53,281 •	1	California	$54,348	1	California	$56,283 •	1	California	$58,287 •
2	Connecticut	$51,780	2	Connecticut	$52,693	2	Connecticut	$53,551	2	Connecticut	$55,367	2	Connecticut	$57,337
3	New York	$51,020	3	California	$52,480	3	New Jersey	$53,192	3	New Jersey	$54,166	3	Dist of Columbia	$57,009
4	Michigan	$49,044	4	New York	$52,040	4	Michigan	$52,428	4	Michigan	$53,563 •	4	New Jersey	$55,592
5	Pennsylvania	$48,321	5	Michigan	$50,694 •	5	New York	$52,000	5	New York	$53,017	5	Michigan	$54,806 •
6	California	$47,680	6	Pennsylvania	$49,528	6	Pennsylvania	$50,599	6	Massachusetts	$51,803	6	New York	$54,054 •
7	Dist of Columbia	$47,076	7	Dist of Columbia	$48,704	7	Massachusetts	$50,293	7	Illinois	$51,475	7	Massachusetts	$53,076 •
8	Rhode Island	$47,041	8	Rhode Island	$48,474 •	8	Rhode Island	$49,758 •	8	Pennsylvania	$51,428	8	Illinois	$52,950
9	Massachusetts	$46,580	9	Alaska	$48,123	9	Illinois	$49,435	9	Rhode Island	$51,076 •	9	Rhode Island	$52,261 •
10	Illinois	$46,486	10	Illinois	$47,847	10	Alaska	$49,418	10	Dist of Columbia	$50,763	10	Pennsylvania	$52,200
11	Alaska	$46,462	11	Massachusetts	$47,789	11	Delaware	$48,363	11	Alaska	$49,685	11	Alaska	$51,736
12	Delaware	$44,435	12	Delaware	$47,047	12	Maryland	$48,251	12	Maryland	$49,677	12	Maryland	$50,261
13	Maryland	$44,048	13	Maryland	$45,963	13	Dist of Columbia	$47,049	13	Delaware	$48,791	13	Delaware	$49,366
14	Indiana	$41,850		US and DC	$43,335 •	14	Oregon	$46,081	14	Oregon	$47,600	14	Oregon	$49,169 •
	US and DC	$41,754 •	14	Indiana	$43,311		US and DC	$44,714 •		US and DC	$45,810 •		US and DC	$46,726 •
15	Ohio	$41,436	15	Ohio	$42,764	15	Indiana	$44,195	15	Georgia	$45,533	15	Ohio	$46,572 •
16	Wisconsin	$41,153	16	Georgia	$42,216	16	Georgia	$44,073	16	Ohio	$45,490	16	Georgia	$45,938
17	Washington	$41,043	17	Minnesota	$42,212	17	Ohio	$44,029	17	Indiana	$44,966	17	Indiana	$45,791
18	Georgia	$41,023	18	Washington	$42,137	18	Washington	$43,464	18	Washington	$44,958	18	Hawaii	$45,479
19	Oregon	$40,919	19	Wisconsin	$42,122	19	North Carolina	$42,680	19	Minnesota	$44,745	19	Washington	$45,439
20	Hawaii	$40,578	20	Oregon	$41,711	20	Hawaii	$42,615	20	Hawaii	$44,464	20	Minnesota	$45,375
21	Minnesota	$39,802	21	North Carolina	$41,151	21	Wisconsin	$42,232	21	Wisconsin	$42,775	21	Virginia	$43,417 •
22	North Carolina	$39,419	22	Nevada	$40,443 •	22	Minnesota	$42,194	22	Colorado	$42,680	22	Wisconsin	$43,382 •
23	Nevada	$39,390 •	23	Virginia	$40,197	23	Virginia	$41,731 •	23	Virginia	$42,432	23	Colorado	$43,319
24	Virginia	$38,744	24	Hawaii	$40,052	24	Nevada	$40,764 •	24	North Carolina	$42,411	24	North Carolina	$43,211
25	Colorado	$38,163	25	Colorado	$39,184	25	Colorado	$40,659	25	New Hampshire	$41,909	25	New Hampshire	$42,689
26	New Hampshire	$37,734	26	Texas	$38,361	26	New Hampshire	$40,002	26	Nevada	$41,795 •	26	Nevada	$42,254
27	Vermont	$37,714	27	New Hampshire	$38,301	27	Arizona	$39,973	27	Vermont	$41,491	27	Vermont	$42,007
28	Texas	$37,567	28	Vermont	$38,254	28	South Carolina	$39,923	28	Arizona	$40,894 •	28	Arizona	$41,843 •
29	Florida	$36,722	29	Florida	$38,230	29	Idaho	$39,591	29	South Carolina	$40,362	29	South Carolina	$41,162
30	Alabama	$36,689	30	Alabama	$37,956 •	30	Florida	$39,275	30	Florida	$40,281	30	Idaho	$41,080 •
31	Kentucky	$36,380	31	South Carolina	$37,938	31	Texas	$39,232	31	Idaho	$40,148	31	Florida	$40,604
32	Tennessee	$36,328	32	Tennessee	$37,431	32	Vermont	$39,158	32	Texas	$39,974	32	Texas	$40,494
33	South Carolina	$36,081	33	Missouri	$36,722	33	Tennessee	$38,515	33	Tennessee	$39,186	33	Tennessee	$40,318
34	Iowa	$35,678	34	Kentucky	$36,589	34	Utah	$38,420	34	Iowa	$39,059	34	Kentucky	$40,240
35	Missouri	$35,656	35	Iowa	$36,479	35	Iowa	$38,230	35	Kentucky	$38,981	35	Maine	$39,864
36	Arizona	$35,650 •	36	Utah	$36,441	36	Missouri	$37,996	36	Wyoming	$38,840	36	Nebraska	$39,635
37	Maine	$35,561	37	Idaho	$36,375	37	Kentucky	$37,951	37	Maine	$38,518	37	Wyoming	$39,532
38	Idaho	$35,162	38	Maine	$36,373	38	Wyoming	$37,853	38	West Virginia	$38,481	38	Iowa	$39,432
39	West Virginia	$35,009	39	Arizona	$36,302 •	39	Maine	$37,300	39	Utah	$38,268	39	Arkansas	$39,314 •
40	Kansas	$34,981	40	Kansas	$35,901	40	Alabama	$37,194	40	Arkansas	$38,167	40	Utah	$38,976
41	Utah	$34,946	41	West Virginia	$35,888	41	Kansas	$37,093	41	Nebraska	$37,896	41	Kansas	$38,883
42	Wyoming	$34,127	42	Wyoming	$34,678	42	Arkansas	$36,962 •	42	Kansas	$37,795	42	West Virginia	$38,461
43	Arkansas	$33,386	43	Arkansas	$34,641	43	West Virginia	$36,751	43	Missouri	$37,655	43	Louisiana	$38,300
44	Nebraska	$33,237	44	Oklahoma	$34,499	44	New Mexico	$36,440	44	Louisiana	$37,166	44	Missouri	$38,006
45	Louisiana	$33,109	45	Nebraska	$34,175	45	Louisiana	$36,238	45	New Mexico	$36,965	45	New Mexico	$37,877
46	New Mexico	$32,554	46	New Mexico	$33,785	46	Nebraska	$36,236	46	Montana	$35,754	46	Montana	$36,689 •
47	Montana	$32,121	47	Louisiana	$33,615	47	Oklahoma	$34,744	47	Alabama	$35,152	47	Mississippi	$35,684 •
48	Mississippi	$31,857	48	Montana	$33,249	48	Montana	$34,379	48	Oklahoma	$34,877	48	North Dakota	$35,441
49	Oklahoma	$31,298	49	Mississippi	$31,954	49	Mississippi	$33,295	49	Mississippi	$34,555 •	49	Alabama	$35,168
50	North Dakota	$29,863	50	North Dakota	$30,891	50	North Dakota	$32,253	50	North Dakota	$33,869	50	Oklahoma	$35,061
51	South Dakota	$29,071	51	South Dakota	$30,265	51	South Dakota	$31,295	51	South Dakota	$32,416	51	South Dakota	$33,236

Source: NEA Rankings & Estimates, Fall 2004

Source: ND classroom teacher average salary provided by DPI

12/14/04

TABLE 3: NORTH DAKOTA BEGINNING SALARY COMPARISON
2003-04 ND SALARY SCHEDULE AVERAGE - BA BASE
COMPARED TO ENTRY LEVEL AVERAGE WAGES OF OTHER OCCUPATIONS

Entry	Occupation
$48,176	Electronics Engineers, Except Computer
$47,162	Electrical Engineers
$45,909	Dental Hygienists
$43,250	Marketing Managers
$42,923	Mechanical Engineers
$40,687	Financial Analysts
$40,486	Computer Software Engineers, Applications
$38,815	Environmental Engineers
$38,583	Civil Engineers
$38,415	Industrial Engineers
$38,382	Telecommunications Equipment Installers and Repairers, Except Line Installers
$37,483	Computer Systems Analysts
$37,277	Sales Managers
$35,685	Construction Managers
$33,950	Conservation Scientists
$33,822	Registered Nurses
$33,455	Human Resources Managers
$32,473	Postal Service Mail Carriers
$31,259	Loan Officers
$30,478	Agricultural and Food Scientists
$30,393	Industrial Machinery Mechanics
$29,552	Dietitians and Nutritionists
$29,158	Sales Reps, Wholesale and Manufacturing, Technical and Scientific Products
$28,632	Computer Programmers
$27,998	Accountants and Auditors
$27,388	Chemists
$27,383	Fire Fighters
$27,284	Plumbers, Pipefitters, and Steamfitters
$26,778	Personal Finance Advisors
$26,618	Public Relations Specialists
$26,202	Electricians
$25,925	Interior Designers
$25,529	Operating Engineers and Other Construction Equipment Operators
$25,478	Electrical and Electronic Engineering Technicians
$25,384	Claims Adjusters, Examiners, and Investigators
$24,915	Heating, Air Conditioning, and Refrigeration Mechanics and Installers
$24,475	Police and Sheriff's Patrol Officers
$23,935	Tax Examiners, Collectors, and Revenue Agents
$22,798	Real Estate Agents
$22,617	**ND Teacher Salary Schedule Average - BA Base**
$22,191	Food Service Managers
$22,148	First-Line Supervisors/Managers of Office and Administrative Support Workers
$22,040	Editors
$21,764	Truck Drivers, Heavy and Tractor-Trailer
$21,722	Telecommunications Line Installers and Repairers
$20,732	Insurance Sales Agents
$19,850	Writers and Authors
$18,560	First-Line Supervisors/Managers of Retail Sales Workers

Source: Occupational Wage Survey 2004, Job Service North Dakota
Analysis of Salary Schedules in North Dakota Schools 2003-04, NDEA

1/10/05

TABLE 4: NORTH DAKOTA SALARY COMPARISON
2003-04 ND SALARY SCHEDULE AVERAGE - MA LANE, 15TH YEAR
COMPARED TO EXPERIENCED LEVEL AVERAGE WAGES OF OTHER OCCUPATIONS

Exper.	Occupation
$77,592	Sales Managers
$76,792	Marketing Managers
$69,708	Electrical Engineers
$68,190	Electronics Engineers, Except Computer
$67,347	Human Resources Managers
$67,085	Computer Systems Analysts
$66,960	Mechanical Engineers
$66,577	Industrial Engineers
$66,400	Personal Finance Advisors
$64,830	Environmental Engineers
$64,603	Computer Software Engineers, Applications
$64,264	Construction Managers
$62,111	Insurance Sales Agents
$62,103	Sales Reps, Wholesale and Manufacturing, Technical and Scientific Products
$61,404	Financial Analysts
$59,261	Civil Engineers
$58,175	Accountants and Auditors
$57,206	Tax Examiners, Collectors, and Revenue Agents
$56,073	Dental Hygienists
$54,575	Loan Officers
$54,417	Computer Programmers
$53,810	Conservation Scientists
$52,068	Agricultural and Food Scientists
$51,418	Chemists

Exper.	Occupation
$49,031	Registered Nurses
$48,825	Real Estate Agents
$48,449	Interior Designers
$47,408	Telecommunications Equipment Installers and Repairers, Except Line Installers
$46,755	Industrial Machinery Mechanics
$46,514	Public Relations Specialists
$45,192	Electricians
$44,788	Plumbers, Pipefitters, and Steamfitters
$44,403	Electrical and Electronic Engineering Technicians
$43,585	Postal Service Mail Carriers
$43,578	Dietitians and Nutritionists
$42,067	Telecommunications Line Installers and Repairers
$41,983	Heating, Air Conditioning, and Refrigeration Mechanics and Installers
$41,605	Claims Adjusters, Examiners, and Investigators
$40,647	Operating Engineers and Other Construction Equipment Operators
$39,246	Fire Fighters
$39,229	First-Line Supervisors/Managers of Office and Administrative Support Workers
$37,956	Writers and Authors
$37,088	Police and Sheriff's Patrol Officers
$37,027	Truck Drivers, Heavy and Tractor-Trailer
$36,500	Editors
$36,193	Food Service Managers
$35,748	First-Line Supervisors/Managers of Retail Sales Workers
$32,886	**ND Teacher Salary Schedule Average - MA Lane, 15th Year**

Source: Occupational Wage Survey 2004, Job Service North Dakota
Analysis of Salary Schedules in North Dakota Schools 2003-04, NDEA

1/10/05

dest by
Sen Flakoll
1154

NORTH DAKOTA
UNIVERSITY SYSTEM

The Vital Link to a Brighter Future

TO: Senator Tim Flakoll, Member, Senate Education Committee

FROM: Mike Hillman, Vice Chancellor for Academic and Student Affairs

DATE: January 12, 2005

RE: Masters level salary comparison

In response to your recent request, we asked our ConnectND staff and DPI to provide information on the average salary of faculty (teachers) whose highest degree is at the masters level. The information provided is summarized in the table below:

	Education level	*Number of faculty*	*Salary*	*Year*
ND School Districts	Masters	1,558	$42,091.47	2003-2004
ND University System	Masters	279	$42,242.06	2004-2005

This table compares information on higher education faculty on 9 or 10 month contracts with K-12 teachers employed for more than 172 days. Unfortunately, given the conversion to ConnectND, last year's data (2003-2004) is not available for university system faculty and, current year data (2004-2005) for North Dakota School Districts will not be available until after September 11, 2005.

I hope this information responds to your needs. Please let me know if you would like any additional information.

xc: Chancellor Robert L. Potts

State Capitol - 600 E. Boulevard Ave., Dept. 215, Bismarck, ND 58505-0230
Phone: 701.328.2960 • Fax: 701.328.2961
E-mail: NDUS.office@ndus.nodak.edu • Web: www.ndus.nodak.edu

The North Dakota University System is governed by the State Board of Higher Education and includes:
Bismarck State College • Dickinson State University • Lake Region State College • Mayville State University • Minot State University • Minot State University-Bottineau Campus • North Dakota State College of Science • North Dakota State University • University of North Dakota • Valley City State University • Williston State College.

DISTRICT	MINIMUM
MINTO	$0.00
BOWLINE BUTTE	$0.00
FORT RANSOM	$0.00
HORSE CREEK	$0.00
MANTADOR	$0.00
BAKKER	$0.00
NAUGHTON	$19,075.00
CENTRAL ELEM	$20,000.00
TWIN BUTTES	$21,000.00
SURREY	$21,200.00
MONTPELIER	$21,375.00
STERLING	$21,500.00
NEW PUBLIC #8	$21,500.00
PLEASANT VALLEY	$21,500.00
EARL	$21,500.00
MCCLUSKY	$21,500.00
MADDOCK	$21,500.00
TAPPEN	$21,500.00
BELFIELD	$21,500.00
DICKINSON	$21,500.00
MONTEFIORE	$21,500.00
FORDVILLE	$21,500.00
EUREKA	$21,500.00
LONE TREE	$21,500.00
NEWBURG UNITED	$21,500.00
MEDINA	$21,500.00
MIDWAY	$21,500.00
LITTLE HEART	$21,500.00
BELL	$21,500.00
RICHARDTON-TAYLOR	$21,500.00
RHAME	$21,500.00
KENSAL	$21,500.00
LANKIN	$21,500.00
PETTIBONE	$21,500.00
GRIGGS CO CENTRAL	$21,600.00
RICHLAND	$21,600.00
MANDAREE	$21,600.00
WAHPETON	$21,600.11
LIDGERWOOD	$21,650.00
WILLISTON	$21,650.00
ANAMOOSE	$21,700.00
NEW SALEM	$21,700.00
NEW ENGLAND	$21,700.00
TGU	$21,739.00

1154- original $ 23,000/$ 24,500
Engrossed $ 22,000/$ 23,500

Can't tell what it will cost w/o looking @ their actual - full salary schedule

DPI numbers only show the current lowest paid teacher NOT the base on schedule. Could be no 1st year teachers currently on staff.

DISTRICT	MINIMUM
WESTHOPE	$21,750.00
MENOKEN	$21,800.00
SOUTH PRAIRIE	$21,800.00
SHELDON	$21,900.00
DRAKE	$21,900.00
MT PLEASANT	$21,910.00
TUTTLE	$22,000.00
DAKOTA PRAIRIE	$22,000.00
FESSENDEN-BOWDON	$22,000.00
SHEYENNE	$22,000.00
ROOSEVELT	$22,000.00
BOWBELLS	$22,000.00
HAZELTON-MOFFIT	$22,066.00
DEVILS LAKE	$22,100.00
MANNING	$22,145.00
FLASHER	$22,150.00
NORTHERN CASS	$22,150.00
ELGIN/NEW LEIPZIG	$22,250.00
NESSON	$22,300.00
SARGENT CENTRAL	$22,300.00
EDINBURG	$22,300.00
FAIRMOUNT	$22,350.00
SAWYER	$22,400.00
GARRISON	$22,400.00
WING	$22,400.00
LITCHVILLE-MARION	$22,500.00
ELLENDALE	$22,500.00
FORT TOTTEN	$22,500.00
SOUTHERN	$22,500.00
NEW ROCKFORD	$22,500.00
MINNEWAUKAN	$22,500.00
LEEDS	$22,600.00
LINTON	$22,600.00
PAGE	$22,600.00
EDGELEY	$22,605.00
ALEXANDER	$22,675.00
POWERS LAKE	$22,700.00
MAX	$22,750.00
MIDKOTA	$22,750.00
NORTHWOOD	$22,800.00
WISHEK	$22,800.00
HATTON	$22,800.00
KINDRED	$22,885.00
UNITED	$22,900.00

DISTRICT	MINIMUM
HOPE	$22,925.00
N CENTRAL #28	$22,950.00
GACKLE-STREETER	$22,955.00
MANDAN	$23,000.00
MUNICH	$23,000.00
SELFRIDGE	$23,000.00
MAPLETON	$23,000.00
MOHALL/LANSFORD/SHER	$23,000.00
SYKES	$23,000.00
MILNOR	$23,000.00
BEACH	$23,000.00
THOMPSON	$23,000.00
STEELE-DAWSON	$23,000.00
WARWICK	$23,000.00
GOODRICH	$23,000.00
LEWIS & CLARK	$23,000.00
MOTT/REGENT	$23,000.00
YELLOWSTONE	$23,000.00
MAPLE VALLEY	$23,000.00
NAPOLEON	$23,000.00
BISBEE-EGELAND	$23,000.00
PINGREE-BUCHANAN	$23,000.00
HETTINGER	$23,000.00
MAY-PORT CG	$23,000.00
HARVEY	$23,100.00
SCRANTON	$23,100.00
VALLEY CITY	$23,100.00
EMERADO	$23,148.00
JAMESTOWN	$23,200.00
ROLETTE	$23,200.00
GRENORA	$23,200.00
LAKOTA	$23,200.00
STARKWEATHER	$23,250.00
GLENBURN	$23,300.00
VALLEY	$23,300.00
WIMBLEDON-COURTENAY	$23,400.00
NORTH SARGENT	$23,400.00
ST. THOMAS	$23,400.00
ST. JOHN	$23,500.00
CAVALIER	$23,500.00
ASHLEY	$23,500.00
MARMARTH	$23,500.00
RUGBY	$23,500.00
PARSHALL	$23,500.00

DISTRICT	MINIMUM
FINLEY-SHARON	$23,550.00
DRAYTON	$23,700.00
DIVIDE COUNTY	$23,700.00
LARIMORE	$23,750.00
KILLDEER	$23,800.00
LAMOURE	$23,800.00
NEW TOWN	$23,800.00
BILLINGS COUNTY	$23,845.00
SOLEN	$23,850.00
PEMBINA	$23,850.00
EDMORE	$23,850.00
BOTTINEAU	$23,850.00
WYNDMERE	$23,900.00
CARRINGTON	$23,900.00
WALHALLA	$23,900.00
CENTER/STANTON	$23,925.00
WOLFORD	$23,950.00
TIOGA	$23,960.00
PARK RIVER	$24,000.00
LISBON	$24,000.00
EIGHT MILE (TRENTON)	$24,000.00
BALDWIN	$24,000.00
ENDERLIN	$24,000.00
GRAFTON	$24,000.00
ZEELAND	$24,050.00
BORDER CENTRAL	$24,100.00
TURTLE LAKE-MERCER	$24,100.00
HEBRON	$24,100.00
CENTRAL VALLEY	$24,150.00
WASHBURN	$24,195.00
ADAMS	$24,200.00
MCKENZIE COUNTY	$24,249.00
SPIRITWOOD	$24,250.00
BOWMAN	$24,250.00
STRASBURG	$24,250.00
UNDERWOOD	$24,280.00
VELVA	$24,300.00
NEDROSE	$24,325.00
HAZEN	$24,500.00
DODGE	$24,500.00
SOUTH HEART	$24,600.00
OAKES	$24,640.00
GLEN ULLIN	$24,700.00
LANDGON AREA	$24,900.00

DISTRICT	MINIMUM
HANKINSON	$24,950.00
HALLIDAY	$25,000.00
N CENTRAL #65	$25,000.00
DUNSEITH	$25,000.00
STANLEY	$25,000.00
ROBINSON	$25,040.00
BURKE CENTRAL	$25,100.00
SWEET BRIAR	$25,200.00
MINOT	$25,250.00
MANVEL	$25,335.40
CENTRAL CASS	$25,450.00
SIMS	$25,515.00
BEULAH	$25,595.00
NASH	$25,600.00
APPLE CREEK	$25,750.00
FORT YATES	$25,787.78
WILDROSE/ALAMO	$26,000.00
WHITE SHIELD	$26,060.00
VERONA	$26,073.75
WEST FARGO	$26,813.00
HILLSBORO	$27,000.00
KENMARE	$27,000.00
BISMARCK	$27,250.00
KULM	$27,365.00
GRAND FORKS	$27,800.00
OBERON	$28,000.00
NECHE	$28,205.00
FARGO	$28,366.00
GOLDEN VALLEY	$28,400.00
BELCOURT	$29,300.00

DISTRICT	MINIMUM
ADAMS	$24,200.00
ALEXANDER	$22,675.00
ANAMOOSE	$21,700.00
APPLE CREEK	$25,750.00
ASHLEY	$23,500.00
BAKKER	$0.00
BALDWIN	$24,000.00
BEACH	$23,000.00
BELCOURT	$29,300.00
BELFIELD	$21,500.00
BELL	$21,500.00
BEULAH	$25,595.00
BILLINGS COUNTY	$23,845.00
BISBEE-EGELAND	$23,000.00
BISMARCK	$27,250.00
BORDER CENTRAL	$24,100.00
BOTTINEAU	$23,850.00
BOWBELLS	$22,000.00
BOWLINE BUTTE	$0.00
BOWMAN	$24,250.00
BURKE CENTRAL	$25,100.00
CARRINGTON	$23,900.00
CAVALIER	$23,500.00
CENTER/STANTON	$23,925.00
CENTRAL CASS	$25,450.00
CENTRAL ELEM	$20,000.00
CENTRAL VALLEY	$24,150.00
DAKOTA PRAIRIE	$22,000.00
DEVILS LAKE	$22,100.00
DICKINSON	$21,500.00
DIVIDE COUNTY	$23,700.00
DODGE	$24,500.00
DRAKE	$21,900.00
DRAYTON	$23,700.00
DUNSEITH	$25,000.00
EARL	$21,500.00
EDGELEY	$22,605.00
EDINBURG	$22,300.00
EDMORE	$23,850.00
EIGHT MILE (TRENTON)	$24,000.00
ELGIN/NEW LEIPZIG	$22,250.00
ELLENDALE	$22,500.00
EMERADO	$23,148.00
ENDERLIN	$24,000.00

DISTRICT	MINIMUM
EUREKA	$21,500.00
FAIRMOUNT	$22,350.00
FARGO	$28,366.00
FESSENDEN-BOWDON	$22,000.00
FINLEY-SHARON	$23,550.00
FLASHER	$22,150.00
FORDVILLE	$21,500.00
FORT RANSOM	$0.00
FORT TOTTEN	$22,500.00
FORT YATES	$25,787.78
GACKLE-STREETER	$22,955.00
GARRISON	$22,400.00
GLEN ULLIN	$24,700.00
GLENBURN	$23,300.00
GOLDEN VALLEY	$28,400.00
GOODRICH	$23,000.00
GRAFTON	$24,000.00
GRAND FORKS	$27,800.00
GRENORA	$23,200.00
GRIGGS CO CENTRAL	$21,600.00
HALLIDAY	$25,000.00
HANKINSON	$24,950.00
HARVEY	$23,100.00
HATTON	$22,800.00
HAZELTON-MOFFIT	$22,066.00
HAZEN	$24,500.00
HEBRON	$24,100.00
HETTINGER	$23,000.00
HILLSBORO	$27,000.00
HOPE	$22,925.00
HORSE CREEK	$0.00
JAMESTOWN	$23,200.00
KENMARE	$27,000.00
KENSAL	$21,500.00
KILLDEER	$23,800.00
KINDRED	$22,885.00
KULM	$27,365.00
LAKOTA	$23,200.00
LAMOURE	$23,800.00
LANDGON AREA	$24,900.00
LANKIN	$21,500.00
LARIMORE	$23,750.00
LEEDS	$22,600.00
LEWIS & CLARK	$23,000.00

DISTRICT	MINIMUM
LIDGERWOOD	$21,650.00
LINTON	$22,600.00
LISBON	$24,000.00
LITCHVILLE-MARION	$22,500.00
LITTLE HEART	$21,500.00
LONE TREE	$21,500.00
MADDOCK	$21,500.00
MANDAN	$23,000.00
MANDAREE	$21,600.00
MANNING	$22,145.00
MANTADOR	$0.00
MANVEL	$25,335.40
MAPLE VALLEY	$23,000.00
MAPLETON	$23,000.00
MARMARTH	$23,500.00
MAX	$22,750.00
MAY-PORT CG	$23,000.00
MCCLUSKY	$21,500.00
MCKENZIE COUNTY	$24,249.00
MEDINA	$21,500.00
MENOKEN	$21,800.00
MIDKOTA	$22,750.00
MIDWAY	$21,500.00
MILNOR	$23,000.00
MINNEWAUKAN	$22,500.00
MINOT	$25,250.00
MINTO	$0.00
MOHALL/LANSFORD/SHER	$23,000.00
MONTEFIORE	$21,500.00
MONTPELIER	$21,375.00
MOTT/REGENT	$23,000.00
MT PLEASANT	$21,910.00
MUNICH	$23,000.00
N CENTRAL #28	$22,950.00
N CENTRAL #65	$25,000.00
NAPOLEON	$23,000.00
NASH	$25,600.00
NAUGHTON	$19,075.00
NECHE	$28,205.00
NEDROSE	$24,325.00
NESSON	$22,300.00
NEW ENGLAND	$21,700.00
NEW PUBLIC #8	$21,500.00
NEW ROCKFORD	$22,500.00

DISTRICT	MINIMUM
NEW SALEM	$21,700.00
NEW TOWN	$23,800.00
NEWBURG UNITED	$21,500.00
NORTH SARGENT	$23,400.00
NORTHERN CASS	$22,150.00
NORTHWOOD	$22,800.00
OAKES	$24,640.00
OBERON	$28,000.00
PAGE	$22,600.00
PARK RIVER	$24,000.00
PARSHALL	$23,500.00
PEMBINA	$23,850.00
PETTIBONE	$21,500.00
PINGREE-BUCHANAN	$23,000.00
PLEASANT VALLEY	$21,500.00
POWERS LAKE	$22,700.00
RHAME	$21,500.00
RICHARDTON-TAYLOR	$21,500.00
RICHLAND	$21,600.00
ROBINSON	$25,040.00
ROLETTE	$23,200.00
ROOSEVELT	$22,000.00
RUGBY	$23,500.00
SARGENT CENTRAL	$22,300.00
SAWYER	$22,400.00
SCRANTON	$23,100.00
SELFRIDGE	$23,000.00
SHELDON	$21,900.00
SHEYENNE	$22,000.00
SIMS	$25,515.00
SOLEN	$23,850.00
SOUTH HEART	$24,600.00
SOUTH PRAIRIE	$21,800.00
SOUTHERN	$22,500.00
SPIRITWOOD	$24,250.00
ST. JOHN	$23,500.00
ST. THOMAS	$23,400.00
STANLEY	$25,000.00
STARKWEATHER	$23,250.00
STEELE-DAWSON	$23,000.00
STERLING	$21,500.00
STRASBURG	$24,250.00
SURREY	$21,200.00
SWEET BRIAR	$25,200.00

DISTRICT	MINIMUM
SYKES	$23,000.00
TAPPEN	$21,500.00
TGU	$21,739.00
THOMPSON	$23,000.00
TIOGA	$23,960.00
TURTLE LAKE-MERCER	$24,100.00
TUTTLE	$22,000.00
TWIN BUTTES	$21,000.00
UNDERWOOD	$24,280.00
UNITED	$22,900.00
VALLEY	$23,300.00
VALLEY CITY	$23,100.00
VELVA	$24,300.00
VERONA	$26,073.75
WAHPETON	$21,600.11
WALHALLA	$23,900.00
WARWICK	$23,000.00
WASHBURN	$24,195.00
WEST FARGO	$26,813.00
WESTHOPE	$21,750.00
WHITE SHIELD	$26,060.00
WILDROSE/ALAMO	$26,000.00
WILLISTON	$21,650.00
WIMBLEDON-COURTENAY	$23,400.00
WING	$22,400.00
WISHEK	$22,800.00
WOLFORD	$23,950.00
WYNDMERE	$23,900.00
YELLOWSTONE	$23,000.00
ZEELAND	$24,050.00

HB 1154
11 Jan 05
Bill Williams Testimony

Williston School District #1
Salary Schedule 2004-2005

Index base $18,650

Experience	B.A.	B.A. + 8	B.A. + 16	B.A. + 24	M.A.	M.A. + 16
0	21,650.00	22,582.50	23,515.00	24,447.50	25,380.00	27,245.00
	23,468.83	**24,479.67**	**25,490.51**	**26,501.36**	**27,512.20**	**29,533.88**
1	22,582.50	23,515.00	24,447.50	25,380.00	26,499.00	28,364.00
	24,479.67	**25,490.51**	**26,501.36**	**27,512.20**	**28,725.20**	**30,746.88**
2	23,515.00	24,447.50	25,380.00	26,312.50	27,618.00	29,483.00
	25,490.51	**26,501.36**	**27,512.20**	**28,523.04**	**29,938.21**	**31,959.89**
3	24,447.50	25,380.00	26,312.50	27,245.00	28,737.00	30,602.00
	26,501.36	**27,512.20**	**28,523.04**	**29,533.88**	**31,151.22**	**33,172.90**
4	25,380.00	26,312.50	27,245.00	28,177.50	29,856.00	31,721.00
	27,512.20	**28,523.04**	**29,533.88**	**30,544.72**	**32,364.23**	**34,385.91**
5	26,312.50	27,245.00	28,177.50	29,110.00	30,975.00	32,840.00
	28,523.04	**29,533.88**	**30,544.72**	**31,555.56**	**33,577.24**	**35,598.92**
6	27,245.00	28,177.50	29,110.00	30,042.50	32,094.00	33,959.00
	29,533.88	**30,544.72**	**31,555.56**	**32,566.40**	**34,790.24**	**36,811.92**
7	28,177.50	29,110.00	30,042.50	30,975.00	33,213.00	35,078.00
	30,544.72	**31,555.56**	**32,566.40**	**33,577.24**	**36,003.25**	**38,024.93**
8	29,110.00	30,042.50	30,975.00	31,907.50	34,332.00	36,197.00
	31,555.56	**32,566.40**	**33,577.24**	**34,588.08**	**37,216.26**	**39,237.94**
9	30,042.50	30,975.00	31,907.50	32,840.00	35,451.00	37,316.00
	32,566.40	**33,577.24**	**34,588.08**	**35,598.92**	**38,429.27**	**40,450.95**
10	30,975.00	31,907.50	32,840.00	33,772.50	36,570.00	38,435.00
	33,577.24	**34,588.08**	**35,598.92**	**36,609.76**	**39,642.28**	**41,663.96**
11	31,300.00	32,232.50	33,165.00	34,097.50	36,895.00	38,760.00
	33,929.54	**34,940.38**	**35,951.22**	**36,962.06**	**39,994.58**	**42,016.26**
12	31,650.00	32,582.50	33,515.00	34,447.50	37,245.00	39,110.00
	34,308.94	**35,319.78**	**36,330.62**	**37,341.46**	**40,373.98**	**42,395.66**
13	32,025.00	32,957.50	33,890.00	34,822.50	37,620.00	39,485.00
	34,715.45	**35,726.29**	**36,737.13**	**37,747.97**	**40,780.49**	**42,802.17**
14	32,425.00	33,357.50	34,290.00	35,222.50	38,020.00	39,885.00
	35,149.05	**36,159.89**	**37,170.73**	**38,181.57**	**41,214.09**	**43,235.77**
15	32,850.00	33,782.50	34,715.00	35,647.50	38,445.00	40,310.00
	35,609.76	**36,620.60**	**37,631.44**	**38,642.28**	**41,674.80**	**43,696.48**
16		34,232.50	35,165.00	36,097.50	38,895.00	40,760.00
		37,108.40	**38,119.24**	**39,130.08**	**42,162.60**	**44,184.28**
17			35,640.00	36,572.50	39,370.00	41,235.00
			38,634.15	**39,644.99**	**42,677.51**	**44,699.19**
18				37,072.50	39,870.00	41,735.00
				40,186.99	**43,219.51**	**45,241.19**
19					40,395.00	42,260.00
					43,788.62	**45,810.30**
20						42,810.00
						46,406.50

$3,000 The $3,000 mandated by the 2001-2003 legislature continues to be included in each cell.

BOLD figures represent the basis salary plus the district paid 7.75% teachers share of Teachers Fund For Retirement.

0.05

0.06

$18,650

Williston Public School District #1

Salary Index 2004-2005

Experience	B.A.	B.A. + 8	B.A. + 16	B.A. + 24	M.A.	M.A. + 16
0	1.00	1.05	1.10	1.15	1.20	1.30
1	1.05	1.10	1.15	1.20	1.26	1.36
2	1.10	1.15	1.20	1.25	1.32	1.42
3	1.15	1.20	1.25	1.30	1.38	1.48
4	1.20	1.25	1.30	1.35	1.44	1.54
5	1.25	1.30	1.35	1.40	1.50	1.60
6	1.30	1.35	1.40	1.45	1.56	1.66
7	1.35	1.40	1.45	1.50	1.62	1.72
8	1.40	1.45	1.50	1.55	1.68	1.78
9	1.45	1.50	1.55	1.60	1.74	1.84
10	1.50	1.55	1.60	1.65	1.80	1.90
11	325.00	325.00	325.00	325.00	325.00	325.00
12	350.00	350.00	350.00	350.00	350.00	350.00
13	375.00	375.00	375.00	375.00	375.00	375.00
14	400.00	400.00	400.00	400.00	400.00	400.00
15	425.00	425.00	425.00	425.00	425.00	425.00
16		450.00	450.00	450.00	450.00	450.00
17			475.00	475.00	475.00	475.00
18				500.00	500.00	500.00
19					525.00	525.00
20						550.00

DEVILS LAKE PUBLIC SCHOOL DISTRICT
SALARY SCHEDULE
2004-05

District pays all of Teacher's Share of TFFR (7.75%)

	B	B+16	B+32	B+48	M	M+16	M+32	PhD
1	$22,100.00	$22,700.00	$23,450.00	$24,350.00	$25,350.00	$26,100.00	$26,850.00	$27,600.00
FFR SAL	$23,956.64	$24,607.05	$25,420.05	$26,395.66	$27,479.67	$28,292.68	$29,105.69	$29,918.70
2	$22,700.00	$23,300.00	$24,050.00	$24,950.00	$25,950.00	$26,700.00	$27,450.00	$28,200.00
FFR SAL	$24,607.05	$25,257.45	$26,070.46	$27,046.07	$28,130.08	$28,943.09	$29,756.10	$30,569.11
3	$23,300.00	$23,900.00	$24,650.00	$25,550.00	$26,550.00	$27,300.00	$28,050.00	$28,800.00
FFR SAL	$25,257.45	$25,907.86	$26,720.87	$27,696.48	$28,780.49	$29,593.50	$30,406.50	$31,219.51
4	$23,900.00	$24,500.00	$25,250.00	$26,150.00	$27,150.00	$27,900.00	$28,650.00	$29,400.00
FFR SAL	$25,907.86	$26,558.27	$27,371.27	$28,346.88	$29,430.89	$30,243.90	$31,056.91	$31,869.92
5	$24,500.00	$25,100.00	$25,850.00	$26,750.00	$27,750.00	$28,500.00	$29,250.00	$30,000.00
FFR SAL	$26,558.27	$27,208.67	$28,021.68	$28,997.29	$30,081.30	$30,894.31	$31,707.32	$32,520.33
6	$25,100.00	$25,700.00	$26,450.00	$27,350.00	$28,350.00	$29,100.00	$29,850.00	$30,600.00
	$27,208.67	$27,859.08	$28,672.09	$29,647.70	$30,731.71	$31,544.72	$32,357.72	$33,170.73
7	$25,700.00	$26,300.00	$27,050.00	$27,950.00	$28,950.00	$29,700.00	$30,450.00	$31,200.00
FR SAL	$27,859.08	$28,509.49	$29,322.49	$30,298.10	$31,382.11	$32,195.12	$33,008.13	$33,821.14
8	$26,300.00	$26,900.00	$27,650.00	$28,550.00	$29,550.00	$30,300.00	$31,050.00	$31,800.00
FR SAL	$28,509.49	$29,159.89	$29,972.90	$30,948.51	$32,032.52	$32,845.53	$33,658.54	$34,471.54
9	$26,900.00	$27,500.00	$28,250.00	$29,150.00	$30,150.00	$30,900.00	$31,650.00	$32,400.00
R SAL	$29,159.89	$29,810.30	$30,623.31	$31,598.92	$32,682.93	$33,495.93	$34,308.94	$35,121.95
10	$27,500.00	$28,100.00	$28,850.00	$29,750.00	$30,750.00	$31,500.00	$32,250.00	$33,000.00
R SAL	$29,810.30	$30,460.70	$31,273.71	$32,249.32	$33,333.33	$34,146.34	$34,959.35	$35,772.36
11	$28,100.00	$28,700.00	$29,450.00	$30,350.00	$31,350.00	$32,100.00	$32,850.00	$33,600.00
R SAL	$30,460.70	$31,111.11	$31,924.12	$32,899.73	$33,983.74	$34,796.75	$35,609.76	$36,422.76
12	$28,700.00	$29,300.00	$30,050.00	$30,950.00	$31,950.00	$32,700.00	$33,450.00	$34,200.00
R SAL	$31,111.11	$31,761.52	$32,574.53	$33,550.14	$34,634.15	$35,447.15	$36,260.16	$37,073.17
13	$29,300.00	$29,900.00	$30,650.00	$31,550.00	$32,550.00	$33,300.00	$34,050.00	$34,800.00
R SAL	$31,761.52	$32,411.92	$33,224.93	$34,200.54	$35,284.55	$36,097.56	$36,910.57	$37,723.58
14		$30,500.00	$31,250.00	$32,150.00	$33,150.00	$33,900.00	$34,650.00	$35,400.00
		$33,062.33	$33,875.34	$34,850.95	$35,934.96	$36,747.97	$37,560.98	$38,373.98
		$31,100.00	$31,850.00	$32,750.00	$33,750.00	$34,500.00	$35,250.00	$36,000.00
SAL		$33,712.74	$34,525.75	$35,501.36	$36,585.37	$37,398.37	$38,211.38	$39,024.39

	B	B+16	B+32	B+48	M	M+16	M+32	PhD
16		$31,700.00	$32,450.00	$33,350.00	$34,350.00	$35,100.00	$35,850.00	$36,600.00
FFR SAL		$34,363.14	$35,176.15	$36,151.76	$37,235.77	$38,048.78	$38,861.79	$39,674.80
17		$32,300.00	$33,050.00	$33,950.00	$34,950.00	$35,700.00	$36,450.00	$37,200.00
FFR SAL		$35,013.55	$35,826.56	$36,802.17	$37,886.18	$38,699.19	$39,512.20	$40,325.20
18			$33,650.00	$34,550.00	$35,550.00	$36,300.00	$37,050.00	$37,800.00
FFR SAL			$36,476.96	$37,452.57	$38,536.59	$39,349.59	$40,162.60	$40,975.61
19			$34,250.00	$35,150.00	$36,150.00	$36,900.00	$37,650.00	$38,400.00
FFR SAL			$37,127.37	$38,102.98	$39,186.99	$40,000.00	$40,813.01	$41,626.02
20			$34,850.00	$35,750.00	$36,750.00	$37,500.00	$38,250.00	$39,000.00
FFR SAL			$37,777.78	$38,753.39	$39,837.40	$40,650.41	$41,463.41	$42,276.42
21				$36,350.00	$37,350.00	$38,100.00	$38,850.00	$39,600.00
FFR SAL				$39,403.79	$40,487.80	$41,300.81	$42,113.82	$42,926.83
22				$36,950.00	$37,950.00	$38,700.00	$39,450.00	$40,200.00
FFR SAL				$40,054.20	$41,138.21	$41,951.22	$42,764.23	$43,577.24
23				$37,550.00	$38,550.00	$39,300.00	$40,050.00	$40,800.00
AL				$40,704.61	$41,788.62	$42,601.63	$43,414.63	$44,227.64
24				$38,150.00	$39,150.00	$39,900.00	$40,650.00	$41,400.00
FFR SAL				$41,355.01	$42,439.02	$43,252.03	$44,065.04	$44,878.05
25				$38,750.00	$39,750.00	$40,500.00	$41,250.00	$42,000.00
FFR SAL				$42,005.42	$43,089.43	$43,902.44	$44,715.45	$45,528.46
26					$40,350.00	$41,100.00	$41,850.00	$42,600.00
FFR SAL					$43,739.84	$44,552.85	$45,365.85	$46,178.86
27					$40,950.00	$41,700.00	$42,450.00	$43,200.00
FFR SAL					$44,390.24	$45,203.25	$46,016.26	$46,829.27
28					$41,550.00	$42,300.00	$43,050.00	$43,800.00
FFR SAL					$45,040.65	$45,853.66	$46,666.67	$47,479.67
29					$42,150.00	$42,900.00	$43,650.00	$44,400.00
FFR SAL					$45,691.06	$46,504.07	$47,317.07	$48,130.08
30					$42,750.00	$43,500.00	$44,250.00	$45,000.00
FFR SAL					$46,341.46	$47,154.47	$47,967.48	$48,780.49

2004-2005 SALARY SCHEDULE DICKINSON PUBLIC SCHOOL DISTRICT #1

EXP.	BS	BS+08	BS+16	BS+24	BS+32	MS+0	MS+8	MS+ 16
0	1.000	1.049	1.098	1.146	1.195	1.244	1.292	1.34
	$21,500	$22,554	$23,607	$24,639	$25,693	$26,746	$27,778	$28,810
1	1.039	1.088	1.137	1.185	1.234	1.283	1.331	1.379
	$22,339	$23,392	$24,446	$25,478	$26,531	$27,585	$28,617	$29,649
2	1.078	1.127	1.176	1.224	1.273	1.322	1.370	1.418
	$23,177	$24,231	$25,284	$26,316	$27,370	$28,423	$29,455	$30,487
3	1.117	1.166	1.215	1.263	1.312	1.361	1.409	1.457
	$24,016	$25,069	$26,123	$27,155	$28,208	$29,262	$30,294	$31,326
4	1.156	1.205	1.254	1.302	1.351	1.400	1.448	1.496
	$24,854	$25,908	$26,961	$27,993	$29,047	$30,100	$31,132	$32,164
5	1.195	1.244	1.292	1.341	1.390	1.439	1.487	1.535
	$25,693	$26,746	$27,778	$28,832	$29,885	$30,939	$31,971	$33,003
6	1.234	1.283	1.331	1.380	1.429	1.477	1.526	1.575
	$26,531	$27,585	$28,617	$29,670	$30,724	$31,756	$32,809	$33,863
7	1.273	1.322	1.370	1.419	1.468	1.516	1.565	1.614
	$27,370	$28,423	$29,455	$30,509	$31,562	$32,594	$33,648	$34,701
8	1.312	1.361	1.419	1.468	1.516	1.565	1.614	1.663
	$28,208	$29,262	$30,509	$31,562	$32,594	$33,648	$34,701	$35,755
9	1.351	1.400	1.468	1.516	1.565	1.614	1.662	1.710
	$29,047	$30,100	$31,562	$32,594	$33,648	$34,701	$35,733	$36,765
10	1.390	1.439	1.516	1.565	1.614	1.662	1.711	1.760
	$29,885	$30,939	$32,594	$33,648	$34,701	$35,733	$36,787	$37,840
11	1.429	1.477	1.565	1.614	1.662	1.711	1.760	1.809
	$30,724	$31,756	$33,648	$34,701	$35,733	$36,787	$37,840	$38,894
12	1.468	1.516	1.614	1.662	1.711	1.760	1.808	1.856
	$31,562	$32,594	$34,701	$35,733	$36,787	$37,840	$38,872	$39,904
13			1.662	1.711	1.760	1.808	1.857	1.906
			$35,733	$36,787	$37,840	$38,872	$39,926	$40,979
14					1.808	1.857	1.906	1.955
					$38,872	$39,926	$40,979	$42,033
15					1.857	1.906	1.954	2.002
					$39,926	$40,979	$42,011	$43,043
				$2,775	*$5,194*			*$4,433*

Career Increments: In addition to the maximums in each lane above, the highest amounts of career increments earned by individuals are listed as actual additional salaries.

2004-2005 Career Increment $ 1,075

Part-time certified staff are paid on a prorated scale based on their percentage of full time equivalency (FTE). Lane changes are based upon semester hours.

eton Public Schools
005 Salary Schedule

Sub Base	20,550
Base	21,600.11

STEP	1 BS	2 BS+15	3 BS+30	4 BS+45	5 MS	6 MS+15	7 MS+30	8 MS+45
0	21,600.11	22,407.72	23,322.20	24,129.81	25,089.49	25,897.11	26,706.78	27,426.03
	23,414.75	24,290.21	25,281.51	26,156.98	27,197.28	28,072.75	28,950.44	29,730.11
1	22,309.08	23,139.30	24,076.38	24,906.60	25,890.95	26,721.17	27,551.38	28,270.64
	24,183.28	25,083.25	26,099.06	26,999.02	28,066.07	28,966.03	29,866.00	30,645.67
2	23,016.00	23,870.88	24,830.57	25,683.39	26,690.34	27,543.17	28,398.05	29,117.30
	24,949.59	25,876.29	26,916.60	27,841.07	28,932.62	29,857.09	30,783.79	31,563.46
3	23,724.98	24,602.46	25,586.81	26,462.23	27,489.74	28,365.17	29,242.65	29,963.96
	25,718.13	26,669.33	27,736.37	28,685.35	29,799.17	30,748.15	31,699.35	32,481.25
4	24,436.01	25,331.99	26,338.94	27,239.03	28,289.13	29,189.22	30,089.31	30,808.56
	26,488.89	27,460.15	28,551.69	29,527.40	30,665.72	31,641.43	32,617.14	33,396.81
5	25,142.93	26,063.57	27,093.12	28,015.82	28,977.55	30,013.28	30,933.92	31,655.22
	27,255.20	28,253.19	29,369.24	30,369.45	31,411.98	32,534.72	33,532.70	34,314.60
6	25,851.90	26,795.15	27,849.36	28,792.61	29,889.98	30,835.28	31,780.58	32,499.83
	28,023.74	29,046.23	30,189.01	31,211.50	32,401.06	33,425.77	34,450.49	35,230.16
7	26,560.88	27,526.72	28,601.49	29,569.40	30,689.37	31,657.28	32,625.18	33,346.48
	28,792.28	29,839.27	31,004.33	32,053.54	33,267.61	34,316.83	35,366.05	36,147.95
8	27,267.79	28,258.31	29,357.73	30,348.24	31,488.77	32,481.33	33,471.84	34,191.09
	29,558.59	30,632.31	31,824.10	32,897.82	34,134.16	35,210.11	36,283.84	37,063.51
9	27,978.83	28,989.89	30,109.86	31,125.03	32,290.22	33,303.33	34,316.45	35,037.75
	30,329.35	31,425.35	32,639.41	33,739.87	35,002.94	36,101.17	37,199.40	37,981.30
10	28,685.75	29,721.47	30,866.10	31,901.82	33,091.66	34,127.39	35,163.11	35,882.36
	31,095.66	32,218.39	33,459.19	34,581.92	35,871.72	36,994.46	38,117.19	38,896.86
11	29,394.72	30,453.04	31,620.29	32,680.67	33,891.06	34,949.39	36,007.71	36,729.02
	31,864.20	33,011.43	34,276.73	35,426.20	36,738.28	37,885.51	39,032.75	39,814.65
12	30,103.70	31,184.62	32,372.42	33,455.40	34,690.46	35,771.39	36,854.37	37,573.62
	32,632.73	33,804.47	35,092.05	36,266.02	37,604.83	38,776.57	39,950.54	40,730.21
13	30,810.62	31,918.26	33,128.66	34,232.19	35,491.91	36,595.44	37,698.98	38,420.28
	33,399.04	34,599.74	35,911.82	37,108.07	38,473.61	39,669.85	40,866.10	41,648.00
14	31,496.98	32,625.18	33,858.18	34,984.32	36,291.30	37,419.50	38,545.64	39,264.89
	34,143.07	35,366.05	36,702.63	37,923.38	39,340.16	40,563.14	41,783.89	42,563.56
15	32,183.35	33,330.04	34,585.65	35,734.39	37,063.98	38,214.78	39,363.53	40,082.78
	34,887.11	36,130.13	37,491.22	38,736.47	40,177.76	41,425.24	42,670.49	43,450.16
16	32,183.35	33,330.05	34,585.65	35,734.39	37,063.98	39,010.07	40,181.42	40,900.66
	34,887.11	36,130.13	37,491.22	38,736.47	40,177.76	42,287.33	43,557.09	44,336.76

*Bold Figure Represents a 8.04% (not 7.75%) TFFR Employees Share Contribution Provided by the School District

March 7, 2005

HB1154

Gloria Lokken, NDEA

Chairman Freborg and members of the Senate Education Committee:

For the record, my name is Gloria Lokken, and I am the President of the North Dakota Education Association.

I support HB1154. Joe Westby will follow this testimony with supportive data and additional information.

Please allow me to briefly review compensation legislation from the 2001 and 2003 legislative sessions. In 2001 Governor Hoeven and the Legislature made history by approving HB1344---the first Teacher Compensation Bill---and recognizing the need to recruit and retain teachers in North Dakota's public schools. You may recall HB1344 set aside a certain amount of money that school districts could only receive if they increased teacher compensation. This money went to FTE (Full-Time-Equivalent) teachers.

This new approach to funding schools made a difference---most North Dakota educators gained the greatest salary increase they had seen in 20 years---since 1983. It also made a difference in our educators choosing not to leave the state or the teaching profession. And, it allowed new graduates to pursue teaching assignments in our state.

The 2003 Legislature targeted 70 percent of any new money to districts for increased teacher compensation. It is very important that we maintain dedicated funding for teacher compensation along with state funding to allow meaningful salary increases in every district.

We all understand the education arena has changed greatly. Our teachers realize there are opportunities in other states. In fact, many are being aggressively recruited, because the teacher shortage is nationwide. States are competing for a limited supply of teachers, and

the number of teachers who will retire within the next few years is staggering. In North Dakota alone, about 40 percent of our teachers are eligible to retire in the next eight to ten years. To retain our people and interest prospective teachers in working in North Dakota public schools, we must continue to enhance salaries. We know dedicated funds work. The Legislative efforts of 2001 and 2003 moved North Dakota's average teachers' salaries from a ranking of 50th to a ranking of 48th with an average teacher salary of $35,441. We celebrate this achievement.

We must recognize that North Dakota is not alone in mandating funds to teacher compensation. Alabama, at 49th with an average salary of $35,168, hasn't increased salaries for three years. Its money has been dedicated to state-funded health insurance. Oklahoma is at 50th with an average salary of $35,061. Four years ago each teacher was given a $3,000 increase, but since then all increases have gone to state-funded health insurance. Now its Governor has pledged to mandate money for teachers' salaries to make Oklahoma competitive in its region. Mississippi moved from 49th to 47th because its legislature mandated an eight per cent salary increase for three years.

North Dakota cannot afford to rest on its success. With severe declining enrollment in 198 districts, our current foundation aid formula is not likely to produce an increase in revenue in most of those districts unless funding is increased significantly. We must have a real foundation aid increase of at least fifty million dollars. That increase must not consider moving transportation dollars into foundation aid. Moving transportation dollars is just that----moving money from one pot to another---it is not additional dollars. However by adding $28 million to the Governor's $22 million in foundation aid, we will make a step toward adequacy in state funding. We simply cannot have equity without adequacy.

It is very important to raise the base salaries, and we must provide districts with state funding that allows the increases to flow through salary schedules to compensate all teachers. We know money spent for things that really matter, such as attracting and retaining qualified staff, makes a positive difference in the education of students. As I've

said before, teaching may be a calling but it should not be a sacrifice. While progress was made during the last two legislative sessions we have a lot of work to do.

In the past twenty years; the percentage of state support has decreased as a percentage of per pupil cost of education, and more of the funding has transferred to local property taxes. In 1982, we ranked 30th in U.S. teachers' salaries; in 2004, we ranked 48th. In 1985, funds from local sources were 35 percent, and in 2003, funds from local sources were 43 percent. Currently state and local contributions to public education are about equal. The state of North Dakota must do better. Historically, North Dakota has had a goal of funding schools at a level of 70 percent of per pupil cost. We are a long way from reaching that long sought-after goal. We have the resources, and our state has a constitutional obligation to fund public schools. State funding must provide the resources that are needed as we strive to make available quality public education to every student.

We would like to thank you and Governor Hoeven for the efforts made on behalf of the children of our great state.

We urge the Senate Education Committee to support HB1154 with funding levels and with the 70 percent dedicated funding for teacher compensation to allow all districts to deliver quality education to each and every student wherever they attend public schools in North Dakota. Our students deserve nothing less.

Joe Westby will follow with additional testimony on HB1154.

Thank you, Chairman Freborg and Education Committee Members. I would be willing to answer any questions you may have.

March 7, 2005

HB 1154

Senate Education Committee

Joseph A. Westby, NDEA

Mr. Chairman and members of the Senate Education Committee, my name is Joe Westby, Executive Director of the NDEA. Gloria Lokken has presented the history of teacher compensation efforts during the past two Legislative Sessions. NDEA members appreciate your support in 2001 and 2003, but we have a ways to go. Because of your effort in 2001 and 2003, North Dakota teacher salaries improved from 50th to 48th in the ranking of the states.

My purpose today is to provide you with some of the salary data we have collected which 1) shows the trends in per pupil costs and payments, 2) summarizes that data and compares it to CPI and average teacher salaries, 3) documents the improvements in salaries, 4) shows the new rankings of the states, 5) compares entry level salaries of teachers with other professions, and 6) compares teachers' salaries at the MA lane, 15th step with salaries of experienced personnel in other professions. Here we rank dead last.

The first page of the handout shows the history of per pupil cost, foundation aid payments, tuition apportionment payments, the total of all state per pupil payments and the percentage that total is of the per pupil cost. Please note the downward trend of state funding as a percent of per pupil cost from 63.7 percent in 1981-82 to about 45 percent in 2004-05. Page two summarizes the changes in that data over the last 10 years. Of note here is that the percentage increase in teacher pay averages only 3.85 percent/year even when funding from state sources has increased an average of 7.54 percent/year. Obviously, the money received by school districts has not gone into improving salaries over the past decade. Page three shows average salaries, BA base salaries, BA lane maximums, MA base salaries, MA lane maximum salaries and the scheduled top salaries.

Please pay particular attention to the boxed in data from 2001-02, 2002-03, 2003-04 and 2004-05. These data show the effects of the $3,000 FTE payment made during the 2001-03 biennium and the lesser effect of the 70 percent of new money provision that was enacted in 2003. Notice how effective the FTE payment was in bringing increases in teacher pay moving North Dakota closer to its goal, as stated by the governor, to make our state more competitive in recruiting and retaining licensed, qualified teachers for our classrooms. One of the difficulties causing a smaller impact from the 70 percent concept is a significant number of districts received no new money following the 2003 Session. If I recall correctly, it was something like 88 school districts in that category.

Page four gives the history of average salaries in ND compared to the national average teachers' salary showing the dollar value of increases from one year to the next and the percentage increase. Again note the boxed data at the bottom of the page. ND dollar increases and percent increases actually exceeded the increases for the national average.

The fifth page shows the national rankings of the states for the past four years with North Dakota now ranked 48th for 2003-04. Gloria explained to you the focus on paying for medical insurance costs as part of the reason for Alabama and Oklahoma slipping below us in addition to the effort we have made to improve our teacher pay.

Page five, Table 3 compares North Dakota's average scheduled BA base with entry level salaries in a number of different professions. We are not very competitive in this comparison, ranking just below real estate agents and above food service managers.

Page six, Table 4 compares North Dakota's average salary at the MA lane, 15th step with experienced salary levels in other professions. Here we rank dead last.

With nearly 40 percent of current teachers eligible to retire in the next eight to ten years, and our salaries continuing to rank near the bottom can we afford to remain static in our funding of public schools in our state? We think not.

We would encourage the Legislature to consider this data and the report of the Augenblick and Palaisch study that recommended North Dakota improve funding of public education by $198 million

additional per year to reach a level of adequacy determined in its analysis. Obviously, we can't get there in one step, but we need to continue to make strides to lead us in that direction. We are suggesting Foundation Aid be increased by $50 million for 2005-07 over the current biennium. This would be approximately $28 million more than the $22.7 million in the governor's budget.

With the large number of teacher retirements anticipated in the near future, North Dakota needs to improve salaries if it is to be competitive in an already competitive market. Most teaching subjects are already declared shortage areas by the Education Standards and Practices Board. I believe only social studies, physical education and elementary are not in the shortage category today. Retention and recruitment of fully licensed, highly qualified teachers in the years ahead will become an increasing challenge without competitive pay.

I encourage you to please consider increasing the level of support for public schools. That concludes my testimony and I will attempt to answer any questions.

March 28, 2005
HB1154
Gloria Lokken, NDEA

Chairman Holmberg and Members of the Senate Appropriations Committee:

For the record, my name is Gloria Lokken. I am the President of the North Dakota Education Association, and I must oppose Reengrossed HB1154.

Please allow me to briefly review compensation legislation from the 2001 and 2003 legislative sessions. In 2001, Governor Hoeven and the legislature made history by approving HB1344---the first teacher compensation bill---and recognized the need to recruit and retain teachers in North Dakota's public schools. You may recall, HB1344 set aside a certain amount of money that school districts could only receive if they increased teacher compensation. This money went to FTE (Full-Time-Equivalent) teachers.

This new approach to funding schools made a difference---most North Dakota educators gained the greatest salary increase they had seen in 20 years---since 1983. It also made a difference in our educators choosing not to leave the state or the teaching profession. And, it allowed new graduates to pursue teaching assignments in our state.

HB1154, as it appears before you, has moved these FTE payments into foundation aid in declining increments over the next five years. After five years, the FTE payments are gone. The result is less money to a majority of school districts and, along with it, diminished support for recruitment and retention of teachers in our state.

The 2003 Legislature targeted 70 percent of any new money to school districts for increased teacher compensation. It is very important that we maintain dedicated funding for teacher compensation and state funding to allow meaningful salary increases in every district. However, the 70 percent has been removed in the bill before you. We agree with Governor Hoeven; this bill is unacceptable.

We all understand the education arena has changed greatly. Our teachers realize there are opportunities in other states. In fact, many are being aggressively recruited, because the teacher shortage is nationwide. States are competing for a limited supply of teachers, and the number of teachers who will retire within the next few years is staggering. In North Dakota alone, about 40 percent of our teachers are eligible to retire in the next eight to ten years. This is further exacerbated in the December statement by the Department of Education on "highly qualified" elementary teachers. Many more teachers may chose to elect early retirement. To retain our people and interest prospective teachers to work in North Dakota public schools, we must continue to enhance salaries. We know dedicated funds work. The legislative efforts of 2001 and 2003 moved North Dakota's average teachers' salaries from a ranking of 50th to a ranking of 48th, with an average teacher salary of $35,441. We celebrate this achievement!

We must recognize that North Dakota is not alone in mandating funds to teacher compensation. Alabama, at 49th with an average salary of $35,168, hasn't increased salaries for three years. Its money has been dedicated to state-funded health insurance. Oklahoma is at 50th with an average salary of $35,061. Four years ago, each teacher was given a $3,000 increase, but since then all increases have gone to state-funded health insurance. Now, its Governor has pledged to mandate money for teacher salaries to make it competitive in its region. Mississippi moved from 49th to 47th because its legislature mandated an eight per cent salary increase for three years.

North Dakota cannot afford to rest on its success. We cannot afford to eliminate the effort to raise minimum salaries; but the effort to increase minimum salaries has been removed from this bill.

Now, we are hearing the argument that the salaries are better, so we should simply concentrate on foundation aid. However, with severe declining enrollment in 198 districts, as stated by Tom Decker, our current foundation aid formula is not likely to produce an increase in revenue in most of those districts unless significant real dollars are added to funding. This bill has simply shuffled money into foundation aid. We have a long history of working with foundation aid payments and negotiating for salaries. We know increases in foundation aid do not translate into salary increases. However, we do know dedicated funding does work. And, it works for all districts with adequate state support. We simply cannot have equity without adequacy.

In the past twenty years, the percentage of state support has decreased as a percentage of per pupil cost of education, and more of the funding has transferred to local property taxes. In 1982, we ranked 30th in U.S. teachers' salaries; in 2004, we ranked 48th. In 1985, funds from local sources were 35 percent, and in 2003, funds from local sources were 43 percent. Currently, state and local contributions to public education are about equal. The state of North Dakota must do better. Historically, North Dakota has had a goal of funding schools at a level of 70 percent of per pupil cost. We are a long way from reaching that long sought-after goal. We have the resources, and our state has a constitutional obligation to fund public schools. State funding must provide the resources that are needed as we strive to make available *quality public education to every student.*

Please consider that funding the FTE compensation package commits only eight percent of the school aid package, and it delivers those dollars to the basic level of teaching students in the classroom in every district. It is also very important to raise the base salaries, and we must provide districts with state funding that allows the increases to flow through salary schedules to compensate all teachers. We know money spent for things that really matter, such as attracting and retaining qualified staff, makes a positive difference in the education of students.

The Senate Education Committee used this bill to strip funding for the NDEA Instructional Conference days. This action is unacceptable.

As I've said before, teaching may be a calling but it should not be a sacrifice. While progress was made during the last two legislative sessions, we have a lot of work to do. We must enhance the teacher compensation and overall funding to districts to continue recruiting and retaining quality staff for North Dakota students.

I would like to thank you and Governor Hoeven for the efforts made on behalf of the children of our great state.

This bill needs extensive work and funding levels to allow all districts to deliver quality education to each and every student wherever they attend public schools in North Dakota. Our students deserve nothing less.

NDEA Executive Director Joe Westby will follow my testimony with supportive data and additional information on HB1154.

Thank you.

March 28, 2005
HB 1154
Senate Appropriations Committee
Joseph A. Westby, NDEA

Mr. Chairman and members of the Senate Appropriations Committee, my name is Joe Westby, Executive Director of the NDEA. Gloria Lokken has presented the history of teacher compensation efforts during the past two Legislative Sessions. NDEA members appreciate your support in 2001 and 2003, but we have a ways to go. Because of your effort in 2001 and 2003, North Dakota teacher salaries improved from 50th to 48th in the ranking of the states.

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Please pay particular attention to the boxed in data from 2001-02, 2002-03, 2003-04 and 2004-05. These data show the effects of the $3,000 FTE payment made during the 2001-03 biennium and the lesser effect of the 70 percent of new money provision that was enacted in 2003.

Notice how effective the FTE payment was in bringing increases in teacher pay moving North Dakota closer to its goal, as stated by the governor, to make our state more competitive in recruiting and retaining licensed, qualified teachers for our classrooms. One of the difficulties causing a smaller impact from the 70 percent concept is a significant number of districts received no new money following the 2003 Session. If I recall correctly, it was something like 88 school districts in that category.

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With nearly 40 percent of current teachers eligible to retire in the next eight to ten years, and our salaries continuing to rank near the bottom can we afford to remain static in our funding of public schools in our state? We think not.

We would encourage the Legislature to consider this data and the report of the Augenblick and Palaisch study that recommended North Dakota improve funding of public education by $198 million additional per year to reach a level of adequacy determined in its analysis. Obviously, we

can't get there in one step, but we need to continue to make strides to lead us in that direction. We are suggesting school funding be increased by $15 million for 2005-07 over the governor's budget recommendation. His budget proposed $37.5 M increase for education, so our recommendation would be to increase this amount to a $52.5 M increase.

By my count from the DPI printout of HB1154, at the current level of funding 69 school districts show a decrease in funding in year one of the biennium and 168 districts get less money in year two. With the state budget surplus as large as it is, we can do better for our schools and our teachers.

With the large number of teacher retirements anticipated in the near future, North Dakota needs to improve salaries if it is to be competitive in an already competitive market. Most teaching subjects are already declared shortage areas by the Education Standards and Practices Board. I believe only social studies, physical education and elementary are not in the shortage category today. Retention and recruitment of fully licensed, highly qualified teachers in the years ahead will become an increasing challenge without competitive pay.

This bill can be made acceptable by increasing the funding to $15 M over the governor's budget recommendation, retaining the FTE concept, continuing the 70 percent of new dollars dedicated to compensation, requiring increases in minimum salaries and all salaries, and deleting the repeal of 15.1-09-42 in Section 23. This provision eliminates the Instructional Conference days as paid foundation aid days.

That concludes my testimony and I will attempt to answer any questions.

OK - 5 yr

Per Student Payment 512.2
Teacher FTE 50.9

			Add: Teacher Compensation Payments.						Add: Teacher Compensation Payments								
							2,623					2,972				3,074		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Teacher FTE	04-05 Per Student and Teacher FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Teacher FTE	05-06 Per Student and Teacher FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Teacher FTE	06-07 Per Student and Teacher FTE
1013	Hettinger 13	1	351	345	685,120	104,280	789,400	348	377	889,712		889,712	346	374	896,421		896,421
2002	Valley City 2	1	1171	1,090	2,346,887	266,270	2,613,157	1149	1,133	2,824,406		2,824,406	1097	1,081	2,729,977		2,729,977
2046	Litchville-Marion 46	1	170	219	360,242	64,570	424,812	167	210	401,688		401,688	161	201	375,955		375,955
2065	N Central 65	1	138	175	241,335	62,720	304,055	135	167	272,232		272,232	129	158	243,071		243,071
2062	Wimbledon-Courtenay 62	1	156	193	306,490	49,500	355,990	153	185	337,314		337,314	146	176	306,710		306,710
3005	Minnewaukan 5	1	151	185	435,345	49,060	484,405	151	185	494,409		494,409	151	184	507,458		507,458
3006	Leeds 6	1	182	230	450,508	52,460	502,968	184	229	519,303		519,303	183	227	522,999		522,999
3009	Maddock 9	1	203	256	533,459	53,660	587,119	205	255	611,837		611,837	204	254	619,563		619,563
3016	Oberon 16	2	31	33	28,291	24,480	52,771	31	34	63,026		63,026	31	34	63,064		63,064
3029	Warwick 29	1	179	221	539,384	68,520	607,904	180	219	609,113		609,113	179	218	622,560		622,560
3030	Ft Totten 30	1	194	185	482,024	64,400	546,424	204	211	622,766		622,766	201	208	634,466		634,466
4001	Billings Co 1	2	50	59	-	-	-	48	58	-		-	42	52	-		-
5001	Bottineau 1	1	777	734	1,571,016	184,330	1,755,346	712	717	1,707,345		1,707,345	649	654	1,546,198		1,546,198
5017	Westhope 17	1	128	164	301,623	50,430	352,053	117	146	299,943		299,943	106	132	259,263		259,263
5054	Newburg-United 54	1	78	97	75,088	40,990	116,078	71	87	72,220		72,220	65	79	40,393		40,393
6001	Bowman 1	1	414	412	916,953	104,280	1,021,233	403	406	1,027,347		1,027,347	404	405	1,049,778		1,049,778
6017	Rhame 17	1	75	96	177,031	35,110	212,141	73	92	181,323		181,323	74	93	186,362		186,362
6033	Scranton 33	1	152	191	380,116	53,760	433,876	148	183	416,497		416,497	149	185	428,336		428,336
7014	Bowbells 14	1	85	107	175,420	38,250	213,670	80	100	187,255		187,255	77	96	174,274		174,274
7027	Powers Lake 27	1	103	127	259,967	41,400	301,367	100	121	282,262		282,262	96	115	270,493		270,493
7036	Burke Central 36	1	89	111	169,097	44,390	213,487	86	105	182,956		182,956	83	101	169,009		169,009
8001	Bismarck 1	1	10521	10,365	22,360,330	2,248,510	24,608,840	10526	10,358	25,286,549		25,286,549	10547	10,380	25,911,178		25,911,178
8025	Naughton 25	3	3	3	470	3,870	4,340	3	3	825		825	3	3	336		336
8028	Wing 28	1	77	92	168,921	33,870	202,791	77	92	196,142		196,142	78	93	201,709		201,709
8029	Baldwin 29	2	20	24	18,446	6,870	25,316	20	24	46,056		46,056	20	24	46,147		46,147
8033	Menoken 33	2	18	22	16,841	4,870	21,711	18	23	24,901		24,901	18	23	23,358		23,358
8035	Sterling 35	2	29	37	26,905	11,740	38,645	29	38	38,930		38,930	29	38	36,093		36,093
8039	Apple Creek 39	2	48	59	94,611	14,540	109,151	48	61	114,567		114,567	48	61	114,725		114,725
8045	Manning 45	3	4	6	7,829	3,870	11,699	4	5	8,657		8,657	4	5	8,531		8,531
9001	Fargo 1	1	11221	11,015	22,557,335	2,436,210	24,993,545	11344	11,126	25,827,747		25,827,747	11449	11,231	26,630,897		26,630,897
9002	Kindred 2	1	718	661	1,357,751	157,320	1,515,071	725	715	1,700,072		1,700,072	733	723	1,759,589		1,759,589
9004	Maple Valley 4	1	250	287	451,222	103,610	554,832	253	306	594,049		594,049	256	308	604,678		604,678
9006	West Fargo 6	1	5514	5,410	11,175,194	1,116,900	12,292,094	5572	5,460	12,609,151		12,609,151	5621	5,509	12,989,525		12,989,525
9007	Mapleton 7	2	87	110	194,867	28,950	223,817	87	114	234,377		234,377	88	116	240,721		240,721
9017	Central Cass 17	1	837	782	1,651,726	188,290	1,840,016	846	843	2,064,806		2,064,806	854	851	2,135,904		2,135,904
9080	Page 80	2	97	127	211,636	36,130	247,766	97	132	263,613		263,613	98	133	269,650		269,650
9097	Northern Cass	1	479	458	852,337	119,520	971,857	485	480	1,053,603		1,053,603	489	484	1,081,346		1,081,346

Add: Teacher Compensation Payments. Add: Teacher Compensation Payments

					2,623					2,972					3,074		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Teacher FTE	04-05 Per Student and Teacher FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Teacher FTE	05-06 Per Student and Teacher FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Teacher FTE	06-07 Per Student and Teacher FTE
10014	Border Central 14	1	26	35	-	19,900	19,900	25	32	-		-	24	31	-		-
10019	Munich 19	1	110	140	253,911	32,890	286,801	102	126	256,371		256,371	98	122	245,002		245,002
10023	Langdon Area 23	1	483	449	749,919	137,070	886,989	452	450	882,949		882,949	435	433	835,042		835,042
11040	Ellendale 40	1	358	346	686,173	114,810	800,983	360	380	892,236		892,236	362	383	920,010		920,010
11041	Oakes 41	1	546	524	1,104,256	107,500	1,211,756	547	541	1,317,355		1,317,355	553	547	1,365,285		1,365,285
12001	Divide County 1	1	275	314	586,270	86,130	672,400	247	307	662,098		662,098	228	284	599,520		599,520
13008	Dodge 8	2	30	37	75,404	17,100	92,504	27	35	79,605		79,605	24	31	68,449		68,449
13016	Killdeer 16	1	396	384	747,768	108,510	856,278	368	369	810,858		810,858	347	371	828,614		828,614
13019	Halliday 19	1	28	36	22,463	28,590	51,053	25	31	18,374		18,374	24	30	10,582		10,582
13037	Twin Buttes 37	2	41	49	124,666	36,000	160,666	39	47	140,117		140,117	38	45	138,512		138,512
14001	New Rockford 1	1	390	383	810,724	99,210	909,934	385	404	998,639		998,639	379	401	1,012,177		1,012,177
14012	Sheyenne 12	1	95	118	255,798	33,610	289,408	94	117	289,660		289,660	94	117	297,675		297,675
15006	Hazelton-Moffit-Braddock 6	1	145	179	334,712	50,310	385,022	138	168	356,672		356,672	131	160	334,893		334,893
15010	Bakker 10	2	7	6	-	-	-	7	7	-		-	7	7	-		-
15015	Strasburg 15	1	181	232	502,958	48,080	551,038	174	218	536,722		536,722	165	207	513,608		513,608
15036	Linton 36	1	343	338	695,760	89,290	785,050	327	355	853,437		853,437	310	337	817,951		817,951
16010	Carrington 10	1	615	575	1,142,409	141,640	1,284,049	600	598	1,387,297		1,387,297	584	582	1,363,485		1,363,485
17003	Beach 3	1	297	322	700,303	93,590	793,893	284	345	872,758		872,758	291	345	894,039		894,039
17006	Lone Tree 6	2	42	51	-	14,800	14,800	42	52	98,045		98,045	38	47	82,606		82,606
18001	Grand Forks 1	1	7632	7,469	16,115,183	2,065,950	18,181,133	7436	7,268	17,631,899		17,631,899	7332	7,164	17,692,657		17,692,657
18044	Larimore 44	1	519	481	1,030,784	138,900	1,169,684	506	501	1,243,826		1,243,826	498	493	1,247,763		1,247,763
18061	Thompson 61	1	426	404	880,420	90,720	971,140	415	414	1,025,836		1,025,836	408	407	1,027,766		1,027,766
18125	Manvel 125	2	153	176	345,424	50,600	396,024	150	180	408,383		408,383	147	177	403,774		403,774
18127	Emerado 127	2	117	135	287,988	42,370	330,358	114	136	331,346		331,346	113	135	334,440		334,440
18128	Midway 128	1	271	292	573,515	84,070	657,585	264	300	687,605		687,605	260	297	689,625		689,625
18129	Northwood 129	1	313	319	654,351	73,510	727,861	305	342	823,520		823,520	301	338	830,863		830,863
19018	Roosevelt 18	2	140	165	358,275	42,970	401,245	138	167	411,928		411,928	129	155	384,759		384,759
19049	Elgin-New Leipzig 49	1	169	191	356,974	58,000	414,974	157	198	443,609		443,609	162	204	469,450		469,450
20007	Midkota 7	1	148	190	305,126	60,420	365,546	145	182	337,688		337,688	140	175	317,037		317,037
20018	Griggs County Central 18	1	341	336	678,595	84,990	763,585	330	357	848,152		848,152	321	346	830,581		830,581
21001	Mott-Regent 1	1	274	308	563,482	75,640	639,122	261	318	695,304		695,304	257	311	684,542		684,542
21009	New England 9	1	192	226	420,844	68,250	489,094	183	227	492,643		492,643	180	223	486,708		486,708
22011	Pettibone-Tuttle 11	2	10	12	-	9,000	9,000	10	12	-		-	10	12	-		-
22014	Robinson 14	2	9	11	-	8,122	8,122	9	12	-		-	9	12	-		-
22020	Tuttle-Pettibone 20	1	36	49	80,944	23,580	104,524	33	41	71,602		71,602	30	37	60,279		60,279
22026	Steele-Dawson 26	1	283	300	635,333	79,920	715,253	276	314	771,696		771,696	268	300	743,650		743,650
22028	Tappen 28	1	103	133	291,607	36,400	328,007	100	125	310,166		310,166	97	122	307,604		307,604

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23003	Edgeley 3	1	239	282	548,943	79,170	628,113	217	266	586,542		586,542	202	246	534,023		534,023	
23007	Kulm 7	1	135	174	300,862	54,810	355,672	124	157	258,593		258,593	114	144	215,410		215,410	
23008	LaMoure 8	1	326	320	663,205	87,120	750,325	300	320	763,926		763,926	278	294	699,668		699,668	
23011	Verona 11	1	28	36	24,337	18,760	43,097	26	32	21,612		21,612	23	28	6,216		6,216	
24002	Napoleon 2	1	245	280	596,970	68,600	665,570	238	280	688,822		688,822	237	276	691,142		691,142	
24056	Gackle 14	1	116	146	219,640	47,850	267,490	111	136	233,665		233,665	109	134	226,146		226,146	
25001	Velva 1	1	427	411	816,216	107,800	924,016	424	421	996,767		996,767	418	415	998,271		998,271	
25014	Anamoose 14	1	93	122	253,635	30,960	284,595	93	116	275,016		275,016	92	115	276,282		276,282	
25057	Drake 57	1	136	173	320,948	46,920	367,868	137	169	363,003		363,003	135	166	360,415		360,415	
25060	TGU 60	1	386	381	519,343	116,540	635,883	384	398	774,603		774,603	379	391	756,616		756,616	
26004	Zeeland 4	1	57	74	76,107	32,700	108,807	53	68	102,357		102,357	47	60	74,515		74,515	
26009	Ashley 9	1	168	214	426,669	54,600	481,269	161	199	447,657		447,657	146	178	389,710		389,710	
26019	Wishek 19	1	231	275	580,012	61,420	641,432	220	278	675,763		675,763	199	248	598,514		598,514	
27001	McKenzie Co 1	1	578	538	1,069,022	151,660	1,220,682	554	551	1,274,904		1,274,904	529	526	1,219,979		1,219,979	
27002	Alexander 2	1	49	61	51,433	37,500	88,933	47	56	63,689		63,689	44	53	49,032		49,032	
27014	Yellowstone 14	2	80	101	212,881	18,900	231,781	77	95	225,646		225,646	73	90	215,031		215,031	
27018	Earl 18	3	12	17	-	-	-	12	16	28,858		28,858	11	14	24,944		24,944	
27019	Bowline Butte 19	3	2	3	-	-	-	2	3	-		-	2	3	-		-	
27032	Horse Creek 32	3	5	7	-	-	-	5	7	-		-	5	7	-		-	
27036	Mandaree 36	1	191	237	615,079	95,500	710,579	183	225	665,647		665,647	176	216	662,146		662,146	
28001	Montefiore 1	1	205	254	551,106	57,700	608,806	198	241	596,313		596,313	192	236	592,732		592,732	
28004	Washburn 4	1	314	329	710,759	74,350	785,109	302	346	859,190		859,190	293	334	842,539		842,539	
28008	Underwood 8	1	213	263	529,142	69,350	598,492	205	248	561,862		561,862	198	241	550,107		550,107	
28050	Max 50	1	166	208	447,531	50,970	498,501	160	196	478,105		478,105	155	192	473,532		473,532	
28051	Garrison 51	1	354	348	691,040	88,410	779,450	343	369	851,064		851,064	329	354	820,626		820,626	
28072	Turtle Lake-Mercer 72	1	188	236	469,312	72,160	541,472	181	221	494,892		494,892	174	215	481,520		481,520	
28085	White Shield 85	1	123	147	376,836	75,500	452,336	119	142	410,835		410,835	116	139	415,273		415,273	
29003	Hazen 3	1	707	658	1,526,238	162,630	1,688,868	643	639	1,684,999		1,684,999	592	587	1,571,355		1,571,355	
29020	Golden Valley 20	1	38	50	81,407	19,230	100,637	35	43	82,549		82,549	31	38	67,977		67,977	
29027	Beulah 27	1	814	758	1,646,386	192,840	1,839,226	740	736	1,828,001		1,828,001	681	676	1,686,002		1,686,002	
30001	Mandan 1	1	3299	3,253	7,181,663	736,250	7,917,913	3255	3,206	8,014,406		8,014,406	3200	3,151	8,034,019		8,034,019	
30004	Little Heart 4	2	23	27	40,482	7,870	48,352	23	28	51,397		51,397	22	26	47,196		47,196	
30007	New Salem 7	1	379	374	844,454	79,860	924,314	374	383	992,988		992,988	367	376	997,280		997,280	
30008	Sims 8	2	24	29	21,097	10,860	31,957	24	30	32,024		32,024	23	28	25,756		25,756	
30013	Hebron 13	1	150	191	369,403	51,620	421,023	148	187	417,285		417,285	145	184	412,274		412,274	
30017	Sweet Briar 17	3	11	14	1,513	3,000	4,513	11	12	22,809		22,809	11	12	22,844		22,844	
30039	Flasher 39	1	221	264	481,552	60,400	541,952	218	265	673,304		673,304	214	260	675,443		675,443	

Add: Teacher Compensation Payments.					2,623					2,972					3,074			
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30048	Glen Ullin 48	1	190	243	493,018	58,150	551,168	187	239	558,191		558,191	184	235	557,285		557,285	DE
31001	New Town 1	1	729	672	1,666,873	187,540	1,854,413	713	700	1,975,602		1,975,602	695	682	1,981,797		1,981,797	
31002	Stanley 2	1	336	334	666,134	93,530	759,664	326	353	827,279		827,279	321	350	833,961		833,961	
31003	Parshall 3	1	282	299	448,946	80,920	529,866	274	294	745,608		745,608	268	290	751,584		751,584	
32001	Dakota Prairie 1	1	311	319	502,433	95,500	597,933	299	331	635,920		635,920	294	334	648,052		648,052	
32066	Lakota 66	1	240	275	560,589	71,200	631,789	230	282	671,275		671,275	227	280	677,465		677,465	
33001	Center-Stanton 1	1	281	309	641,626	87,640	729,266	320	349	896,395		896,395	365	385	1,027,764		1,027,764	
34001	Pembina 1	1	141	176	327,163	46,600	373,763	136	166	351,865		351,865	135	164	351,032		351,032	DE
34006	Cavalier 6	1	525	488	999,288	140,280	1,139,568	507	504	1,200,888		1,200,888	503	500	1,212,750		1,212,750	
34012	Valley 12	1	161	201	403,801	53,740	457,541	156	193	442,797		442,797	155	192	445,609		445,609	DE
34019	Drayton 19	1	177	225	399,127	63,030	462,157	170	212	426,592		426,592	170	211	427,879		427,879	DE
34027	Walhalla 27	1	298	303	632,094	77,380	709,474	289	311	754,524		754,524	286	310	769,232		769,232	
184	34043 St Thomas 43	1	130	160	317,134	42,720	359,854	126	155	350,875		350,875	127	155	358,823		358,823	
185	34055 Neche 55	1	84	104	155,581	42,990	198,571	80	98	167,481		167,481	81	99	169,410		169,410	1/2 000
	35001 Wolford 1	1	49	64	110,763	31,800	142,563	47	59	115,654		115,654	46	58	113,119		113,119	11 000
	35005 Rugby 5	1	557	518	989,103	155,710	1,144,813	536	533	1,193,155		1,193,155	521	518	1,165,670		1,165,670	
145	36001 Devils Lake 1	1	1883	1,784	4,084,213	467,640	4,551,853	1886	1,851	4,847,354		4,847,354	1876	1,841	4,946,264		4,946,264	
	36002 Edmore 2	1	79	106	115,876	35,450	151,326	77	97	116,906		116,906	76	95	107,657		107,657	11 250
183	36044 Starkweather 44	1	90	111	193,859	33,360	227,219	91	110	223,797		223,797	90	109	222,885		222,885	DE
185	37002 Sheldon 2	2	25	31	32,678	10,740	43,418	24	31	41,977		41,977	24	31	40,554		40,554	3 000
	37006 Ft Ransom 6	2	12	16	11,166	6,060	17,226	12	16	17,041		17,041	11	15	11,675		11,675	6 000
	37019 Lisbon 19	1	631	583	1,223,060	154,670	1,377,730	614	606	1,484,936		1,484,936	583	574	1,420,933		1,420,933	
	37022 Enderlin 22	1	303	318	637,160	88,180	725,340	295	343	815,926		815,926	279	327	782,915		782,915	OK
	38001 Mohall-Lansford-Sherwood	1	350	343	535,292	117,820	653,112	353	380	746,504		746,504	348	372	724,919		724,919	
	38026 Glenburn 26	1	267	297	657,002	85,630	742,632	269	329	846,375		846,375	263	320	840,440		840,440	
	39008 Hankinson 8	1	323	316	648,273	90,300	738,573	313	336	806,107		806,107	303	328	797,615		797,615	
188	39018 Fairmount 18	1	104	131	195,169	45,450	240,619	101	125	212,861		212,861	98	122	199,971		199,971	14000
	39028 Lidgerwood 28	1	213	268	575,808	67,500	643,308	206	256	624,269		624,269	201	250	618,940		618,940	DE
	39037 Wahpeton 37	1	1437	1,343	2,863,790	324,160	3,187,950	1394	1,378	3,345,086		3,345,086	1351	1,334	3,285,115		3,285,115	
	39042 Wyndmere 42	1	258	293	548,212	66,780	614,992	250	310	687,890		687,890	243	301	671,123		671,123	
	39044 Richland 44	1	329	325	670,388	81,140	751,528	318	346	828,263		828,263	309	339	823,503		823,503	
	40001 Dunseith 1	1	619	585	1,481,813	166,990	1,648,803	598	590	1,698,277		1,698,277	579	571	1,694,743		1,694,743	
	40003 St John 3	1	294	299	758,380	87,930	846,310	284	313	902,981		902,981	276	312	927,858		927,858	
	40004 Mt Pleasant 4	1	309	322	706,582	91,750	798,332	298	343	864,752		864,752	292	340	876,466		876,466	
	40007 Belcourt 7	1	1686	1,599	4,141,315	713,670	4,854,985	1629	1,600	4,742,964		4,742,964	1587	1,558	4,774,783		4,774,783	DE
	40029 Rolette 29	1	181	230	502,112	57,210	559,322	175	216	533,066		533,066	171	212	530,371		530,371	DE
	41002 Milnor 2	1	281	290	638,534	61,370	699,904	278	306	780,957		780,957	274	312	817,141		817,141	

Add: Teacher Compensation Payments. Add: Teacher Compensation Payments

					2,623						2,972				3,074		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Teacher FTE	04-05 Per Student and Teacher FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Teacher FTE	05-06 Per Student and Teacher FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Teacher FTE	06-07 Per Student and Teacher FTE
41003	N Sargent 3	1	195	239	527,519	62,960	590,479	194	235	592,852		592,852	190	230	590,800		590,800
41006	Sargent Central 6	1	303	307	566,718	85,890	652,608	300	331	730,314		730,314	296	337	757,739		757,739
42016	Goodrich 16	1	47	58	94,442	20,820	115,262	41	51	88,279		88,279	38	48	78,002		78,002
42019	McClusky 19	1	100	125	242,702	37,790	280,492	87	107	222,938		222,938	86	106	222,128		222,128
43003	Solen 3	1	162	198	469,402	69,000	538,402	190	234	642,540		642,540	205	248	702,207		702,207
43004	Ft Yates 4	2	157	183	462,555	86,400	548,955	179	213	613,269		613,269	190	227	678,586		678,586
43008	Selfridge 8	1	110	137	311,930	39,000	350,930	130	161	426,715		426,715	139	172	475,235		475,235
44012	Marmarth 12	2	15	18	-	-	-	14	17	2,959		2,959	15	17	130		130
44014	Sheets 14	3	2	3	-	-	-	2	3	-		-	1	1	-		-
44032	Central Elementary 32	2	4	5	-	-	-	4	5	-		-	2	3	-		-
45001	Dickinson 1	1	2649	2,596	5,792,453	628,170	6,420,623	2640	2,588	6,555,090		6,555,090	2609	2,557	6,620,300		6,620,300
45009	South Heart 9	1	244	287	655,948	57,030	712,978	244	298	794,682		794,682	240	294	802,453		802,453
45013	Belfield 13	1	232	260	627,509	57,950	685,459	234	288	797,387		797,387	231	285	810,189		810,189
45034	Richardton-Taylor 34	1	273	297	626,785	80,510	707,295	274	325	807,343		807,343	271	323	819,046		819,046
46010	Hope 10	1	132	145	255,963	44,970	300,933	137	164	356,980		356,980	150	178	407,351		407,351
46019	Finley-Sharon 19	1	185	231	456,902	62,100	519,002	191	236	542,994		542,994	198	243	575,896		575,896
47001	Jamestown 1	1	2452	2,428	5,342,837	553,270	5,896,107	2395	2,369	5,918,472		5,918,472	2328	2,302	5,852,099		5,852,099
47003	Medina 3	1	163	197	403,440	53,320	456,760	160	192	446,745		446,745	157	187	442,002		442,002
47010	Pingree-Buchanan	1	151	188	386,082	48,990	435,072	147	179	419,621		419,621	144	175	414,480		414,480
47014	Montpelier 14	1	102	125	245,476	46,610	292,086	100	121	271,191		271,191	97	117	263,452		263,452
47019	Kensal 19	1	63	79	113,501	21,690	135,191	62	75	126,414		126,414	60	73	117,109		117,109
47026	Spiritwood 26	2	15	17	-	-	-	15	18	-		-	14	16	-		-
48002	Bisbee-Egeland 2	1	77	102	139,420	36,400	175,820	71	90	131,369		131,369	63	80	97,320		97,320
48008	Southern 8	1	226	274	581,210	66,750	647,960	212	258	621,839		621,839	193	235	563,589		563,589
48028	North Central 28	1	66	82	129,492	26,910	156,402	62	76	133,146		133,146	57	69	113,462		113,462
49003	Central Valley 3	1	303	311	607,417	71,590	679,007	304	339	789,551		789,551	302	334	790,292		790,292
49007	Hatton 7	1	241	289	628,224	62,320	690,544	240	292	727,193		727,193	238	290	738,315		738,315
49009	Hillsboro 9	1	420	410	767,676	99,300	866,976	420	415	899,394		899,394	420	417	917,627		917,627
49014	May-Port CG 14	1	593	549	1,063,562	153,450	1,217,012	592	585	1,344,308		1,344,308	590	583	1,361,810		1,361,810
50003	Grafton 3	1	971	904	2,022,700	196,500	2,219,200	975	961	2,485,936		2,485,936	988	973	2,588,544		2,588,544
50020	Minto 20	1	238	285	610,958	69,420	680,378	239	293	724,558		724,558	242	296	750,873		750,873
50039	Lankin 39	2	44	58	117,474	23,040	140,514	46	63	150,365		150,365	46	63	153,511		153,511
50051	Nash 51	2	19	22	26,206	10,200	36,406	20	24	38,576		38,576	20	24	38,049		38,049
50078	Park River 78	1	420	411	876,970	107,470	984,440	421	426	1,055,812		1,055,812	428	425	1,077,168		1,077,168
50079	Fordville 79	1	80	100	194,511	26,260	220,771	79	92	202,964		202,964	80	94	210,789		210,789
50106	Edinburg 106	1	132	163	364,094	43,250	407,344	132	161	409,364		409,364	135	165	432,469		432,469
50128	Adams 128	2	75	90	166,171	27,660	193,831	75	93	205,387		205,387	74	93	206,365		206,365

Add: Teacher Compensation Payments. Add: Teacher Compensation Payments

ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Teacher FTE	04-05 Per Student and Teacher FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Teacher FTE	05-06 Per Student and Teacher FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Teacher FTE	06-07 Per Student and Teacher FTE
			2,623							2,972					3,074		
51001	Minot 1	1	6673	6,550	14,743,640	1,683,410	16,427,050	6542	6,409	16,357,745		16,357,745	6479	6,345	16,572,693		16,572,693
51004	Nedrose 4	2	251	231	450,957	52,500	503,457	247	241	536,574		536,574	243	237	532,466		532,466
51007	United 7	1	601	565	1,262,057	129,000	1,391,057	589	589	1,508,170		1,508,170	584	584	1,530,813		1,530,813
51010	Bell 10	2	147	163	348,058	34,350	382,408	145	169	409,109		409,109	143	168	414,839		414,839
51016	Sawyer 16	1	125	155	324,526	41,900	366,426	123	149	356,584		356,584	121	147	356,610		356,610
51019	Eureka 19	2	9	12	-	3,880	3,880	9	12	3,221		3,221	9	12	1,464		1,464
51028	Kenmare 28	1	286	316	592,703	78,420	671,123	281	340	759,136		759,136	277	337	761,793		761,793
51041	Surrey 41	1	366	360	844,979	100,630	945,609	360	388	1,043,385		1,043,385	355	383	1,057,540		1,057,540
51070	S Prairie 70	2	149	165	323,816	39,400	363,216	147	171	385,273		385,273	145	170	388,491		388,491
51161	Lewis and Clark 161	1	402	391	705,839	115,800	821,639	395	419	906,879		906,879	390	414	903,489		903,489
52025	Fessenden-Bowdon 25	1	194	236	358,934	66,870	425,804	178	219	376,164		376,164	158	194	296,439		296,439
52035	Pleasant Valley 3	2	21	23	26,411	8,700	35,111	18	20	22,671		22,671	17	19	17,186		17,186
52038	Harvey 38	1	448	425	812,913	142,290	955,203	406	413	907,530		907,530	361	383	829,676		829,676
52039	Sykes 39	1	54	69	119,737	31,350	151,087	50	61	117,449		117,449	45	55	99,545		99,545
53001	Williston 1	1	2159	2,050	4,799,472	524,610	5,324,082	2099	2,063	5,488,268		5,488,268	2034	1,998	5,439,829		5,439,829
53002	Nesson 2	1	163	206	423,113	60,020	483,133	158	195	455,634		455,634	154	190	447,999		447,999
53006	Eight Mile 6	1	218	272	661,459	72,580	734,039	212	261	721,846		721,846	206	254	720,006		720,006
53008	New 8	2	215	195	250,504	63,280	313,784	211	202	315,992		315,992	205	199	301,362		301,362
53015	Trioga 15	1	240	281	534,072	77,380	611,452	233	286	634,963		634,963	227	278	621,369		621,369
53091	Wildrose-Alamo 91	1	39	51	64,052	22,830	86,882	38	48	71,006		71,006	36	45	61,384		61,384
53099	Grenora 99	1	65	77	67,081	36,000	103,081	64	74	91,103		91,103	61	70	75,748		75,748
	Statewide Total		99,728	100,904	211,346,306	25,888,902	237,235,208	98,295	101,532	243,782,127	-	243,782,127	97,063	100,233	244,961,652	-	244,961,652

Transportation funding was allocated to districts based on the block grant funding received for the 2003-2005 biennium.

Per Student [illegible] 512
Teacher FTE 50.9
Tuition Apport. 71.6

Exec Rec $512M . Add: Teacher Compensation Payments and Tuition Apportionment

					2,623						3,309						3,417			
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	Teacher FTE	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	Teacher FTE	05-06 Per Student and Tuition/FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	Teacher FTE	06-07 Per Student and Tuition FTE
1013	Hettinger 13	1	351	345	685,120	114,840	104,280	904,240	348	377	1,016,774			1,016,774	346	374	1,024,535			1,024,535
2002	Valley City 2	1	1171	1,090	2,346,887	387,750	266,270	3,000,907	1149	1,133	3,206,388			3,206,388	1097	1,081	3,100,822			3,100,822
2046	Litchville-Marion 46	1	170	219	360,242	61,050	64,570	485,862	167	210	472,387			472,387	161	201	444,895			444,895
2065	N Central 65	1	138	175	241,335	47,190	62,720	351,245	135	167	328,437			328,437	129	158	297,382			297,382
2082	Wimbledon-Courtenay 82	1	156	193	306,490	47,190	49,500	403,180	153	185	399,820			399,820	146	176	366,964			366,964
3005	Minnewaukan 5	1	151	185	435,345	19,470	49,060	503,875	151	185	556,643			556,643	151	184	570,704			570,704
3006	Leeds 6	1	182	230	450,508	56,100	52,460	559,068	184	229	596,516			596,516	183	227	601,024			601,024
3009	Maddock 9	1	203	256	533,459	67,980	53,660	655,099	205	255	697,880			697,880	204	254	706,579			706,579
3016	Oberon 16	2	31	33	28,291	9,240	24,480	62,011	31	34	74,460			74,460	31	34	74,702			74,702
3029	Warwick 29	1	179	221	539,384	101,970	68,520	709,874	180	219	683,058			683,058	179	218	697,258			697,258
3030	Ft Totten 30	1	194	185	482,024	151,140	64,400	697,564	204	211	693,860			693,860	201	208	705,772			705,772
4001	Billings Co 1	2	50	59	-	-	-	-	48	58	127			127	42	52	-			-
5001	Bottineau 1	1	777	734	1,571,016	229,020	184,330	1,984,366	712	717	1,949,095			1,949,095	649	654	1,770,397			1,770,397
5017	Westhope 17	1	128	164	301,623	47,520	50,430	399,573	117	146	349,222			349,222	106	132	304,577			304,577
5054	Newburg-United 54	1	78	97	75,088	28,380	40,990	144,458	71	87	101,616			101,616	65	79	67,658			67,658
6001	Bowman 1	1	414	412	916,953	124,410	104,280	1,145,643	403	406	1,164,074			1,164,074	404	405	1,188,628			1,188,628
6017	Rhame 17	1	75	96	177,031	20,790	35,110	232,931	73	92	212,274			212,274	74	93	218,305			218,305
6033	Scranton 33	1	152	191	380,116	46,860	53,760	480,736	148	183	478,289			478,289	149	185	491,760			491,760
7014	Bowbells 14	1	85	107	175,420	29,370	38,250	243,040	80	100	221,036			221,036	77	96	207,185			207,185
7027	Powers Lake 27	1	103	127	259,967	39,270	41,400	340,637	100	121	323,012			323,012	96	115	310,058			310,058
7036	Burke Central 36	1	89	111	169,097	28,380	44,390	241,867	86	105	218,459			218,459	83	101	203,704			203,704
8001	Bismarck 1	1	10521	10,365	22,360,330	3,670,920	2,248,510	28,279,760	10526	10,358	28,777,333			28,777,333	10547	10,380	29,471,460			29,471,460
8025	Naughton 25	3	3	3	470	3,630	3,870	7,970	3	3	1,964			1,964	3	3	1,495			1,495
8028	Wing 28	1	77	92	168,921	25,740	33,870	228,531	77	92	226,998			226,998	78	93	233,461			233,461
8029	Baldwin 29	2	20	24	18,446	13,860	6,870	39,176	20	24	54,282			54,282	20	24	54,520			54,520
8033	Menoken 33	2	18	22	16,841	18,150	4,870	39,861	18	23	32,565			32,565	18	23	31,158			31,158
8035	Sterling 35	2	29	37	26,905	19,470	11,740	58,115	29	38	51,763			51,763	29	38	49,154			49,154
8039	Apple Creek 39	2	48	59	94,611	43,890	14,540	153,041	48	61	135,171			135,171	48	61	135,696			135,696
8045	Manning 45	3	4	6	7,829	6,600	3,870	18,299	4	5	10,494			10,494	4	5	10,401			10,401
9001	Fargo 1	1	11221	11,015	22,557,335	3,641,550	2,436,210	28,635,095	11344	11,126	29,577,162			29,577,162	11449	11,231	30,483,171			30,483,171
9002	Kindred 2	1	718	661	1,357,751	223,740	157,320	1,738,811	725	715	1,940,966			1,940,966	733	723	2,007,564			2,007,564
9004	Maple Valley 4	1	250	287	451,222	94,050	103,610	648,882	253	306	697,036			697,036	256	308	710,380			710,380
9006	West Fargo 6	1	5514	5,410	11,175,194	1,644,060	1,116,900	13,936,154	5572	5,460	14,449,276			14,449,276	5621	5,509	14,879,262			14,879,262
9007	Mapleton 7	2	87	110	194,867	62,040	28,950	285,857	87	114	272,879			272,879	88	116	280,379			280,379
9017	Central Cass 17	1	837	782	1,651,726	257,730	188,290	2,097,746	846	843	2,349,012			2,349,012	854	851	2,427,965			2,427,965
9080	Page 80	2	97	127	211,636	31,350	36,130	279,116	97	132	308,013			308,013	98	133	315,307			315,307
9097	Northern Cass	1	479	458	852,337	146,520	119,520	1,118,377	485	480	1,215,416			1,215,416	489	484	1,247,443			1,247,443

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						2,623					3,309						3,417			
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	Teacher FTE	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	Teacher FTE	05-06 Per Student and Tuition/FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	Teacher FTE	06-07 Per Student and Tuition FTE
10014	Border Central 14	1	26	35	-	8,250	19,900	28,150	25	32	-			-	24	31	-			-
10019	Munich 19	1	110	140	253,911	39,930	32,890	326,731	102	126	298,965			298,965	98	122	286,851			286,851
10023	Langdon Area 23	1	483	449	749,919	187,110	137,070	1,074,099	452	450	1,034,555			1,034,555	435	433	983,468			983,468
11040	Ellendale 40	1	358	346	686,173	132,990	114,810	933,973	360	380	1,020,243			1,020,243	362	383	1,051,461			1,051,461
11041	Oakes 41	1	546	524	1,104,256	165,000	107,500	1,376,756	547	541	1,499,699			1,499,699	553	547	1,553,002			1,553,002
12001	Divide County 1	1	275	314	586,270	93,390	86,130	765,790	247	307	765,573			765,573	228	284	696,891			696,891
13008	Dodge 8	2	30	37	75,404	8,580	17,100	101,084	27	35	91,285			91,285	24	31	78,935			78,935
13016	Killdeer 16	1	396	384	747,768	130,350	108,510	986,628	368	369	935,218			935,218	347	371	955,856			955,856
13019	Halliday 19	1	28	36	22,463	11,220	28,590	62,273	25	31	28,953			28,953	24	30	20,879			20,879
13037	Twin Buttes 37	2	41	49	124,666	22,770	36,000	183,436	39	47	156,108			156,108	38	45	154,077			154,077
14001	New Rockford 1	1	390	383	810,724	117,810	99,210	1,027,744	385	404	1,134,919			1,134,919	379	401	1,149,843			1,149,843
14012	Sheyenne 12	1	95	118	255,798	16,170	33,610	305,578	94	117	329,055			329,055	94	117	337,920			337,920
15006	Hazelton-Moffit-Braddock 6	1	145	179	334,712	45,870	50,310	430,892	138	168	413,281			413,281	131	160	389,609			389,609
15010	Bakker 10	2	7	6	-	-	-	-	7	7	-			-	7	7	-			-
15015	Strasburg 15	1	181	232	502,958	59,400	48,080	610,438	174	218	610,181			610,181	165	207	584,438			584,438
15036	Linton 36	1	343	338	695,760	105,270	89,290	890,320	327	355	972,985			972,985	310	337	933,659			933,659
16010	Carrington 10	1	615	575	1,142,409	196,350	141,640	1,480,399	600	598	1,588,854			1,588,854	584	582	1,563,108			1,563,108
17003	Beach 3	1	297	322	700,303	75,240	93,590	869,133	284	345	988,970			988,970	291	345	1,012,306			1,012,306
17006	Lone Tree 6	2	42	51	-	21,450	14,800	36,250	42	52	115,532			115,532	38	47	98,659			98,659
18001	Grand Forks 1	1	7632	7,469	16,115,183	2,473,020	2,065,950	20,654,153	7436	7,268	20,081,320			20,081,320	7332	7,164	20,149,841			20,149,841
18044	Larimore 44	1	519	481	1,030,784	169,620	138,900	1,339,304	506	501	1,412,626			1,412,626	498	493	1,416,780			1,416,780
18061	Thompson 61	1	426	404	880,420	149,160	90,720	1,120,300	415	414	1,165,259			1,165,259	408	407	1,167,237			1,167,237
18125	Manvel 125	2	153	176	345,424	90,750	50,600	486,774	150	180	469,130			469,130	147	177	464,324			464,324
18127	Emerado 127	2	117	135	287,988	58,410	42,370	388,768	114	136	377,181			377,181	113	135	380,625			380,625
18128	Midway 128	1	271	292	573,515	89,430	84,070	747,015	264	300	788,705			788,705	260	297	791,396			791,396
18129	Northwood 129	1	313	319	654,351	98,670	73,510	826,531	305	342	938,642			938,642	301	338	946,903			946,903
19018	Roosevelt 18	2	140	165	358,275	40,260	42,970	441,505	138	167	468,109			468,109	129	155	437,856			437,856
19049	Elgin-New Leipzig 49	1	169	191	356,974	68,640	58,000	483,614	157	198	510,385			510,385	162	204	539,511			539,511
20007	Midkota 7	1	148	190	305,126	46,530	60,420	412,076	145	182	399,035			399,035	140	175	377,155			377,155
20018	Griggs County Central 18	1	341	336	678,595	99,000	84,990	862,585	330	357	968,606			968,606	321	346	949,314			949,314
21001	Mott-Regent 1	1	274	308	563,482	90,750	75,640	729,872	261	318	802,514			802,514	257	311	791,365			791,365
21009	New England 9	1	192	226	420,844	66,990	68,250	556,084	183	227	569,037			569,037	180	223	563,050			563,050
22011	Pettibone-Tuttle 11	2	10	12	-	8,250	9,000	17,250	10	12	-			-	10	12	-			-
22014	Robinson 14	2	9	11	-	-	8,122	8,122	9	12	-			-	9	12	-			-
22020	Tuttle-Pettibone 20	1	36	49	80,944	6,930	23,580	111,454	33	41	85,321			85,321	30	37	73,014			73,014
22026	Steele-Dawson 26	1	283	300	635,333	81,510	79,920	796,763	276	314	877,679			877,679	268	300	846,457			846,457
22028	Tappen 28	1	103	133	291,607	36,630	36,400	364,637	100	125	352,446			352,446	97	122	349,556			349,556

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23003	Edgeley 3	1	239	282	548,943	84,810	79,170	712,923	217	266	676,079			676,079	202	246	618,322			618,322
23007	Kulm 7	1	135	174	300,862	39,270	54,810	394,942	124	157	311,387			311,387	114	144	264,634			264,634
23008	LaMoure 8	1	326	320	663,205	113,190	87,120	863,515	300	320	871,651			871,651	278	294	800,383			800,383
23011	Verona 11	1	28	36	24,337	11,220	18,760	54,317	26	32	32,248			32,248	23	28	15,693			15,693
24002	Napoleon 2	1	245	280	596,970	70,620	68,600	736,190	238	280	783,277			783,277	237	276	785,803			785,803
24056	Gackle 14	1	116	146	219,640	45,540	47,850	313,030	111	136	279,541			279,541	109	134	272,176			272,176
25001	Velva 1	1	427	411	816,216	136,290	107,800	1,060,306	424	421	1,138,563			1,138,563	418	415	1,140,534			1,140,534
25014	Anamoose 14	1	93	122	253,635	25,080	30,960	309,675	93	116	314,253			314,253	92	115	315,751			315,751
25057	Drake 57	1	136	173	320,948	40,260	46,920	408,128	137	169	419,821			419,821	135	166	417,432			417,432
25060	TGU 60	1	386	381	519,343	104,940	116,540	740,823	384	398	908,634			908,634	379	391	890,615			890,615
26004	Zeeland 4	1	57	74	76,107	21,450	32,700	130,257	53	68	125,374			125,374	47	60	95,074			95,074
26009	Ashley 9	1	168	214	426,669	57,420	54,600	538,689	161	199	514,720			514,720	146	178	450,688			450,688
26019	Wishek 19	1	231	275	580,012	78,210	61,420	719,642	220	278	769,409			769,409	199	248	683,561			683,561
27001	McKenzie Co 1	1	578	538	1,069,022	213,180	151,660	1,433,862	554	551	1,460,655			1,460,655	529	526	1,400,304			1,400,304
27002	Alexander 2	1	49	61	51,433	18,810	37,500	107,743	47	56	82,685			82,685	44	53	67,139			67,139
27014	Yellowstone 14	2	80	101	212,881	28,380	18,900	260,161	77	95	257,574			257,574	73	90	245,829			245,829
27018	Earl 18	3	12	17	-	-	-	-	12	16	34,089			34,089	11	14	29,828			29,828
27019	Bowline Butte 19	3	2	3	-	-	-	-	2	3	-			-	2	3	-			-
27032	Horse Creek 32	3	5	7	-	-	-	-	5	7	-			-	5	7	-			-
27036	Mandaree 36	1	191	237	615,079	58,740	95,500	769,319	183	225	741,438			741,438	176	216	736,364			736,364
28001	Montefiore 1	1	205	254	551,106	67,650	57,700	676,456	198	241	677,651			677,651	192	236	673,594			673,594
28004	Washburn 4	1	314	329	710,759	99,000	74,350	884,109	302	346	975,836			975,836	293	334	957,177			957,177
28006	Underwood 8	1	213	263	529,142	69,960	69,350	668,452	205	248	645,462			645,462	198	241	632,832			632,832
28050	Max 50	1	166	208	447,531	57,750	50,970	556,251	160	196	544,322			544,322	155	192	539,251			539,251
28051	Garrison 51	1	354	348	691,040	115,170	88,410	894,620	343	369	975,249			975,249	329	354	941,898			941,898
28072	Turtle Lake-Mercer 72	1	188	236	469,312	61,050	72,160	602,522	181	221	569,524			569,524	174	215	555,118			555,118
28085	White Shield 85	1	123	147	376,836	36,630	75,500	488,966	119	142	458,618			458,618	116	139	462,895			462,895
29003	Hazen 3	1	707	658	1,526,238	238,260	162,630	1,927,128	643	639	1,900,261			1,900,261	592	587	1,772,655			1,772,655
29020	Golden Valley 20	1	38	50	81,407	17,490	19,230	118,127	35	43	96,945			96,945	31	38	80,967			80,967
29027	Beulah 27	1	814	758	1,646,386	266,640	192,840	2,105,866	740	736	2,076,043			2,076,043	681	676	1,917,870			1,917,870
30001	Mandan 1	1	3299	3,253	7,181,663	1,177,440	736,250	9,095,353	3255	3,206	9,094,946			9,094,946	3200	3,151	9,114,795			9,114,795
30004	Little Heart 4	2	23	27	40,482	13,860	7,870	62,212	23	28	60,762			60,762	22	26	56,258			56,258
30007	New Salem 7	1	379	374	844,454	108,240	79,860	1,032,554	374	383	1,121,958			1,121,958	367	376	1,126,128			1,126,128
30008	Sims 8	2	24	29	21,097	15,840	10,860	47,797	24	30	42,084			42,084	23	28	35,528			35,528
30013	Hebron 13	1	150	191	369,403	53,130	51,620	474,153	148	187	480,409			480,409	145	184	475,239			475,239
30017	Sweet Briar 17	3	11	14	1,513	5,610	3,000	10,123	11	12	26,903			26,903	11	12	27,012			27,012
30039	Flasher 39	1	221	264	481,552	73,590	60,400	615,542	218	265	762,498			762,498	214	260	764,596			764,596

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30048	Glen Ullin 48	1	190	243	493,018	65,670	58,150	616,838	187	239	638,768			638,768	184	235	638,013			638,013
31001	New Town 1	1	729	672	1,666,873	239,580	187,540	2,093,993	713	700	2,211,411			2,211,411	695	682	2,215,582			2,215,582
31002	Stanley 2	1	336	334	666,134	123,750	93,530	883,414	326	353	946,095			946,095	321	350	953,853			953,853
31003	Parshall 3	1	282	299	448,946	106,260	80,920	636,126	274	294	844,730			844,730	268	290	851,089			851,089
32001	Dakota Prairie 1	1	311	319	502,433	115,500	95,500	713,433	299	331	747,491			747,491	294	334	762,710			762,710
32066	Lakota 66	1	240	275	560,589	73,590	71,200	705,379	230	282	766,373			766,373	227	280	773,426			773,426
33001	Center-Stanton 1	1	281	309	641,626	99,000	87,640	828,266	320	349	1,014,116			1,014,116	365	385	1,159,696			1,159,696
34001	Pembina 1	1	141	176	327,163	45,210	46,600	418,973	136	166	407,699			407,699	135	164	407,301			407,301
34006	Cavalier 6	1	525	488	999,288	160,710	140,280	1,300,278	507	504	1,370,851			1,370,851	503	500	1,384,332			1,384,332
34012	Valley 12	1	161	201	403,801	52,140	53,740	509,681	156	193	507,885			507,885	155	192	511,297			511,297
34019	Drayton 19	1	177	225	399,127	57,420	63,030	519,577	170	212	497,875			497,875	170	211	500,208			500,208
34027	Walhalla 27	1	298	303	632,094	90,090	77,380	799,564	289	311	859,240			859,240	286	310	875,624			875,624
34043	St Thomas 43	1	130	160	317,134	45,540	42,720	405,394	126	155	402,952			402,952	127	155	412,050			412,050
34055	Neche 55	1	84	104	155,581	37,950	42,990	236,521	80	98	200,439			200,439	81	99	203,302			203,302
35001	Wolford 1	1	49	64	110,763	20,790	31,800	163,353	47	59	135,689			135,689	46	58	133,168			133,168
35005	Rugby 5	1	557	518	989,103	221,430	155,710	1,366,243	536	533	1,372,807			1,372,807	521	518	1,343,337			1,343,337
36001	Devils Lake 1	1	1883	1,784	4,084,213	661,320	467,640	5,213,173	1886	1,851	5,471,191			5,471,191	1876	1,841	5,577,785			5,577,785
36002	Edmore 2	1	79	106	115,876	24,420	35,450	175,746	77	97	149,474			149,474	76	95	140,392			140,392
36044	Starkweather 44	1	90	111	193,859	30,360	33,360	257,579	91	110	260,743			260,743	90	109	260,169			260,169
37002	Sheldon 2	2	25	31	32,678	33,990	10,740	77,408	24	31	52,515			52,515	24	31	51,280			51,280
37006	Ft Ransom 6	2	12	16	11,166	11,550	6,060	28,776	12	16	22,548			22,548	11	15	16,813			16,813
37019	Lisbon 19	1	631	583	1,223,060	190,410	154,670	1,568,140	614	606	1,689,158			1,689,158	583	574	1,617,945			1,617,945
37022	Enderlin 22	1	303	318	637,160	93,390	88,180	818,730	295	343	931,443			931,443	279	327	894,953			894,953
38001	Mohall-Lansford-Sherwood	1	350	343	535,292	113,520	117,820	766,632	353	380	874,601			874,601	348	372	852,433			852,433
38026	Glenburn 26	1	267	297	657,002	86,790	85,630	829,422	269	329	957,110			957,110	263	320	950,059			950,059
39008	Hankinson 8	1	323	316	648,273	95,700	90,300	834,273	313	336	919,484			919,484	303	328	910,191			910,191
39018	Fairmount 18	1	104	131	195,169	30,690	45,450	271,309	101	125	255,104			255,104	98	122	241,714			241,714
39028	Lidgerwood 28	1	213	268	575,808	71,610	67,500	714,918	206	256	710,457			710,457	201	250	704,529			704,529
39037	Wahpeton 37	1	1437	1,343	2,863,790	502,590	324,160	3,690,540	1394	1,378	3,809,327			3,809,327	1351	1,334	3,742,818			3,742,818
39042	Wyndmere 42	1	258	293	548,212	82,170	66,780	697,162	250	310	792,336			792,336	243	301	774,387			774,387
39044	Richland 44	1	329	325	670,388	107,910	81,140	859,438	318	346	944,791			944,791	309	339	939,653			939,653
40001	Dunseith 1	1	619	585	1,481,813	269,610	166,990	1,918,413	598	590	1,897,175			1,897,175	579	571	1,890,634			1,890,634
40003	St John 3	1	294	299	758,380	170,610	87,930	1,016,920	284	313	1,008,590			1,008,590	276	312	1,034,843			1,034,843
40004	Mt Pleasant 4	1	309	322	706,582	96,030	91,750	894,362	298	343	980,259			980,259	292	340	992,990			992,990
40007	Belcourt 7	1	1686	1,599	4,141,315	710,490	713,670	5,565,475	1629	1,600	5,282,217			5,282,217	1587	1,558	5,309,105			5,309,105
40029	Rolette 29	1	181	230	502,112	63,690	57,210	623,012	175	216	605,966			605,966	171	212	602,916			602,916
41002	Milnor 2	1	281	290	638,534	97,020	61,370	796,924	278	306	884,137			884,137	274	312	924,013			924,013

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41003	N Sargent 3	1	195	239	527,519	59,400	62,960	649,879	194	235	672,208			672,208	190	230	669,742			669,742
41006	Sargent Central 6	1	303	307	566,718	92,730	85,890	745,338	300	331	841,911			841,911	296	337	873,180			873,180
42016	Goodrich 16	1	47	58	94,442	17,160	20,820	132,422	41	51	105,416			105,416	38	48	94,352			94,352
42019	McClusky 19	1	100	125	242,702	34,980	37,790	315,472	87	107	258,899			258,899	86	106	258,377			258,377
43003	Solen 3	1	162	198	469,402	104,280	69,000	642,682	190	234	721,559			721,559	205	248	787,171			787,171
43004	Ft Yates 4	2	157	183	462,555	222,420	86,400	771,375	179	213	684,908			684,908	190	227	756,556			756,556
43008	Selfridge 8	1	110	137	311,930	43,560	39,000	394,490	130	161	480,807			480,807	139	172	534,386			534,386
44012	Marmarth 12	2	15	18	-	-	-	-	14	17	8,833			8,833	15	17	6,088			6,088
44014	Sheets 14	3	2	3	-	-	-	-	2	3	-			-	1	1	-			-
44032	Central Elementary 32	2	4	5	-	-	-	-	4	5	-			-	2	3	-			-
45001	Dickinson 1	1	2649	2,596	5,792,453	1,003,530	628,170	7,424,153	2640	2,588	7,427,327			7,427,327	2609	2,557	7,497,372			7,497,372
45009	South Heart 9	1	244	287	655,948	83,820	57,030	796,798	244	298	895,240			895,240	240	294	903,202			903,202
45013	Belfield 13	1	232	260	627,509	56,430	57,950	741,889	234	288	894,551			894,551	231	285	907,830			907,830
45034	Richardton-Taylor 34	1	273	297	626,785	92,400	80,510	799,695	274	325	916,976			916,976	271	323	929,846			929,846
46010	Hope 10	1	132	145	255,963	51,480	44,970	352,413	137	164	412,153			412,153	150	178	468,573			468,573
46019	Finley-Sharon 19	1	185	231	456,902	58,410	62,100	577,412	191	236	622,482			622,482	198	243	659,382			659,382
47001	Jamestown 1	1	2452	2,428	5,342,837	842,820	553,270	6,738,927	2395	2,369	6,716,772			6,716,772	2328	2,302	6,641,576			6,641,576
47003	Medina 3	1	163	197	403,440	52,140	53,320	508,900	160	192	511,362			511,362	157	187	506,301			506,301
47010	Pingree-Buchanan	1	151	188	386,082	50,160	48,990	485,232	147	179	480,086			480,086	144	175	474,553			474,553
47014	Montpelier 14	1	102	125	245,476	35,640	46,610	327,726	100	121	311,958			311,958	97	117	303,597			303,597
47019	Kensal 19	1	63	79	113,501	16,830	21,690	152,021	62	75	151,776			151,776	60	73	142,011			142,011
47026	Spiritwood 26	2	15	17	-	-	-	-	15	18	-			-	14	16	-			-
48002	Bisbee-Egeland 2	1	77	102	139,420	25,410	36,400	201,230	71	90	161,601			161,601	63	80	124,637			124,637
48008	Southern 8	1	226	274	581,210	89,100	66,750	737,060	212	258	708,795			708,795	193	235	644,122			644,122
48028	North Central 28	1	66	82	129,492	22,110	26,910	178,512	62	76	158,600			158,600	57	69	137,235			137,235
49003	Central Valley 3	1	303	311	607,417	90,750	71,590	769,757	304	339	903,787			903,787	302	334	904,988			904,988
49007	Halton 7	1	241	289	628,224	83,490	62,320	774,034	240	292	825,529			825,529	238	290	837,737			837,737
49009	Hillsboro 9	1	420	410	767,676	132,660	99,300	999,636	420	415	1,039,394			1,039,394	420	417	1,060,813			1,060,813
49014	May-Port CG 14	1	593	549	1,063,562	181,170	153,450	1,398,182	592	585	1,541,611			1,541,611	590	583	1,561,913			1,561,913
50003	Grafton 3	1	971	904	2,022,700	322,080	196,500	2,541,280	975	961	2,809,651			2,809,651	988	973	2,922,266			2,922,266
50020	Minto 20	1	238	285	610,958	69,630	69,420	750,008	239	293	823,144			823,144	242	296	852,284			852,284
50039	Lankin 39	2	44	58	117,474	12,870	23,040	153,384	46	63	171,478			171,478	46	63	175,000			175,000
50051	Nash 51	2	19	22	26,206	8,580	10,200	44,986	20	24	46,685			46,685	20	24	46,302			46,302
50078	Park River 78	1	420	411	876,970	128,700	107,470	1,113,140	421	426	1,199,290			1,199,290	428	425	1,222,854			1,222,854
50079	Fordville 79	1	80	100	194,511	27,390	26,260	248,161	79	92	233,981			233,981	80	94	242,897			242,897
50106	Edinburg 106	1	132	163	364,094	41,910	43,250	449,254	132	161	463,560			463,560	135	165	489,071			489,071
50128	Adams 128	2	75	90	166,171	30,360	27,660	224,191	75	93	236,889			236,889	74	93	238,206			238,206

Exec Rec $512M . Add: Teacher Compensation Payments and Tuition Apportionment

					2,623						3,309						3,417		
ID	DNAME	DTYPE	Enr 04-05	Enr wpu 04-05	Net Pay 04-05	Tuition Apport	Teacher FTE	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	Proj wpu 05-06	Net Pay 05-06	Tuition Apport	Teacher FTE	05-06 Per Student and Tuition/FTE	Proj Enr 06-07	Proj wpu 06-07	Net Pay 06-07	Tuition Apport	Teacher FTE	06-07 Per Student and Tuition FTE
51001	Minot 1	1	6673	6,550	14,743,640	1,887,270	1,683,410	18,314,320	6542	6,409	18,517,541			18,517,541	6479	6,345	18,749,151			18,749,151
51004	Nedrose 4	2	251	231	450,957	143,220	52,500	646,677	247	241	617,801			617,801	243	237	613,754			613,754
51007	United 7	1	601	565	1,262,057	206,250	129,000	1,597,307	589	589	1,706,795			1,706,795	584	584	1,731,252			1,731,252
51010	Bell 10	2	147	163	348,058	73,590	34,350	455,998	145	169	466,001			466,001	143	168	472,398			472,398
51016	Sawyer 16	1	125	155	324,526	43,890	41,900	410,316	123	149	406,955			406,955	121	147	407,066			407,066
51019	Eureka 19	2	9	12	-	6,113	3,880	9,993	9	12	7,352			7,352	9	12	5,669			5,669
51028	Kenmare 28	1	286	316	592,703	94,710	78,420	765,833	281	340	873,629			873,629	277	337	877,284			877,284
51041	Surrey 41	1	366	360	844,979	121,440	100,630	1,067,049	360	388	1,174,128			1,174,128	355	383	1,188,882			1,188,882
51070	S Prairie 70	2	149	165	323,816	58,740	39,400	421,956	147	171	442,944			442,944	145	170	446,845			446,845
51161	Lewis and Clark 161	1	402	391	705,839	118,140	115,800	939,779	395	419	1,048,089			1,048,089	390	414	1,045,484			1,045,484
52025	Fessenden-Bowdon 25	1	194	236	358,934	75,240	66,870	501,044	178	219	449,920			449,920	158	194	362,892			362,892
52035	Pleasant Valley 3	2	21	23	26,411	10,890	8,700	46,001	18	20	29,445			29,445	17	19	23,614			23,614
52038	Harvey 38	1	448	425	812,913	157,410	142,290	1,112,613	406	413	1,046,583			1,046,583	361	383	961,042			961,042
52039	Sykes 39	1	54	69	119,737	18,810	31,350	169,897	50	61	138,056			138,056	45	55	118,475			118,475
53001	Williston 1	1	2159	2,050	4,799,472	808,830	524,610	6,132,912	2099	2,063	6,183,600			6,183,600	2034	1,998	6,125,157			6,125,157
53002	Nesson 2	1	163	206	423,113	53,790	60,020	536,923	158	195	521,444			521,444	154	190	513,166			513,166
53006	Eight Mile 6	1	218	272	661,459	67,980	72,580	802,019	212	261	809,948			809,948	206	254	807,052			807,052
53008	New 8	2	215	195	250,504	110,550	63,280	424,334	211	202	384,053			384,053	205	199	369,575			369,575
53015	Tioga 15	1	240	281	534,072	80,520	77,380	691,972	233	286	731,345			731,345	227	278	716,867			716,867
53091	Wildrose-Alamo 91	1	39	51	64,052	18,480	22,830	105,362	38	48	87,014			87,014	36	45	76,771			76,771
53099	Grenora 99	1	65	77	67,081	19,140	36,000	122,221	64	74	116,085			116,085	61	70	99,922			99,922
	Statewide Total		99,728	100,904	211,346,306	33,755,543	25,888,902	270,990,751	98,295	101,532	277,945,991	-		277,945,991	97,063	100,233	279,292,363	-		279,292,363

Transportation funding was allocated to districts based on the block grant funding received for the 2003-2005 biennium.

SUMMARY OF TRENDS IN ND PER PUPIL COSTS/PAYMENTS COMPARED TO CPI AND AVERAGE NORTH DAKOTA TEACHER SALARIES

The chart entitled "Trends in North Dakota Per Pupil Costs/Trends" is our compilation of the historical data related to actual per pupil cost, the foundation payment per year, the tuition apportionment payment, the teacher compensation payments, the total of all of these payments from state sources and the percentage of per pupil cost provided by the aforementioned state payments.

Listed below is a summary of the data on this chart:

	94-95	2004-05	TOTAL PERCENT CHANGE	PERCENT CHANGE/YEAR
Per Pupil Cost	$3,850	$7,060*	83.3%	8.33%
Foundation Payment	$1,636	$2,623	60.4%	6.03%
Total, State sources	$1,834	$3,217	75.4%	7.54%
CPI	149.4	189.9	27.1%	2.71%
Avg. Teacher Salary	$26,327	$36,468*	38.5%	3.85%

*estimate

Haas Mueller 19 Apr AM

Representative Haas

2003 S.L. ch. 667 (S.B. 2421)

SECTION 38. TEACHER COMPENSATION.

1. During the 2003-05 biennium, the board of each school district shall use an amount equal to at least ***seventy percent of all new moneys*** received for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 for the purpose of increasing the compensation paid to teachers and for the purpose of providing compensation to teachers who begin employment with the district on or after July 1, 2003.

2. For purposes of this section,"new moneys" means any increase in the amount received by a district for per student payments under section 15.1-27-04 and tuition apportionment payments under section 15.1-28-03 between the 2001-03 biennium and the 2003-05 biennium.

3. For purposes of this section, school districts providing educational services under a cooperative agreement approved by the superintendent of public instruction are treated as a single district.

4. a. The provisions of this section do not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of its members that complying with the provisions of subsection 1 would place the school district in the position of having insufficient fiscal resources to meet its other obligations.

b. Within ten days of the vote required by subdivision a, the board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

c. The superintendent of public instruction shall report all notices received under this subsection to an interim committee designated by the legislative council.

Withdrawn

Senate formula
70% of found aid
tuition apportionment
PPP

Not FTE to PPP
Not transportation

Prepared by the North Dakota Legislative Council
staff for Representative R. Kelsch
April 21, 2005

MINIMUM TEACHER SALARIES IN REENGROSSED HOUSE BILL NO. 1154

Section 6 of Reengrossed House Bill No. 1154 provides:

SECTION 6. AMENDMENT. Section 15.1-27-39 of the North Dakota Century code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the ~~2003-04~~ 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~ twenty-two thousand dollars.
2. Beginning with the ~~2004-05~~ 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least ~~twenty-one~~ twenty-two thousand five hundred dollars.

Minimum teacher salaries for the 2003-04 to 2006-07 school years would be as follows:

2003-04	$21,000
2004-05	$21,500
2005-06	$22,000
2006-07	$22,500

Add to .0359 Haas motion & approve as part of .0359 also remove section 12 of .0359

Approved
16.0.1

HB 1154
11 Jan 05

National Board for Professional Teaching Standards
http://www.nbpts.org

1. University of Washington
   Center on Reinventing Public Education
   "Can Teacher Quality Be Effectively Assessed?"
   http://www.crpe.org/workingpapers.shtml

2. The Southeast Center for Teaching Quality

   http://www.teachingquality.org/resources/html/NBCT_EPAA.htm

3. National Staff Development Council (NSDC)

   http://www.nsdc.org/index.cfm

4. Association for Supervision and Curriculum
   Development

   http://www.ascd.org/portal/site/ascd/index.jsp/

NBCTs / NBCT Directory

next 1 - 20 of 23 Records Page: 1 2

Where the school district name is provided below, "City, State" lists where the teacher *works*. Where the school district name is *not* provided below, "City, State" lists where the teacher *resides*.

2003-2004 NBCTs are indicated in BLUE.

Displaying the **23** NBCTs in **ND** certified in **All Certificates** .

Sort by: **Name** | **State** | **City** | **School District** | **Certificate**

Name	City, State	School District	Certification Expiration Date
Bartz , David	Mandan , ND	Mandan 1	11/22/2012
Generalist/Middle Childhood			
Beaudoin , Gail ✉	Bismarck , ND	Bismarck 1	11/19/2014
English Language Arts/Adolescence and Young Adulthood			
Benz , Amy	, ND	No SD Provided	11/30/2009
English Language Arts/Early Adolescence			
Bradshaw , Glorianne	Crystal , ND	Valley 12	11/19/2014
Generalist/Early Childhood			
Edwards, Linda ✉	BISMARCK, ND	Bismarck 1	11/09/2008
Generalist/Early Childhood			
Grzadzielewski , Jill	, ND	No SD Provided	11/30/2009
English Language Arts/Early Adolescence			
Hansen , Joan ✉	Minot , ND	Minot 1	11/21/2013
Art/Early Adolescence through Young Adulthood			

Jossart , Robin	Bismarck , ND	Bismarck 1	11/21/2013
Science/Adolescence and Young Adulthood			
Knudson , Ellen	, ND	No SD Provided	11/30/2009
Generalist/Early Childhood			
Koble , Julia ✉	Minot , ND	Minot 1	11/22/2012
Science/Adolescence and Young Adulthood			
Lawler , Ruby	, ND	No SD Provided	11/30/2010
Generalist/Early Childhood			
Lentz , Kathleen	Valley City , ND	Valley City 2	11/19/2014
Generalist/Middle Childhood			
Maize , Linda	Beulah , ND	Beulah 27	11/22/2012
Generalist/Early Childhood			
Marks , Kristi Ann	Fargo , ND	Fargo 1	11/21/2013
Generalist/Middle Childhood			
Masset , Myron	, ND	No SD Provided	11/30/2010
English Language Arts/Adolescence and Young Adulthood			
Mc Vicar , Kim	, ND	No SD Provided	11/30/2009
Science/Adolescence and Young Adulthood			
Montgomery , Jennifer ✉	, ND	No SD Provided	11/30/2010
English Language Arts/Adolescence and Young Adulthood			
Nestoss , Donna Marie	Bismarck , ND	Bismarck 1	11/22/2012
Generalist/Early Childhood			
Pole , Katherine ✉	Bismarck , ND	Bismarck 1	11/19/2014
Social Studies - History/Adolescence and Young Adulthood			
Sandbo , Mary	Des Lacs , ND	United 7	11/19/2014
Science/Adolescence and Young Adulthood			

Another Study Finds National Board Certified Teachers Increase Student Achievement

A new study released today demonstrates that National Board Certified Teachers (NBCTs) increase student achievement. Drawing on four years of Stanford Achievement Test data (in reading, mathematics and language arts) in grades three through six, the students of NBCTs surpassed students of non-Board certified teachers in almost three-quarters of the comparisons.[1] The gains made by students of NBCTs were more than one month greater than the gains made by the students of non-Board certified peer teachers. Using a quasi-experimental design, the study drew upon more than 200,000 students from 14 Arizona school districts with gain scores calculated for each student over four consecutive years, 1999-2003. The sample of NBCTs consisted of those holding only the Early Childhood or Middle Childhood Generalist certificate(s). The study, authored by Leslie Vandevoort, Audrey Amrein-Beardsley, and David Berliner and published by Educational Policy Analysis Archives, reinforces the importance of enhancing the teaching profession as a primary means to improve student achievement.

This most recent research on the National Board builds on earlier studies conducted by Dan Goldhaber and Emily Anthony of the Urban Institute which also found that NBCTs make a significant difference for student achievement, and the Lloyd Bond study which found that NBCTs, compared to unsuccessful National Board applicants, excelled on 13 dimensions of teaching excellence and their students produced far more accomplished work on a set of common writing assessments. The Goldhaber study deployed more traditional quantitative methods and used a standardized achievement test as its dependent measure, while controlling for student demographics and previous student performance. The Bond study used both qualitative and quantitative measures, drew upon "double blind" classroom observations, and utilized a comprehensive performance assessment instead of a standardized test. Both studies have added great depth to what is known about the effects of NBCTs on student achievement.

The Vandevoort study, while having to rely upon a smaller sample size[2] and applying different means for calculating gain scores than those used by Goldhaber and Anthony, has focused on standardized achievement tests as a means for assessing the "National Board effect." All three studies reveal that the National Board assessments are valid in several ways. The Bond study shows how NBCTs teach differently and more effectively than those who were not certified. And the Goldhaber and Anthony study, as well as the Vandevoort study, both reveal that the National Board assessments have what is called "predictive validity" — i.e., students of NBCTs out-gain students of non-NBCTs, including those that attempted but did not pass the exams.

It is always important to understand the methods researchers use to answer their questions. In determining whether or not students of NBCTs made greater achievement gains than those of their non-NBCTs peers, the Vandevoort study used a covariate adjustment model (which control for students' prior achievement in predicting students' current achievement status). Some have critiqued this model as not being as robust a statistical tool as others (Rowan, Correnti, and Miller, 2002). However, in almost any case, researchers use of a variety of statistical models that can lead to different conclusions regarding the overall magnitude of teacher effects on student achievement. What is important is that now three separate studies, using different methods, samples, and approaches have all pointed to the positive impact that the National Board has on teaching and learning.

In fact, the Vandevoort study also drew upon a survey of NBCTs and the principals who supervise them, which in some ways provides even more insight into the potential of the National Board as a reform strategy. Collectively, these NBCTs are distinguished, recognized and valued for their actual performance and leadership in schools, beyond their status as NBCTs. Almost 20 percent of these NBCTs taught in multi-age classrooms that

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contained two, three, and in one case, four grade levels; a number were curriculum specialists and mentors, and one taught literacy at a major state university. The researchers noted that more than 30 percent held endorsements that were in special education, including gifted education, and another 19 percent had earned endorsements in either English as a Second Language or bilingual education. Another 14 percent had earned principal certificates.

The survey responses indicated that the NBCTs push their students, and in some cases their parents, "to become actively involved in the learning process." NBCTs apparently use a wide variety of assessments to measure their students learning — criterion- and norm-referenced tests as well as work samples and teacher-made assessments. Two-thirds of the NBCTs noted that the National Board assessment process pushed them to "reflect" and "analyze" their practice, which in their estimation helped improve their teaching. The researchers noted that the NBCTs "most common response about the certification process was that they found it to be a significant professional growth experience, both worthwhile and rewarding."

About 75 percent of the principals surveyed reported that they observed changes in how NBCTs taught after going through the process, and for them, "NBCTs were perceived as assuming more of a leadership role, and more willing to try new techniques or take risks." During the National Board process, the vast majority of principals claimed that NBCTs improved their ability to differentiate instruction according to students' needs. About 85 percent of principals perceived NBCTs to be among the best teachers they had ever supervised, and slightly less than ten percent of the principals reported NBCTs to be average teachers. More than 90 percent of the principals claimed that the National Board process improves teacher quality.

These survey findings reveal the potential of the National Board's assessment process for improving teaching quality and closing the achievement gap. A number of other National Board studies are underway that should shed more light on this matter.

While evidence mounts that NBCTs make a tangible difference for student achievement, it is clear from other research that NBCTs are less likely to teach in low-income, minority, and low-performing schools (Humphrey, Koppich, and Hough, forthcoming). On this basis, some critics question the costs of the National Board assessments (Rotherham, 2004). Outside of California and Los Angeles, few states and districts have developed comprehensive incentives to attract NBCTs to low-performing schools, as well as supports that would encourage them to stay long enough to make a difference.

The Southeast Center for Teaching Quality's own research into this matter has revealed that several factors limit NBCT potential in improving low performing schools, including: (1) the lack of administrator support for and knowledge of the National Board standards and assessment process; (2) too little time for teachers to work with their colleagues, and (3) a need among NBCTs for professional development in the area of adult leadership. We *have* found some schools that are systematically engaging NBCTs to improve student achievement. However, doing so requires an interlocking set of state and local policies and practices, and a commitment from administrators and teachers alike to build school improvement around the teaching profession rather than short-term fixes like "teacher-proof" curriculum packages and software designed to sharpen students' test-taking skills.

Our work with a growing group of highly accomplished teachers from across the nation (http://www.teacherleaders.org) reveals that many of these teachers are ready to put their skills to use in schools that need them the most. But, to recruit and retain truly "highly qualified" teachers for our most challenging schools, policymakers will need to rethink a great deal of current policies and practices. From these accomplished teachers, we have learned that ensuring effective school leadership, working with like-minded and reform-oriented colleagues, utilizing new ways to assess and report on student progress, and creating more time for professional development would be *some* of the most powerful incentives to teach in our nation's hard-to-staff schools. Additional salary is important, but not sufficient.

Since the early 1990s, an uninterrupted flow of new research has documented the critical relationship between teaching quality and student achievement — and convinced some policymakers of a pressing need to place teachers at the heart of the school improvement agenda. With the addition of the Vandevoort study that links National Board Certification directly to student achievement, now is the time for federal, state, and local policymakers to take specific actions in order better utilize NBCTs and other accomplished teachers so that every student has a quality teacher in every class and quality teaching every day.

[1] In the cases where the students of non-Board certified teachers gained more in an academic year, none of the differences found were statistically significant.

[2] There are far fewer NBCTs in Arizona than North Carolina where Goldhaber drew his

sample.

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National Board Certified Teachers and Their Students' Achievement

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Audrey Amrein-Beardsley
David C. Berliner
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Abstract

Contemporary research on teaching indicates that teachers are powerful contributors to students' academic achievement, though the set and interrelationships of characteristics that make for high-quality and effective teaching have yet to be satisfactorily determined. Nevertheless, on the basis of the extant research and a vision of exemplary teaching, the *National Board for Professional Teaching Standards* stipulated a definition of a superior teacher. The Board did this without empirical evidence to support their claim that teachers' who meet the standards set by the Board were superior in promoting academic achievement to those who did not meet those standards. In the 17 years since the founding of the National Board, only a few empirical studies have addressed this important issue. In this study we compare the academic performance of students in the elementary classrooms of 35 National Board Certified teachers and their non-certified peers, in 14 Arizona school districts. Board Certified teachers and their principals provide additional information about these teachers and their schools. Four years of results from the Stanford Achievement Tests in reading, mathematics and language arts, in grades three

through six, were analyzed. In the 48 comparisons (four grades, four years of data, three measures of academic performance), using gain scores adjusted for students' entering ability, the students in the classes of National Board Certified Teachers surpassed students in the classrooms of non-Board certified teachers in almost three-quarters of the comparisons. Almost one-third of these differences were statistically significant. In the cases where the students of non-Board certified teachers gained more in an academic year, none of the differences found were statistically significant. Effect size, translated into grade equivalents, informs us that the gains made by students of Board Certified teachers were over one month greater than the gains made by the students of non-Board certified peer teachers. Teachers identified through the assessments of the National Board for Professional Teaching Standards are, on average, more effective teachers in terms of academic achievement, one of the many outcomes of education for which teachers are responsible. This study does not address whether other, cheaper, or better alternatives to the National Boards exist, as some critics suggest. On the other hand, the results of this study provide support for the policies in many states that honor and provide extra remuneration for National Board Certified Teachers.

Introduction to the Policy Context and the Empirical Issue

In three short years America went from worrying about being *A Nation at Risk* (United States Commission on Excellence in Education, 1983) to worrying about how to become *A Nation Prepared* (Carnegie Forum on Education and the Economy, 1986). The first of these two reports focused attention on student academic achievement, purported to be too low for the economic viability of the United States, while the second report suggested that the best way to improve America's educational system was to focus on the quality of our nations' teaching force. Echoing both these themes about 20 years later, the No Child Left Behind Act (NCLB), enacted by Congress in 2002, challenged Americans to put a "highly qualified teacher" in every classroom by the year 2006.

Before and after the reports of the 1980's, the community of researchers concerned with teaching produced many studies to determine the relationship between teacher variables and student achievement. Hanushek (1992), for example, estimated that a high quality teacher, in comparison to a low quality teacher, can provide one full years difference in the learning of a class of children (one and one-half years growth in grade level vs. only a half years growth). Others echoed this theme (e. g. Goldhaber, 2002; Ferguson, 1998). While no single approved list of characteristics has emerged, it is generally agreed that credentials alone (graduation from a particular school of education, having advanced course work in education, holding a masters of education degree) do not provide assurance about the qualifications of teachers. Other factors are at work (Goldhaber and Brewer, 1996; 2000). But in the end, wrote Katie Haycock for the Education Trust (1998), "...What all of the studies conclude, is the single most important factor in student achievement (is) the teacher." (p. 2). This claim has many supporters.

The National Board for Professional Teaching Standards. The National Board for Professional Teaching Standards (NBPTS) grew out of the emergent belief that teachers were a key factor in improving student achievement, and thus the profession needed ways to recognize and appropriately reward exemplary classroom teachers. The NBPTS was created in 1987 at the

TESTIMONY ON HB 1154
SENATE EDUCATION COMMITTEE
March 7, 2005
by Mari B. Rasmussen, English Language Acquisition
701-328-2958
Department of Public Instruction

Mr. Chairman Freborg and members of the committee:

My name is Mari Rasmussen and I administer the English Language Acquisition Programs for the Department of Public Instruction. I am here to provide information regarding House Bill 1154 and the need for funding for students learning English as a second language.

The Second Engrossment version of HB 1154 includes $300,000 of the Contingent Payments for English Language Learners (page 12, lines 26-28). The House Education Committee had the foresight to add this amendment to HB 1154 since there was the chance that HB 1373, which contained an appropriation of $300,000 for English Language Learner Programs in North Dakota, might not pass. The contingent funding would assure that school districts might get some additional funds for services for their increasing numbers of students new to the English language.

First of all, on behalf of all the school districts in North Dakota who are struggling to provide quality English language services to school districts with minimal funding, **I urge you to consider reallocating the $300,000 in contingent funding to current biennium funding.** At the very least, maintain the $300,000 for English Language Learners in contingent funding.

Thank you for your consideration. I have enclosed some information on students who are limited English proficient in North Dakota, including current numbers and available funding.

LIMITED ENGLISH PROFICIENT STUDENTS IN NORTH DAKOTA SCHOOLS

Mari B. Rasmussen, Department of Public Instruction, 328-2958, mrasmussen@state.nd.us
March 2005

North Dakota schools identified **4590** students as limited English proficient (LEP) in 2003-2004. Data is collected through an annual survey of schools required by the United States Department of Education. The following chart lists students by levels of proficiency:

2003-2004 Data for ALL LEP Students in the State by Levels of Proficiency

Total number and percentage of ALL students identified as LEP at each level of English language proficiency										Identified as LEP, but not assessed by ELP test	Total LEP
Preliterate 1		Beginning 2		Intermediate 3		Transitional 4		Proficient 5			
Total	Percent of total	Total	Percent of total	Total	Percent of total	Total	Percent of total				
265	5.77%	642	13.99 %	1722	37.52 %	1152	25.10 %	Not available	Not available	809	**4590**

School districts in North Dakota serve limited English proficient students through a variety of sources of funding, including general funding and federal funding. Specific funds targeting limited English proficient or English Language Learners include the following:

- North Dakota schools served 2503 LEP students through Title III English Language Acquisition funding in 2003-2004. Funding is distributed through grants to consortia, with a $10,000 minimum grant. http://dpi.state.nd.us/bilingul/nochild/index.shtm
- North Dakota schools served 1635 students through state English Language Learner funding in 2003-2004. Funding is distributed to eligible school districts based on levels of English language proficiency. http://dpi.state.nd.us/bilingul/seclang/brochure.pdf
- North Dakota schools served approximately 1100 students through refugee Children School Impact Grant funding in 2003-2004.

The following chart lists funds currently available for school districts in North Dakota for students limited in English language proficiency:

State and Federal Funding for Students in North Dakota with Limited English Proficiency 2003-2005 Biennium

Program	State English Language Learner Program	Federal Title III English Language Acquisition	Federal Refugee Children School Impact
Grants to Schools	$ 650,000	$ 700,000	$ 282,600

ND Senate
Education Committee
Senator Layton Freborg, Chairman
HB 1154
Tuesday, March 8, 2005

From
Kathryn Gulya, Former State President NDPTA
and
Rachael Disrud, Former State President, NDPTA

As members of the Senate Education Committee, we know that your deliberations are amongst the most important work that is being done in ND. We also realize that funding for the education of our children is critical yet takes a commitment from our citizens who work and pay taxes to provide a stable economy.

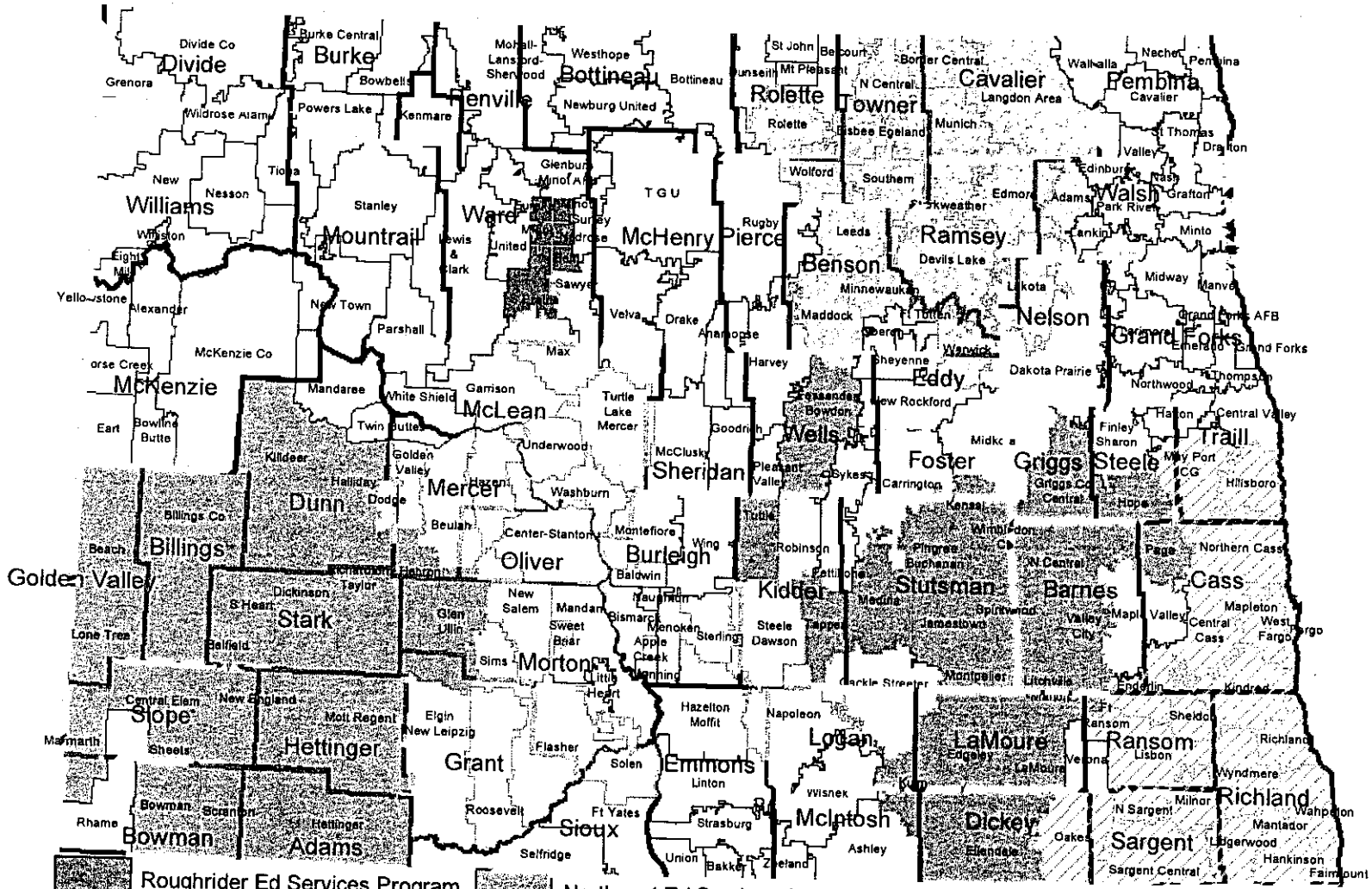
With this in mind, our commitment to children and the experiences we have had in realizing the return on the investments North Dakotans have made, we have seen first hand the positive results of this investment. Many of our children have grown to become leaders and educated citizens who are now paying taxes in return for what they received. They are investing in the future of our state through the lives they are leading.

The investment North Dakota makes into the ELL program that works with children who will be pursuing careers, going to college, working and paying taxes will pay off many times over. Our forefathers invested in us though a variety of ways. Our turn is now. The investment is small when we consider the big picture. The returns are great when we consider students that are empowered by understanding the language of the land in which they are now living.

Please support the funding as requested in HB 1154. Thank you for your commitment to the education of our children.

ND Joint Powers Agreements (2004-2005)

as of March 1, 2005



The State of North Dakota
Department of Public Instruction
Office of School District Finance and Organization
Dr. Wayne G. Sanstead, Superintendent
600 East Boulevard Avenue Dept 201
Bismarck, North Dakota 58505-0440

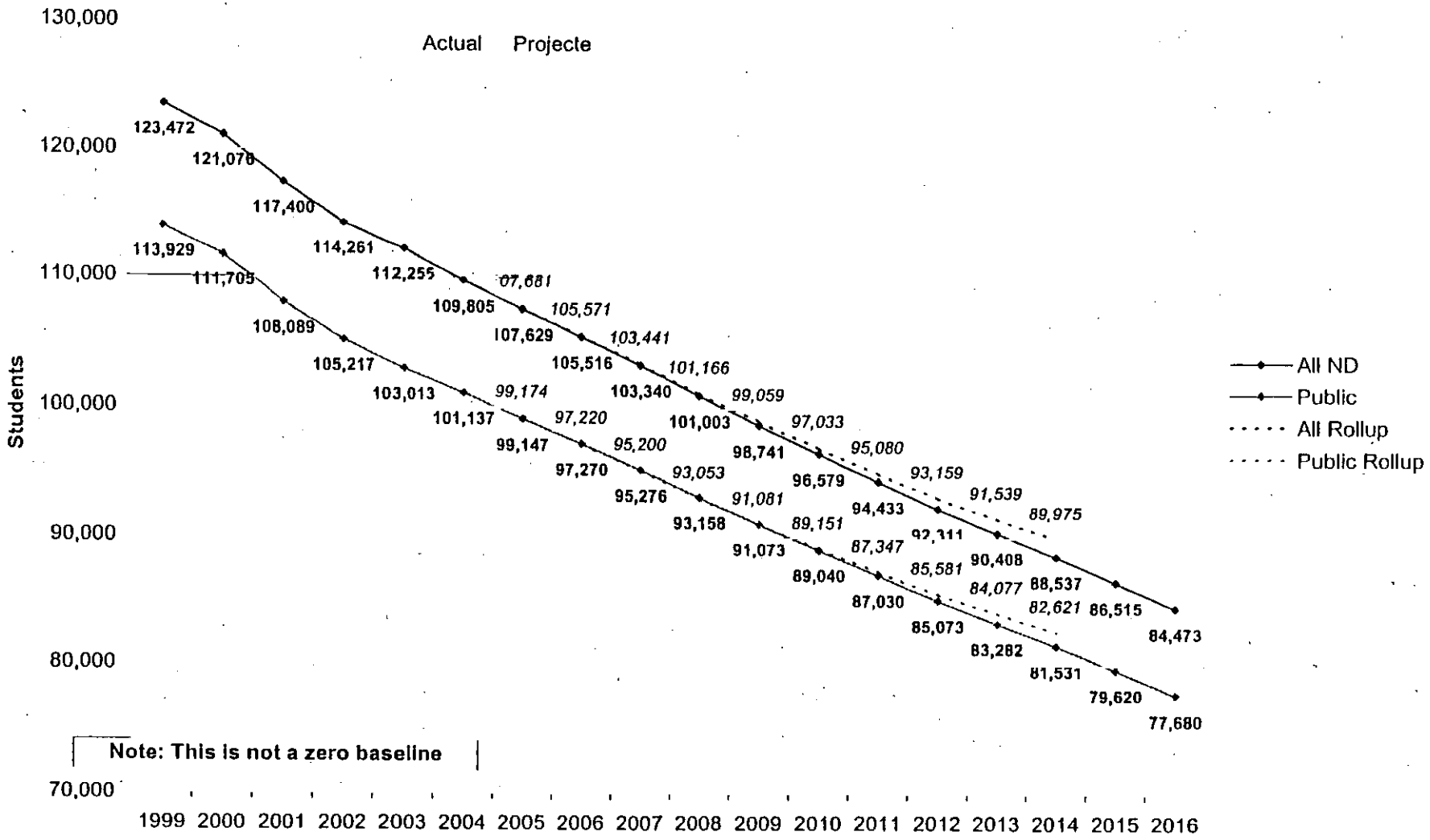
JOINT POWERS AGREEMENTS
Updated 3/28/05

INCLUDES THE PROPOSED SOUTH EAST EDUCATION COOP AND THE PROPOSED HEART OF THE VALLEY JPA

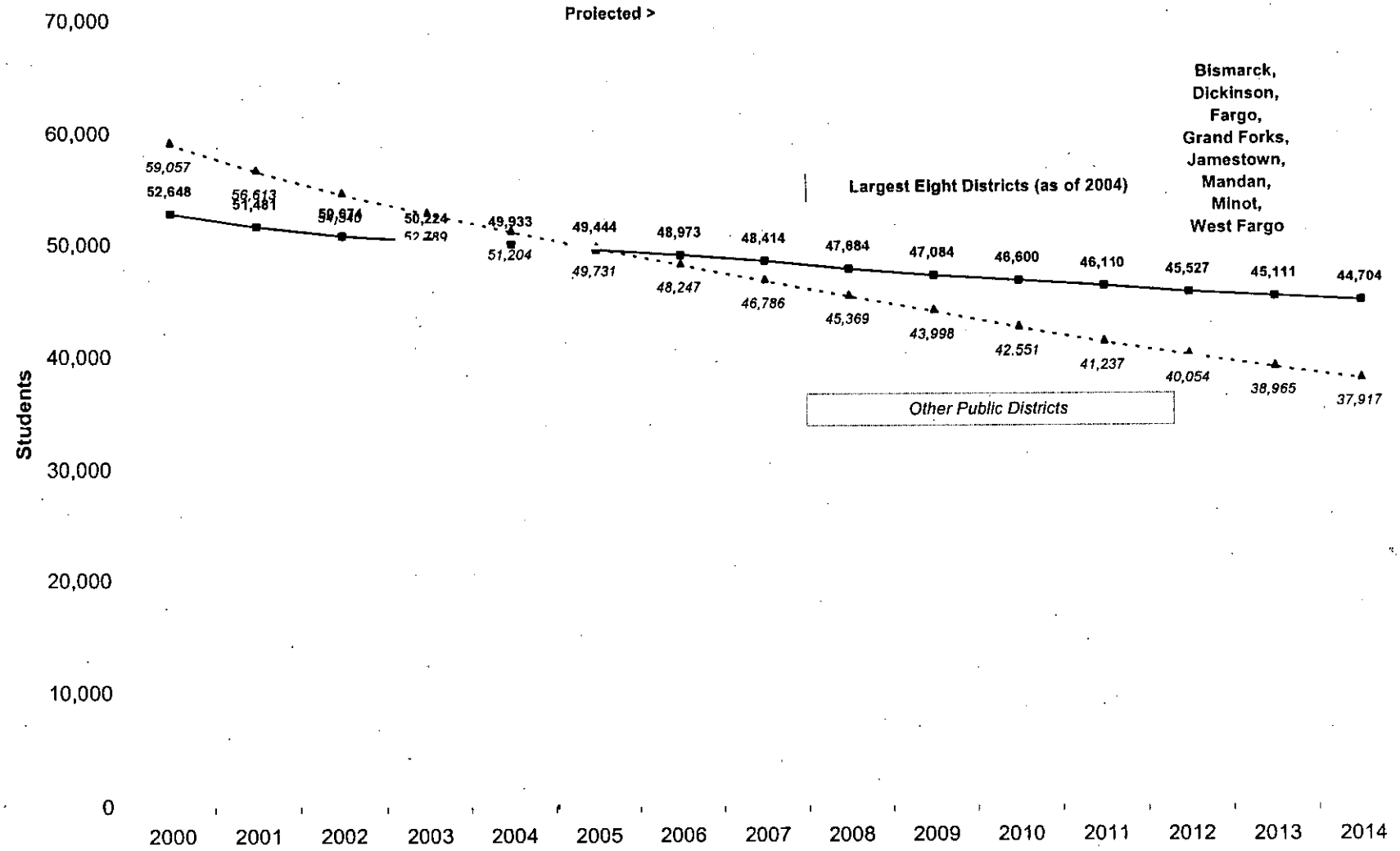
JPA	NUMBER OF DISTRICTS	ENROLLMENT	SQUARE MILES
Mid-Dakota Ed. Council (MDEC)	5	7,321	337.62
Missouri River Ed. Coop. (MREC)	27	15,589	7,739.53
Northeast Ed. Services Coop. (NESC)	18	4,687	5,716
Roughrider Ed. Services Program (RESP)	19	6,165	9,780.93
South Central Education Coop. (SCEC)	21	6,932	7,430.05
Heart of the Valley JPA (proposed JPA)	25	13,723	4,909
South East Education Coop. (proposed JPA)	22	24,696	5,574
JPA Totals	137	79,113	41,487.13
State Totals	210	99,324	70,704
Percent of State Totals	65.24%	79.65%	58.68%

For additional information regarding JPAs see
http://www.dpi.state.nd.us/finance/jtpower.shtm

Enrollment Projection Comparison
State-wide Method vs. Rollup of 162 Projections



ND Public K-12 Enrollment History and Projection



NDDPI March 4, 2004

North Dakota Joint P[illegible]ers Agreements

Current: 2003-2005 JPA Activities
Future: 2005-2007 Planned JPA Activities

P = Present
V = Vision

	MDEC 2001		MREC 2002		NESC 2001		RESP 2001		SESC 2002		[illegible]	
Administration Services	Current	Future	Current	Future	Current	Future	Current	Future	Current	Future	Current	Future
Business Management				V		V				V	$ -	V
Career & Technical Ed.				V		V			P		$ -	V
Curriculum Mapping			P		P		P		P		$ -	V
Data Analysis			P			V		V		V	$ -	V
Federal Program Support			P			V	P			V	$ -	V
Federal Title Prog.Mgmt				V		V				v	$ -	V
Grant Writing				V	P		P		P		$ -	V
School Improvement			P			V		V	p		$ -	V
School Safety & Environment Mgmt.				V	P					V	$ -	V
Special Ed. Service Mgmt.				V	P					V	$ -	V
Staff Development			P		P		P		P		$ -	V
Staff Retention & Recruitment				V	P				P		$ -	V
Staff Sharing				V	P		P			V	$ -	V
Technology Support				V	P			V	P		$ -	V
Other Functions				V	P				P		$ -	V
Total Admin. Services			5	10	9	6	5	3	8	7		
Student Services												
Advanced Placement Classes				V		V		V	P		$ -	V
Alternative HS Programs				V		V	P			V	$ -	V
Career & Technical Ed.				V	P			V	P		$ -	V
Counseling Services				V	P					V	$ -	V
Common Elementary Curricula				V		V		V		V	$ -	V
Distance Learning Classes				V	P		P		P		$ -	V
Dual Credit Classes				V	P		P		P		$ -	V
Foreign Language Classes				V	P				P		$ -	V
Library & Media Services				V	P			V	P		$ -	V
Summer Programs				V		V	P			V	$ -	V
Supplemental Instruction Programs				V		V		V		V	$ -	V
Total Student Services				11	6	5	4	5	6	5	$ -	V

JPA LEGEND: Current JPAs

Mid-Dakota Education Council
Missouri River Education Cooperative
Northeast Education Services Cooperative
Roughrider Education Services Program
Southeast Education Services Cooperative

HB 1154
Senate Appropriations Committee
Monday, March 28, 2005

My name is Tanya Lunde Neumiller, and I am happy to be here today to testify in favor of the joint powers agreement legislation included in HB1154.

For two and a half years I taught high school English at a rural North Dakota school, also coaching both girl's basketball and track. I then spent almost seven years at the Department of Public Instruction as a member of the Title I staff where I had the primary responsibility of overseeing Title I schoolwide programs, which are higher poverty school districts who are engaged in comprehensive school improvement planning. It was during my time in this position that I first heard of the Joint Powers Agreement initiatives, and where I became convinced of the power JPAs could have to improve education in North Dakota.

The main reason that I support the Joint Powers Agreement initiative is that it is the one concept that I have seen that is truly aimed at providing support to North Dakota schools to improve the quality of education in the state of North Dakota, most specifically for rural school districts. I feel know first hand both the challenges that rural schools face as well as the strengths that they possess. JPAs, if supported, could address these challenges, build upon these strengths, and set a path for North Dakota school improvement that would vastly impact our students.

One of the most difficult issues facing all public schools today are the many challenging initiatives set forth in the federal "No Child Left Behind" Act. To name some of the more well known aspects, NCLB requires that schools make sure that ALL students meet the state's high academic standards; it requires that all schools employ "highly qualified" teachers; and NCLB expects schools to implement high quality and ongoing professional development. One of the greatest repercussions of the Act has been the enormous amount of attention that has suddenly

been focused on improving public education, both among educators and the public alike. In short, to meet the high standards set forth in the Act, schools are going to have to change what they are doing, and this kind of change is going to require support.

It is my opinion that Joint Powers Agreements are a real and efficient way that the state could provide much-needed supports to schools to meet the standards of NCLB, as well as address particular educational concerns of education in the state of North Dakota. There has been a lot of research in the last decade on identifying characteristics of successful schools—schools that raise academic achievement. In fact, much of this same research was used to identify many of the requirements which are now a part of the NCLB Act. Research of schools that have been able to raise academic achievement has shown that these schools do similar things, including spending time collecting data about the school, students, and community to identify weak areas and design improvement plans, engaging teachers in high quality and ongoing professional development, providing extended learning time for students, and using "research based" methods of instruction.

The research is there and available to us. The problem is, these are not by any means simple measures that schools can quickly adopt and "presto," student achievement is increased. Implementing them is going to take time and a great deal of support. If we continue operating our state educational system as we currently are, expecting schools to research and identify these improvements on their own time, we are setting ourselves up for failure. If we wish to rise to the challenge that NCLB presents us, JPAs could offer this much-needed support.

In December, I was hired as a part-time coordinator for the Missouri River Educational Cooperative, a JPA that consists of 26 school districts surrounding the Bismarck area. In the last several months, the group has been working to identify initiatives that they would like to undertake. I think reviewing a sample list of some of the initiatives they are considering will help

you get a better picture of how JPAs can improve our education system. The MREC is currently considering the following initiatives (not all are listed here):

- Offering summer school opportunities to all students in the JPA.
- Developing "TurnKey Career" programs that will allow students who are interested in North Dakota-based careers to attain needed coursework and the opportunity to experience the career in an internship setting.
- Offering satellite Vocational and Technical education services to all interested students.
- Offering Advanced Placement courses to interested students throughout the JPA.
- Providing English Language Learner students with ELL services.
- Hiring a data coordinator to gather and analyze data on student achievement and school programming to help schools identify weak areas in need of improvement.
- Designing a system of sustainable professional development for teachers throughout the JPA, possibly hiring instructional coaches to help teachers improve instruction.

Of course, the ideas listed above are very much in the planning stages, and the actual services of the JPA may change as the planning process continues. However, I think you can see in the above list how services to students can be improved if JPAs are put into action.

In addition, I think the two last items are the best examples of those listed above of why funding is needed to support JPAs. First, the data coordinator-- research that has studied schools that have been able to raise academic achievement shows that these schools use data to make school improvement decisions. Without spending too much time here, let me just say that most North Dakota schools, particularly those in rural areas, simply have no way of gathering and analyzing data at the level needed to impact school improvement decisions and thereby raise

academic achievement. By hiring a data coordinator, the JPA could quickly provide needed data-based decision making information to all JPA schools.

Regarding professional development, the last item listed above, I have to address this issue and try to help you understand why it is so important. Those outside education often question resources devoted to professional development, and I have often heard it said that these initiatives benefit the teachers and not the students. In a way, I guess I understand this perception, and certainly under the traditional model of professional development wherein teachers go to quick workshops or schools bring in speakers on particular issues and then never discuss the issues again, this perception is not unfounded. Only when professional development is of a high quality, providing ongoing opportunities for teachers to learn about and implement effective instructional approaches, are students the primary beneficiaries of teacher professional development. Simply put, you cannot raise student achievement without improving the way students are taught, and you can't improve teacher instructional methods without investing resources in that improvement. Providing high quality professional development for teachers with extensive opportunities for learning about, practicing, and implementing effective instructional methods is the best way to raise academic achievement, but it requires extensive support and commitment. Individual school districts do not have the resources available to undertake this type of professional development on their own, but JPAs could provide a system for this type of improvement.

This is really a significant moment in public education for North Dakota. Our public schools are facing tough issues—student enrollment declines, service and funding equity issues, a shrinking pool of highly qualified teachers, etc. At the same time, NCLB requires schools to raise the bar in its expectations for student achievement. It is my opinion that JPAs could significantly help educators across the state effectively address these issues, as well as countless others.

The initiatives set forth by the NCLB act at the federal level are worthy, but simply will not be attained without changes in the way school systems operate. Rural North Dakota schools face a particular challenge in raising the academic achievement of all students because of the simple fact that they have less service support available at the local level. Joint Powers Agreements, if funded appropriately, can and will have a huge impact on public education services provided to North Dakota students by providing useful services to JPA schools. I hope that we have your support. Thank you for giving me the opportunity to offer testimony in support of adequate funding for Joint Powers Agreements in HB1154.

Building Professional Collaborative Communities in Rural School Districts

Senate Bill 2168
January 19, 2005
Bismarck, ND

Roughrider Education Services Program (RESP)
Southwestern North Dakota
Dean U. Koppelman, Administrative Chair
Lois Myran, Director of Curriculum
Dean Rummel, School Board Chair

Building Professional Collaborative Communities in Rural School Districts

Roughrider Education Services Program (RESP)

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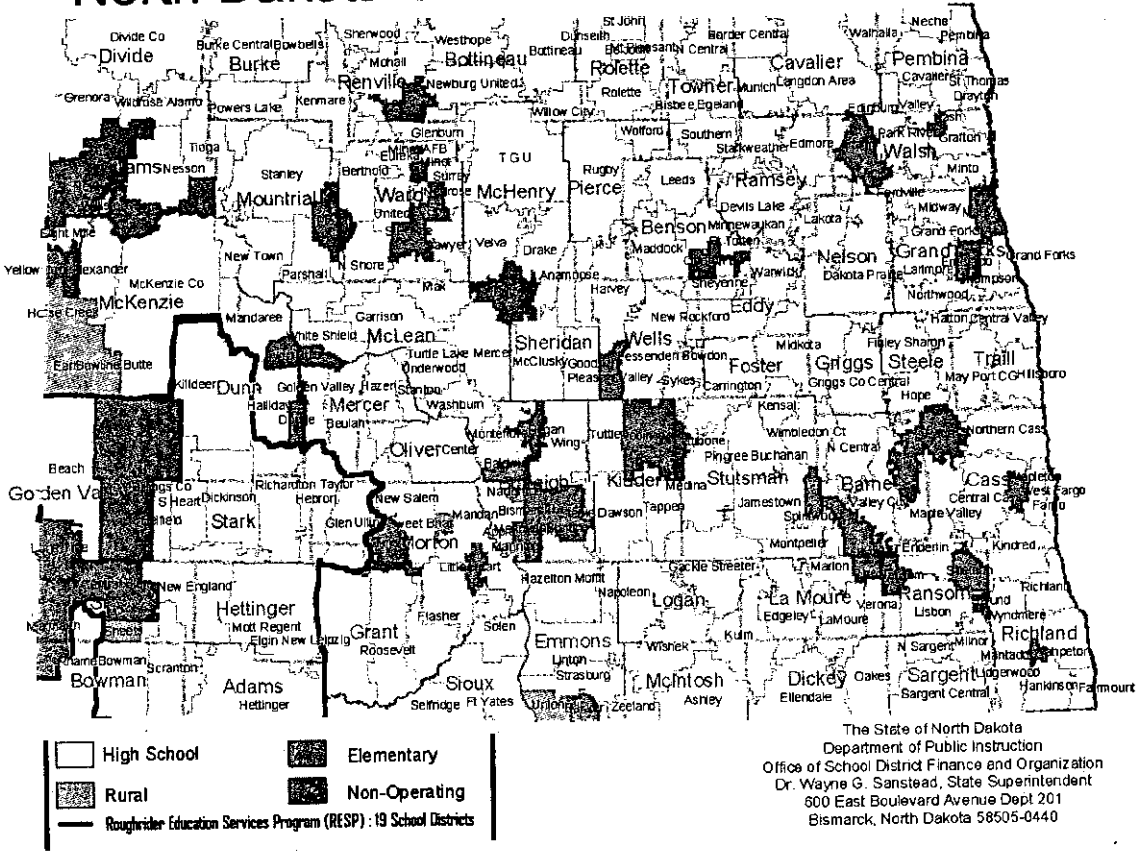
Demographics of RESP

Data	Grand Total
Number of member school districts	20
Total K-12 enrollment	6,200
Number of teachers	450
Sum of square miles	9,800
Total taxable valuation	$92,000,000
Average taxable valuation per pupil	$14,500
Average general fund levy	156 mills
Average total levy	170 mills
Total operation and maintenance of plant expenditures	$4,200,000
Total instructional expenditures	$39,700,000
Cost of student transportation	$2,500,000
Average cost of education per pupil (districts)	$6,300

North Dakota School Districts 2002-2003



ROUGHRIDER EDUCATION SERVICES PROGRAM JOINT POWERS AGREEMENT

1. **PURPOSE:** The school districts of Beach, Belfield, Billings County, Bowman, Central Elementary, Dickinson, Glen Ullin, Hebron, Hettinger, Killdeer, Lone Tree, Marmarth, Mott-Regent, New England, Richardton-Taylor, Scranton, Sheets and South Heart (hereinafter Members), making up the Roughrider Education Services Program enter into this Joint Powers Agreement (hereinafter Agreement) under NDCC Chapter 54-40.3 for the purpose of providing improved education services within the geographic area of the Members.

2. **MEMBERSHIP:** Any school district or other political subdivision or state agency may join this agreement as a Member by obtaining authority from its governing body and signing this Agreement, with the concurrence by resolution of the current Members.

3. **GOVERNING BOARD:** The governing body is the Governing Board for purposes of this Agreement, consisting of one board member appointed by each Member school district. The Governing Board will select officers for terms as determined by the Governing Board. The Governing Board may establish an executive committee and other committees. The Governing Board will act by majority rule. In the absence of majority agreement, educational leadership, services and initiative in that area remain with the individual Members. Each Member of the Joint Powers Agreement may include or exclude their school district from participating in a project approved by the Governing Board. The Governing Board may assess each participating school district for its pro-rata share of those projects in which it participates.

4. **BUDGET:** The Governing Board will approve an annual operating budget from funds contributed by the Members and any other funds received by the Governing Board. The Governing Board will designate a fiscal agent for financial administration of the Agreement. The fiscal agent shall keep appropriate books and records and shall establish a separate fund for deposit of all contributions, donations and revenue from which expenditures shall be paid.

5. **PROGRAM IMPLEMENTATION:** In order to implement the purpose of the Agreement, the Governing Board may carry out all necessary activities that the Members are authorized to carry out in the areas outlined in Attachment No. 1 to this Agreement. It is understood that the Members seek to transfer authority to the Governing Board to carry out the purposes of the Agreement. In the interest of securing the reasonable local identity interests of the Members, each Member retains and reserves all authority not delegated to the Governing Board in this paragraph, particularly and without limitation, the authority identified in Attachment No. 2. Attachment No. 1 and Attachment No. 2 are incorporated by reference and may be amended from time to time with the approval of two-thirds of the Members.

6. **PROPERTY:** Any real property and equipment purchased pursuant to the Agreement shall be the property of the Roughrider Education Services Program. The Governing Board may acquire, hold and dispose of real and personal property used in pursuit of its activities.

7. **MEMBER WITHDRAWAL:** A Member may withdraw from the Agreement only at the end of the fiscal year, upon written notice of intention to do so to all other Members at least six months in advance of the end of the fiscal year. At the withdrawal of any Member, that Member will receive the balance of any unexpended funds contributed by the Member to the Roughrider Education Services Program and title to any real property and equipment of the Roughrider Education Services Program originally contributed by the Member, as determined by the Governing Board.

8. **TERMINATION:** This agreement may be terminated by mutual agreement of all Members. Before terminating the Agreement, the Members will consult together, seek outside fact-finding services and seek mediation services to resolve any conflict. At the termination of this agreement, all funds, real property and personal property shall be held by a Member designated by the Governing Board as trustee, to be held in trust for transfer to a successor Joint Powers Agreement entered into by a majority of the Members of this Agreement. If no such successor Joint Powers Agreement has been entered into within one year of the termination of this Agreement, the trustee shall distribute all remaining assets according to that plan of distribution established by majority vote of the Governing Board, prior to the termination of this Agreement.

9. **AMENDMENT:** Any Member may propose amendments to the Agreement by submitting copies of the proposed amendment to all Members in writing, at least thirty days before they are considered by the Governing Board, except as provided in Paragraph 5, above. The Agreement may be amended by unanimous adoption of a proposed amendment by the Governing Board. Any amendment will be effective upon execution of an Addendum or revised Agreement by representatives of all of the Members.

10. **ACCEPTING ASSISTANCE:** The Governing Board may accept gifts, grants, and other assistance for carrying out the purpose of this Agreement.

11. **FUNDING ASSISTANCE:** The Governing Board may apply for federal or state or other public or private funds for carrying out the purpose of this Agreement.

12. **LIABILITY COVERAGE:** The Governing Board shall assure that appropriate liability coverage is in place for personnel and programs operated as part of this Agreement and the allocation of any excess liability among the members.

13. **SCOPE OF ACTIVITIES:** The Governing Board may undertake any other activities necessarily related to carrying out the purpose of the Agreement, including the exercise of all authority permitted by statute, except and otherwise specifically excluded herein.

14. **EFFECTIVE DATE:** This Agreement is effective upon approval of the Governing Boards of the Members and execution by representatives of the Members on May 29, 2002, or thereafter and shall remain in effect continuously until terminated.

This Agreement has been approved and adopted by the following Members:

Beach School District	Date
Belfield School District	Date
Billings County School District	Date
Bowman School District	Date
Central Elementary School District	Date
Dickinson School District	Date
Glen Ullin School District	Date
Hebron School District	Date
Hettinger School District	Date
Killdeer School District	Date
Lone Tree School District	Date
Marmarth School District	Date
Mott-Regent School District	Date
New England School District	Date
Richardton-Taylor School District	Date

Scranton School District Date

Sheets School District Date

South Heart School District Date

School District Date

School District Date

School District Date

Joint Powers Agreement
Attachment #1

The following are the areas in which the Members have specifically delegated or authorized the Governing Board to carry out all necessary activities to implement the purposes of the Agreement on their behalf, including without limitation, unless otherwise excluded by Attachment No. 2 of this Agreement:

1. Staff development and training for administrators, support staff and teachers
2. Student services
3. Grant writing
4. Curriculum development, including standards
5. Substitute teacher pool system
6. Equipment sharing
7. Dual credit, including the program growth into new subject areas, information dissemination and inventory of student needs and coordination of service delivery planning with DSU
8. Advance placement and articulation agreements
9. Strategic planning process
10. Insuring against liability

Other Shared Subjects for Implementation:

- Technology technical assistance coordination, including a traveling pool of technicians, software training, and software acquisition uniformity
- School calendar, particularly for IT scheduling
- Class schedule, including class scheduling software
- School improvement
- Policies, forms and procedures, including those for special education
- Athletics purchasing
- Shared staff services, including special education
- Vo-tech
- Staff time market exchange
- Federal Title program application, documentation and administration
- Food service administration, including dietician services
- Alternative high school services
- Counseling services, including alcohol, chemical abuse and substance abuse prevention education
- Transportation, including purchased services
- Financial responsibilities
- Distance learning
- Summer school
- Textbook acquisitions and sharing

These subjects would be administered through a joint budget and budget expenditure administration.

If the interest of securing the reasonable local identity interests of the Members, the following authority is specifically excluded from the coverage of this Joint Powers Agreement and is specifically retained by the individual members:

- Teacher negotiations, subject to possible coordinated negotiations for uniformity with the JPA framework
- Local school district budget approval, within the joint powers agreement framework and planning
- Mill levy changes and eminent domain
- The JPA has no authority to make financial commitments on behalf of school districts or to force school districts to make financial commitments
- Local school district building uses changes, subject to coordination of school building use planning within the JPA framework

November 12, 2003

Roughrider Education Services Program (RESP)
Joint Powers Agreement (JPA)
Strategic Plan
Working Draft

This Strategic Plan will guide the work of the Governing Board and Administrative Board during the three-year period ending June 30, 2005 and, as a working draft, is subject to modification to meet developing needs and strategic goals.

The Governing Board and Administrative Board welcome suggestions and comments at any time and will bring these into the discussion of the implementation process of the RESP JPA.

RESP Vision Statement: Roughrider Education Services Program (RESP) members envision providing the highest level of educational opportunities to students as life long learners in the geographic area.

RESP Mission Statement: The mission of the RESP is to provide leadership for designing and implementing shared education programs for school districts and state leaders through an administrative team and accountability to local elected leaders to reach the RESP vision.

The draft Strategic Goals and Objectives for identified issues follow below. The implementation of the draft strategic plan will be accomplished through the research, developing strategies, implementation and ongoing assessment of the issue areas by the Governing and Administrative Boards.

1. Staff Retention and Recruitment:
Draft Goal: To retain staff (teachers and others) in the RESP area. Objectives:
- To create and support optimal work environments for employees.
- To develop an inventory of all part-time employees in counseling, foreign language, art, music and library services.
- To provide an employment mechanism and scheduling coordination for part-time employees.

Delegation for Implementation: Staff Retention and Recruitment Committee
Research: To study and compare local salary schedules and benefits for RESP school districts for teachers and support staff; to prepare a list of part time employees in the RESP school districts.
Developing Strategies: To utilize salary schedule information when negotiating or hiring staff; to utilize existing part time employees to fill other part time positions through use of a common scheduling calendar.
Implementation: 9/03/03
Assessment: To be first completed _____.

2. Public Information, Technology and Support:
Draft Goal: To keep RESP activities in the forefront of happenings in the RESP area.

Objectives:

- To create a quarterly report and/or newsletter highlighting RESP initiatives and related updates to share with local media.
- To inform legislators with a newsletter.
- To invite leaders to meetings.
- To establish a list of legislative elements and a proposal for consultation with legislative leaders.
- To share technology information and best practices among school districts between meetings.
- To promote and share this strategic plan with school districts in newsletters and by other means.

Delegation for Implementation: Public Information, Technology and Support Committee
Research: To assure that the RESP website is accessible and updated; to assure that the RESP website and RESP school districts have reciprocal links; to post all RESP documents on the RESP website.
Developing Strategies: To work with Edutech on any website problems; to assess all RESP school district websites for links; to work with students to maintain the website and post documents; to develop a standardized newsletter (that can be localized) for RESP school districts to send, regularly, to legislators and interested citizens.
Implementation: 9/03/03
Assessment: To be first completed January 2004.

3. Common Calendar and Schedule for Sharing of Staff and Technology:
Draft Goal: To develop a common calendar and class schedule to facilitate the sharing of staff and technology.
Objectives:

- To establish a web based substitute teacher pool service.
- To establish a shared staff funding protocol.
- To link all schools through ITV network(s).
- To create a common calendar, as much as is possible.
- To create a common class schedule, as much as is possible.

Delegation for Implementation: Common Calendar and Schedule for Sharing of Staff and Technology Committee
Research: To compile a database of all substitute teachers in the RESP area; to study the utilization of a web based, interactive scheduling system for substitute teachers; to research daily wages for substitutes in the RESP area and stipend rates for ITV teaching; to collect calendar information from all RESP school districts for comparison.
Developing Strategies: To develop a website for substitute teacher contact and scheduling; to establish common daily rates for substitute teacher compensation; to engage school board members and others in becoming flexible regarding establishment of a common class calendar and schedule.
Implementation: 9/03/03
Assessment: To be first completed _____.

4. Curriculum Development, Staff Development and Training:
Draft Goal: To support shared staff development, curriculum development and staff training.

Objectives:

- To fund a combined curriculum development position and staff development FTE position.
- To have districts use the Federal Title Programs allocations for Curriculum and Staff Development program and personnel.
- To provide a RESP Professional Development plan to participating districts for integration into districts, as feasible.
- To align curriculum maps current state standards and benchmarks.
- To optimize staff development and training opportunities.

Delegation for Implementation: Curriculum, Staff Development and Training Committee
Research: To develop training and support systems in mapping techniques to new teachers and school districts; to develop training for technology staff in mapping; to develop training for administrators in mapping; to continue development of methods for moving teachers forward in the mapping process; to establish a pilot school for implementation of NWEA.
Developing Strategies: To provide comprehensive training to school personnel on the uses, functions and purpose of proper curriculum mapping; to provide training and to implement NWEA as a pilot program; to provide user sessions on techniques new teachers, school districts who are new to the mapping process and for Administrators and leaders detailing how to be effective in the curriculum mapping initiative (completed); to provide training on editing and aligning maps with state standards and benchmarks; to provide training to technology staff on administrative changes to mapping; to provide training on the utilization of test scores to strengthen curriculum and curriculum maps; to provide training on the use of curriculum mapping for curricular, professional development decisions and school improvement initiatives; to provide training on how to use maps to communicate the curriculum to parents and students; to provide curriculum mapping study groups for teachers, both for beginners and for advanced practitioners; to conduct a summer institute on instructional strategies and assessments.
Implementation: 9/03/03
Assessment: To be first completed by September of 2004

5. Grant Writing Services:
Draft Goal: To establish a shared grant writing service.
Objectives:

- To partner with DSU for grant-writing services.
- To optimize and/or share current library services and personnel.
- To submit a joint application for a library grant.

Delegation for Implementation: Grant Writing Services Committee
Research: To conduct a survey/needs assessment of all RESP schools and to develop grant writing priorities based on survey results; to pursue the hiring or contracting of a part time RESP grant writer/researcher.
Developing Strategies: To make application for grants based on priority needs of RESP schools; to engage personnel for grant research and writing on behalf of RESP; to contract for temporary grant writing services until a regular grant writer/researcher can be hired; to make application for a Blue Cross/Blue Shield grant through the UND Center for Rural Health.
Implementation: 9/03/03
Assessment: To be first completed 12/01/03 (survey and grant proposal).

6. Integration of Other Partnerships:
Draft Goal: To bring existing partnerships, consortiums and cooperatives under the RESP umbrella, when appropriate.
Objectives:
- To bring all curriculum development and curriculum mapping efforts into the RESP effort when all are at the same stage of development.
- To expand the SPICE ITV network and bring it into the RESP effort.

Delegation for Implementation: Integration of Other Partnerships Committee
Research: To assess methods to bring the Yellowstone Trail Consortium and the SPICE ITV Network under the RESP umbrella; to share costs for professional development speakers; to work with the curriculum development committee to assure that curriculum mapping is aligned with state standards and benchmarks.
Developing Strategies: To assure alignment of curriculum mapping efforts with state standards; to align other partnerships and efforts under the RESP.
Implementation: 9/03/03
Assessment: To be first completed by July 1, 2004.

7. Purchasing, Transportation and Sharing:
Draft Goal: To take full advantage of economies of scale and underutilized equipment.
Objectives:
- To establish one point of contact for the purchase of schools- supplies.
- To establish a common bid for technology support from outside vendors.
- To establish a mechanism for joint textbook acquisition and sharing.
- To establish an inventory and shared equipment procurement and use process, including audio-visual and video equipment.
- To conduct a feasibility study of equipment sharing.
- To conduct a feasibility study of sharing of services.
- To conduct joint purchasing of buses.
- To establish a plan for the sharing of buses or filling of open seats for activities.
- To establish a plan for joint training of bus drivers and to assess the availability of activity bus drivers driving for additional districts activities.

Delegation for Implementation: Purchasing, Transportation and Sharing Committee
Research: To compile and study technology vendor prices among RESP school districts; to update the textbook-sharing database; to assess potential new textbook needs; to compile a list of available bus drivers for school activities; to plan for RESP sponsored bus driver training for all RESP school districts.
Developing Strategies: To develop a process for cost effective technology support through joint bidding; to utilize existing textbook inventories among schools; to prepare for joint purchase of new textbooks annually; to employ underutilized bus drivers (regular and activity); to provide consistent, joint training for bus drivers.
Implementation: 9/3/03
Assessment: To be first completed _____.

8. Alternative Curriculum Services:
Draft Goal: To provide alternative high school and vocational services to all RESP school districts and to optimize summer school opportunities.

Objectives:

- To consult with the experience of the Southwest Multi-County Correctional Center.
- To provide summer school slots to all school districts.
- To expand summer curriculum choices through alternative and vocational classes.
- To identify open slots in Dickinson school year and summer school vocational education classes.
- To establish a funding mechanism for vocational courses during the school year.

Delegation for Implementation: Alternative Curriculum Services Committee

Research: To study class/course options for summer school; to survey RESP school districts regarding need for course offerings; to request assistance from Adult Education and Vocational Education leaders in implementation.

Developing Strategies: To provide summer school, alternative, vocational and adult education to RESP school districts based on need.

Implementation: 9/03/03

Assessment: To be first completed .

Additional Recommendation: This committee recommends establishment of a committee to address No Child Left Behind and it-s impact on RESP.

9. Higher Education Opportunities:

Draft Goals: To create a seamless K-16 experience and to create new partnerships to support development of -highly qualified- teachers.

Objectives:

- To develop sharing of information and resources to address needs for training and support of highly qualified teachers.
- To expand current college credit high school courses into dual credit courses.
- To develop articulation agreements for course study with DSU.

Delegation for Implementation: Higher Education Opportunities Committee

Research: To study definitions prepared by the Education Standards and Practices Board (ES&PB) to determine methods for Dickinson State University (DSU) and RESP to partner to assist teachers in becoming highly qualified; to further discuss skills and knowledge that new teachers need coming into the classroom; to study methods for encouraging more students to pursue higher education; to study the availability of continuing education offerings through DSU; to begin dialogue on student preparation in writing and math skills for college entry; to pursue conversations among K - 16 teachers and administrators in specific content areas and pedagogy.

Developing Strategies: To assure that RESP teachers are highly qualified; to determine how to strengthen the Teacher Education program so that new teachers are prepared to help all students achieve (No Child Left Behind implementation); to increase the number of students enrolling in higher education; to prepare students for college entry, particularly in math and writing; to share ideas and best practices among K-16 professions in content and pedagogy.

Implementation: 9/03/03-6/01/04

Assessment: To be first completed 12/31/03 (first steps).

10. Administrative Services:

Draft Goal: To provide top-notch, seamless administrative services.

Objectives:
- To establish an administrative technical assistance service system to school districts, on request.
- To provide interim administrative assistance to school districts, on request.
- To develop and collaborate in professional development opportunities.
- To contract with a single source of strategic planning services to be available to requesting school districts.

Delegation for Implementation: Administrative Services Committee
Research: To develop a comprehensive contact list of southwest ND school Administrators (including superintendents, business managers and principals); to complete an inventory of leadership skills and areas of expertise among RESP Administrators; to develop, with assistance from state leaders, a mentorship program for administrators; to create a database of all personnel from RESP school districts; to develop an inventory of software packages utilized by each school district; to develop a needs assessment to solicit administrator ideas; to assess the strategic planning needs of all RESP districts.
Developing Strategies: To provide consistent training and mentoring to RESP leaders; to easily identify all RESP school district personnel; to determine the potential for joint use/purchasing of school software; to create a forum for RESP administrators to exchange ideas and best practices; to provide consistent strategic planning services for RESP school districts.
Implementation: 9/03/03
Assessment: To be first completed _____.

11. Substance Abuse and Mental Health Counseling Services:
Draft Goal: To optimize substance abuse and mental health counseling services for staff and students.
Objectives:
- To provide access to an employee assistance program for staff.
- To provide students with greater access to substance abuse and mental health counseling services.

Delegation for Implementation: Substance Abuse and Mental Health Counseling Services Committee
Research: To survey RESP school districts to assess current status of employee and student assistance services; to research regional agencies that provide assistance to RESP students (such as Badlands Human Service Center, Sunrise Youth Bureau); to assess crisis management plans of each RESP school district; to develop a RESP crisis management team to provide assistance among schools; to pursue development of a standardized template for crisis management plans and procedures among RESP school districts.
Developing Strategies: To assure that all RESP staff and students have access to assistance services and to close gaps where services are unavailable; to build partnerships with regional service agencies; to assure that each school district has a crisis management plan in place; to assist school districts in developing a crisis management plan utilizing a standardized model; to develop a RESP crisis management team to assist all members when needed.
Implementation: 9/03/03
Assessment: To be first completed _____.

12. No Child Left Behind

Draft Goal: To optimize opportunities for collaborative efforts in complying with the spirit of No Child Left Behind (NCLB).

Objectives:

- To develop alternative, strength based methods to NCLB requirements, for accountability.
- To create usable data for rural schools that can be fairly compared among various states.
- To align school improvement efforts with meeting NCLB requirements (Pennsylvania model).
- To assess time factors in meeting NCLB requirements (school days, in-service days, teacher time in classroom, student time in classroom).
- To study the mandated report card as a potential area of collaboration for RESP.
- To determine a process for jointly dealing with secondary indicators and adequate yearly progress.
- To maintain regular, up to date communication regarding NCLB for all RESP members.
- To recommend methods for flexible funding, additional funding for education and funding for full day kindergarten.

Delegation for Implementation: No Child Left Behind Committee

Research: To be determined.

Developing Strategies: To be determined.

Implementation: To be determined.

Assessment: To be determined.

Strategic Plan Assessment Process: Modifications and leader assessments will be completed and documented at least every six months for review by the Strategic Plan Committee. The re-drafted strategic plan will then be reviewed by the RESP Administrative and the Governing Boards every six months during the initial implementation period.

RESP Subcommittees
(Revised 1/7/05)

Curriculum/Professional Development: *Committee Chair: Lois Myran; Committee Members: Karen Nelson, Larry Helvik, Mike Kiedrowski, and YTC Replacement*

Grant Writing: *Committee Chair: George Ding; Committee Members: Loren Mathson, Darrel Remington, Pat Feist, Tony Duletski, and Noel Lunde*

Purchasing, Transportation and Sharing: *Committee Chair: Gary Quintus; Committee Member: Janel Spaeth, Myron Schweitzer, John Campbell, and Kathy Walser*

No Child Left Behind: *Committee Chair: Karen Nelson; Committee Members: Gary Wilz, Dean Koppelman, John Pretzer, Lois Myran, Ron Biberdorf, Pat Glashan, and Doug LaPlante*

Public Information, Technology and Support: *Committee Chair: John Campbell; Committee Members: Tony Duletski, Noel Lunde, Loren Mathson, and Gary Evans*

Budget and Finance: *Committee Chair: Dean Koppelman; Committee Members: Pat Feist, Lois Myran, John Pretzer, and Darrel Remington*

Roughrider Education Services Program (RESP) Accomplishments
2002-2004

Since the formal signing of a joint powers agreement on May 29, 2002 and the formation of the Roughrider Education Services Program, 20 southwestern North Dakota School Districts have, collectively, made the following contributions and achieved the following accomplishments:

- Created a staff/curriculum development program with a part-time staff person
- Development of a shared website (www.edutech.nodak.edu/resp)
- Added additional member school districts to the RESP
- Through grassroots organizing, insured the viability of dual credit course offerings
- Conducted a salary and benefits comparison survey among RESP school districts
- Conducted a survey of "needs" to guide exploration of grant funding
- Prepared an inventory of all part time employees in RESP school districts
- Provided extensive training in curriculum mapping, Northwest Evaluation Association assessments, tetra data implementation and other issues related to No Child Left Behind
- Conducted an annual needs assessment to determine the curriculum and professional development needs of participating districts
- Established an RESP curriculum mapping site so all RESP teachers can view each others maps and share curricular ideas (http://resp.rubiconatlas.org/)
- Served as a model for other joint powers agreement groups by sharing documents, offering advice and speaking to community groups
- Brought the I-94 Consortium under the RESP umbrella
- Compiled a database of textbooks for potential sharing
- Explored the potential for joint bidding for supplies and/or buses
- Worked collaboratively with Dickinson State University (DSU) to secure grant funds that will aid in the work of the RESP and benefit its students and staff
- Participated with DSU in the planning and promotion of additional professional development opportunities for teachers, administrators, and aides (DSU Winter In-service, West River Teacher Center summer offerings, DSU guest speakers)

- Worked collaboratively with the Richardton/Taylor school district to secured a grant to enhance the curriculum and equipment needs for RESP physical education teachers

- Submitted a grant proposal for providing professional development through a teacher-facilitator model for grades 3-6 RESP science teachers

- Conducted an assessment of school crisis plans and offered models of such plans

- Addressed the potential impact of No Child Left Behind (NCLB) on RESP members and worked to ease the transition

- Brought political support, legislatively and in the Governors Office, to the joint powers agreement movement

- Presented at the National School Board Association Conference regarding the formation and implementation of RESP

- Established a sub-committee structure to insure the implementation of the strategic plan

- Created a resource list of RESP administrators that would be willing to share areas of expertise and to serve as potential mentors to new administrators

- RESP has successfully brought K-16 into dialogue together, as well as with other regional and state educational service providers. (ND Dot, Sunrise Youth Bureau, Pathways for Healthy Living etc)

- Served to further inform higher ed (DSU) about K-12 education including concerns from the teaching field, suggestions for the teacher education programs and a greater understanding about initiatives that are important to K-12 education.

- Served as a vehicle to share timely No Child Left Behind information to districts about highly qualified teachers, state assessment changes, status of new standards writing, Adequate Yearly Progress, and district profile information.

Frequently Asked Questions on Joint Powers Agreements

For Education Leadership in North Dakota

These are some of the questions most often asked by school district leaders about joint powers agreements as a tool for meeting school district and state interests for future education leadership in North Dakota:

Definition: What is a joint powers agreement (JPA)?
A JPA is a contract among units of local government to do whatever any one of those units of local government is authorized to do. A JPA permits school districts to meet their goals and state goals.

Characteristics: What are the characteristics of a JPA?
A JPA provides *flexibility* to meet school district goals, *protection* for local identity interests and *opportunity* to meet school district needs and state needs for fiscal, construction and opportunity equity for students.

Control: Who controls the JPA?
The JPA can be organized in any way the members wish. Most JPAs in North Dakota have a Governing Board made up of elected school board members of member school districts and representatives of other participating government or private entities. The Governing Board sets the policy direction for the JPA.

Implementation: How are decisions of the JPA implemented?
The JPA can be organized in any way the members wish. Most JPAs have an Administrative Board made up of the superintendents of the school districts. The Administrative Board implements the policies set by the Governing Board. A lead administrator is selected by the superintendents and approved by the Governing Board to coordinate the work of the Administrative Board for the Governing Board.

Core Local Interest Protections: What are the protections for the core local identity interests of small school districts?
The JPA can provide as many protections as the members want. Most JPAs have a rule for all decisions of unanimity in the Governing Board, free exit provisions for each school district and agreement on what subjects will be administered together (referred to as Attachment No. 1) and what subjects will be administered separately (referred to as Attachment No. 2). These protections assure the protection of the smallest school districts from big district or majority control of such important issues as school buildings, mill levies and teacher negotiations.

Benefits: What are the benefits for school districts?
The JPA provides:

- Protection for **local authority** in education decision making;
- Respect for local **community identity values**;
- Means to meet property **taxpayer goals**;
- Improved student **education opportunities;**
- Increased **efficient use of education funding**;
- Links between K-12 and **area colleges and universities;**

- A grassroots tool to meet constitutional and strategic **needs of legislative leaders** for student course opportunity equity, financial equity, capital construction equity, litigation avoidance and administrative efficiency; and
- Avoidance of significant additional **state mandates.**

This joint powers agreement experience also provides a model for statewide grassroots education legislative initiatives that support both local needs and state needs.

Entry: How does a school district join a JPA?
Each school board passes a resolution to join the JPA and identifies a representative to serve on the Governing Board and Administrative Board.

Risks: What are the risks for school districts?
The JPA agreement, without a practical and significant track record of shared programs, risks dismissal by state legislators and disappointment by local citizens.

Necessity: Is a JPA necessary for schools to work together?
No, it is not a necessity and many avenues for collaboration have been used by school districts over the years. However, JPAs do utilize a comprehensive, "big picture" look at planning regionally as opposed to some consortia that deal strictly with one issue. JPAs also build trust among school administrators and school board members as they work together on issues of joint concern. JPAs also encourage the partnership of nontraditional entities to increase regional strength.

Exit: Is it easy to get out of the JPA?
School districts and cooperating parties make the JPA work through their agreements benefiting the region's education as a whole and the individual schools. If the JPA direction does not benefit the students of any school district, the member gives notice of withdrawal as set out in the JPA.

Current Cooperative Program Effects: What effects will the JPA have on our current specialty partnerships and coop arrangements?
None. The JPA can accommodate the current partnerships and coop arrangements and provide opportunity for their coordination and improvement to meet local school district needs, with less administrative effort.

References: Who has experience with JPAs in North Dakota?
The Mid-Dakota Education Council (MDEC) (around Minot), the Roughrider Education Services Program (RESP) (around Dickinson), the Northeast Education Service Cooperative (NESC) (around Devils Lake), the South Central Education Cooperative (SCEC) (around Jamestown and Valley City) and the Missouri River Educational Cooperative (MREC) (around Bismarck) have made significant use of the joint powers agreement tool to meet education service goals, serving over 60 school districts, 45% of K-12 students and 50% of the land area of North Dakota.

For more area information about the JPA experience, contact JPA Lead Administrators Dave Looysen (Minot, 857-4400), Dean Koppelman (Dickinson, 456-0002), Martin Schock

(Elgin/New Leipzig, 584-2374), Jim Dunnigan (Medina 486-3121) or ElRoy Burkle (Starkweather/Munich, 292-4381).

Newness: Are JPAs new or old tools?
JPAs have been used between school districts before for specific partnerships and subjects. JPAs have not been used, until recently, by education leaders to position themselves for providing comprehensive and strategic education services.

Governing Powers: What powers do individual Governing Board members have?
On behalf of their school district, any Governing Board member may decide to support the idea and participate in its implementation, support the idea for the JPA without participating in its implementation, or veto any action by the JPA as a whole on that subject. All Governing Board members work to support the services of the joint powers agreement to all the students in the area.

Challenges: How can a JPA assist education leaders in meeting education challenges?
JPAs can provide the mechanism to address together the current challenges of enrollment, teacher recruitment and retention, curriculum development, No Child Left Behind (NCLB), school buildings and funding. Current JPAs are planning and coordinating their combined approach to the implementation, reporting and remediation steps for NCLB accountability. JPAs are focusing now on the coordination of curriculum development planning and in-service education programs.

Avoidance: Is the JPA a strategy for school consolidation avoidance?
No. The JPA is a supplemental tool available to education leaders for providing education services for the sustainable future. The JPA does not replace or compromise the use of other tools, including consolidation, annexation, reorganization and dissolution. The JPA can be used together with these tools or it can provide a framework to address important issues in a different way that can more effectively serve the local community identity values of education leaders.

State Education Leader goals: Can the JPA contribute to meeting state education leader goals?
JPAs are beneficial for the long-term improvement of education services. JPAs are compatible and helpful with any other initiatives for improving the administration of education or can become the central model for these improvements. JPAs can assist education leaders in efficiently and effectively meeting the standards and requirements of No Child Left Behind and state standards. JPAs can increase the efficiency of public fund usage for education services. JPAs can contribute to the overall adequacy of education services within regions of the state.

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December 14, 2004

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Nancy Jo Johnson .....Representative District #37

Herbert Urlacher .....Senator District #36

Thomas Decker .....Department of Public Instruction

HB 1154
11 Jan 05

11. NDSOS opposes legislation that establishes charter schools or voucher systems or tax credits for private schools.

12. Section 15.1-09-33. 1, N.D.C.C., passed by the 2003 Legislative Assembly, now permits school districts to pay a signing bonus to teachers. This important legislation gives school districts the opportunity to match employment offers made to North Dakota teachers from other states. Teachers who were employed by a school district during the previous school year are not eligible to receive a signing bonus, and while NDSOS does not doubt the wisdom of this exclusion, we do believe that teachers whose employment was terminated by a reduction-in-force nonrenewal, and forced to seek new employment as a result, should not be denied the opportunity to receive a signing bonus. We believe that Section 15.1-09-33, N.D.C.C. should be amended accordingly.

13. The "No Child Left Behind Act" (NCLB), while seeking to improve educational advantages for the nation's youth, has had far-reaching consequences for many school districts. NCLB was created, for the most part, to address problems in urban schools and limited consideration was given to rural schools by the Act. As a consequence, NCLB has created many problems for these institutions across America.

North Dakota Small Organized Schools

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NDSOS

North Dakota Small Organized Schools

Legislative Program 2005

NORTH DAKOTA SMALL ORGANIZED SCHOOLS LEGISLATIVE PROGRAM - 2005

1. Teacher salaries are a matter of paramount importance and it is the responsibility of each local school district to determine such salaries, in accordance with local conditions and needs, so as to attract and retain quality professional instructional personnel. The reimbursement for increases in teacher salaries provided by the 2003 Legislative Assembly, which reimbursed school districts for each year of the 2003-2005 biennium for first-year teacher salary increases up to $1,000, and up to $3,000 for each formerly employed teacher, should be continued at no less than the same compensation level for the 2005 biennium.

2. The association continues to believe that the changing of school district boundaries is a matter for local determination. Therefore, any legislation that permits a reorganization to be effective without a favorable vote of the patrons of the district or districts that are affected, will be opposed.

3. The association opposes school district boundary changes or school closings based solely on reasons of location, size or level of grade offerings. We continue to believe that school district reorganizations based on factors that clearly show educational advantages for pupils are appropriate.

4. All transportation costs, including special and vocational education, should continue to be funded, and districts should be reimbursed for 100% of cost.

5. All schools should have access to improved distance learning technology for instructional purposes and this program should continue to be funded. Especially, the state should continue funding for the statewide network. School boards should have the authority to levy up to 5 mills to meet funding costs. In addition, school building fund tax moneys should be allowed to be used for the purchase and maintenance of educational technology equipment for student instruction.

6. The establishment of each school's calendar is a matter of local control. The legislative assembly should permit schools to have more flexibility to determine the length of a school day. Schools should also be given the authority to provide an additional two days of state-funded professional staff in-service training to meet the standards for highly qualified teachers under the federal "No Child Left Behind" Act.

7. NDSOS supports legislation that funds special education in an adequate and equitable manner and a a level that enables school districts to meet the needs of special education students. The state should have a responsibility to fund at least 70% of the cost of specia education.

8. It is recognized that mandated educational requirements issuing from the state are necessary for the comprehensive delivery of educational services. However, it is also believed that the state should fund at 100% any new mandate that it requires, and, if no funding is made available, then school districts should not be required to comply with the mandate. Interim committees of the North Dakota Legislative Council should continue to review current practices to determine which educational mandates are no longer current or necessary and should be deleted.

9. NDSOS supports legislation that would allow school boards to increase property taxes by a maximum of three percent each year after reaching the millage cap. State foundation aid should be founded on a broad-based, stable state supported system that insures basic education standards for all students no matter where they may live. These elements should be a part of any plan:

   * 70% of the cost of education should be met by the state foundation aid program.

   * There should be no increase in the millage deduct until the state reaches a level of funding that equals or exceeds 70% of the statewide average cost of education. The value of all local tax-abated real property should be included in the calculation for state foundation aid entitlements.

   * All sources of wealth should be included in the calculation for state foundation aid entitlements.

10. While recognizing the importance of the Americans with Disabilities Act, handicapped access requirements, fire and life safety codes and other state and federal mandates, schools should be given a reasonable time to comply with these provisions in areas that are not inordinately hazardous. School districts should be able to obtain loan funds from state construction fund and other sources on a long-term, low-interest rate basis to meet these costs.

59637

Prepared by the North Dakota Legislative Council staff for Senator O'Connell
March 2005

SUMMARY OF PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1154

This memorandum provides a brief summary of the amendments to Reengrossed House Bill No. 1154 as approved by the Senate Education Committee on March 23, 2005.

SECTION 1. Educational association - Joint powers agreement - Review by superintendent of public instruction - Criteria. This section establishes criteria that must be met by an educational association governed by a joint powers agreement in order for that association to receive money from the state.

The criteria include:

- Land mass plus student numbers.
- The sharing of various administrative services and student services.
- The authority to employ and compensate staff.
- A governing board that consists only of school board members or their designees.
- Quarterly or more frequent board meetings.

SECTION 2. Compensation - Reimbursement - Extraordinary service. An individual who serves as a board member of an educational association governed by a joint powers agreement may not be compensated for attending meetings of the educational association board. However, if the individual performs extraordinary service on behalf of the board, including travel to and attendance at national meetings or conventions, the association may provide compensation and reimbursement.

SECTION 3. Per student payment. This section sets the per student payment at $2,900 for the 2005-06 school year and at $3,015 for the 2006-07 school year.

SECTION 4. School district equalization factor. This section retains the mill deduct at 36 for the 2005-06 school year and imposes an annual increase of 3 mills beginning July 1, 2006. It also applies the deduct to transportation aid.

SECTION 5. Per student payments - Weighting factors - High school students. This section continues to use a factor that represents the five-year average cost of education per student. However, it changes the categories of students in grades 9 through 12.

Current Categories	Proposed Categories
<75	<120
75 to 149	120 to 299
150 to 549	300+
550+	

SECTION 6. Per student payments - Weighting factors - Elementary school students. This section continues to use a factor that represents the five-year average cost of education per student. However, it changes the categories of elementary students.

Current Categories	Proposed Categories
One room rural	
<100 in grades 1 through 6	<100
100 through 999 in grades 1 through 6	100+
>1,000 in grades 1 through 6	
Students in grades 7 and 8	Students in grades 7 and 8
Special education students who are at least 3 years of age but less than 7 years of age	Special education students who are at least 3 years of age but less than 7 years of age
Kindergarten students	Kindergarten students

SECTION 7. High school districts - Supplemental payments. This section adds two requirements in order for a district to receive supplemental payments. The district must levy at least 180 mills and its general fund balance on the preceding June 30 may not have been in excess of 35 percent of its actual expenditures plus $20,000.

SECTION 8. Per student payments - Isolated schools. This section increases from 20 to 25 percent the weighting factor that is applied to students attending isolated schools.

SECTION 9. Compensation of teachers - Claim for reimbursement - Rules. This section maintains the mechanism for reimbursing school districts that increase teacher compensation levels but reduces the reimbursement by 20 percent annually. The amount by which the teacher compensation reimbursements are reduced is to be distributed in the same manner as per student payments. The section is designed to phase out teacher compensation reimbursements in five years.

SECTION 10. Annual compensation - Maintenance of prior level. This is a new section that precludes a school district from reducing, between one year and the next, the level of compensation paid to a teacher for performing identical services.

SECTION 11. Approved joint powers agreement - Reimbursement by superintendent of public instruction. This section changes references from the "chief administrator" of an educational association governed by a joint powers agreement to an "executive director." It also requires the executive director to file a report detailing all expenses incurred by the association and to attribute those expenses on a per student basis by school district.

SECTION 12. State tuition fund - Payment. This section increases the frequency with which the

office of management and budget must certify to the Superintendent of Public Instruction the amount of the state tuition fund. The months listed are the same as the months in which per student payments are made. The section provides that during this biennium, 70 percent of the state tuition fund must be distributed according to census, as it is currently, and 30 percent of the fund must be distributed as per student payments. "Census" means the number of school-age children residing in each district. During the 2007-09 biennium, 30 percent of the state tuition fund must be distributed according to census and 70 percent of the fund must be distributed as per student payments. Beginning July 1, 2009, the entire amount in the state tuition fund is to be distributed as per student payments.

SECTION 13. Education of students in bordering states - Contract - Tuition. This section reconciles terminology. Because the method by which the state tuition fund will be distributed involves more than mere apportionment, the reference to "tuition apportionment" is being changed to "tuition fund payments."

SECTION 14. Open enrollment - Per student aid - Tuition fund. This section reconciles terminology. Because the method by which the state tuition fund will be distributed involves more than mere apportionment, the reference to "tuition apportionment" is being changed to "tuition fund payments."

SECTION 15. CONTINGENT PAYMENTS - DISTRIBUTION. This section amends the 2003 Legislative Assembly directive regarding the order in which any money remaining on June 30, 2003, should be distributed. It directs that the Superintendent of Public Instruction return the first $759,000 to the state general fund. This is the same amount that the bill appropriates for the payment of bonuses to school districts that will reorganize on July 1, 2005.

SECTION 16. TRANSPORTATION GRANTS - DISTRIBUTION. This section directs the Superintendent of Public Instruction to calculate transportation aid based on the formula that existed on June 30, 2001, except that the reimbursement rate for large buses providing in-city transportation is set at 50 cents per mile and the reimbursement for vehicles having a capacity of nine or fewer students and transporting those students outside a city is set at 40 cents per mile. The Superintendent of Public Instruction is directed to use the latest available student enrollment counts. The section also clarifies that transportation reimbursement is not available for student attendance at extracurricular activities or events.

SECTION 17. CONTINGENCY - RETURN OF MONEYS TO THE GENERAL FUND. This section provides that if the directive in Section 15 fails to become effective, (i.e. if there are insufficient votes to apply the emergency clause), the Superintendent of Public Instruction must return to the general fund the first $759,000 of any moneys that were appropriated for per student and transportation payments but remain unspent as of June 30, 2007.

SECTION 18. CONTINGENCY. This section establishes the contingency payments for the 2005-07 biennium. After the Superintendent of Public Instruction has fulfilled the directive in Section 17, the Superintendent must use $450,000 for additional payments to school districts serving English language learners and the next $1,000,000 for educational associations governed by joint powers agreements. Any remaining money is to be paid out as per student payments.

SECTION 19. CONTINGENCY PAYMENTS - TEACHER COMPENSATION - ADDITIONAL PER STUDENT PAYMENTS. This section provides that if any money appropriated for teacher compensation reimbursements remains after completion of all statutory obligations, the remaining money is to be paid out as per student payments.

SECTION 20. APPROPRIATION. This section appropriates $30,000 to the Superintendent of Public Instruction for the purpose of contracting to provide transportation efficiency training to school district personnel.

SECTION 21. APPROPRIATION. This section appropriates $2,000,000 to the Superintendent of Public Instruction for the purpose of funding educational associations governed by joint powers agreements.

SECTION 22. APPROPRIATION. This section appropriates $759,000 to the Superintendent of Public Instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2005. Any unused amounts are to be paid out as per student payments.

SECTION 23. REPEAL. This section repeals North Dakota Century Code (NDCC) Section 15.1-09-42, which requires the board of a school district to allow its superintendent, principals, and teachers to attend the North Dakota education association's annual instructional conference or the North Dakota Council of Educational Leaders annual conference without loss of pay. It also repeals NDCC Section 15.1-12-11.2, which authorizes the Superintendent of Public Instruction to advance $15,000 to the board of any school district that votes to study reorganization.

SECTION 24. REPEAL. This section repeals NDCC Section 15.1-12-11.1, which provides for the payment of reorganization bonuses. Section 26 of this Act provides that this repeal becomes effective on December 31, 2005.

SECTION 25. REPEAL. This section repeals NDCC Sections 15.1-27-36, 15.1-27-37, and 15.1-27-38, which pertain to teacher compensation reimbursements. Section 27 of this Act provides that this repeal becomes effective on July 1, 2009.

SECTION 26. EFFECTIVE DATE. See Section 24.

SECTION 27. EFFECTIVE DATE. See Section 25.

SECTION 28. EMERGENCY. Section 15 of this Act reconfigures the distribution of contingency payments that was established by the 2003 Legislative Assembly. Because this reconfiguration must occur before July 1, 2005, Section 15 requires an emergency clause.

Proposed Senate Amendments - 3/23/2005

	House	Senate	Year 1	Year 2
Per Student	493,453,759	476,703,759	237,636,824	239,066,935
Transp	16,750,000	33,500,000	16,750,000	16,750,000
LEP	650,000	650,000	325,000	325,000
Added funding		5,000,000		
New TC		15,273,636	5,091,212	10,182,424
New TA		21,480,000	7,160,000	14,320,000
Total	510,853,759	552,607,395	266,963,036	280,644,359
Teacher Comp	50,912,120	35,638,484	20,364,848	15,273,636
Tuition Apport	71,600,000	50,120,000	25,060,000	25,060,000
Total	122,512,120	85,758,484	45,424,848	40,333,636
Accounted For	633,365,879	638,365,879	312,387,884	320,977,995
Statistics		2004-05	2005-06	2006-07
wpu		100,904	101,532	100,233
census		104,671	101,382	101,382
fte 3000		8,405	8,405	8,405
fte 1000		344	344	344
fte weighted		8,520	8,520	8,520
Rates				
State funding		2,095	2,357	2,398
Equalization rate		528	543	617
Per Student		2,623	2,900	3,015
Tuition Apportionment		330	247	247
Teacher fte		3,000	2,390	1,793
Mill Deduct		0.036	0.036	0.039
Teacher comp phase in percentage			20%	40%

Notes:

- The five year phase in period was implemented as follows:

Year 1: 50% of the biennial appropriation times 20% was added to Per Student and subtracted from Teacher Comp.

Year 2: 50% of the biennial appropriation times 40% was added to Per Student and subtracted from Teacher Comp.

- Tution

- 2005 Census was projected by applying the changes in fall enrollment from 2003 to 2005. No adjustments were made for open enrolled students in and out of district.

- Teacher fte was projected using 2004-05 teacher fte weighted for first year teachers that are reimbursed at $1,000.

- Equalization rate is estimated dividing the total weighed pupil units projected for district enrollment. It excludes other programs such as enrollment decline and summer programs that are also paid on weighted pupil units.

Senate Ed Committee - Amendments

		Rates				2,095	330	3,000	36			2,357	247	2,390	36			2,398	247	1,793	39	
ID	DNAME	DTYPE	GF Mill Levy	Enr 04-05	State Per Student 04-05	Tuition Apport	Teacher FTE	Mill Deduct Equalization 04-05	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	State Per Student 05-06	Tuition Apport	Teacher FTE	Mill Deduct Equalization 05-06	05-06 Per Student and Tuition/FTE	Proj Enr 06 07	State Per Student 06-07	Tuition Apport	Teacher FTE	Mill Deduct Equalization 06-07	06-07 Per Student and Tuition/FTE
1013	Hettinger 13	1	177	351	723,577	112,200	103,539	(38,457)	900,859	348	888,771	80,088	82,487	(14,056)	1,037,289	346	895,654	80,088	61,865	(14,977)	1,022,630
2002	Valley City 2	1	185	1171	2,283,270	376,200	266,293	63,617	2,989,380	1149	2,671,876	273,633	212,148	99,566	3,257,223	1097	2,592,603	273,633	159,111	88,423	3,113,770
2046	Litchville-Marion 46	1	144	170	458,011	66,000	64,576	(97,769)	490,818	167	494,524	43,504	51,446	(96,267)	493,207	161	481,962	43,504	38,584	(111,818)	452,233
2065	N Central 65	1	152	138	365,705	50,160	62,725	(124,371)	354,220	135	393,139	33,617	49,972	(121,156)	355,572	129	379,690	33,617	37,479	(139,868)	310,917
2082	Wimbledon-Courtenay	1	159	156	404,245	45,870	49,504	(97,755)	401,864	153	437,220	32,134	39,439	(102,001)	406,791	146	421,246	32,134	29,579	(119,068)	363,891
3005	Minnewaukan 5	1	182	151	388,473	25,740	49,064	46,872	510,149	151	435,310	27,932	39,088	48,668	550,998	151	442,156	27,932	29,316	55,907	555,311
3006	Leeds 6	1	168	182	481,219	55,770	52,465	(30,711)	558,743	184	540,089	40,785	41,797	(28,776)	593,896	183	545,483	40,785	31,348	(31,499)	586,118
3009	Maddock 9	1	171	203	537,017	56,430	53,665	(3,558)	643,554	205	601,849	38,066	42,753	(660)	682,008	204	608,333	38,066	32,065	270	678,734
3016	Oberon 16	2	88	31	68,680	11,880	24,482	(40,388)	64,654	31	79,981	6,921	19,504	(17,407)	88,999	31	81,362	6,921	14,628	(19,269)	83,643
3029	Warwick 29	1	149	179	462,871	106,590	68,526	76,514	714,500	180	517,224	75,391	54,593	78,354	725,562	179	522,223	75,391	40,944	88,660	727,218
3030	Ft Totten 30	1	185	194	387,698	151,140	64,406	94,326	697,570	204	497,282	111,974	51,310	110,517	771,083	201	498,507	111,974	36,483	123,808	772,772
4001	Billings Co 1	2	-	50	123,242	48,510	-	(123,242)	48,510	48	136,602	27,932	-	(150,091)	14,443	42	124,453	27,932	-	(171,727)	-
5001	Bottineau 1	1	152	777	1,536,339	222,750	184,346	34,677	1,978,112	712	1,690,985	152,265	146,863	(12,940)	1,977,173	649	1,567,389	152,265	110,147	(48,178)	1,781,624
5017	Westhope 17	1	159	128	342,498	47,190	50,434	(40,875)	399,247	117	344,698	30,156	40,180	(48,197)	366,837	106	316,792	30,156	30,135	(61,651)	315,431
5054	Newburg-United 54	1	149	78	203,861	29,700	40,994	(128,773)	145,781	71	205,621	21,999	32,658	(129,839)	130,441	65	190,612	21,999	24,494	(149,810)	87,296
6001	Bowman 1	1	168	414	863,094	119,790	104,289	53,859	1,141,032	403	956,376	86,020	83,084	51,150	1,176,631	404	970,710	86,020	62,313	60,050	1,179,092
6017	Rhame 17	1	133	75	201,955	20,130	35,113	(24,924)	232,273	73	216,488	14,089	27,974	(36,955)	221,596	74	223,320	14,089	20,980	(39,955)	218,435
6033	Scranton 33	1	166	152	400,642	47,520	53,765	(20,525)	481,401	148	432,222	33,123	42,833	(22,166)	486,011	149	443,403	33,123	32,125	(22,474)	486,176
7014	Bowbells 14	1	172	85	223,487	30,690	38,253	(48,066)	244,364	80	236,289	19,280	30,475	(50,427)	235,617	77	230,082	19,280	22,856	(58,452)	213,767
7027	Powers Lake 27	1	185	103	265,943	41,250	41,404	(5,975)	342,621	100	285,037	26,696	32,985	(7,422)	337,295	96	276,602	26,696	24,739	(10,813)	317,224
7036	Burke Central 36	1	139	89	232,891	28,050	44,394	(63,794)	241,541	86	248,334	17,303	35,367	(66,114)	234,890	83	242,552	17,303	26,525	(75,962)	210,418
8001	Bismarck 1	1	231	10521	21,710,493	3,618,780	2,248,704	649,838	28,227,814	10526	24,417,184	2,709,383	1,791,479	412,961	29,331,007	10547	24,890,196	2,709,383	1,343,609	558,483	29,501,672
8025	Naughton 25	3	181	3	7,247	4,290	3,870	(6,777)	8,630	3	7,967	3,213	3,083	(6,900)	7,364	3	8,105	3,213	2,313	(7,717)	5,914
8028	Wing 28	1	150	77	193,262	21,780	33,873	(24,341)	224,574	77	215,828	17,056	26,986	(22,279)	237,590	78	221,977	17,056	20,239	(23,659)	235,613
8029	Baldwin 29	2	158	20	49,284	16,500	6,871	(30,838)	41,817	20	57,540	11,865	5,474	(11,847)	63,031	20	58,534	11,865	4,105	(13,104)	61,400
8033	Menoken 33	2	185	18	45,933	25,740	4,870	(29,091)	47,452	18	53,603	16,561	3,880	(28,093)	45,952	18	54,529	16,561	2,910	(31,350)	42,651
8035	Sterling 35	2	174	29	76,848	24,090	11,741	(49,943)	62,736	29	89,763	12,112	9,354	(49,668)	61,562	29	91,314	12,112	7,015	(55,443)	54,998
8039	Apple Creek 39	2	83	48	123,347	48,180	14,541	(28,735)	157,333	48	144,121	37,572	11,585	(30,423)	162,855	48	146,610	37,572	8,688	(33,662)	159,209
8045	Manning 45	3	220	4	11,813	9,900	3,870	(3,984)	21,599	4	12,847	7,416	3,083	(4,185)	19,161	4	13,069	7,416	2,313	(4,653)	18,143
9001	Fargo 1	1	289	11221	23,070,724	3,636,600	2,436,420	(513,388)	28,630,355	11344	26,226,242	2,737,809	1,941,027	(818,594)	30,086,485	11449	26,931,538	2,737,809	1,455,770	(765,938)	30,359,179
9002	Kindred 2	1	168	718	1,385,386	219,780	157,334	(27,635)	1,734,864	725	1,684,997	166,355	125,343	(14,057)	1,962,639	733	1,733,614	166,355	94,007	(5,109)	1,988,867
9004	Maple Valley 4	1	167	250	600,942	105,600	103,619	(149,720)	660,441	253	720,370	75,885	82,550	(131,788)	747,018	256	738,973	75,885	61,913	(143,911)	732,860
9006	West Fargo 6	1	185	5514	11,330,642	1,658,250	1,116,996	(155,448)	13,950,440	5572	12,871,222	1,302,659	889,880	(464,745)	14,599,016	5621	13,211,300	1,302,659	667,410	(448,170)	14,733,199
9007	Mapleton 7	2	143	87	230,461	65,340	28,952	(35,595)	289,159	87	269,314	40,538	23,066	(37,628)	295,290	88	277,250	40,538	17,299	(40,483)	294,604
9017	Central Cass 17	1	163	837	1,638,343	252,780	188,306	13,383	2,092,812	846	1,987,949	186,129	150,018	39,380	2,363,476	854	2,041,821	186,129	112,514	55,885	2,396,349
9080	Page 80	2	170	97	266,006	33,000	36,133	(54,370)	280,769	97	310,565	20,269	28,786	(49,704)	309,917	98	319,190	20,269	21,590	(53,905)	307,143
9097	Northern Cass	1	191	479	959,128	138,270	119,530	(106,791)	1,110,138	485	1,131,849	109,255	95,226	(93,164)	1,243,167	489	1,161,202	109,255	71,420	(98,246)	1,243,631

Senate Ed Committee - Amendments

		Rates			2,095	330	3,000	36			2,357	247	2,390	36			2,398	247	1,793	39	
ID	DNAME	DTYPE	GF Mill Levy	Enr 04-05	State Per Student 04-05	Tuition Apport	Teacher FTE	Mill Deduct Equalization 04-05	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	State Per Student 05-06	Tuition Apport	Teacher FTE	Mill Deduct Equalization 05-06	05-06 Per Student and Tuition/FTE	Proj Enr 06-07	State Per Student 06-07	Tuition Apport	Teacher FTE	Mill Deduct Equalization 06-07	06-07 Per Student and Tuition/FTE
10014	Border Central 14	1	170	26	72,911	10,230	19,902	(72,911)	30,131	25	76,563	5,932	15,855	(94,041)	4,309	24	75,271	5,932	11,891	(105,962)	-
10019	Munich 19	1	150	110	292,836	36,630	32,893	(38,926)	323,434	102	297,931	24,471	26,205	(44,383)	304,223	98	292,573	24,471	19,654	(51,518)	285,180
10023	Langdon Area 23	1	164	483	941,052	189,420	137,082	(191,134)	1,076,420	452	1,060,448	125,075	109,209	(185,992)	1,108,740	435	1,037,660	125,075	81,907	(215,770)	1,028,872
11040	Ellendale 40	1	175	358	725,630	135,630	114,820	(39,456)	936,623	360	895,371	96,402	91,474	(18,028)	1,065,219	362	918,986	96,402	68,605	(15,136)	1,058,857
11041	Oakes 41	1	182	546	1,098,184	159,060	107,509	6,073	1,370,826	547	1,275,452	125,075	85,650	18,248	1,504,424	553	1,312,344	125,075	64,237	28,578	1,530,234
12001	Divide County 1	1	147	275	657,955	93,720	86,137	(71,685)	766,128	247	723,788	65,009	68,623	(70,616)	786,805	228	680,727	65,009	51,467	(91,128)	706,076
13008	Dodge 8	2	189	30	78,168	9,900	17,101	(2,764)	102,406	27	81,702	4,696	13,624	(3,360)	96,662	24	73,305	4,696	10,218	(6,022)	82,198
13016	Killdeer 16	1	158	396	803,274	111,870	108,519	(55,506)	968,157	368	869,866	91,211	86,454	(70,531)	977,000	347	889,563	91,211	64,841	(75,043)	970,572
13019	Halliday 19	1	161	28	74,586	21,780	28,592	(52,123)	72,836	25	73,994	5,685	22,779	(53,937)	48,521	24	71,986	5,685	17,084	(61,133)	33,623
13037	Twin Buttes 37	2	-	41	102,067	25,740	36,003	22,599	186,409	39	111,851	17,303	28,683	24,897	182,734	38	108,818	17,303	21,512	27,041	174,674
14001	New Rockford 1	1	185	390	801,954	108,900	99,219	8,770	1,018,843	385	953,241	79,840	79,045	26,977	1,139,103	379	962,437	79,840	59,283	31,600	1,133,161
14012	Sheyenne 12	1	168	95	247,951	24,090	33,613	7,847	313,501	94	275,561	16,067	26,778	8,723	327,129	94	281,350	16,067	20,084	10,978	328,479
15006	Hazelton-Moffit-Braddc	1	156	145	375,068	46,530	50,314	(40,356)	431,556	138	395,968	35,347	40,084	(43,887)	427,512	131	382,519	35,347	30,063	(53,150)	394,779
15010	Bakker 10	2	99	7	13,573	8,580	-	(13,573)	8,580	7	15,817	5,685	-	(18,875)	2,628	7	16,090	5,685	-	(21,131)	645
15015	Strasburg 15	1	140	181	485,869	60,390	48,084	17,090	611,432	174	513,830	40,291	38,307	13,046	605,474	165	495,174	40,291	28,730	9,279	573,475
15036	Linton 36	1	174	343	706,904	102,300	89,298	(11,145)	887,357	327	836,205	69,706	71,141	2,262	979,314	310	808,921	69,706	53,356	(5,397)	926,585
16010	Carrington 10	1	170	615	1,203,434	183,150	141,652	(61,026)	1,467,211	600	1,409,837	129,277	112,850	(45,064)	1,606,901	584	1,395,576	129,277	84,638	(55,790)	1,553,702
17003	Beach 3	1	149	297	674,502	75,900	93,598	25,801	869,801	284	812,868	54,133	74,567	43,067	984,636	291	826,809	54,133	55,925	51,034	987,902
17006	Lone Tree 6	2	105	42	106,214	21,450	14,801	(106,213)	36,252	42	122,317	13,348	11,792	(25,051)	122,406	38	112,224	13,348	8,844	(30,847)	103,569
18001	Grand Forks 1	1	222	7632	15,643,032	2,440,350	2,066,128	472,151	20,621,661	7436	17,133,099	1,742,647	1,646,026	184,404	20,706,176	7332	17,178,353	1,742,647	1,234,520	199,861	20,355,381
18044	Larimore 44	1	191	519	1,006,527	164,010	138,912	24,256	1,333,705	506	1,180,714	111,974	110,667	39,933	1,443,289	498	1,181,608	111,974	83,000	43,756	1,420,339
18061	Thompson 61	1	163	426	845,500	150,480	90,728	34,920	1,121,628	415	975,234	100,357	72,280	31,537	1,179,408	408	975,050	100,357	54,210	34,280	1,163,897
18125	Manvel 125	2	80	153	369,077	97,680	50,604	(23,654)	493,708	150	424,915	62,785	40,315	(22,809)	505,206	147	423,308	62,785	30,236	(26,477)	489,852
18127	Emerado 127	2	138	117	282,887	65,340	42,374	5,101	395,702	114	320,607	56,358	33,758	4,781	415,504	113	322,882	56,358	25,318	5,600	410,159
18128	Midway 128	1	184	271	611,457	96,690	84,077	(37,941)	754,283	264	707,170	60,807	66,982	(30,429)	804,530	260	711,492	60,807	50,236	(33,813)	788,724
18129	Northwood 129	1	178	313	667,946	96,360	73,516	(13,595)	824,227	305	805,254	72,919	58,568	3,762	940,504	301	811,247	72,919	43,926	4,883	932,975
18140	Grand Forks AFB 140		-		-	263,340	-	-	263,340		-	197,253	-	(919)	196,334		-	197,253	-	(1,032)	196,221
19018	Roosevelt 18	2	177	140	346,519	42,900	42,974	11,756	444,149	138	392,974	38,066	34,236	11,347	476,624	129	371,201	38,066	25,677	6,703	441,647
19049	Elgin-New Leipzig 49	1	211	169	400,433	67,980	58,005	(43,459)	482,959	157	467,086	36,089	46,211	(30,096)	519,289	162	489,803	36,089	34,658	(28,443)	532,107
20007	Midkota 7	1	194	148	398,925	53,790	60,425	(93,799)	419,341	145	429,111	35,347	48,139	(93,828)	418,769	140	420,287	35,347	36,104	(108,047)	383,692
20018	Griggs County Central	1	196	341	703,679	98,340	84,997	(25,084)	861,932	330	842,546	72,672	67,715	(8,859)	974,074	321	830,070	72,672	50,786	(14,075)	939,454
21001	Mott-Regent 1	1	146	274	646,100	92,070	75,647	(82,619)	731,198	261	749,906	64,268	60,265	(64,340)	810,100	257	746,814	64,268	45,199	(73,827)	782,454
21009	New England 9	1	171	192	473,406	67,650	68,256	(52,561)	556,750	183	534,361	48,942	54,378	(48,509)	589,172	180	533,709	48,942	40,783	(55,196)	568,239
22011	Pettibone-Tuttle 11	2	202	10	24,632	10,890	9,001	(24,631)	19,891	10	28,782	4,449	7,171	(33,482)	6,919	10	29,279	4,449	5,378	(37,482)	1,624
22014	Robinson 14	2	177	9	23,312	10,890	8,701	(23,312)	19,591	9	27,250	7,416	6,932	(35,139)	6,457	9	27,720	7,416	5,199	(39,347)	988
22020	Tuttle-Pettibone 20	1	184	36	101,899	8,580	23,582	(20,955)	113,106	33	95,963	4,202	18,787	(24,692)	94,260	30	89,035	4,202	14,090	(29,601)	77,727
22026	Steele-Dawson 26	1	167	283	628,129	70,620	79,927	7,204	785,880	276	741,326	55,369	63,676	16,305	876,675	268	718,734	55,369	47,757	11,674	833,534

Senate Ed Committee - Amendments

		Rates			2,095	330	3,000	36			2,357	247	2,390	36			2,398	247	1,793	39	
ID	DNAME	DTYPE	GF Mill Levy	Enr 04-05	State Per Student 04-05	Tuition Apport	Teacher FTE	Mill Deduct Equalization 04-05	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	State Per Student 05-06	Tuition Apport	Teacher FTE	Mill Deduct Equalization 05-06	05-06 Per Student and Tuition/FTE	Proj Enr 06 07	State Per Student 06-07	Tuition Apport	Teacher FTE	Mill Deduct Equalization 06-07	06-07 Per Student and Tuition/FTE
22028	Tappen 28	1	195	103	279,222	38,610	36,403	12,385	366,620	100	295,738	28,179	29,001	8,695	361,613	97	293,292	28,179	21,751	8,805	352,027
23003	Edgeley 3	1	157	239	590,637	85,800	79,177	(41,694)	713,920	217	626,293	58,335	63,078	(48,193)	699,514	202	589,341	58,335	47,308	(64,282)	630,703
23007	Kulm 7	1	147	135	364,092	40,920	54,815	(63,230)	396,597	124	369,284	31,392	43,669	(111,076)	333,270	114	344,128	31,392	32,752	(131,542)	276,731
23008	LaMoure 8	1	163	326	669,203	106,260	87,127	(5,998)	856,592	300	753,513	71,436	69,412	(2,808)	891,553	278	704,107	71,436	52,059	(16,690)	810,912
24002	Napoleon 2	1	173	245	586,993	72,600	68,606	9,977	738,175	238	660,685	54,628	54,656	15,545	785,514	237	661,783	54,628	40,992	17,006	774,409
24056	Gackle 14	1	144	116	305,969	47,520	47,854	(86,329)	315,014	111	320,890	26,943	38,124	(88,030)	297,927	109	321,603	26,943	28,593	(98,916)	278,424
25001	Velva 1	1	148	427	860,957	126,720	107,809	(44,741)	1,050,745	424	991,829	89,975	85,889	(12,003)	1,155,690	418	994,569	89,975	64,416	(13,851)	1,135,109
25014	Anamoose 14	1	182	93	256,057	25,410	30,963	(2,421)	310,008	93	274,453	18,292	24,667	(4,082)	313,329	92	275,931	18,292	18,500	(4,502)	308,221
25057	Drake 57	1	160	136	361,453	42,570	46,924	(40,505)	410,442	137	397,429	30,651	37,383	(39,299)	426,165	135	398,609	30,651	28,037	(44,237)	413,060
25060	TGU 60	1	142	386	798,373	113,850	116,550	(279,030)	749,743	384	937,519	83,795	92,852	(170,109)	944,057	379	936,803	83,795	69,639	(192,129)	898,108
26004	Zeeland 4	1	145	57	156,001	21,120	32,703	(79,894)	129,930	53	160,999	15,325	26,053	(58,263)	144,114	47	143,732	15,325	19,540	(70,010)	108,588
26009	Ashley 9	1	166	168	448,502	56,760	54,605	(21,833)	538,034	161	469,089	38,314	43,502	(28,193)	522,712	146	426,306	38,314	32,627	(43,165)	454,081
26019	Wishek 19	1	170	231	576,876	76,890	61,425	3,136	718,327	220	655,028	49,684	48,936	8,628	762,276	199	594,569	49,684	36,702	(6,591)	674,364
27001	McKenzie Co 1	1	145	578	1,127,068	211,860	151,673	(58,045)	1,432,556	554	1,299,283	148,805	120,834	(44,948)	1,523,974	529	1,260,668	148,805	90,625	(61,805)	1,438,294
27002	Alexander 2	1	145	49	127,913	20,790	37,503	(76,481)	109,725	47	132,877	9,640	29,878	(67,782)	104,613	44	126,587	9,640	22,408	(77,838)	80,798
27014	Yellowstone 14	2	177	80	211,925	28,380	18,902	957	260,163	77	223,324	18,786	15,058	(1,556)	255,612	73	215,311	18,786	11,294	(4,053)	241,338
27018	Earl 18	3	-	12	35,649	4,620	1,210	(35,648)	5,831	12	36,584	2,472	964	(7,935)	32,085	11	34,147	2,472	723	(9,573)	27,769
27019	Bowline Butte 19	3	83	2	5,907	3,300	3,180	(5,907)	6,480	2	6,412	1,236	2,534	(13,898)	-	2	6,522	1,236	1,900	(15,576)	-
27032	Horse Creek 32	3	41	5	14,766	3,960	3,180	(14,766)	7,140	5	16,053	1,483	2,534	(35,333)	-	5	16,330	1,483	1,900	(39,602)	-
27036	Mandaree 36	1	-	191	495,545	64,020	95,508	119,533	774,606	183	530,142	48,201	76,089	119,457	773,889	176	518,866	48,201	57,067	130,589	754,723
28001	Montefiore 1	1	176	205	531,110	72,930	57,705	19,996	681,741	198	568,942	50,920	45,972	16,362	682,196	192	565,314	50,920	34,479	16,808	667,520
28004	Washburn 4	1	145	314	689,708	97,680	74,356	21,050	882,795	302	815,909	59,819	59,238	27,281	962,246	293	801,439	59,819	44,428	26,002	931,688
28008	Underwood 8	1	160	213	550,296	74,580	69,356	(21,155)	673,077	205	584,759	51,167	55,254	(31,526)	659,654	198	578,335	51,167	41,440	(37,675)	633,267
28050	Max 50	1	149	166	436,102	57,420	50,974	11,429	555,926	160	463,173	39,797	40,610	6,357	549,936	155	459,445	39,797	30,457	5,669	535,368
28051	Garrison 51	1	171	354	728,834	112,200	88,418	(37,794)	891,658	343	868,640	80,582	70,440	(31,260)	988,402	329	847,815	80,582	52,830	(41,394)	939,834
28072	Turtle Lake-Mercer 72	1	158	188	494,414	61,710	72,166	(25,102)	603,188	181	522,033	42,021	57,493	(34,491)	587,056	174	514,526	42,021	43,120	(41,214)	558,453
28085	White Shield 85	1	185	123	308,587	38,280	75,506	68,248	490,622	119	334,232	24,224	60,154	66,950	485,560	116	332,930	24,224	45,115	74,439	476,709
29003	Hazen 3	1	185	707	1,378,118	227,370	162,644	148,119	1,916,252	643	1,505,706	155,973	129,574	144,533	1,935,786	592	1,407,302	155,973	97,180	135,245	1,795,701
29020	Golden Valley 20	1	152	38	105,041	20,130	19,232	(23,633)	120,769	35	100,701	10,876	15,321	(18,890)	108,008	31	90,810	10,876	11,491	(23,856)	89,321
29027	Beulah 27	1	185	814	1,587,948	265,320	192,857	58,438	2,104,563	740	1,734,994	176,242	153,643	58,933	2,123,813	681	1,621,007	176,242	115,233	34,912	1,947,393
30001	Mandan 1	1	182	3299	6,812,465	1,200,870	718,312	369,198	9,100,845	3255	7,558,113	875,773	572,259	305,165	9,311,310	3200	7,555,785	875,773	429,194	333,628	9,194,380
30004	Little Heart 4	2	105	23	56,133	14,520	7,871	(15,651)	62,873	23	65,507	7,910	6,270	(14,470)	65,218	22	63,354	7,910	4,703	(16,866)	59,100
30007	New Salem 7	1	163	379	783,271	107,910	79,867	61,183	1,032,231	374	902,113	86,267	63,628	70,921	1,122,929	367	900,786	86,267	47,721	78,268	1,113,042
30008	Sims 8	2	122	24	60,281	16,500	10,861	(39,184)	48,457	24	70,363	7,663	8,653	(37,505)	49,174	23	68,317	7,663	6,489	(42,696)	39,773
30013	Hebron 13	1	157	150	400,893	55,770	51,624	(31,490)	476,798	148	441,533	35,842	41,128	(30,398)	488,105	145	440,190	35,842	30,846	(34,945)	471,932
30017	Sweet Briar 17	3	56	11	29,240	5,940	3,000	(27,726)	10,453	11	28,640	4,202	2,390	(6,006)	29,226	11	29,135	4,202	1,793	(6,645)	28,485

Senate Ed Committee - Amendments

		Rates			2,095	330	3,000	36			2,357	247	2,390	36			2,398	247	1,793	39	
ID	DNAME	DTYPE	GF Mill Levy	Enr 04-05	State Per Student 04-05	Tuition Apport	Teacher FTE	Mill Deduct Equalization 04-05	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	State Per Student 05-06	Tuition Apport	Teacher FTE	Mill Deduct Equalization 05-06	05-06 Per Student and Tuition/FTE	Proj Enr 06 07	State Per Student 06-07	Tuition Apport	Teacher FTE	Mill Deduct Equalization 06-07	06-07 Per Student and Tuition/FTE
30039	Flasher 39	1	186	221	553,920	66,660	60,405	(72,368)	608,617	218	623,889	48,201	48,123	36,322	756,535	214	623,272	48,201	36,092	39,924	747,489
30048	Glen Ullin 48	1	157	190	509,767	67,650	58,155	(16,749)	618,823	187	563,614	46,471	46,330	(14,617)	641,798	184	564,379	46,471	34,748	(16,825)	628,772
31001	New Town 1	1	169	729	1,407,316	242,550	187,556	259,556	2,096,978	713	1,649,427	173,276	149,421	281,268	2,253,391	695	1,634,411	173,276	112,066	310,007	2,229,760
31002	Stanley 2	1	185	336	698,736	113,520	93,538	(32,602)	873,192	326	831,090	76,874	74,519	(17,587)	964,896	321	838,176	76,874	55,889	(18,824)	952,115
31003	Parshall 3	1	172	282	626,810	106,260	80,927	(177,863)	636,133	274	693,333	74,402	64,472	37,864	870,071	268	695,642	74,402	48,354	42,331	860,730
32001	Dakota Prairie 1	1	189	311	668,281	134,310	95,508	(165,848)	732,252	299	780,409	97,390	76,089	(150,009)	803,879	294	801,583	97,390	57,067	(163,765)	792,275
32066	Lakota 66	1	187	240	575,368	58,080	71,206	(14,778)	689,876	230	665,188	40,044	56,728	(5,420)	756,539	227	670,871	40,044	42,546	(5,349)	748,112
33001	Center-Stanton 1	1	170	281	647,168	106,920	87,648	(5,543)	836,193	320	823,429	67,234	69,826	55,278	1,015,767	365	922,343	67,234	52,370	86,593	1,128,540
34001	Pembina 1	1	169	141	368,302	44,880	46,604	(41,139)	418,647	136	390,546	34,853	37,128	(43,214)	419,314	135	393,382	34,853	27,846	(48,198)	407,883
34006	Cavalier 6	1	190	525	1,022,655	154,110	140,292	(23,368)	1,293,689	507	1,188,847	111,974	111,767	(8,586)	1,404,002	503	1,199,545	111,974	83,825	(8,184)	1,387,160
34012	Valley 12	1	191	161	421,860	52,470	53,745	(18,059)	510,016	156	455,276	40,044	42,817	(19,479)	518,658	155	459,229	40,044	32,113	(21,343)	510,043
34019	Drayton 19	1	187	177	472,045	56,760	63,035	(72,919)	518,921	170	498,602	36,089	50,219	(76,605)	508,305	170	505,653	36,089	37,664	(84,707)	494,699
34027	Walhalla 27	1	210	298	634,245	93,390	77,387	(2,151)	802,871	289	732,463	66,492	61,652	8,581	869,189	286	743,793	66,492	46,239	11,745	868,269
34043	St Thomas 43	1	194	130	334,937	46,200	42,724	(17,803)	406,057	126	364,263	31,887	34,037	(18,810)	411,377	127	372,112	31,887	25,528	(19,489)	410,037
34055	Neche 55	1	184	84	217,748	41,580	42,994	(62,166)	240,155	80	230,537	26,201	34,252	(63,615)	227,375	81	236,940	26,201	25,689	(70,002)	218,828
35001	Wolford 1	1	185	49	134,511	18,810	31,803	(23,748)	161,376	47	140,137	11,618	25,336	(25,551)	151,540	46	140,160	11,618	19,002	(28,825)	141,955
35005	Rugby 5	1	185	557	1,085,219	221,430	155,723	(96,116)	1,366,256	536	1,256,617	153,501	124,060	(81,256)	1,452,923	521	1,242,084	153,501	93,045	(96,311)	1,392,320
36001	Devils Lake 1	1	185	1883	3,737,064	671,220	467,680	347,149	5,223,113	1886	4,363,592	491,896	372,588	384,914	5,612,989	1876	4,415,013	491,896	279,441	440,459	5,626,809
36002	Edmore 2	1	145	79	221,308	25,080	35,453	(105,432)	176,409	77	227,803	16,809	28,244	(108,892)	163,964	76	228,859	16,809	21,183	(122,190)	144,661
36044	Starkweather 44	1	153	90	231,865	28,050	33,363	(38,005)	255,272	91	258,423	17,056	26,579	(37,150)	264,908	90	260,656	17,056	19,934	(41,403)	256,243
37002	Sheldon 2	2	183	25	65,831	33,330	10,741	(33,153)	76,749	24	73,711	16,809	8,557	(31,303)	67,773	24	74,984	16,809	6,418	(34,886)	63,324
37006	Ft Ransom 6	2	166	12	32,968	11,880	6,061	(21,802)	29,106	12	38,517	5,438	4,828	(20,993)	27,791	11	35,921	5,438	3,621	(24,271)	20,709
37019	Lisbon 19	1	187	631	1,221,405	185,130	154,683	1,655	1,562,873	614	1,428,483	133,232	123,232	29,457	1,714,405	583	1,377,328	133,232	92,424	18,334	1,621,318
37022	Enderlin 22	1	185	303	665,223	91,080	88,188	(28,064)	816,427	295	808,012	62,538	70,257	(6,091)	934,715	279	783,263	62,538	52,692	(14,089)	884,403
38001	Mohall-Lansford-Sherw	1	158	350	718,927	124,410	117,830	(183,636)	777,532	353	896,008	83,301	93,872	(156,704)	916,477	348	891,458	83,301	70,404	(178,025)	867,137
38026	Glenburn 26	1	139	267	622,495	56,760	85,637	34,507	799,399	269	774,563	39,302	68,225	55,006	937,097	263	766,357	39,302	51,169	55,776	915,604
39008	Hankinson 8	1	185	323	661,516	96,690	90,308	(13,243)	835,271	313	793,044	70,695	71,946	(962)	934,723	303	787,027	70,695	53,959	(3,495)	908,186
39018	Fairmount 18	1	188	104	273,420	30,690	45,454	(78,251)	271,313	101	295,479	19,775	36,212	(83,239)	268,226	98	291,829	19,775	27,159	(94,685)	244,078
39028	Lidgerwood 28	1	185	213	561,104	72,270	67,506	14,704	715,584	206	602,862	48,448	53,780	10,142	715,232	201	598,358	48,448	40,335	9,563	696,704
39037	Wahpeton 37	1	185	1437	2,812,579	501,270	324,188	51,210	3,689,247	1394	3,247,253	348,282	258,271	38,071	3,891,878	1351	3,199,833	348,282	193,704	26,973	3,768,792
39042	Wyndmere 42	1	157	258	612,986	86,460	66,786	(64,774)	701,458	250	730,577	57,099	53,206	(52,728)	788,155	243	721,923	57,099	39,905	(62,204)	756,723
39044	Richland 44	1	185	329	680,074	101,640	81,147	(9,685)	853,175	318	815,084	82,559	64,648	(1,223)	961,068	309	812,014	82,559	48,486	(3,054)	940,005
40001	Dunseith 1	1	143	619	1,224,526	277,860	167,004	257,288	1,926,678	598	1,391,239	178,220	133,048	267,481	1,969,987	579	1,369,487	178,220	99,786	293,083	1,940,575
40003	St John 3	1	154	294	625,993	168,300	87,938	132,388	1,014,618	284	738,710	130,019	70,057	143,203	1,081,988	276	747,941	130,019	52,543	162,288	1,092,791
40004	Mt Pleasant 4	1	168	309	674,104	93,060	91,758	32,479	891,401	298	807,942	66,245	73,101	40,232	987,520	292	814,628	66,245	54,826	45,990	981,689
40007	Belcourt 7	1	-	1686	3,350,099	711,810	370,012	791,216	5,223,137	1629	3,771,950	509,940	294,778	856,472	5,433,140	1587	3,735,485	509,940	221,084	947,736	5,414,245
40029	Rolette 29	1	185	181	481,135	62,040	57,215	20,978	621,367	175	509,917	43,999	45,582	13,355	612,852	171	507,164	43,999	34,186	13,723	599,072

Senate Ed Committee - Amendments

		Rates			2,095	330	3,000	36			2,357	247	2,390	36			2,398	247	1,793	39	
ID	DNAME	DTYPE	GF Mill Levy	Enr 04-05	State Per Student 04-05	Tuition Apport	Teacher FTE	Mill Deduct Equalization 04-05	04-05 Per Student and Tuition/FTE	Proj Enr 05 06	State Per Student 05-06	Tuition Apport	Teacher FTE	Mill Deduct Equalization 05-06	05-06 Per Student and Tuition/FTE	Proj Enr 06 07	State Per Student 06-07	Tuition Apport	Teacher FTE	Mill Deduct Equalization 06-07	06-07 Per Student and Tuition/FTE
41002	Milnor 2	1	181	281	608,420	97,020	61,375	30,114	796,929	278	721,714	71,931	48,896	43,988	886,528	274	747,150	71,931	36,672	55,124	910,877
41003	N Sargent 3	1	184	195	501,619	58,080	62,965	25,900	648,565	194	555,081	44,740	50,163	26,447	676,431	190	551,886	44,740	37,622	28,253	662,501
41006	Sargent Central 6	1	184	303	643,294	93,720	85,897	(76,576)	746,335	300	780,598	66,245	68,432	(60,766)	854,509	296	807,050	66,245	51,324	(62,246)	862,373
42016	Goodrich 16	1	191	47	122,404	17,160	20,822	(27,963)	132,424	41	119,865	10,876	16,588	(31,939)	115,390	38	114,310	10,876	12,441	(37,407)	100,220
42019	McClusky 19	1	176	100	261,796	34,650	37,793	(19,094)	315,145	87	251,540	22,741	30,109	(31,327)	273,063	86	253,414	22,741	22,582	(34,953)	263,784
43003	Solen 3	1	183	162	415,408	110,220	69,006	53,993	648,627	190	552,724	86,267	54,975	75,793	769,759	205	593,993	86,267	41,231	95,080	816,572
43004	Ft Yates 4	2	185	157	383,676	232,980	86,407	78,879	781,942	179	501,101	272,149	68,838	97,837	939,925	190	545,099	272,149	51,629	120,580	989,457
43008	Selfridge 8	1	187	110	286,909	33,660	39,003	25,020	384,593	130	378,359	39,055	31,073	39,447	487,935	139	413,525	39,055	23,305	52,908	528,792
44012	Marmarth 12	2	35	15	38,414	6,930	7,081	(38,414)	14,010	14	41,087	5,191	5,641	(36,812)	15,107	15	41,652	5,191	4,231	(41,215)	9,859
44014	Sheets 14	3	112	2	5,907	3,630	5,460	(5,907)	9,090	2	6,412	989	4,350	(12,824)	-	1	3,261	989	3,263	(15,210)	-
44032	Central Elementary 32	2	28	4	10,996	9,240	4,050	(10,997)	13,290	4	12,847	2,472	3,227	(47,519)	-	2	6,522	2,472	2,420	(54,974)	-
45001	Dickinson 1	1	185	2649	5,437,782	1,004,520	628,224	354,671	7,425,197	2640	6,101,084	727,215	500,489	327,503	7,656,291	2609	6,131,673	727,215	375,366	368,763	7,603,018
45009	South Heart 9	1	150	244	600,984	85,140	57,035	54,965	798,124	244	703,375	61,302	45,438	74,673	884,787	240	704,347	61,302	34,079	83,288	883,015
45013	Belfield 13	1	185	232	545,416	55,770	57,955	82,093	741,235	234	679,637	38,066	46,171	100,122	863,997	231	682,621	38,066	34,628	112,394	867,710
45034	Richardton-Taylor 34	1	185	273	622,453	81,840	80,517	4,332	789,142	274	766,855	57,099	64,146	25,460	913,560	271	774,606	57,099	48,109	29,730	909,545
46010	Hope 10	1	175	132	302,848	44,220	44,974	(46,886)	345,156	137	385,926	31,887	35,829	(33,913)	419,729	150	428,008	31,887	26,872	(27,655)	459,112
46019	Finley-Sharon 19	1	187	185	484,277	58,740	62,105	(27,375)	577,747	191	556,001	49,931	49,478	(21,673)	633,737	198	583,658	49,931	37,108	(17,815)	652,882
47001	Jamestown 1	1	185	2452	5,084,811	858,000	553,318	258,026	6,754,155	2395	5,583,907	611,533	440,813	223,046	6,859,299	2328	5,519,288	611,533	330,609	227,594	6,689,024
47003	Medina 3	1	168	163	412,434	50,820	53,325	(8,995)	507,584	160	451,976	39,549	42,482	(12,556)	521,451	157	449,518	39,549	31,862	(15,220)	505,709
47010	Pingree-Buchanan	1	164	151	393,479	35,310	48,994	(7,397)	470,386	147	422,935	26,943	39,032	(10,252)	478,658	144	419,975	26,943	29,274	(12,731)	463,462
47014	Montpelier 14	1	185	102	262,696	34,650	46,614	(17,221)	326,739	100	285,154	24,224	37,136	(18,025)	328,490	97	280,655	24,224	27,852	(21,700)	311,031
47019	Kensal 19	1	162	63	165,698	18,150	21,692	(52,198)	153,342	62	177,405	13,101	17,281	(51,291)	156,496	60	174,090	13,101	12,961	(58,613)	141,539
47026	Spiritwood 26	2	137	15	35,544	7,920	9,001	(35,544)	16,921	15	41,487	8,157	7,171	(100,646)	-	14	38,943	8,157	5,378	(113,659)	-
48002	Bisbee-Egeland 2	1	177	77	213,642	27,720	36,403	(74,222)	203,543	71	211,467	17,303	29,001	(79,439)	178,332	63	190,972	17,303	21,751	(94,663)	135,363
48008	Southern 8	1	165	226	574,027	90,090	66,756	7,183	738,056	212	608,237	54,380	53,182	2,657	718,456	193	563,012	54,380	39,887	(9,321)	647,958
48028	North Central 28	1	170	66	172,694	25,080	26,912	(43,201)	181,485	62	178,042	18,786	21,440	(45,527)	172,741	57	166,201	18,786	16,080	(54,339)	146,729
49003	Central Valley 3	1	152	303	651,546	98,010	71,596	(44,129)	777,023	304	799,055	74,155	57,039	(22,442)	907,806	302	801,847	74,155	42,779	(25,343)	893,437
49007	Hatton 7	1	176	241	606,158	87,120	62,325	22,067	777,670	240	687,841	61,302	49,653	25,712	824,507	238	695,067	61,302	37,240	29,965	823,572
49009	Hillsboro 9	1	172	420	859,345	131,010	99,309	(91,668)	997,995	420	979,265	93,436	79,116	(92,136)	1,059,681	420	1,001,020	93,436	59,337	(98,881)	1,054,911
49014	May-Port CG 14	1	180	593	1,149,500	194,700	153,463	(85,938)	1,411,725	592	1,380,089	139,906	122,260	(57,108)	1,585,147	590	1,398,933	139,906	91,695	(60,755)	1,569,780
50003	Grafton 3	1	185	971	1,893,624	318,120	196,517	129,075	2,537,337	975	2,264,311	249,161	156,560	171,879	2,841,911	988	2,333,074	249,161	117,420	208,123	2,907,779
50020	Minto 20	1	174	238	596,963	69,300	69,426	13,995	749,684	239	689,585	51,909	55,310	21,535	818,338	242	708,975	51,909	41,482	28,404	830,770
50039	Lankin 39	2	172	44	120,854	11,880	23,042	(3,381)	152,396	46	147,681	7,416	18,357	59	173,512	46	150,231	7,416	13,768	561	171,975
50051	Nash 51	2	185	19	45,849	11,220	10,201	(19,643)	47,627	20	56,715	6,427	8,127	(18,137)	53,131	20	57,694	6,427	6,095	(20,166)	50,050
50078	Park River 78	1	188	420	861,418	129,030	107,479	15,552	1,113,479	421	1,003,592	94,177	85,626	32,594	1,215,988	428	1,018,500	94,177	64,219	39,319	1,216,216
50079	Fordville 79	1	170	80	208,553	27,720	26,262	(14,041)	248,493	79	216,960	20,269	20,922	(16,908)	241,244	80	224,471	20,269	15,692	(17,281)	243,151
50106	Edinburg 106	1	186	132	342,372	35,640	43,254	21,721	442,987	132	379,090	26,201	34,459	22,305	462,056	135	395,708	26,201	25,844	28,895	476,649

Senate Ed Committee - Amendments

		Rates			2,095	330	3.000	36			2,357	247	2,390	36			2,398	247	1,793	39	
ID	DNAME	DTYPE	GF Mill Levy	Enr 04-05	State Per Student 04-05	Tuition Apport	Teacher FTE	Mill Deduct Equalization 04-05	04-05 Per Student and Tuition/FTE	Proj Enr 05-06	State Per Student 05-06	Tuition Apport	Teacher FTE	Mill Deduct Equalization 05-06	05-06 Per Student and Tuition/FTE	Proj Enr 06 07	State Per Student 06-07	Tuition Apport	Teacher FTE	Mill Deduct Equalization 06-07	06-07 Per Student and Tuition/FTE
50128	Adams 128	2	167	75	187,502	30,360	27,662	(21,332)	224,193	75	220,354	19,033	22,038	(17,886)	243,539	74	222,601	19,033	16,528	(19,737)	238,425
51001	Minot 1	1	185	6673	13,718,388	1,900,800	1,683,555	1,025,253	18,327,995	6542	15,107,246	1,368,905	1,341,241	930,611	18,748,002	6479	15,215,784	1,368,905	1,005,931	1,055,856	18,646,475
51004	Nedrose 4	2	93	251	484,696	130,680	52,505	(33,739)	634,142	247	568,164	103,570	41,829	(39,482)	674,080	243	568,287	103,570	31,372	(44,902)	658,327
51007	United 7	1	167	601	1,183,913	217,800	129,011	78,144	1,608,868	589	1,389,329	151,524	102,780	89,220	1,732,852	584	1,401,283	151,524	77,085	101,690	1,731,582
51010	Bell 10	2	112	147	340,801	76,230	34,353	7,258	458,642	145	397,948	59,571	27,368	3,881	488,768	143	402,398	59,571	20,526	5,065	487,561
51016	Sawyer 16	1	180	125	323,815	52,470	41,904	711	418,899	123	352,336	32,628	33,383	(1,901)	416,446	121	352,737	32,628	25,038	(2,416)	407,987
51019	Eureka 19	2	46	9	24,715	14,190	3,880	(24,715)	18,071	9	28,900	4,449	3,091	(24,814)	11,627	9	29,399	4,449	2,319	(27,753)	8,414
51028	Kenmare 28	1	185	286	662,165	93,390	78,427	(69,462)	764,520	281	800,846	63,279	62,480	(52,983)	873,623	277	807,410	63,279	46,860	(58,652)	858,897
51041	Surrey 41	1	178	366	754,513	117,150	100,639	90,466	1,062,768	360	914,512	76,133	80,176	106,710	1,177,531	355	918,219	76,133	60,132	119,718	1,174,201
51070	S Prairie 70	2	122	149	345,514	57,420	39,403	(21,698)	420,640	147	403,393	42,763	31,392	(23,950)	453,597	145	407,961	42,763	23,544	(26,146)	448,122
51160	Minot AFB 160		-		-	409,860	-	-	409,860		-	307,002	-	-	307,002		-	307,002	-	-	307,002
51161	Lewis and Clark 161	1	140	402	817,936	114,510	115,810	(112,097)	936,158	395	987,728	96,649	92,263	(93,205)	1,083,435	390	992,699	96,649	69,197	(104,408)	1,054,136
52025	Fessenden-Bowdon 25	1	151	194	493,639	77,550	66,876	(134,705)	503,360	178	515,904	46,718	53,278	(141,062)	474,838	158	464,577	46,718	39,959	(172,091)	379,162
52035	Pleasant Valley 3	2	179	21	48,991	11,220	8,701	(22,580)	46,331	18	47,380	9,887	6,932	(24,205)	39,994	17	44,937	9,887	5,199	(27,847)	32,177
52038	Harvey 38	1	184	448	889,171	156,750	142,302	(76,258)	1,111,965	406	972,641	101,840	113,368	(78,043)	1,109,807	361	918,387	101,840	85,026	(102,616)	1,002,637
52039	Sykes 39	1	185	54	143,538	24,090	31,353	(23,801)	175,180	50	144,145	12,854	24,978	(27,715)	154,261	45	132,342	12,854	18,733	(34,300)	129,629
53001	Williston 1	1	238	2159	4,293,246	819,390	524,655	506,226	6,143,517	2099	4,863,678	567,781	417,978	509,919	6,359,357	2034	4,791,177	567,781	313,484	548,320	6,220,763
53002	Nesson 2	1	185	163	431,851	53,790	60,025	(8,738)	536,928	158	460,320	36,583	47,820	(12,181)	532,543	154	455,584	36,583	35,865	(15,394)	512,639
53006	Eight Mile 6	1	179	218	569,713	57,090	72,586	91,746	791,135	212	616,251	42,763	57,827	89,673	806,514	206	608,549	42,763	43,371	97,986	792,669
53008	New 8	2	134	215	407,889	110,220	63,285	(157,385)	424,009	211	476,067	84,043	50,418	(159,556)	450,871	205	476,878	84,043	37,813	(179,500)	419,234
53015	Tioga 15	1	185	240	588,815	83,160	77,387	(54,743)	694,618	233	674,169	54,628	61,652	(48,480)	741,968	227	667,634	54,628	46,239	(56,830)	711,671
53091	Wildrose-Alamo 91	1	173	39	106,088	17,490	22,832	(42,036)	104,374	38	111,969	10,629	18,190	(40,690)	100,097	36	107,572	10,629	13,642	(46,922)	84,921
53099	Grenora 99	1	185	65	161,488	20,460	36,003	(94,408)	123,544	64	174,742	14,337	28,683	(82,175)	135,586	61	169,007	14,337	21,512	(93,895)	110,960
	Statewide Total		195	99,728	211,346,305	34,523,610	25,562,400	0	271,432,315	98,295	239,335,222	25,060,000	20,364,848	(0)	284,852,928	97,063	240,352,904	25,060,000	15,273,636	(0)	280,856,994