

Sixty-fourth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1218

Introduced by

Representatives Nathe, Bellew

Senators Hogue, Schaible

A BILL ~~for an Act to amend and reenact sections 15.1-07-29 and 15.1-27-35.3 of the North Dakota Century Code, relating to school district ending fund balances; to provide an effective date; and to declare an emergency.~~ for an Act to amend and reenact sections 15.1-07-29 and 15.1-27-35.3 of the North Dakota Century Code, relating to school district ending fund balances; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1. AMENDMENT.** Section 15.1-07-29 of the North Dakota Century Code is amended and reenacted as follows:~~

~~**15.1-07-29. Ending fund balance -- Amount.**~~

~~1. Within the limitations of this section, the board of a school district may carry over moneys to the ensuing fiscal year, to meet the cash requirements of all funds or purposes to which the credit of the school district may be legally extended.~~

~~2. For taxable years beginning after December 31, 2003, and ending on December 31, 2007, the amount carried over by a school district may not exceed fifty percent of the current annual budget for all purposes other than debt retirement and amounts financed from bond sources plus twenty thousand dollars.~~

~~3. a. For taxable years beginning after December 31, 2007, the total unobligated amount carried over by a school district in its general fund and its miscellaneous fund, as established under section 57-15-14.2, may not exceed forty-five percent of the district's current annual budget for all purposes other than or three hundred thousand dollars, whichever is greater.~~

~~b. For taxable years beginning after December 31, 2015, the amount carried over by a school district in all other funds, except for debt retirement and amounts financed from bond sources, may not exceed one and one-half percent of the~~

~~district's current annual budget plus twenty or forty-five thousand dollars, whichever is greater.~~

~~— **SECTION 2. AMENDMENT.** Section 15.1-27-35.3 of the North Dakota Century Code is amended and reenacted as follows:~~

~~— **15.1-27-35.3. (Effective through June 30, 2015) Payments to school districts—**
Unobligated general fund balance.~~

~~1. a. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that 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.~~

~~b. Beginning July 1, 2015, the superintendent of public instruction shall determine the amount of payments due to a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth June 30, 2015, is in excess of forty percent of its actual expenditures, plus twenty thousand dollars.~~

~~2. a. The superintendent of public instruction shall:~~

~~(1) Determine the amount that represents forty percent of a school district's actual 2014-15 expenditures, plus twenty thousand dollars;~~

~~(2) Determine the greater of the amount that represents ten percent of a school district's actual 2014-15 expenditures or three hundred thousand dollars; and~~

~~(3) Subtract the amount determined under paragraph 2 from the amount determined under paragraph 1.~~

~~b. If the difference, as determined under paragraph 3 of subdivision a, is greater than zero, the superintendent shall direct that the school district provide a credit in the amount of that difference to the owners of all taxable property in the district, against taxes levied for taxable year 2016 by the district. The percentage of the total credit to which each eligible owner of taxable property is entitled must equal the percentage that the taxable valuation of the individual owner's real property bears to the total taxable valuation of all real property located within the district.~~

~~c.3. Beginning July 1, 2017²⁰¹⁶, the superintendent of public instruction shall annually determine the amount of payments due to a school district and shall subtract from that the amount by which the unobligated general fund balance and unobligated miscellaneous fund balance of the district on the preceding June thirtieth is in excess of thirty-five^{ten} percent of its actual expenditures, plus twenty or three hundred thousand dollars, whichever is greater.~~

~~2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that were received by the district from the federal education jobs fund program.~~

~~3. For purposes of this section, a district's unobligated general fund balance includes all moneys in the district's miscellaneous fund, as established under section 57-15-14.2.~~

~~(Effective after June 30, 2015) Payments to school districts - Unobligated general fund balance.~~

~~1. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that 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.~~

~~2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that were received by the district from the federal education jobs fund program.~~

~~SECTION 3. EFFECTIVE DATE. Section 2 of this Act is effective on July 1, 2015.~~

~~SECTION 4. EMERGENCY. Section 2 of this Act is declared to be an emergency measure.~~

SECTION 1. AMENDMENT. Section 15.1-07-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-29. Ending fund balance - Amount.

- ~~The~~Within the limits of this section, the board of a school district may carry over moneys to the ensuing fiscal year, to meet the cash requirements of all funds or purposes to which the credit of the school district may be legally extended.

2. For taxable years beginning after December 31, 2003, and ending on December 31, 2007, the amount carried over by a school district may not exceed fifty percent of the current annual budget for all purposes other than debt retirement and amounts financed from bond sources plus twenty thousand dollars.

3. For taxable years beginning after December 31, 2007, the amount carried over by a school district may not exceed forty-five percent of the current annual budget for all purposes other than debt retirement and amounts financed from bond sources plus twenty thousand dollars.

4. For taxable years beginning after December 31, 2018, the amount carried over by a school district may not exceed twenty percent of the district's current annual budget for all purposes other than debt retirement and amounts financed from bond sources, or five hundred thousand dollars, whichever is greater.

SECTION 2. AMENDMENT. Section 15.1-27-35.3 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35.3. ~~(Effective through June 30, 2015)~~ Payments to school districts - Unobligated general fund balance.

~~1. a. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that 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.~~

~~b.1.~~ Beginning July 1, 2015, the superintendent of public instruction shall determine the amount of payments due to a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty percent of its actual expenditures, plus twenty thousand dollars.

~~c.2.~~ Beginning July 1, 2017, the superintendent of public instruction shall determine the amount of payments due to a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of thirty-five percent of its actual expenditures, plus twenty thousand dollars.

2. ~~In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that were received by the district from the federal education jobs fund program.~~

3. ~~For purposes of this section, a district's unobligated general fund balance includes all moneys in the district's miscellaneous fund, as established under section 57-15-14.2.~~

~~(Effective after June 30, 2015) Payments to school districts - Unobligated general fund balance.~~

1. ~~The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that 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.~~

2. ~~In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that were received by the district from the federal education jobs fund program.~~
Beginning July 1, 2019, the superintendent of public instruction shall determine the amount of payments due to a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifteen percent of its actual expenditures, or four hundred thousand dollars, whichever is greater.

SECTION 3. EFFECTIVE DATE. Section 2 of this Act is effective on July 1, 2015.

SECTION 4. EMERGENCY. Section 2 of this Act is declared to be an emergency measure.