

Sixty-fifth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1324**

Introduced by

Representatives Owens, Monson, Nathe, Sanford, Schreiber-Beck

Senators Rust, Schaible

1 A BILL for an Act to amend and reenact sections 15.1-27-03.1 and 15.1-27-04.1 of the North  
2 Dakota Century Code, relating to the determination of state aid payable to school districts.

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

4 **SECTION 1. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **15.1-27-03.1. ~~(Effective through June 30, 2017) Weighted average daily membership --~~**  
7 **Determination.**

- 8 1. ~~For each school district, the superintendent of public instruction shall multiply by:~~
- 9 a. ~~1.00 the number of full-time equivalent students enrolled in an extended-~~  
10 ~~educational program in accordance with section 15.1-32-17;~~
- 11 b. ~~0.60 the number of full-time equivalent students enrolled in a summer education-~~  
12 ~~program, including a migrant summer education program;~~
- 13 c. ~~0.33 the number of full-time equivalent students who:~~
- 14 (1) ~~On a test of English language proficiency approved by the superintendent of~~  
15 ~~public instruction are determined to be least proficient and placed in the first~~  
16 ~~of six categories of proficiency; and~~
- 17 (2) ~~Are enrolled in a program of instruction for English language learners;~~
- 18 d. ~~0.25 the number of full-time equivalent students under the age of twenty-one-~~  
19 ~~enrolled in grades nine through twelve in an alternative high school;~~
- 20 e. ~~0.22 the number of full-time equivalent students who:~~
- 21 (1) ~~On a test of English language proficiency approved by the superintendent of~~  
22 ~~public instruction are determined to be more proficient than students placed~~  
23 ~~in the first of six categories of proficiency and therefore placed in the second~~  
24 ~~of six categories of proficiency; and~~

- (2) Are enrolled in a program of instruction for English language learners;
- f. ~~0.20 the number of full-time equivalent students enrolled in a home-based education program and monitored by the school district under chapter 15.1-23;~~
- g. ~~0.17 the number of full-time equivalent students enrolled in an early childhood special education program;~~
- h. ~~0.15 the number of full-time equivalent students in grades six through eight enrolled in an alternative education program for at least an average of fifteen hours per week;~~
- i. ~~0.10 the number of students enrolled in average daily membership, if the district has fewer than one hundred students enrolled in average daily membership and the district consists of an area greater than two hundred seventy-five square miles [19424.9 hectares], provided that any school district consisting of an area greater than six hundred square miles [155399 hectares] and enrolling fewer than fifty students in average daily membership must be deemed to have an enrollment equal to fifty students in average daily membership;~~
- j. ~~0.082 the number of students enrolled in average daily membership, in order to support the provision of special education services;~~
- k. ~~0.07 the number of full-time equivalent students who:~~
- (1) ~~On a test of English language proficiency approved by the superintendent of public instruction are determined to be more proficient than students placed in the second of six categories of proficiency and therefore placed in the third of six categories of proficiency;~~
- (2) ~~Are enrolled in a program of instruction for English language learners; and~~
- (3) ~~Have not been in the third of six categories of proficiency for more than three years;~~
- l. ~~0.025 the number of students representing that percentage of the total number of students in average daily membership which is equivalent to the three-year average percentage of students in grades three through eight who are eligible for free or reduced lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.];~~

and

1           m.   ~~0.002 the number of students enrolled in average daily membership in a school-~~  
2                   ~~district that is a participating member of a regional education association meeting~~  
3                   ~~the requirements of chapter 15.1-09.1.~~

4       2.   ~~The superintendent of public instruction shall determine each school district's weighted~~  
5           ~~average daily membership by adding the products derived under subsection 1 to the~~  
6           ~~district's average daily membership.~~

7       **~~(Effective after June 30, 2017)~~ Weighted average daily membership - Determination.**

8       1.   For each school district, the superintendent of public instruction shall multiply by:

9           a.   1.00 the number of full-time equivalent students enrolled in an extended  
10               educational program in accordance with section 15.1-32-17;

11          b.   0.60 the number of full-time equivalent students enrolled in a summer education  
12               program, including a migrant summer education program;

13          c.   0.40 the number of full-time equivalent students who:

14               (1)   On a test of English language proficiency approved by the superintendent of  
15                   public instruction are determined to be least proficient and placed in the first  
16                   of six categories of proficiency; and

17               (2)   Are enrolled in a program of instruction for English language learners;

18          d.   0.28 the number of full-time equivalent students who:

19               (1)   On a test of English language proficiency approved by the superintendent of  
20                   public instruction are determined to be more proficient than students placed  
21                   in the first of six categories of proficiency and therefore placed in the second  
22                   of six categories of proficiency; and

23               (2)   Are enrolled in a program of instruction for English language learners;

24          e.   0.25 the number of full-time equivalent students under the age of twenty-one  
25               enrolled in grades nine through twelve in an alternative high school;

26          f.   0.20 the number of full-time equivalent students enrolled in a home-based  
27               education program and monitored by the school district under chapter 15.1-23;

28          g.   0.17 the number of full-time equivalent students enrolled in an early childhood  
29               special education program;

- 1           h.   0.15 the number of full-time equivalent students in grades six through eight  
2               enrolled in an alternative education program for at least an average of fifteen  
3               hours per week;
- 4           i.   0.10 the number of students enrolled in average daily membership, if the district  
5               has fewer than one hundred students enrolled in average daily membership and  
6               the district consists of an area greater than two hundred seventy-five square  
7               miles [19424.9 hectares], provided that any school district consisting of an area  
8               greater than six hundred square miles [155399 hectares] and enrolling fewer than  
9               fifty students in average daily membership must be deemed to have an  
10              enrollment equal to fifty students in average daily membership;
- 11          j.   0.082 the number of students enrolled in average daily membership, in order to  
12               support the provision of special education services;
- 13          k.   0.07 the number of full-time equivalent students who:
- 14               (1)   On a test of English language proficiency approved by the superintendent of  
15                      public instruction are determined to be more proficient than students placed  
16                      in the second of six categories of proficiency and therefore placed in the  
17                      third of six categories of proficiency;
- 18               (2)   Are enrolled in a program of instruction for English language learners; and
- 19               (3)   Have not been in the third of six categories of proficiency for more than  
20                      three years;
- 21          l.   0.025 the number of students representing that percentage of the total number of  
22               students in average daily membership which is equivalent to the three-year  
23               average percentage of students in grades three through eight who are eligible for  
24               free or reduced lunches under the Richard B. Russell National School Lunch Act  
25               [42 U.S.C. 1751 et seq.]; and
- 26          m.   0.002 the number of students enrolled in average daily membership in a school  
27               district that is a participating member of a regional education association meeting  
28               the requirements of chapter 15.1-09.1.
- 29       2.   The superintendent of public instruction shall determine each school district's weighted  
30             average daily membership by adding the products derived under subsection 1 to the  
31             district's average daily membership.

**SECTION 2. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-27-04.1. Baseline funding - Establishment - Determination of state aid.**

1. ~~In order to~~To determine the amount of state aid payable to each district, the superintendent of public instruction shall establish each district's baseline funding. A district's baseline funding consists of:
  - a. All state aid received by the district in accordance with chapter 15.1-27 during the 2012-13 school year;
  - b. The district's 2012-13 mill levy reduction grant, as determined in accordance with chapter 57-64, as it existed on June 30, 2013;
  - c. An amount equal to that raised by the district's 2012 general fund levy or that raised by one hundred ten mills of the district's 2012 general fund levy, whichever is less;
  - d. An amount equal to that raised by the district's 2012 long-distance learning and educational technology levy;
  - e. An amount equal to that raised by the district's 2012 alternative education program levy; and
  - f. An amount equal to:
    - (1) Seventy-five percent of all revenue received by the school district and reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
    - (2) Seventy-five percent of all mineral revenue received by the school district through direct allocation from the state treasurer and not reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
    - (3) Seventy-five percent of all tuition received by the school district and reported under code 1300 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08, with the exception

of revenue received specifically for the operation of an educational program provided at a residential treatment facility and tuition received for the provision of an adult farm management program;

(4) Seventy-five percent of all revenue received by the school district from payments in lieu of taxes on the distribution and transmission of electric power;

(5) Seventy-five percent of all revenue received by the school district from payments in lieu of taxes on electricity generated from sources other than coal;

(6) All revenue received by the school district from mobile home taxes;

(7) Seventy-five percent of all revenue received by the school district from the leasing of land acquired by the United States for which compensation is allocated to the state under 33 U.S.C. 701(c)(3);

(8) All telecommunications tax revenue received by the school district; and

(9) All revenue received by the school district from payments in lieu of taxes and state reimbursement of the homestead credit and disabled veterans credit.

2. The superintendent shall divide the district's total baseline funding by the district's 2012-13 weighted student units ~~in order to~~ determine the district's baseline funding per weighted student unit.

3. a. In ~~2015-16~~2017-18, the superintendent shall multiply the district's weighted student units by nine thousand ~~three~~six hundred ~~sixty-five~~forty-six dollars.

(1) The superintendent shall adjust the product to ensure ~~that~~ the product is at least equal to the greater of:

(a) One hundred ~~six~~eight percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's 2013-14 weighted student units; or

(b) One hundred percent of the district's baseline funding as established in subsection 1.

(2) The superintendent also shall ~~also~~ adjust the product to ensure ~~that~~ the product does not exceed one hundred ~~thirty~~forty percent of the district's

1 baseline funding per weighted student unit multiplied by the district's  
2 2013-14 weighted student units, as established in subsection 2.

3 b. In ~~2016-17~~2018-19, the superintendent shall multiply the district's weighted  
4 student units by nine thousand six hundred forty-six dollars.

5 (1) The superintendent shall adjust the product to ensure ~~that~~ the product is at  
6 least equal to the greater of:

7 (a) One hundred eight percent of the district's baseline funding per  
8 weighted student unit, as established in subsection 2, multiplied by  
9 the district's 2014-15 weighted student units; or

10 (b) One hundred percent of the district's baseline funding as established  
11 in subsection 1.

12 (2) The superintendent also shall ~~also~~ adjust the product to ensure ~~that~~ the  
13 product does not exceed one hundred forty percent of the district's baseline  
14 funding per weighted student unit, as established in subsection 2, multiplied  
15 by the district's 2014-15 weighted student units.

16 4. After determining the product in accordance with subsection 3, the superintendent of  
17 public instruction shall:

18 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the  
19 school district, ~~provided that after 2013, except~~ the amount in dollars subtracted  
20 for purposes of this subdivision may not exceed the previous year's amount in  
21 dollars subtracted for purposes of this subdivision by more than twelve percent;  
22 and

23 b. Subtract an amount equal to seventy-five percent of all revenues listed in  
24 ~~paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one hundred~~  
25 ~~percent of all revenues listed in paragraphs 6, 8, and 9 of subdivision f of~~  
26 subsection 1.

27 5. The amount remaining after the computation required under subsection 4 is the  
28 amount of state aid to which a school district is entitled, subject to any other statutory  
29 requirements or limitations.