

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2013

Page 1, line 3, replace "sections 15-10-38," with "section"

Page 1, line 3, remove the second comma

Page 1, line 4, remove "15.1-37-05, 15.1-37-06, and 15.1-37-08"

Page 1, line 4, remove "a student"

Page 1, line 5, remove "loan forgiveness program for teachers,"

Page 1, line 5, remove the second comma

Page 1, remove line 6

Page 1, line 7, remove "grants, and early childhood education provider data collection"

Page 1, line 8, after the first semicolon insert "to provide for a legislative management study;"

Page 1, remove lines 21 through 24

Page 2, replace lines 1 through 10 with:

"Salaries and wages	\$17,439,176	\$511,859	\$17,951,035
Operating expenses	30,165,005	3,616,942	33,781,947
Integrated formula payments	1,750,204,163	348,398,266	2,098,602,429
Grants - special education	19,300,000	4,700,000	24,000,000
Grants - transportation	55,400,000	1,100,000	56,500,000
Grants - other grants	254,062,705	33,000,000	287,062,705
Grants - program grants	6,210,000	1,470,000	7,680,000
Grants - passthrough grants	2,898,000	(34,236)	2,863,764
PowerSchool	5,500,000	0	5,500,000
Transportation efficiency	30,000	(30,000)	0
National board certification	120,000	(12,000)	108,000
State automated reporting system	<u>0</u>	<u>1,200,000</u>	<u>1,200,000</u>
rewrite			
Total all funds	\$2,141,329,049	\$393,920,831	\$2,535,249,880
Less estimated income	<u>705,727,065</u>	<u>108,026,678</u>	<u>813,753,743</u>
Total general fund	\$1,435,601,984	\$285,894,153	\$1,721,496,137"

Page 2, replace lines 16 through 21 with:

"Salaries and wages	\$4,152,758	\$147,577	\$4,300,335
Operating expenses	1,604,075	17,842	1,621,917
Grants	<u>2,109,028</u>	<u>124,500</u>	<u>2,233,528</u>
Total all funds	\$7,865,861	\$289,919	\$8,155,780
Less estimated income	<u>2,247,560</u>	<u>126,801</u>	<u>2,374,361</u>
Total general fund	\$5,618,301	\$163,118	\$5,781,419"

Page 2, remove lines 27 through 31

Page 3, replace lines 1 and 2 with:

"Salaries and wages	\$7,588,749	\$466,195	\$8,054,944
Operating expenses	2,026,543	(320,957)	1,705,586
Capital assets	158,678	270,000	428,678
Grants	<u>180,000</u>	<u>(140,000)</u>	<u>40,000</u>
Total all funds	\$9,953,970	\$275,238	\$10,229,208
Less estimated income	<u>2,465,444</u>	<u>234,914</u>	<u>2,700,358</u>
Total general fund	\$7,488,526	\$40,324	\$7,528,850"

Page 3, replace lines 8 through 13 with:

"Salaries and wages	\$4,660,995	\$274,296	\$4,935,291
Operating expenses	773,206	42,615	815,821
Capital assets	<u>39,192</u>	<u>260,500</u>	<u>299,692</u>
Total all funds	\$5,473,393	\$577,411	\$6,050,804
Less estimated income	<u>1,079,247</u>	<u>253,568</u>	<u>1,332,815</u>
Total general fund	\$4,394,146	\$323,843	\$4,717,989"

Page 3, replace lines 19 through 21 with:

"Grand total general fund	\$1,453,102,957	\$286,421,438	\$1,739,524,395
Grand total special funds	<u>711,519,316</u>	<u>108,641,961</u>	<u>820,161,277</u>
Grand total all funds	\$2,164,622,273	\$395,063,399	\$2,559,685,672"

Page 4, after line 2, insert:

" State automated reporting system rewrite	0	1,200,000"
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Page 4, replace lines 4 through 8 with:

" Total department of public instruction - all funds	\$191,820,000	\$1,400,000
Total department of public instruction - estimated income	<u>191,820,000</u>	<u>1,200,000</u>
Total department of public instruction -	\$0	\$200,000"

Page 4, replace lines 28 through 30 with:

"Grand total - all funds	\$192,688,500	\$1,950,500
Grand total - estimated income	<u>192,688,500</u>	<u>1,750,500</u>
Grand total - general fund	\$0	\$200,000"

Page 5, line 7, replace "\$379,764,000" with "\$377,764,000"

Page 5, line 13, replace "\$110,000,000" with "\$111,200,000"

Page 5, line 14, after "treasury" insert ", of which \$110,000,000 is"

Page 5, line 14, after "payments" insert "and \$1,200,000 is for a rewrite of the state automated reporting system,"

Page 5, after line 21, insert:

"SECTION 6. EXEMPTION - COMPUTER SCIENCE TRAINING FOR TEACHERS. Up to \$3,000,000 of the unexpended amount remaining from the appropriation for integrated formula payments, as authorized in subdivision 1 of section 1 of chapter 12 of the 2017 Session Laws, is not subject to the provisions of

section 54-44.1-11 at the end of the 2017-19 biennium, and may be continued into the 2019-21 biennium for the purpose of providing computer science training for teachers.

SECTION 7. EXEMPTION - ADVANCED PLACEMENT PROGRAMS. Up to \$600,000 of the unexpended amount remaining from the appropriation for integrated formula payments, as authorized in subdivision 1 of section 1 of chapter 12 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11 at the end of the 2017-19 biennium, and may be continued into the 2019-21 biennium for the purpose of providing advanced placement examinations, advanced placement teacher training, and the college ready English and mathematics programs."

Page 6, line 24, replace "nine" with "eleven"

Page 6, line 26, replace "Fifty-one" with "Fifty-two"

Page 7, line 16, replace "Twenty-nine" with "Thirty"

Page 7, line 23, replace "\$2,136,711" with "\$1,500,000"

Page 8, line 13, replace "\$2,215,764" with "\$2,863,764"

Page 8, line 13, remove "for writing projects, an entrepreneur program,"

Page 8, line 14, remove "governor's school, and a mentoring program"

Page 8, line 15, after "distributed" insert "but no more than one-half of the funding may be provided each year of the biennium"

Page 8, line 15, replace "Grantees" with "Annually grantees"

Page 8, line 17, after "report" insert "annually"

Page 8, line 18, remove "before October 1, 2020"

Page 8, line 18, after the period insert "The superintendent may not distribute the grant payment for the second year of the biennium until the grantee submits the annual report for the first year of the biennium."

Page 9, remove lines 26 through 31

Page 10, remove lines 1 through 31

Page 11, remove lines 1 through 9

Page 11, line 15, replace "eighteen" with "ten"

Page 11, line 16, remove "one hundred twenty-six thousand five hundred three dollars"

Page 11, line 17, replace "thereafter" with "one hundred twenty-five thousand eight hundred eighty dollars thereafter"

Page 11, remove lines 18 through 31

Page 12, remove lines 1 through 30

Page 13, replace lines 1 through 23 with:

"SECTION 19. LEGISLATIVE MANAGEMENT STUDY. During the 2019-20 interim, the legislative management shall consider studying school transportation, including district routes, expenditures, reimbursement, and possible efficiencies. The legislative management shall report its findings and recommendations, together with

any legislation necessary to implement the recommendations, to the sixty-seventh legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2013 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Department of Public Instruction				
Total all funds	\$2,141,329,049	\$2,542,794,213	(\$7,544,333)	\$2,535,249,880
Less estimated income	705,727,065	814,542,384	(788,641)	813,753,743
General fund	<u>\$1,435,601,984</u>	<u>\$1,728,251,829</u>	<u>(\$6,755,692)</u>	<u>\$1,721,496,137</u>
FTE	91.75	88.75	0.00	88.75
State Library				
Total all funds	\$7,865,861	\$8,123,637	\$32,143	\$8,155,780
Less estimated income	2,247,560	2,367,446	6,915	2,374,361
General fund	<u>\$5,618,301</u>	<u>\$5,756,191</u>	<u>\$25,228</u>	<u>\$5,781,419</u>
FTE	28.75	27.75	0.00	27.75
School for the Deaf				
Total all funds	\$9,953,970	\$10,195,111	\$34,097	\$10,229,208
Less estimated income	2,465,444	2,697,196	3,162	2,700,358
General fund	<u>\$7,488,526</u>	<u>\$7,497,915</u>	<u>\$30,935</u>	<u>\$7,528,850</u>
FTE	45.61	44.61	0.00	44.61
Vision Services - School for the Blind				
Total all funds	\$5,473,393	\$6,030,269	\$20,535	\$6,050,804
Less estimated income	1,079,247	1,330,993	1,822	1,332,815
General fund	<u>\$4,394,146</u>	<u>\$4,699,276</u>	<u>\$18,713</u>	<u>\$4,717,989</u>
FTE	28.50	27.90	0.00	27.90
Bill total				
Total all funds	\$2,164,622,273	\$2,567,143,230	(\$7,457,558)	\$2,559,685,672
Less estimated income	711,519,316	820,938,019	(776,742)	820,161,277
General fund	<u>\$1,453,102,957</u>	<u>\$1,746,205,211</u>	<u>(\$6,680,816)</u>	<u>\$1,739,524,395</u>
FTE	194.61	189.01	0.00	189.01

Senate Bill No. 2013 - Department of Public Instruction - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$17,439,176	\$17,941,456	\$9,579	\$17,951,035
Operating expenses	30,165,005	32,169,947	1,612,000	33,781,947
Integrated formula payments	1,750,204,163	2,106,646,054	(8,043,625)	2,098,602,429
Grants - Special education contracts	19,300,000	25,000,000	(1,000,000)	24,000,000
Grants - Transportation	55,400,000	55,900,000	600,000	56,500,000
Grants - Other grants	254,062,705	287,062,705		287,062,705
Grants - Program grants	6,210,000	9,616,711	(1,936,711)	7,680,000
Grants - Passthrough grants	2,898,000	2,849,340	14,424	2,863,764
PowerSchool	5,500,000	5,500,000		5,500,000
Transportation efficiency	30,000			
National board certification	120,000	108,000		108,000
State automated reporting system rewrite			1,200,000	1,200,000
Total all funds	\$2,141,329,049	\$2,542,794,213	(\$7,544,333)	\$2,535,249,880
Less estimated income	705,727,065	814,542,384	(788,641)	813,753,743
General fund	\$1,435,601,984	\$1,728,251,829	(\$6,755,692)	\$1,721,496,137
FTE	91.75	88.75	0.00	88.75

Department 201 - Department of Public Instruction - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Adds Funding for a Pre K-12 Education Vision Steering Committee ²	Adds Funding for AdvancEd Contract ³	Increases Funding for Operating Expenses ⁴	Reduces Funding for Special Education Contracts ⁵	Adjusts Funding for Integrated Formula Payments ⁶
Salaries and wages	\$9,579					
Operating expenses		\$300,000	\$312,000	\$1,000,000		
Integrated formula payments						(\$8,043,625)
Grants - Special education contracts					(\$1,000,000)	
Grants - Transportation						
Grants - Other grants						
Grants - Program grants						
Grants - Passthrough grants						
PowerSchool						
Transportation efficiency						
National board certification						
State automated reporting system rewrite						
Total all funds	\$9,579	\$300,000	\$312,000	\$1,000,000	(\$1,000,000)	(\$8,043,625)
Less estimated income	11,359	0	0	0	0	0
General fund	(\$1,780)	\$300,000	\$312,000	\$1,000,000	(\$1,000,000)	(\$8,043,625)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts the Funding Source for Integrated Formula Payments ⁷	Increases Funding for Transportation Grants ⁸	Reduces Funding for the Superintenden t's Program Grant Pool ⁹	Adds Funding for a Leadership Professional Development Program ¹⁰	Removes Funding for Early Childhood Education Grants ¹¹	Adjusts Funding for Passthrough Grants ¹²
Salaries and wages						
Operating expenses						
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation		\$600,000				
Grants - Other grants						
Grants - Program grants			(\$636,711)	\$200,000	(\$1,500,000)	
Grants - Passthrough grants PowerSchool						\$14,424
Transportation efficiency						
National board certification						
State automated reporting system rewrite						
Total all funds	\$0	\$600,000	(\$636,711)	\$200,000	(\$1,500,000)	\$14,424
Less estimated income	(2,000,000)	0	0	0	0	0
General fund	\$2,000,000	\$600,000	(\$636,711)	\$200,000	(\$1,500,000)	\$14,424
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- time Funding for the State Automated Reporting System Rewrite ¹³	Total House Changes
Salaries and wages		\$9,579
Operating expenses		1,612,000
Integrated formula payments		(8,043,625)
Grants - Special education contracts		(1,000,000)
Grants - Transportation		600,000
Grants - Other grants		
Grants - Program grants		(1,936,711)
Grants - Passthrough grants PowerSchool		14,424
Transportation efficiency		
National board certification		
State automated reporting system rewrite	\$1,200,000	1,200,000
Total all funds	\$1,200,000	(\$7,544,333)
Less estimated income	1,200,000	(788,641)
General fund	\$0	(\$6,755,692)
FTE	0.00	0.00

¹ Funding is adjusted to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

² Funding is added for a Pre K-12 Education Vision Steering Committee to support the facilitation of stakeholder groups to continue developing education initiatives.

³ Funding is added for an increase in the continuous improvement for schools contract with AdvancEd.

⁴ Funding for operating expenses is increased to correct an error in the department's budget request relating to its base budget adjustments.

⁵ Funding for special education contract grants is reduced to provide a total of \$24 million from the general fund, \$4.7 million more than the 2017-19 biennium. The Senate provided \$25 million from the general fund for special

education contract grants.

⁶ Funding for integrated formula payments is reduced for the following changes to the state school aid formula in Senate Bill No. 2265:

	General Fund
Reduces funding to provide a 2 percent increase in the integrated formula payment rate each year of the biennium. The Senate provided a 2 percent increase in the 1st year and 3 percent in the 2nd year.	(\$10,615,923)
Increases funding for a state school aid formula baseline reset .	15,106,628
Adds funding to reduce the deduction of in lieu of revenue relative to sinking and interest mill levies .	12,335,458
Reduces funding provided to transition to on-time funding . The House provided a .50 weighted student unit. The Senate provided 1.0 weighted student unit.	(19,289,658)
Reduces funding for changes to funding for new students in certain school districts.	(7,683,575)
Reduces funding due to an increase in the contribution from property tax related to the phase in of a 60 mill contribution for all schools districts.	(2,032,062)
Increases funding for other changes to the formula, including tuition deductions and adjustment to formula minimums .	4,135,507
Total integrated formula payment reduction	(\$8,043,625)

⁷ Increases funding from the general fund and decreases funding from the state tuition fund to provide a total of \$377,764,000 from the state tuition fund for state school aid. Funding from the state tuition fund is reduced due to lower than estimated fines being deposited in the fund.

⁸ Funding for transportation grants is increased to provide a total of \$56.5 million from the general fund. This increase of \$1.1 million from the prior biennium will allow reimbursement rates to remain the same as the 2017-19 biennium. The Senate provided \$55.9 million from the general fund for transportation grants.

⁹ Funding for the program grant pool is reduced by \$636,711, to provide a total of \$1.5 million from the general fund for the following programs:

- Leveraging the senior year;
- Leadership program;
- Continuing education grants;
- Preschool continuing education grants;
- Curriculum alignment grants;
- Teacher and principal evaluation system grants;
- Family engagement initiatives; and
- Transportation efficiency.

¹⁰ Funding is added to implement a leadership professional development program.

¹¹ Funding is removed for early childhood education grants transferred to the Superintendent of Public Instruction from the Department of Commerce. The House did not approve transferring the early childhood service provider grant program from the Department of Commerce to the Superintendent of Public Instruction in Senate Bill No. 2250.

¹² Funding for passthrough grants is adjusted as follows:

	General Fund Increase (Decrease)	Total General Fund
Rural art outreach projects	(\$10,000)	\$350,000
North Central Council for Education Media Services	14,424	238,000
Mentoring program	0	2,125,764
North Dakota Young Entrepreneur education program	(30,000)	0
"We the People" program	0	50,000
National writing projects	10,000	50,000
Governor's School program	(20,000)	0
Cultural heritage and artist in residence grants	50,000	50,000
Total	\$14,424	\$2,863,764

¹³ One-time funding is added from the foundation aid stabilization fund to rewrite the state automated reporting system (STARS) application.

This amendment also:

- Amends the section related to funding provided from the state tuition fund to reduce the funding made available from the fund to \$377,764,000;
- Amends the section related to funding provided from the foundation aid stabilization fund to increase the funding made available from the fund to \$111.2 million;
- Adds a section to allow the department to continue \$3 million of funding, remaining in the integrated formula payments line item at the end of the 2017-19 biennium, to the 2019-21 biennium for the purpose of one-time funding of computer science training for teachers;
- Adds a section to allow the department to continue \$600,000 of funding, remaining in the integrated formula payments line item at the end of the 2017-19 biennium, to the 2019-21 biennium for the purpose of advanced placement examinations, advanced placement teacher training, and the college ready English and mathematics program;
- Amends the section related to the distribution of transportation grants to update transportation rates to reflect additional funding;
- Amends the section related to the program grant pool to adjust the total provided;
- Amends the section related to passthrough grants to require grantees to receive one-half of the passthrough grant each year of the biennium and require grantees, as a condition of receiving the grant, to establish performance measures to be reviewed by the Superintendent of Public Instruction. Grantees must report to the Superintendent of Public Instruction regarding performance based on the measures each year of the biennium, with the report for the 1st year of the biennium required before receiving funding for the 2nd year of the biennium;
- Removes the section amending North Dakota Century Code Section 15-10-38 to transfer the teacher loan forgiveness program from the State Board of Higher Education to the Superintendent of Public Instruction. This transfer was included in House Bill No. 1429;
- Amends the section related to the salary of the Superintendent of Public Instruction to provide increases consistent with state employee salary increases;
- Removes the sections amending Sections 15.1-37-05, 15.1-37-06, and 15.1-37-08 to transfer the early childhood education grant program from the Department of Commerce to the Superintendent of Public Instruction due to the defeat of Senate Bill No. 2250 by the House; and
- Adds a section to provide for a study of school district transportation during the 2019-20 interim.

Senate Bill No. 2013 - State Library - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$4,152,758	\$4,268,192	\$32,143	\$4,300,335
Operating expenses	1,604,075	1,621,917		1,621,917
Grants	<u>2,109,028</u>	<u>2,233,528</u>		<u>2,233,528</u>
Total all funds	\$7,865,861	\$8,123,637	\$32,143	\$8,155,780
Less estimated income	<u>2,247,560</u>	<u>2,367,446</u>	6,915	<u>2,374,361</u>
General fund	\$5,618,301	\$5,756,191	\$25,228	\$5,781,419
FTE	28.75	27.75	0.00	27.75

Department 250 - State Library - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Total House Changes
Salaries and wages	\$32,143	\$32,143
Operating expenses		
Grants		
Total all funds	\$32,143	\$32,143
Less estimated income	<u>6,915</u>	<u>6,915</u>
General fund	\$25,228	\$25,228
FTE	0.00	0.00

¹ Funding is adjusted to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum

monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

Senate Bill No. 2013 - School for the Deaf - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,588,749	\$8,020,847	\$34,097	\$8,054,944
Operating expenses	2,026,543	1,705,586		1,705,586
Capital assets	158,678	428,678		428,678
Grants	180,000	40,000		40,000
Total all funds	\$9,953,970	\$10,195,111	\$34,097	\$10,229,208
Less estimated income	2,465,444	2,697,196	3,162	2,700,358
General fund	\$7,488,526	\$7,497,915	\$30,935	\$7,528,850
FTE	45.61	44.61	0.00	44.61

Department 252 - School for the Deaf - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Total House Changes
Salaries and wages	\$34,097	\$34,097
Operating expenses		
Capital assets		
Grants		
Total all funds	\$34,097	\$34,097
Less estimated income	3,162	3,162
General fund	\$30,935	\$30,935
FTE	0.00	0.00

¹ Funding is adjusted to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

Senate Bill No. 2013 - Vision Services - School for the Blind - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$4,660,995	\$4,914,756	\$20,535	\$4,935,291
Operating expenses	773,206	815,821		815,821
Capital assets	39,192	299,692		299,692
Total all funds	\$5,473,393	\$6,030,269	\$20,535	\$6,050,804
Less estimated income	1,079,247	1,330,993	1,822	1,332,815
General fund	\$4,394,146	\$4,699,276	\$18,713	\$4,717,989
FTE	28.50	27.90	0.00	27.90

Department 253 - Vision Services - School for the Blind - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Total House Changes
Salaries and wages	\$20,535	\$20,535
Operating expenses		
Capital assets		
Total all funds	\$20,535	\$20,535
Less estimated income	1,822	1,822
General fund	\$18,713	\$18,713
FTE	0.00	0.00

¹ Funding is adjusted to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.