Sixty-sixth Legislative Assembly of North Dakota

## **SENATE BILL NO. 2280**

Introduced by

23

Senator Bekkedahl

1	A BILL for an Act to amend and reenact section 15.1-27-04.1 of the North Dakota Century					
2	Code, relating to state foundation aid payments to school districts; and to provide a continuing					
3	appropriation.					
4	BE IT ENAC	TED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:				
5	SECTION 1. AMENDMENT. Section 15.1-27-04.1 of the North Dakota Century Code is					
6	amended and reenacted as follows:					
7	15.1-27-04.1. Baseline funding - Establishment - Determination of state aid <u>-</u>					
8	Continuing appropriation.					
9	1. To 0	determine the amount of state aid payable to each district, the superintendent of				
0	pub	olic instruction shall establish each district's baseline funding. A district's baseline				
11	fun	ding consists of:				
2	a.	All state aid received by the district in accordance with chapter 15.1-27 during the				
3		2012-13 school year;				
4	b.	The district's 2012-13 mill levy reduction grant, as determined in accordance with				
5		chapter 57-64, as it existed on June 30, 2013;				
6	C.	An amount equal to that raised by the district's 2012 general fund levy or that				
7		raised by one hundred ten mills of the district's 2012 general fund levy, whichever				
8		is less;				
9	d.	An amount equal to that raised by the district's 2012 long-distance learning and				
20		educational technology levy;				
21	e.	An amount equal to that raised by the district's 2012 alternative education				
22		program levy; and				

f. An amount equal to:

1 Seventy-five percent of all revenue received by the school district and (1) 2 reported under code 2000 of the North Dakota school district financial 3 accounting and reporting manual, as developed by the superintendent of 4 public instruction in accordance with section 15.1-02-08; 5 Seventy-five percent of all mineral revenue received by the school district (2) 6 through direct allocation from the state treasurer and not reported under 7 code 2000 of the North Dakota school district financial accounting and 8 reporting manual, as developed by the superintendent of public instruction 9 in accordance with section 15.1-02-08; 10 Seventy-five percent of all tuition received by the school district and 11 reported under code 1300 of the North Dakota school district financial 12 accounting and reporting manual, as developed by the superintendent of 13 public instruction in accordance with section 15.1-02-08, with the exception 14 of revenue received specifically for the operation of an educational program 15 provided at a residential treatment facility and tuition received for the 16 provision of an adult farm management program; 17 Seventy-five percent of all revenue received by the school district from 18 payments in lieu of taxes on the distribution and transmission of electric 19 power; 20 Seventy-five percent of all revenue received by the school district from (5) 21 payments in lieu of taxes on electricity generated from sources other than 22 coal; 23 All revenue received by the school district from mobile home taxes; (6) 24 (7) Seventy-five percent of all revenue received by the school district from the 25 leasing of land acquired by the United States for which compensation is 26 allocated to the state under 33 U.S.C. 701(c)(3); 27 (8) All telecommunications tax revenue received by the school district; and 28 (9)All revenue received by the school district from payments in lieu of taxes 29 and state reimbursement of the homestead credit and disabled veterans 30 credit.

1 The superintendent shall divide the district's total baseline funding by the district's 2 2012-13 weighted student units to determine the district's baseline funding per 3 weighted student unit. 4 3. In 2017-18, the superintendent shall multiply the district's weighted student units 5 by nine thousand six hundred forty-six dollars. 6 The superintendent shall adjust the product to ensure the product is at least 7 equal to the greater of: 8 One hundred eight percent of the district's baseline funding per 9 weighted student unit, as established in subsection 2, multiplied by 10 the district's weighted student units from the previous school year; or 11 (b) One hundred percent of the district's baseline funding as established 12 in subsection 1. 13 (2) The superintendent also shall adjust the product to ensure the product does 14 not exceed one hundred forty percent of the district's baseline funding per 15 weighted student unit multiplied by the district's weighted student units from 16 the previous school year, as established in subsection 2. 17 b. In 2018-19, the superintendent shall multiply the district's weighted student units 18 by nine thousand six hundred forty-six dollars. 19 The superintendent shall adjust the product to ensure the product is at least 20 equal to the greater of: 21 (a) One hundred eight percent of the district's baseline funding per 22 weighted student unit, as established in subsection 2, multiplied by 23 the district's weighted student units from the previous school year; or 24 (b) One hundred percent of the district's baseline funding as established 25 in subsection 1. 26 (2) The superintendent also shall adjust the product to ensure the product does 27 not exceed one hundred forty percent of the district's baseline funding per 28 weighted student unit, as established in subsection 2, multiplied by the 29 district's weighted student units from the previous school year. 30 4. After determining the product in accordance with subsection 3, the superintendent of 31 public instruction shall:

1		a.	Sub	tract an amount equal to sixty mills multiplied by the taxable valuation of the	
2			sch	ool district, except the amount in dollars subtracted for purposes of this	
3			sub	division may not exceed the previous year's amount in dollars subtracted for	
4			purp	poses of this subdivision by more than twelve percent; and	
5		b.	Sub	tractExcept as provided in subdivision c, subtract an amount equal to	
6			seve	enty-five percent of all revenues revenue types listed in paragraphs 1	
7			thro	ugh 5, and 7 of subdivision f of subsection 1 and one hundred percent of all	
8			reve	enuesrevenue types listed in paragraphs 6, 8, and 9 of subdivision f of	
9			sub	section 1.	
10		<u>C.</u>	Sub	tract an amount equal to seventy-five percent of all revenue types listed in	
11			para	agraphs 1, 3, 4, 5, and 7 of subdivision f of subsection 1, one hundred percent	
12			of a	Il revenue types listed in paragraphs 6, 8, and 9 of subdivision f of	
13			sub	section 1, and fifty percent of the revenue type listed in paragraph 2 of	
14			sub	division f of subsection 1 for school districts that:	
15			<u>(1)</u>	Are located in an oil-producing county;	
16			<u>(2)</u>	Are eligible to receive gross production tax revenue in lieu of property taxes;	
17			<u>(3)</u>	Are located in cities with populations over twenty-four thousand;	
18			<u>(4)</u>	Have a tax base fewer than twenty square miles;	
19			<u>(5)</u>	Levy greater than sixty mills for local property taxes;	
20			<u>(6)</u>	Have student enrollments greater than four thousand;	
21			<u>(7)</u>	Have average student growth of over two hundred per year over the	
22				preceding five years;	
23			<u>(8)</u>	Use portable classrooms; and	
24			<u>(9)</u>	Have enrollment exceeding school facility capacity.	
25	5.	The	amo	unt remaining after the computation required under subsection 4 is the	
26		amo	ount c	of state aid to which a school district is entitled, subject to any other statutory	
27		requirements or limitations.			
28	<u>6.</u>	School districts that qualify under subdivision c of subsection 4 shall place twenty-five			
29		per	cent c	of the revenue type listed in paragraph 2 of subdivision f of subsection 1 into	
30		the	scho	ol district building fund for new school construction or renovation debt. In	
31		sch	ool di	stricts that qualify under subdivision c of subsection 4, the superintendent of	

## Sixty-sixth Legislative Assembly

1	public instruction shall determine the additional revenue that would be subtracted
2	under subdivision b of subsection 4. There is appropriated on a continuing basis from
3	the strategic investment and improvements fund to the superintendent of public
4	instruction, an amount equal to the additional revenue that would be subtracted for
5	school districts that qualify under subdivision c of subsection 4.