

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1013 - Summary of Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Department of Public Instruction				
Total all funds	\$2,843,997,119	\$3,026,570,646	\$7,091,143	\$3,033,661,789
Less estimated income	1,115,246,674	1,292,082,342	(90,665,000)	1,201,417,342
General fund	\$1,728,750,445	\$1,734,488,304	\$97,756,143	\$1,832,244,447
FTE	86.25	86.25	0.00	86.25
Center for Distance Education				
Total all funds	\$11,613,483	\$14,941,021	(\$157,905)	\$14,783,116
Less estimated income	4,550,000	6,524,000	0	6,524,000
General fund	\$7,063,483	\$8,417,021	(\$157,905)	\$8,259,116
FTE	30.80	32.00	(1.00)	31.00
State Library				
Total all funds	\$9,181,557	\$10,497,006	\$0	\$10,497,006
Less estimated income	2,499,073	2,804,212	0	2,804,212
General fund	\$6,682,484	\$7,692,794	\$0	\$7,692,794
FTE	26.75	26.75	0.00	26.75
School for the Deaf				
Total all funds	\$11,147,863	\$12,903,298	\$0	\$12,903,298
Less estimated income	2,811,557	3,171,743	0	3,171,743
General fund	\$8,336,306	\$9,731,555	\$0	\$9,731,555
FTE	45.36	46.86	0.00	46.86
Vision Services - School for the Blind				
Total all funds	\$6,447,696	\$7,448,138	\$137,451	\$7,585,589
Less estimated income	1,206,705	1,740,944	0	1,740,944
General fund	\$5,240,991	\$5,707,194	\$137,451	\$5,844,645
FTE	27.75	27.75	1.00	28.75
Bill total				
Total all funds	\$2,882,387,718	\$3,072,360,109	\$7,070,689	\$3,079,430,798
Less estimated income	1,126,314,009	1,306,323,241	(90,665,000)	1,215,658,241
General fund	\$1,756,073,709	\$1,766,036,868	\$97,735,689	\$1,863,772,557
FTE	216.91	219.61	0.00	219.61

House Bill No. 1013 - Department of Public Instruction - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$19,964,765	\$21,086,368		\$21,086,368
New and vacant FTE pool		695,495		695,495
Operating expenses	32,793,320	42,511,524		42,511,524
Integrated formula payments	2,299,674,851	2,416,330,340	\$20,791,143	2,437,121,483
Grants - Special education contracts	24,000,000	24,000,000		24,000,000
Grants - Transportation	58,100,000	63,500,000	(3,400,000)	60,100,000
Grants - Other grants	382,738,893	412,444,602		412,444,602
Grants - Program grants	17,205,000	24,216,027	800,000	25,016,027
Grants - Passthrough grants	3,569,000	15,835,000	(11,100,000)	4,735,000
PowerSchool	5,775,000			
Student information systems		5,775,000		5,775,000
National board certification	176,290	176,290		176,290
Total all funds	\$2,843,997,119	\$3,026,570,646	\$7,091,143	\$3,033,661,789
Less estimated income	1,115,246,674	1,292,082,342	(90,665,000)	1,201,417,342
General fund	\$1,728,750,445	\$1,734,488,304	\$97,756,143	\$1,832,244,447
FTE	86.25	86.25	0.00	86.25

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

	Adjusts Funding Source of Integrated Formula Payments¹	Increases Funding for Integrated Formula Payments²	Decreases Funding for Transportation Grants³	Increases Funding for the Free Meal Program⁴	Adjusts Funding for Ongoing Program Grants⁵	Adjusts Funding for Ongoing Passthrough Grants⁶
Salaries and wages						
New and vacant FTE pool						
Operating expenses						
Integrated formula payments		\$20,791,143				
Grants - Special education contracts						
Grants - Transportation			(\$3,400,000)			
Grants - Other grants						
Grants - Program grants				\$2,800,000	(\$2,000,000)	
Grants - Passthrough grants						(\$850,000)
PowerSchool						
Student information systems						
National board certification						
Total all funds	\$0	\$20,791,143	(\$3,400,000)	\$2,800,000	(\$2,000,000)	(\$850,000)
Less estimated income	(70,000,000)	0	0	0	(8,080,000)	(3,085,000)
General fund	\$70,000,000	\$20,791,143	(\$3,400,000)	\$2,800,000	\$6,080,000	\$2,235,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for One-time Program Grants ⁷	Removes One- time Funding for Assistive Technology and Curriculum ⁸	Removes One- time Funding for Science Center Grants ⁹	Adjusts Funding for a Native American Program and Textbook ¹⁰	Total Senate Changes
Salaries and wages					
New and vacant FTE pool					
Operating expenses					
Integrated formula payments					\$20,791,143
Grants - Special education contracts					
Grants - Transportation					(3,400,000)
Grants - Other grants					
Grants - Program grants					800,000
Grants - Passthrough grants		(\$250,000)	(\$10,000,000)		(11,100,000)
PowerSchool					
Student information systems					
National board certification					
Total all funds	\$0	(\$250,000)	(\$10,000,000)	\$0	\$7,091,143
Less estimated income	500,000	0	(10,000,000)	0	(90,665,000)
General fund	(\$500,000)	(\$250,000)	\$0	\$0	\$97,756,143
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for integrated formula payments from the foundation aid stabilization fund is reduced by \$81 million to provide a total of \$133 million from the foundation aid stabilization fund for integrated formula payments. The reduction is offset by increases in funding from the general fund of \$70 million and from special funds from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, of \$11 million.

² Funding for integrated formula payments is adjusted as follows:

	General Fund
Adjusts savings related to cost to continue integrated formula payments	(\$1,900,000)
Increases the integrated formula payment rate 3 percent each year of the 2025-27 biennium. The House provided increases of 2 percent each year of the biennium. (House Bill No. 1369)	46,291,143
Removes the rolling 3-year average for the determination of average daily membership included by the House. (House Bill No. 1369)	(8,000,000)
Adjusts the increase in local revenue exempted from deduction in the state school aid formula. (House Bill No. 1130)	(2,000,000)
Removes the fiscal impact of a reduction in the percentage of local revenue contributed to the state school aid formula from 75 to 65 percent. (House Bill No. 1381 was not approved by the Senate)	(13,500,000)
Decreases funding for annual grants to regional education association due to reduction in the number of regional education associations in the state	(100,000)
Total increase in integrated formula payments	\$20,791,143

³ Funding is decreased for transportation grants pursuant to Senate amendments to the transportation grant formula in House Bill No. 1214.

⁴ Funding for the free meal program is increased to provide a total of \$7.3 million from the general fund and to expand eligibility to all students enrolled in public or nonpublic school at or below 225 percent of the federal poverty guideline, an increase from 200 percent of the federal poverty guideline and the same federal poverty guideline as the House version.

⁵ Funding of \$2,000,000 from the general fund, added by the House for a centers of excellence program, is removed. Funding for ongoing program grants totaling \$8,080,000 is adjusted from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, to the general fund.

Total funding for ongoing program grants is provided as follows:

Ongoing Program Grants	General Fund
Adult education matching grants	\$5,500,000
School food service matching grants	1,380,000
Free meal program	7,300,000
Leveraging the senior year	1,536,027
Building tomorrow's leaders program	50,000
Family engagement program	150,000
Paraprofessional-to-teacher program	3,000,000
Science of reading and literacy training program	1,000,000
Indians into STEM program	<u>300,000</u>
Total general fund	\$20,216,027

⁶ Funding for ongoing passthrough grants from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, added by the House for national writing projects (\$30,000) and TeenPact (\$20,000) is removed. In addition, remaining funding for ongoing passthrough grants of \$3,035,000 is adjusted from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, to the general fund. Funding from the general fund, increased for teacher mentoring (ND Rise) by the House, is reduced \$800,000 to provide an increase of \$1.2 million from the base budget.

Total funding for ongoing passthrough grants is provided as follows:

Ongoing Passthrough Grants	General Fund
National writing projects	\$40,000
Rural art outreach	425,000
ND RISE teacher mentoring program	3,700,000
Governor's School	500,000
"We the People" program	<u>70,000</u>
Total general fund	\$4,735,000

⁷ One-time funding of \$500,000 from the general fund for the Amira statewide reading tool is adjusted to provide one-time funding the strategic investment and improvements fund (SIIF). In addition, one-time funding from the foundation aid stabilization fund for dyslexia identification training (\$300,000), a statewide teacher retention program (\$2.5 million), and school board training (\$1.5 million) is adjusted to provide funding from SIIF.

Total funding for one-time program grants is provided as follows:

One-time Program Grants	Strategic Investment and Improvements Fund
Statewide reading tool	\$500,000
Dyslexia identification training	300,000
Statewide teacher retention program	2,500,000
School board training	<u>1,500,000</u>
Total SIIF	\$4,800,000

⁸ One-time funding for a passthrough grant for a RoboKind pilot project related to assistive technology and curriculum, added by the House, is removed.

⁹ One-time funding of \$10 million from SIIF, added for science center grants by the House, is removed.

¹⁰ One-time funding for operating expenses related to North Dakota Native American Essential Understandings contracts and workgroup costs (\$300,000) and for the production of a book series regarding the history and culture of indigenous people (\$650,000) from the foundation aid stabilization fund is adjusted to provide funding from SIIF.

This amendment also adjusts sections to:

- Identify funding from the foundation aid stabilization fund of \$133 million for integrated formula payments;
- Identify funding from SIIF of \$5.75 million for various one-time program grants and one-time funding for a Native American program and textbook;
- Reduce funding for annual grants to regional education associations (REAs), due to a reduction in the number

of REAs in the state, to provide a total of \$600,000 for annual grants of \$50,000 to each of the six remaining REAs;

- Provide \$7.3 million for the free meals program; and
- Require the Superintendent of Public Instruction continue the lesser of \$11,000,000, or the funding remaining in the integrated formula payments line item at the end of the 2023-25 biennium, into the 2025-27 biennium. The Office of Management and Budget must transfer this amount into the public instruction fund for the purpose of providing integrated formula payments. This change will reduce the estimated July 1, 2025, general fund balance by \$11,000,000. The House version reduced the July 1, 2025, general fund balance by \$11,165,000.

House Bill No. 1013 - Center for Distance Education - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
New and vacant FTE pool Center for Distance Education	\$11,613,483	\$361,061 14,579,960	(\$157,905)	\$203,156 14,579,960
Total all funds	\$11,613,483	\$14,941,021	(\$157,905)	\$14,783,116
Less estimated income	4,550,000	6,524,000	0	6,524,000
General fund	\$7,063,483	\$8,417,021	(\$157,905)	\$8,259,116
FTE	30.80	32.00	(1.00)	31.00

Department 204 - Center for Distance Education - Detail of Senate Changes

	Removes 1 FTE Support Specialist Position ¹	Total Senate Changes
New and vacant FTE pool Center for Distance Education	(\$157,905)	(\$157,905)
Total all funds	(\$157,905)	(\$157,905)
Less estimated income	0	0
General fund	(\$157,905)	(\$157,905)
FTE	(1.00)	(1.00)

¹ Funding for 1 FTE enrollment and office support specialist position is removed (\$175,450) and estimated savings in the new and vacant FTE pool is adjusted by \$17,545.

House Bill No. 1013 - State Library - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,615,731	\$5,115,851		\$5,115,851
New and vacant FTE pool		107,552		107,552
Operating expenses	2,282,298	2,990,075		2,990,075
Grants	2,283,528	2,283,528		2,283,528
Total all funds	\$9,181,557	\$10,497,006	\$0	\$10,497,006
Less estimated income	2,499,073	2,804,212	0	2,804,212
General fund	\$6,682,484	\$7,692,794	\$0	\$7,692,794
FTE	26.75	26.75	0.00	26.75

House Bill No. 1013 - School for the Deaf - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,283,599	\$10,018,824		\$10,018,824
New and vacant FTE pool		415,571		415,571
Operating expenses	1,705,586	2,026,425		2,026,425
Capital assets	158,678	442,478		442,478
Total all funds	\$11,147,863	\$12,903,298	\$0	\$12,903,298
Less estimated income	2,811,557	3,171,743	0	3,171,743
General fund	\$8,336,306	\$9,731,555	\$0	\$9,731,555
FTE	45.36	46.86	0.00	46.86

House Bill No. 1013 - Vision Services - School for the Blind - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,538,818	\$5,779,896		\$5,779,896
New and vacant FTE pool		121,985	\$137,451	259,436
Operating expenses	869,686	1,276,257		1,276,257
Capital assets	39,192	270,000		270,000
Total all funds	\$6,447,696	\$7,448,138	\$137,451	\$7,585,589
Less estimated income	1,206,705	1,740,944	0	1,740,944
General fund	\$5,240,991	\$5,707,194	\$137,451	\$5,844,645
FTE	27.75	27.75	1.00	28.75

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

	Adds 1 FTE Assistive Technology Position¹	Total Senate Changes
Salaries and wages		
New and vacant FTE pool	\$137,451	\$137,451
Operating expenses		
Capital assets		
Total all funds	\$137,451	\$137,451
Less estimated income	0	0
General fund	\$137,451	\$137,451
FTE	1.00	1.00

¹ Funding of \$152,723 is added for 1 FTE assistive technology position in the 2nd year of the biennium and funding for the new and vacant FTE pool is adjusted for estimated savings (\$15,272).