

Testimony on Senate Bill 2158
March 7, 2025 – 11 AM – 327B
House Political Subdivision Committee
Presented by Dr. Frank Schill, Superintendent, Edmore Public School District

Chairman Longmuir and Members of the House Political Subdivision Committee:

My name is Dr. Frank Schill, and I have the privilege of serving as Superintendent of the Edmore Public School District. I appreciate the opportunity to appear before you today to provide testimony in strong support of *Senate Bill 2158*, which seeks to grant local school districts the authority to transfer funds to another political subdivision and sell real property for less than fair market value. This bill serves as a critical *clean-up measure* from the 67th Legislative Assembly. During that session, *House Bill 1337* was introduced and passed with overwhelming bipartisan support—approved in the Senate by a vote of 46-1 and in the House by 86-7. Governor Burgum signed the bill into law on April 21, 2021, reinforcing the legislature’s commitment to providing school districts with the flexibility needed during periods of reorganization or dissolution.

Understanding the Dissolution Process

According to the North Dakota Century Code (NDCC), the authority to dissolve a public school district rests with the local school board. Unlike the reorganization process, which mandates a public vote from patrons in each participating district, the dissolution process requires only that the school board develop a dissolution plan, which must then be submitted for approval by both the county reorganization committee and the State Reorganization Committee.

However, while the legal framework allows school boards to make these decisions, the Edmore School Board has gone above and beyond in ensuring community involvement. Since 2013, the board has held numerous public meetings to keep district patrons informed and engaged. This level of transparency and collaboration reflects our board’s deep respect for the voices of our community members.

At our public meeting on *December 11, 2023*, approximately 75 patrons attended to hear details of the proposed dissolution plan. The plan included transferring ownership of the school building to the city of Edmore and allocating \$500,000 to the city to cover ongoing utilities and necessary repairs as the building transitions into a community center. After thorough discussion, the board president invited a show of hands to gauge support. Over 75% of those in attendance endorsed the plan, signaling strong community backing for this thoughtful transition.

Formal Steps Taken Toward Dissolution

On *October 10, 2023*, the Edmore School Board formally voted to dissolve the Edmore Public School District, effective *June 30, 2025*. Following the guidelines outlined in the NDCC, we initiated the necessary steps to execute this plan responsibly and in full compliance with the law. Subsequently, on *April 9, 2024*, the *Ramsey County Dissolution Board* convened to review our proposed dissolution plan and to hear additional public testimony. The board approved the plan with one amendment: requiring landowners in the affected area to adopt the full mill rate of their newly assigned school district. This adjustment, while notable, did not hinder the overall support for the plan.

The plan was then forwarded to the *State Reorganization Committee* for final approval. However, during the legal review conducted by the North Dakota Attorney General’s Office, a critical statutory gap was identified. While provisions in *NDCC 15.1-12-26(4)*, *15.1-12-27(2)*, and *15.1-12-27(4c)* authorize the transfer of assets, there is no corresponding provision in *15.1-12-29*, which

governs district dissolution. This omission effectively prevents the Edmore School Board from fully implementing the plan as intended and supported by our community.

Why Senate Bill 2158 Is Essential

Senate Bill 2158 is designed to address this legislative oversight. Thanks to the collaborative efforts of *Senator Schaible*, legislative counsel, and the Attorney General's Office, this bill will ensure that school districts undergoing dissolution have the same statutory authority to transfer funds and property as those reorganizing.

Without the passage of this bill, the Edmore School District will be unable to transfer its building to the city or allocate the \$500,000 necessary for its maintenance as a community center. This would not only undermine the will of our community but also leave the city burdened with an unused facility and unexpected costs.

Therefore, I respectfully urge this committee to approve *Senate Bill 2158* as presented, and I request the inclusion of an *emergency clause* to ensure that the Edmore dissolution plan can proceed to the State Reorganization Committee for approval prior to the *June 30, 2025* deadline.

Thank you for your time and consideration of this important matter. I stand ready to answer any questions you may have.