

EDUCATION

CHAPTER 127

SENATE BILL NO. 2026
(Nasset, Holand, Sandness, Berube)
(From Legislative Council Study)

EDUCATIONAL FINANCE

AN ACT to provide that personal property tax replacement allocations to school districts shall be made through the foundation program, and to provide for mill levy reductions in school districts having unlimited mill levies; to amend and reenact sections 15-40.1-06, 15-40.1-07, 15-40.1-08, 15-40.1-16, 15-40.2-03, 57-15-14, and 57-58-02 of the North Dakota Century Code, relating to the foundation program payments, tax levy limitations in school districts, aid for transportation and tuition payments for school districts, and the computation of grants-in-aid to county equalization funds; and providing that the provisions of this Act shall be temporary; and providing an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. SCHOOL DISTRICT REPLACEMENT REVENUE - LEGISLATIVE INTENT.) The legislative assembly intends that allocations to replace the revenue lost by school districts through the repeal of the personal property tax be made through the foundation program rather than through the formula provided in section 57-58-01. It is the further intent of the legislative assembly that the personal property replacement moneys for junior colleges continue to be made through the formula provided in section 57-58-01.

SECTION 2. CERTIFICATIONS NOT TO INCLUDE SCHOOL DISTRICT REPLACEMENT REVENUE.) The certifications of the state tax commissioner to the state treasurer in the year 1974, and each year thereafter, which are made pursuant to section 57-58-01, shall not include any personal property tax replacement revenue which would otherwise be due school districts, nor shall it include personal property tax replacement revenue related to county equalization fund levies and the per capita school tax, provided, however, that such certifications shall include any amounts due school districts for junior colleges of such districts. The certification of the county auditor of each county to the state tax commissioner in the year 1974 and each year thereafter, as provided in section 57-58-01, shall not include any amount for taxes levied for school districts or the county equalization fund except for amounts due such

districts for junior colleges.

SECTION 3. AMENDMENT.) Section 15-40.1-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

* 15-40.1-06. DECLARATION OF LEGISLATIVE INTENT.) It is the intent of the legislative assembly to support elementary and secondary education in this state from state and county funds based on the educational cost per pupil, exclusive of the cost of physical facilities, transportation, and current indebtedness. It is hereby found that the educational cost per pupil during each year of the 1973-1975 biennium is five hundred forty dollars and shall be the basis for calculating grants-in-aid on a per-pupil basis as provided in sections 15-40.1-07 and 15-40.1-08. School districts operating high schools not meeting the minimum curriculum as provided in section 15-41-24 or the teacher qualifications in section 15-41-25 shall have an educational cost of two hundred twenty dollars, which shall be the basis for calculating grants-in-aid on a per-pupil basis as provided in section 15-40.1-07. In determining the amount of payment due school districts for per-pupil aid under this section, the following shall be subtracted from the amount of such aid:

1. The product of twenty mills times the latest available net assessed and equalized valuation of property of the school district.
2. That amount in dollars of the state group rate for Title I of Public Law 81-874, 81st Congress, represented by the twenty-one mill county equalization levy in the determination of the state group rate multiplied times the number of students for whom the district received Public Law 81-874 payments.

SECTION 4. AMENDMENT.) Section 15-40.1-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.1-07. HIGH SCHOOL PER-PUPIL PAYMENTS - AMOUNT - STUDENT ATTENDING SCHOOL IN FOREIGN STATE.) There shall be paid each year from the county equalization fund to all school districts operating high schools, to school districts contracting to educate high school pupils in a federal school, the state school for the blind, the state school for the deaf, and the state industrial school, subject to adjustment as provided in section 15-40.1-09, payments as follows:

1. In high schools having under seventy-five pupils in average daily membership, the amount of money resulting from multiplying the factor 1.70 times the educational cost per pupil as provided in

*NOTE: Section 15-40.1-06 was also amended by section 1 of House Bill No. 1460, chapter 153.

section 15-40.1-06 for each high school pupil registered in the schools each year.

2. In high schools having seventy-five or more, but less than one hundred fifty pupils in average daily membership, the amount of money resulting from multiplying the factor 1.40 times the educational cost per pupil as provided in section 15-40.1-06 for each high school pupil registered in the schools each year.
3. In high schools having one hundred fifty or more, but less than five hundred fifty pupils in average daily membership, the amount of money resulting from multiplying the factor 1.32 times the educational cost per pupil as provided in section 15-40.1-06 for each high school pupil registered in the schools each year.
4. In high school districts having a total high school enrollment of five hundred fifty or more pupils in average daily membership, the amount of money resulting from multiplying the factor 1.20 times the educational cost per pupil as provided in section 15-40.1-06 for each high school pupil registered in the schools each year.

Every high school district shall receive at least as much in total payments as it would have received if it had the highest number of pupils in the next lower category. No high school district shall receive less for general school operating purposes in state and county foundation program payments, personal property replacement funds, and general fund and special levies for current operating expenses for any year of the 1973-1975 biennium than such district received from the combined total of these sources for general school operating purposes during the 1972-1973 school year, and the superintendent of public instruction shall increase the state payment by such amount as may be necessary to ensure that each high school district receives such amount. Provided, however, that to be eligible for such increased state payments, a high school district must have levied at least a seventy-five percent increase over and above the mill levy limitations provided by law for its general fund for taxable year 1972 and must continue to levy a seventy-five percent increase for its general fund for taxable years 1973 and 1974. No school district shall receive less during the second year of the 1973-1975 biennium than such district received during the first year of such biennium pursuant to the provisions of this section. However, no payment shall be made for those pupils for whom federal agencies provide education. Such payments shall not be made unless four or more units of standard high school work approved by the superintendent of public instruction are offered during the current year, only certificated teachers have been employed,

and the other standards prescribed by this chapter have been met. Payments shall be made to the high school district in which the student is enrolled for graduation and units of approved vocational education in accordance with the provisions of chapter 15-20.1, and other courses approved by the superintendent of public instruction, earned in another high school district shall be included to meet the minimum four required units. In the case of students enrolled in nonpublic schools for graduation, proportionate payments shall be made to the public school district in which such student is enrolled for specific courses. Districts that did not maintain high schools during the year of 1964-1965 shall not be eligible for payments unless they have a minimum enrollment of twenty-five pupils if four years of high school work are offered, a minimum enrollment of twenty pupils if three years of high school work are offered, a minimum enrollment of fifteen pupils if two years of high school work are offered, and a minimum enrollment of ten pupils if one year of high school work is offered. Payments from the county equalization fund to school districts in bordering states shall be made after subtracting the amount realized from a twenty-mill statewide levy divided by the total average daily membership of the state of North Dakota.

SECTION 5. AMENDMENT.) Section 15-40.1-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.1-08. ELEMENTARY PER-PUPIL PAYMENTS - AMOUNT.)

There shall be paid out of the county equalization fund to school districts of the county operating elementary schools, to school districts contracting to educate elementary pupils in a federal school, to the state school for the blind, the state school for the deaf, and the state industrial school, employing teachers holding valid certificates or permits, payments based on the number of registered students at the beginning of each school year, adjusted as provided in section 15-40.1-09, as follows:

1. In one-room rural schools there shall be paid that amount of money resulting from multiplying the factor of 1.30 times the educational cost per pupil as provided in section 15-40.1-06 for each of the first sixteen pupils in average daily membership, and for each additional pupil in average daily membership there shall be paid .9 times the educational cost per pupil as provided in section 15-40.1-06, except that no payment shall be made for more than twenty pupils in average daily membership.
2. In elementary schools having under one hundred pupils in average daily membership there shall be paid that amount of money resulting from multiplying the factor of 1.0 times the

educational cost per pupil as provided in section 15-40.1-06 for each of the first twenty pupils in average daily membership in each classroom or for each teacher and for each additional pupil in average daily membership in each classroom or for each teacher there shall be paid .9 times the educational cost per pupil as provided in section 15-40.1-06, except that no payment shall be made for more than twenty-five pupils in average daily membership in each classroom or for each teacher.

3. In elementary schools having one hundred or more, but less than two hundred pupils in average daily membership there shall be paid that amount of money resulting from multiplying the factor of .9 times the educational cost per pupil as provided in section 15-40.1-06 for each of the first thirty pupils in average daily membership in each classroom or for each teacher, except that no payment shall be made for more than thirty pupils in average daily membership in each classroom or for each teacher.
4. In elementary schools having at least two hundred pupils in average daily membership, and provided the districts in which such schools are located have an average daily membership of less than one thousand elementary pupils, there shall be paid that amount of money resulting from multiplying the factor .88 times the educational cost per pupil as provided in section 15-40.1-06 for each of the first thirty pupils in average daily membership in each classroom or for each teacher, except that no payment shall be made for more than thirty pupils in average daily membership in each classroom or for each teacher.
5. In elementary schools in school districts having an average daily membership of more than one thousand elementary pupils, there shall be paid that amount of money resulting from multiplying the factor .92 times the educational cost per pupil as provided in section 15-40.1-06 for each of the first thirty pupils in average daily membership in each classroom or for each teacher, except that no payment shall be made for more than thirty pupils in average daily membership in each classroom or for each teacher.

No school district shall receive less during the second year of the 1973-1975 biennium than such district received during the first year of such biennium pursuant to the provisions of this section. Payments from the county equalization fund to school districts in bordering states shall be made after subtracting the amount realized from a twenty-mill statewide

levy divided by the total average daily membership of the state of North Dakota.

SECTION 6. AMENDMENT.) Section 15-40.1-16 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.1-16. AID FOR TRANSPORTATION.) There shall be paid from the county equalization fund to each school district providing school bus transportation in contract school buses or in district-owned and operated school buses, a sum equal to ten cents per mile for school buses having a capacity of up to nineteen pupils and twenty-three cents per mile for school buses having a capacity of twenty or more pupils. Such payments shall be made only to school districts operating school buses in accordance with the laws of this state relating to standards for school buses, and to the qualifications of school bus drivers. Certification as to the compliance with the laws of this state in regard to school buses and their drivers shall be made in such manner and in such detail as the superintendent of public instruction may require at the time an application is made for payments provided under this section.

SECTION 7. AMENDMENT.) Section 15-40.2-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

* 15-40.2-03. LEGISLATIVE INTENT RELATING TO TUITION PAYMENTS.) It is the intent of the legislative assembly that school districts educating pupils in other school districts shall pay the full cost of education. Such costs shall be determined on the basis of average daily membership and shall include annual expenditures from the general fund and annual educational expenditures from all special funds. To such average current operating expense in the county for elementary or high school students, as the case may be, shall be added double the statewide total of all school districts' annual expenditures from sinking and interest funds, plus double the statewide total of all school districts' annual tax receipts to the building funds, divided by the average daily membership of the state. From this amount, there shall be deducted for each individual pupil such payments as are received for him from the county equalization fund and state payments received by the admitting district, less the average amount per resident pupil realized from a twenty-mill school district levy, and a credit applied for any school taxes paid to the admitting district by the parent or guardian of the admitted pupil. The amount remaining shall be the tuition charge for the individual pupil, and shall be paid under the provisions of this chapter.

If the district of residence and the parent or guardian are both paying tuition, the credit allowed under this section for taxes paid to the admitting district by the parent or

*NOTE: Section 15-40.2-03 was also amended by section 2 of House Bill No. 1460, chapter 153.

guardian shall be credited to the district of residence and the parent or guardian in proportion to the amount of tuition paid by each.

Nothing contained in this chapter shall affect the right of a school district to charge and collect such tuition as may be fixed by agreement from pupils who are not residents of this state, in accordance with the provisions of section 15-40.2-10.

SECTION 8. AMENDMENT.) Section 57-15-14 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-15-14. TAX LEVY LIMITATIONS IN SCHOOL DISTRICTS.) The aggregate amount levied by any school district, except the Fargo school district, shall not exceed such amount as will be produced by a levy of twenty-four mills on the dollar of the net assessed valuation of the district, except that in any school district having a total population in excess of four thousand according to the last federal decennial census:

- a. There may be levied any specific number of mills that upon resolution of the school board has been submitted to and approved by a majority of the electors voting upon the question at any regular or special school district election.
- b. There shall be no limitation upon the taxes which may be levied by any school district having a total population in excess of four thousand according to the last federal decennial census if upon resolution of the school board of any such district the removal of the mill levy limitation has been submitted and approved by a majority of the electors voting at any regular or special election upon such question.

In the event either such election is held in a reorganized district, it shall be conducted and approved or disapproved in the same manner and subject to the same conditions as provided in section 15-53.1-22 for elections for approval of school district reorganization plans. The question of authorizing or discontinuing such specific number of mills authority or unlimited taxing authority in any school district shall be submitted to the electorate at the next regular election upon resolution of the school board or upon the filing with the school board of a petition containing the signatures of not less than ten percent of the electors of the district as determined by the county superintendent for such county in which such school is located; provided, however, that the approval of discontinuing either such authority shall not affect the tax levy in the calendar year in which the election is held. The election shall be held in the same manner and subject to the same conditions as provided in this section for the first election upon the question

of authorizing the mill levy.

SECTION 9. AMENDMENT.) Section 57-58-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-58-02. COMPUTATION OF GRANTS-IN-AID TO COUNTY EQUALIZATION FUNDS.) The superintendent of public instruction in determining the amount of a grant-in-aid from the state to the county equalization fund of each county shall reduce the amount of such payment by the amount that is equal to that part of the distribution made pursuant to section 57-58-01 with respect to the county equalization fund levy, which amount shall be certified to the superintendent of public instruction by the state tax commissioner. The provisions of this section shall be suspended and shall not be in force and effect during the period beginning July 1, 1973, and ending June 30, 1975. After June 30, 1975, the provisions of this section shall be in full force and effect unless further amended, suspended, or repealed.

SECTION 10. MILL LEVY REDUCTIONS IN SCHOOL DISTRICTS HAVING UNLIMITED LEVIES.) Any school district having increased mill levies pursuant to the authority of section 57-15-14 and the board of education of the city of Fargo shall reduce the mills levied for general fund purposes by not less than fifteen mills from the number of mills levied for taxable year 1972. This reduction shall be effective for the 1973-75 biennium.

SECTION 11. APPROPRIATION.) There is hereby appropriated to the department of public instruction all moneys in the revenue sharing trust fund in the state treasury and whatever balance needed from any moneys not otherwise appropriated in the general fund in the state treasury the sum of \$118,200,000.00, or so much thereof as may be necessary, for the foundation program payments for the biennium beginning July 1, 1973, and ending June 30, 1975.

SECTION 12. LEGISLATIVE INTENT.) It is the intent of the legislative assembly that all of the moneys in the revenue sharing trust fund, which it is estimated will total \$25,300,000.00, be used for the foundation program, and that the balance needed be appropriated from the general fund.

SECTION 13. ELIGIBILITY FOR RECEIPT OF FOUNDATION PROGRAM PER PUPIL PAYMENTS.) The superintendent of public instruction shall make disbursements pursuant to this Act during the 1973-75 biennium only to school districts for which the school boards have certified that no new courses of study have been implemented since the effective date of this Act which have not been approved by the unanimous consent of the school boards. This limitation shall not apply to:

1. Vocational education programs.
2. Special education programs.

3. New programs related to new facilities.
4. Programs to replace courses of study eliminated in the 1971-73 biennium.

SECTION 14. PROVISIONS OF ACT TEMPORARY.) Sections 1, 2, 3, 4, 5, 6, 7, 8, and 9 of this Act shall be effective during the period beginning July 1, 1973, and ending June 30, 1975, and thereafter shall be of no force and effect, and the provisions of sections 15-40.1-06, 15-40.1-07, 15-40.1-08, 15-40.1-16, 15-40.2-03, 57-15-14, and 57-58-02 of the North Dakota Century Code as they existed on June 30, 1973, shall on and after July 1, 1975, be in full force and effect unless further amended, suspended or repealed prior to such date. It is the intent of the legislative assembly that during the period between the forty-third and forty-fourth legislative sessions, the legislative council shall review the operation of the provisions of this Act and all matters relating thereto, and make a report and recommendations thereon to the forty-fourth legislative assembly.

Approved March 23, 1973

CHAPTER 128

SENATE BILL NO. 2088
(Committee on Appropriations)
(At the request of the Land Department)

MAINTENANCE FUND BALANCES

AN ACT to amend and reenact section 15-03-01.3 of the North Dakota Century Code, relating to the apportionment of maintenance fund balances quarterly.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-03-01.3 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-03-01.3. APPORTIONMENT OF MAINTENANCE FUND BALANCES QUARTERLY.) Any balance remaining over a minimum balance of forty thousand dollars in said state lands maintenance fund on March thirty-first, June thirtieth, September thirtieth, and December thirty-first of each year shall be apportioned by the department of accounts and purchases among the several funds from which derived.

Approved February 25, 1973

CHAPTER 129

SENATE BILL NO. 2336
(Redlin, Wright, Anderson)

INVESTMENTS AND FARM LOANS

AN ACT to amend and reenact subsection 1 of section 15-03-04 and section 15-03-07 of the North Dakota Century Code, relating to investments and farm loans made by the board of university and school lands.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Subsection 1 of section 15-03-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. First mortgages on farm lands and improvements thereon in this state to the extent such mortgages are guaranteed or insured by the United States or any instrumentality thereof, or if not so guaranteed or insured, not exceeding in amount sixty-five percent of the actual value of the property on which the same may be loaned, such value to be determined by the board of appraisal of school lands.

SECTION 2. AMENDMENT.) Section 15-03-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-03-07. LIMITATIONS ON FARM LOANS.) Farm loans secured by a first mortgage shall be made only upon farmland in this state, and only to persons or other legal entities who are actual residents of this state. Loans shall be made in an amount not to exceed sixty-five percent of the actual value of the land to be mortgaged. Such value is to be determined by the county board of appraisal of school lands.

Approved March 8, 1973

CHAPTER 130

SENATE BILL NO. 2363
(Goldberg)

RESERVATION OF MINERAL
RIGHTS ON SCHOOL LANDS

AN ACT to provide for a reservation on the sale of all land under the control of the board of university and school lands.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. INTEREST IN OIL, GAS, AND MINERAL RIGHTS TO BE RESERVED ON THE SALE OF LAND.) In all sales of land under control of the board of university and school lands all minerals therein, including oil, gas, and coal shall be reserved and excepted to the state of North Dakota. Any such sale which does not contain such reservation or exception shall be construed as if such reservation or exception were contained therein.

Approved March 19, 1973

CHAPTER 131

HOUSE BILL NO. 1051
(Solberg, Strinden, L. Hausauer)
(From Legislative Council Study)

INSTITUTIONS OF HIGHER EDUCATION

AN ACT to amend and reenact section 15-10-01, subsection 8 of section 15-17-03, and section 15-47-02, relating to a state institution of higher learning at Ellendale in regard to institutions under control of the state board of higher education, the erection of dormitories by institutional holding corporations, and institutions part of the free public school system; and to repeal chapter 15-14, relating to a state normal and industrial school at Ellendale.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-10-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-01. STATE BOARD OF HIGHER EDUCATION - INSTITUTIONS ADMINISTERED BY BOARD.) The "State Board of Higher Education" shall have the control and administration of the following state educational institutions:

1. The state university and the school of mines, at Grand Forks, with their substations.
2. The agricultural college and the experiment station, at Fargo, with their substations.
3. The school of science at Wahpeton.
4. The state normal schools and teachers' colleges at Valley City, Mayville, Minot, and Dickinson.
5. The school of forestry at Bottineau.
6. And such other state institutions of higher education as may be established.

SECTION 2. AMENDMENT.) Subsection 8 of section 15-17-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

8. Dormitories shall be erected only at the state educational institutions herein named within the cost limits for site, building, and equipment herein specified.
 - a. One at or near the university at a cost of not more than two hundred thousand dollars.
 - b. One at or near the agricultural college at a cost of not more than two hundred thousand dollars.

- c. One at or near each of the normal schools located at Valley City, Mayville, Minot, and Dickinson at a cost of not more than one hundred fifty thousand dollars.
- d. One at or near the state school of science at Wahpeton at a cost of not more than one hundred thousand dollars.
- e. One at or near the state school of forestry at Bottineau at a cost of not more than fifty thousand dollars.

SECTION 3. AMENDMENT.) Section 15-47-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-47-02. STATE INSTITUTIONS OF HIGHER EDUCATION ARE PART OF FREE PUBLIC SCHOOL SYSTEM.) The university and the school of mines at Grand Forks, the state university of agriculture and applied science, the state normal schools at Valley City, Mayville, Minot, and Dickinson, the school for the deaf at Devils Lake, the school of forestry at Bottineau, the school of science at Wahpeton, and all other schools established by law and maintained by taxation constitute the system of free public schools of the state.

SECTION 4. REPEAL.) Chapter 15-14 of the North Dakota Century Code is hereby repealed.

Approved February 6, 1973

CHAPTER 132

HOUSE BILL NO. 1024

(Solberg, Wagner, Miedema, Kingsbury, Peterson)
(From Legislative Council Study)

HIGHER EDUCATION FISCAL PRACTICES

AN ACT to create and enact section 15-10-14.1 of the North Dakota Century Code; and to amend and reenact section 15-10-14, subsection 2 of section 15-10-17, and sections 15-10-25 and 15-52-09 of the North Dakota Century Code; and to repeal section 15-10-24 of the North Dakota Century Code, all relating to fiscal practices at institutions of higher education.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-10-14 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-14. ACCOUNTS AND RECORDS OF INSTITUTIONS - EXAMINATION AND AUDIT.) The state board of higher education shall prescribe for all of the institutions under its control standard systems of accounts and records. The board shall require financial statements on a monthly basis from each institution, which shall be in such form as the board shall prescribe and the board shall have the authority to examine, review, and audit the books and records of the institutions under its control. Such institutions shall provide such financial information and such assistance in the conduct of the board's reviews and audits as the board may request.

SECTION 2.) Section 15-10-14.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

15-10-14.1. BIENNIAL REPORT OF THE STATE BOARD OF HIGHER EDUCATION.) The state board of higher education shall biennially make a report to the governor and to the secretary of state for the educational institutions under its control as provided by law. The report shall cover enrollments; major functions and programs; and major goals and objectives, and the extent of achievement of those goals and objectives. The report shall also include summaries of financial reports, a narrative explaining the significance of that data, and such other information as the board may choose.

SECTION 3. AMENDMENT.) Subsection 2 of section 15-10-17

of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2. To have supervision and control of the grounds, buildings, and all other property of such institutions, and to authorize such institutions to maintain confidential records containing personal information regarding their prospective, current, or former students or regarding patients at the medical center rehabilitation hospital at the university of North Dakota, with the information in such records subject to release by the institution only upon a court order or the express or implied consent of the student or patient involved. A prospective, current, or former student shall be deemed to have consented to the release of all records to a prospective employer upon application for employment to that employer, provided the position is of such a nature as to require security clearance. The board may procure all necessary apparatus, instruments, and appurtenances for instruction in said schools within the limits of legislative appropriations therefor;

SECTION 4. AMENDMENT.) Section 15-10-25 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-25. ABSTRACTS OF EXPENDITURES AND PAYROLL TO THE DEPARTMENT OF ACCOUNTS AND PURCHASES.) An officer designated by the state board of higher education for each educational institution under its control shall prepare an abstract of expenditures and payroll, each month, or at such other times as may be necessary, showing the name and amount due each claimant, and the fund from which the payment shall be made, and shall certify that all expenditures were incurred in accordance with law. The abstract shall be submitted to the department of accounts and purchases and a warrant-check shall be prepared for the total amount claimed in the abstract against each fund. The funds disbursed shall be deposited in the Bank of North Dakota to the credit of the appropriate institution and shall be subject to individual checks by such institution. One copy of the abstract shall be kept on file by the department of accounts and purchases, one copy shall be retained by the officer making the abstract, and one copy shall be filed with the treasurer of the institution. Mileage and travel expense payments for employees of institutions of higher learning shall be made upon the submission of vouchers for the approval of the state auditing board. The department of accounts and purchases shall prepare warrant-checks drawn on the state treasurer against the appropriate fund for such mileage and travel expense payments, which payments shall not exceed the amounts allowed for other state officials and employees.

SECTION 5. AMENDMENT.) Section 15-52-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-52-09. EXPENDITURE OF PROCEEDS OF ONE-MILL LEVY AUTHORIZED - LIMITATION.) The proceeds of the one-mill tax levy

established by article 60 of the amendments to the Constitution of North Dakota, together with any other funds that may be received by the state treasurer, from time to time, for the benefit of the North Dakota state medical center, shall be expended to establish, develop, and maintain said North Dakota state medical center, as provided in this chapter, by the issuance of state warrants drawn on such funds by the director of the department of accounts and purchases.

SECTION 6. REPEAL.) Section 15-10-24 of the North Dakota Century Code is hereby repealed.

Approved February 6, 1973

CHAPTER 133

SENATE BILL NO. 2086
(Roen, Freed)

ALTERNATE RETIREMENT PROGRAM
FOR HIGHER EDUCATION

AN ACT to create and enact subsection 13 of section 15-10-17 of the North Dakota Century Code, granting the state board of higher education power to establish an alternate retirement program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) Subsection 13 of section 15-10-17 of the North Dakota Century Code is hereby created and enacted to read as follows:

13. To establish a retirement program as an alternative to chapter 15-39.1 for employees of institutions under its control who are not vested members of the teachers' fund for retirement subject to the following guidelines:
 - (a) Benefits under the program shall be provided through annuity contracts purchased by the board but which shall become the property of the participants;
 - (b) The cost of the annuity contracts shall be defrayed by equal contributions of the participant and employer institution;
 - (c) Eligible employees appointed before July 1, 1973, shall participate in the alternate retirement program only by their individual election. When the electing eligible employee is a member of the teachers' fund for retirement, he may withdraw assessments with interest therefrom as contemplated by section 15-39.1-20 to deposit for his account in the alternate program.

The board shall provide for the administration of the alternate retirement program and establish rules and regulations therefor consistent with the foregoing guidelines. Nothing in this subsection shall be construed in derogation of any existing retirement programs approved by the board.

Approved March 10, 1973

CHAPTER 134

HOUSE BILL NO. 1226
(Herman, Froeber, Tweten, Olin, Miedema)

NONRESIDENT TUITION

AN ACT to amend and reenact sections 15-10-18 and 15-10-19 of the North Dakota Century Code, relating to the tuition of non-residents at schools under the control of the state board of higher education and the definition of nonresident student for tuition purposes.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-10-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-18. TUITION OF NONRESIDENTS AT SCHOOLS UNDER CONTROL OF STATE BOARD OF HIGHER EDUCATION.) At all state institutions of higher education, tuition shall be charged and collected from each nonresident student in such amount as shall be determined by the state board of higher education, with the approval of the committee on budget of the legislative council.

SECTION 2. AMENDMENT.) Section 15-10-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-19. NONRESIDENT STUDENT FOR TUITION PURPOSES DEFINED - EXCEPTIONS.) A nonresident student is defined as follows:

1. A student less than twenty-one years of age whose parents, custodial parent or guardian resides in another state, a territory, or a foreign country, or whose parents, custodial parent or guardian has resided within this state for a period of less than twelve months immediately prior to the date of his registration;
2. A student of the age of twenty-one years or over who resides outside of this state; or
3. A student of the age of twenty-one years or over who has been a resident of this state for a period of less than twelve months immediately prior to the date of registration; provided that a student, whose

parents, custodial parent or guardian do not reside in this state, shall not be deemed to have initiated residence in this state until reaching the age of twenty-one years and provided further that attendance at an institution of higher learning within the state shall not alone be sufficient to qualify for residence in this state.

Military personnel assigned to a military installation in this state and their dependents, dependents of instructors who live in this state and teach in any institution of higher learning in this state and the spouse of a resident of this state, are excluded from the foregoing provisions, and shall be regarded as residents of this state for purposes of tuition, whether such dependents are over or under twenty-one years of age.

Any student who may otherwise be classified as a non-resident under this section, but who is a citizen of the United States may, if his parents, custodial parent, or a guardian live in this state, provide to the institution of higher learning which he plans to attend a statement signed by the county treasurer and the city auditor, if his parents, custodial parent or guardian live in a city, or by the county auditor if they reside outside of a city, showing proof of their intent to establish residence in this state for a period of years. Such statements shall entitle the student to be regarded as a resident of this state for purposes of tuition if there is no substantial evidence to the contrary. Any student who, because of peculiar or unusual circumstances, is aggrieved by the above definition of a nonresident student may appeal to the board of higher education and the board shall, if they determine the circumstances justify such action, admit such student to the institution of higher learning as a resident for tuition purposes.

Approved March 14, 1973

CHAPTER 135

HOUSE BILL NO. 1390
(Jacob, Strinden)

FREE TUITION TO DEPENDENTS
OF POW'S AND MIA'S

AN ACT to provide for free college education for dependents of prisoners of war and soldiers missing in action in Vietnam.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. DEFINITIONS.)

1. "Prisoner of war" and "persons missing in action" for the purposes of this Act shall mean any person who was a resident of the state of North Dakota as defined in subdivisions a, b, and c of subsection 8 of section 37-25-02 and at the time he or she entered service of the United States armed forces, has been declared to be a prisoner of war or to be a person missing in action as established by the secretary of defense after August 5, 1964, and did not return to active duty with the armed forces within ninety days.
2. "Dependent" for purposes of this Act shall mean any child born before or during the period of time his or her father served as a prisoner of war or was declared a person missing in action, or any child legally adopted or in the legal custody of the father prior to and during the time the father served as a prisoner of war or was declared to be a person missing in action.

SECTION 2. FREE TUITION IN NORTH DAKOTA INSTITUTIONS OF HIGHER EDUCATION.) Any dependent of a prisoner of war or a person missing in action, upon being duly accepted for enrollment into any North Dakota state-supported institution of higher education or state-supported technical or vocational school, shall be allowed to obtain a bachelor's degree, or certificate of completion, for so long as he is eligible, free of any tuition and fee charges, except those charged to retire outstanding bonds; provided, however, that such bachelor's degree or certificate of completion is earned within a thirty-six month or eight-semester-period or its equivalent. Once a person qualifies as a dependent under this Act, there shall be no removal from the benefits of this Act due to such an occurrence as the return of the prisoner of war or person missing in action.

Approved March 27, 1973

CHAPTER 136

HOUSE BILL NO. 1025

(Solberg, Wagner, Kingsbury, Miedema, Opedahl)
(From Legislative Council Study)OUT-OF-STATE TRAVEL BY EMPLOYEES
OF BOARD OF HIGHER EDUCATION

AN ACT relating to out-of-state travel by persons employed by state institutions of higher education; and to amend and reenact section 54-06-10 of the North Dakota Century Code, relating to out-of-state travel of state employees.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. OUT-OF-STATE TRAVEL BY PERSONS EMPLOYED BY THE INSTITUTIONS UNDER THE CONTROL OF THE BOARD OF HIGHER EDUCATION.) For the purpose of reimbursement for travel expenses incurred, presidents of state institutions of higher learning shall obtain written approval from the board of higher education and the governor prior to any out-of-state travel. For the purpose of reimbursement for travel expenses incurred, written approval for out-of-state travel shall be obtained by other persons employed by the institutions under the control of the board of higher education from their supervisor and the president of the institution before traveling out of state. Written approvals received shall be attached to the itemized travel voucher submitted to the state auditing board.

SECTION 2. AMENDMENT.) Section 54-06-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-06-10. OUT-OF-STATE TRAVEL - CONSENT OF GOVERNOR NECESSARY.) No expenses for out-of-state travel shall be allowed to any member, officer, or employee of any department of the state, except the judicial and legislative departments, and as otherwise provided by law, unless authority therefor first shall be granted in writing by the governor.

Approved February 14, 1973

CHAPTER 137

HOUSE BILL NO. 1406
(Jacob)

HIGHER EDUCATION RECIPROCAL AGREEMENTS

AN ACT to amend and reenact section 15-10-28 of the North Dakota Century Code, relating to agreements between the state board of higher education and institutions of higher learning in other states.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-10-28 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-28. AGREEMENTS WITH OTHER STATES' INSTITUTIONS OF HIGHER LEARNING.) The state board of higher education is hereby authorized to enter into agreements with institutions of higher learning in other states, and, subject to the limits of legislative appropriations, to make such expenditures as are necessary for the purpose of utilizing the educational facilities of such institutions for teaching North Dakota students. In addition, the state board of higher education is authorized to enter into agreements with other state institutions of higher learning for the acceptance of students from other states in North Dakota institutions of higher learning.

Approved March 8, 1973

CHAPTER 138

SENATE BILL NO. 2025

(Tweten)

(From Legislative Council Study)

INVESTMENT OF ENDOWMENT FUNDS

AN ACT relating to the investment of endowment funds by the institutions under the control of the board of higher education.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. INVESTMENT OF ENDOWMENT FUNDS BY THE INSTITUTIONS UNDER THE CONTROL OF THE BOARD OF HIGHER EDUCATION.) The institutions under the control of the board of higher education are authorized to invest endowment funds under the direction of the investment director. Such investments shall be made with the degree of care and judgment exercised by persons of prudence, discretion, and intelligence in managing their own affairs considering the safety of their capital and the income to be realized.

Approved March 27, 1973

CHAPTER 139

HOUSE BILL NO. 1391
(Atkinson, Hildebrand)

TUITION AND FEES IN JUNIOR COLLEGES

AN ACT to amend and reenact section 15-18-03 of the North Dakota Century Code, relating to tuition and fees in junior colleges.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-18-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-03. TUITION AND FEES IN JUNIOR COLLEGE - USE OF TUITION AND FEE REVENUE - DUTY OF SCHOOL BOARD - TAX LEVY AUTHORIZED ON VOTE OF PEOPLE - MAINTENANCE OF DEPARTMENT.) On or before August fifteenth in each year, the school board of a public school district which maintains a junior college shall determine the rate of tuition and fees required to be paid by all students attending the department, and these tuition and fee charges may be at a different rate for the students nonresident in the district than for students resident in the district. The school board shall have the authority to adopt rules and regulations for classifying students as residents or nonresidents of the district for tuition purposes. Tuition and fee revenue may be used to retire bonds issued in accordance with section 15-55-18. Every public school district maintaining a junior college under the provisions of this chapter may levy a tax of not to exceed eight mills, the proceeds of which shall be used for the maintenance and operation of the junior college. When submitting the question at the election, the board may specify a levy of less than the eight-mill limit authorized, and if such a limited levy is approved by the voters, subsequent levies shall not exceed the limited levy without another election authorizing a greater levy, but no election shall ever authorize a greater total levy than eight mills. The tax levy for the support of a junior college shall be in addition to all other levies authorized by law for such school districts, and the proceeds of the levy shall be used exclusively for the support, operation, and maintenance of a junior college.

Approved March 12, 1973

CHAPTER 140

SENATE BILL NO. 2334

(Wenstrom, Solberg, Jones, Larson, Jacobson)

JUNIOR COLLEGE AID

AN ACT to amend and reenact sections 15-18-07 and 15-18-08 of the North Dakota Century Code, relating to state aid to educational centers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-18-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-07. STATE AID FOR JUNIOR COLLEGES OR EDUCATIONAL CENTERS.) There shall be paid to each school district maintaining a junior college or educational center operated by a state-supported institution of higher education meeting the standards and eligibility requirements prescribed in section 15-18-08, out of funds appropriated for this purpose, the sum of two hundred dollars, which shall be paid for every student in attendance during the two full semesters or fall, winter, and spring quarters. In addition, the sum of three hundred fifty dollars shall be paid for every student in attendance during the two full semesters or fall, winter, and spring quarters at a junior college or educational center, provided the school district, city, or county shall levy taxes of not less than four mills for the support of such junior college or educational center in accordance with the provisions of sections 15-18-03, 15-18-04.2, or 15-18-05. For the purpose of this section, a "student" shall mean a person enrolled and in attendance, exclusive of temporary absences, in a junior college or educational center operated by a state-supported institution of higher education for a period of not less than thirty days, and carrying a course of study of not less than twelve class hours during each calendar week in academic courses meeting standards prescribed by the state board of higher education, or in vocational courses meeting standards prescribed by the state board for vocational education. A class hour shall mean not less than fifty minutes of instruction or supervised laboratory training. Each student enrolled for a period of more than thirty days in any one quarter or semester, but less than two complete semesters or three complete quarters, shall entitle the school district to receive proportionate payments based upon the number of weeks the student is enrolled and in attendance, exclusive of temporary absences, bears to the total weeks in the two complete semesters or three quarters. Such calculations shall exclude weeks of regular vacation time.

If the funds appropriated for the purpose of carrying out the provisions of this section should prove to be insufficient based on the number of students in attendance at a junior college or educational center as provided in this section, the amounts to be paid to such junior colleges or educational centers shall be reduced in such a manner so that the payments for each student in attendance at a junior college or educational center will be made on a pro rata basis.

SECTION 2. AMENDMENT.) Section 15-18-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-08. STANDARDS FOR STATE AID.) No school district maintaining a junior college or educational center operated by a state-supported institution of higher education shall be eligible to receive payments as provided in section 15-18-07 or as otherwise specifically provided by law unless it was established and eligible to receive such payments on July 1, 1969, and it maintains an enrollment at all times during all semesters or quarters for which payment is made of not less than one hundred "students" as defined in section 15-18-07 and meets either such academic standards as shall be prescribed by the state board of higher education, or the vocational standards as shall be prescribed by the state board for vocational education. The state board of higher education shall provide for an annual inspection of each junior college or educational center operated by a state-supported institution of higher education to determine compliance with prescribed academic standards; and the state board for vocational education shall provide for an annual inspection of each junior college or educational center operated by a state-supported institution of higher education to determine compliance with prescribed vocational standards.

Approved March 21, 1973

CHAPTER 141

SENATE BILL NO. 2126
(Committee on Education)

(At the request of the Superintendent of Public Instruction)

TERM OF OFFICE OF SUPERINTENDENT
OF PUBLIC INSTRUCTION

AN ACT to amend and reenact section 15-21-01 of the North Dakota Century Code, relating to term of office of superintendent of public instruction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-21-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-21-01. SUPERINTENDENT OF PUBLIC INSTRUCTION - QUALIFICATIONS - TERM OF OFFICE.) There shall be elected by the qualified electors of the state, at the time of choosing members of the legislative assembly, a superintendent of public instruction who shall have attained the age of twenty-five years, who shall have the qualifications of an elector for that office, and who shall be the holder of a teacher's certificate of the highest grade issued in this state. He shall have his office at the seat of government, and his term of office shall be four years, commencing on the first Monday in January following his election, and until his successor is elected and qualified.

Approved March 10, 1973

CHAPTER 142

SENATE BILL NO. 2094
(Committee on Political Subdivisions)
(At the request of the Secretary of State)

TERM OF OFFICE OF
COUNTY SUPERINTENDENT

AN ACT to amend and reenact section 15-22-01 of the North Dakota Century Code, relating to the county superintendent of schools' term of office.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-22-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-22-01. ELECTION - TERM OF OFFICE.) There shall be elected in each organized county, at the same time as state officials are elected, a county superintendent of schools whose term of office shall be four years, commencing on the first Monday in January following his election, and until his successor is elected and qualified.

Approved February 14, 1973

CHAPTER 143

HOUSE BILL NO. 1398
(Atkinson)

COMMON COUNTY SUPERINTENDENTS

AN ACT to amend and reenact section 15-22-25 of the North Dakota Century Code, relating to a common county superintendent of schools for two or more counties or parts thereof.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-22-25 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-22-25. TWO OR MORE COUNTIES OR PARTS THEREOF MAY HAVE A COMMON COUNTY SUPERINTENDENT OF SCHOOLS - PETITION BY ELECTORS AND FORMULATION OF PLAN - APPROVAL REINSTATEMENT.) Whenever five percent of the qualified electors of a county or part thereof, as determined by the vote cast for the office of governor at the last general election at which such office was voted upon, shall sign and file a petition setting forth the areas with the county auditor of such county requesting that a county superintendent be elected by two or more contiguous counties or parts thereof to perform the functions of such office for such counties, the county auditor shall transmit a certified copy of such petition to the county auditors of the counties set forth in such petition. Upon receiving such petitions the boards of county commissioners of each county affected by said petition shall, either by joint action or upon a resolution passed by a majority of each board, formulate a plan for a county superintendent of schools to serve the counties or parts thereof designated by such plan. Alternatively, and without the need of receiving petitions, the board of county commissioners of any county may, by resolution, formulate a plan to discontinue the office of the superintendent of schools of the county or parts thereof and combine with another county or counties or parts thereof for the election of a county superintendent of schools to perform the functions of such office for the counties or parts thereof involved. The county superintendent of schools shall be elected for a term of four years and serve as the county superintendent of schools for the counties or parts thereof designated by such plan. In formulating such plan, the board of county commissioners shall consult with school board presidents and the other boards of county commissioners of counties or parts thereof affected by such plan. Such plan shall encompass all necessary provisions relating to location and sharing of costs of the office

so established, and the boards of county commissioners shall be authorized to expend funds of the several counties or parts thereof pursuant to such plan. By joint action or upon a resolution passed by a majority of each board, the boards of county commissioners shall call a public hearing by publishing a notice in the official newspaper in each county at least fourteen days prior to the date of hearing on the proposed plan. Pursuant to such public hearing such plan shall be submitted to the state board of public school education for approval or disapproval. Upon approval by the state board of public school education, the plan shall be submitted by the county auditor to a vote of the people in each county or parts of a county at an election held prior to July first preceding the expiration of the current term of office of county superintendent of schools. If a majority of the votes cast in each county or parts of a county be in approval, the plan shall go into effect with the beginning of the next term of office for the county superintendent of schools, provided the remaining part or parts of the county are embraced in a similar plan with another county. The county auditor of each county or parts thereof shall place the office on the regular no-party ballot. The canvassing of votes, certifying of nominations, and certifying of elections for any county superintendent elected under the provisions of this section shall be carried out in the same manner as for candidates for the legislative assembly.

Whenever five percent of the qualified electors of the county or parts thereof, as determined by the vote cast for the office of governor at the last general election at which such office was voted upon, shall sign and file a petition with the county auditor of the county involved requesting that a separate county superintendent be elected by each county, or when directed by the joint action or by resolutions passed by a majority of each board involved, the county auditor of each county involved in the plan for a combined county superintendent of schools shall submit the plan to a vote of the people in each county or parts of a county at an election held prior to July first preceding the expiration of the current term of office of the county superintendent of schools. If a majority of the votes cast in each county or parts of a county approves the plan, the plan shall remain in effect. If a majority of the votes cast in each county or parts of a county reject the plan, the plan shall be discontinued with the beginning of the next term of office for the county superintendent of schools and the office of county superintendent of schools shall be reinstated as it existed prior to formulation of the plan by the county commissioners.

Approved March 27, 1973

CHAPTER 144

HOUSE BILL NO. 1073
(Jacob)

SCHOOL POLLING HOURS

AN ACT to amend and reenact sections 15-28-07 and 15-28-08 of the North Dakota Century Code, relating to the polling hours in school district elections.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-28-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-28-07. NOTICE OF ELECTION - FORM.) The notice of election shall be in substantially the following form:

Notice is hereby given that on the first Tuesday, the _____ of June, _____ annual elections will be held for the purpose of electing member(s) of school boards, and the polls will be open at _____ o'clock a.m. _____ (insert time standard) and will close at _____ o'clock p.m. _____ (insert time standard) of that day.

SECTION 2. AMENDMENT.) Section 15-28-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-28-08. HOURS POLLS OPEN.) At all elections held in a public school district, the polls shall be opened at eleven o'clock a.m. or such earlier hour, but not earlier than seven o'clock a.m., as may be designated by the school board and shall remain open until seven o'clock p.m. on the day of election, or such later hour not exceeding eight o'clock p.m. as may be designated by the school board. The school board shall designate in the notice of election the time standard to be used for polling hours.

Approved March 26, 1973

CHAPTER 145

SENATE BILL NO. 2183
(Lips, Nething)

DISMISSAL OR SUSPENSION
OF TEACHERS

AN ACT to create and enact two new subsections to section 15-47-38 of the North Dakota Century Code, and to amend and reenact subsection 10 of section 15-29-08 of the North Dakota Century Code, relating to powers of the school board and providing for rules for suspension or dismissal of a teacher.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Subsection 10 of section 15-29-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10. To contract with, employ, and pay all teachers in the schools and, for cause, to dismiss or suspend any teacher when the interests of the school may require it. Every teacher shall be required to hold a valid North Dakota teaching certificate issued by the superintendent of public instruction. No person who is related to any member of the board by blood or marriage shall be employed as a teacher without the concurrence of two-thirds of the board.

SECTION 2.) A new subsection to section 15-47-38 of the North Dakota Century Code is hereby created and enacted to read as follows:

A school board may dismiss a teacher, effective immediately, for any of the following causes:

- a. Immoral conduct, insubordination, or conviction of a felony;
- b. Conduct unbecoming a teacher which requires the immediate removal of a teacher from his classroom duties;
- c. Failure without justifiable cause to perform contracted duties;
- d. Gross inefficiency which the teacher has failed to correct after reasonable written notice; or

- e. Continuing physical or mental disability which renders him unfit or unable to perform his duties as a teacher.

SECTION 3.) A new subsection to section 15-47-38 of the North Dakota Century Code is hereby created and enacted to read as follows:

The school board by unanimous vote may suspend the teacher from regular duty if such action is deemed desirable during the process of determining if cause for dismissal exists. If, upon final decision, the teacher is dismissed, the board may in its discretion determine the teacher's salary or compensation as of the date of suspension. If the final decision is favorable to the teacher, there shall be no abatement of salary or compensation.

Approved March 29, 1973

CHAPTER 146

HOUSE BILL NO. 1154
(Miedema)

HIGH SCHOOL ACTIVITIES ASSOCIATION

AN ACT to create and enact a new subsection to section 15-29-08 of the North Dakota Century Code, relating to the powers and duties of the school board of a public school district.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) A new subsection to section 15-29-08 of the North Dakota Century Code is hereby created and enacted to read as follows:

Recognizing the necessity for an organization of schools to administer a program of inter-scholastic activities, any public school, so classified by the state department of public instruction, is authorized to become a member of the North Dakota high school activities association, presently located in the city of Valley City, North Dakota, upon written application of its school board and said school board shall pay the cost of such membership out of the funds of such school in the same manner as any valid school expense is paid.

Approved March 27, 1973

CHAPTER 147

SENATE BILL NO. 2321
(Roen, Mutch, Nasset, and Anderson)

SCHOOL DISTRICTS INCIDENTAL
REVOLVING FUNDS

AN ACT to amend and reenact section 15-29-13 of the North Dakota Century Code, relating to increasing the amount of a school district's incidental revolving fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-29-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-29-13. FORM OF WARRANTS - HOW WARRANTS PAID BY TREASURER - INCIDENTAL REVOLVING FUND.) The treasurer shall pay out moneys only upon the presentation of a warrant signed by the president of the board and countersigned by the clerk, and only if there is money in his hands or subject to his order sufficient for the payment thereof. The form of warrant to be used by a school district shall be prescribed by the superintendent of public instruction. When making payment of a warrant on school district funds, the school district treasurer shall countersign the warrant and insert the name of the depository bank thereon, and the warrant, when so countersigned, shall become a check on the school district depository. Immediately upon countersigning any warrant and inserting the name of the depository bank thereon, he shall enter the payment in his treasurer's record. The treasurer shall not issue a check on the depository bank except as provided in this section.

The school board may, by resolution, establish an incidental revolving fund in the depository bank and designate the superintendent of schools or such other school administrator as the board may select to draw checks directly on such fund for such incidental expenses as the school board may direct in the resolution. The amount in such fund shall be drawn from the general fund as provided in the first paragraph of this section and shall never exceed three thousand dollars at any one time. The superintendent or other school administrator designated to draw checks on such fund shall submit a monthly report to the school board listing the checks drawn, the payee and the purpose for which the check was drawn.

Approved March 15, 1973

CHAPTER 148

SENATE BILL NO. 2127
(Committee on Education)

(At the request of the Superintendent of Public Instruction)

ATTENDANCE AT PRIVATE SCHOOLS

AN ACT to amend and reenact subsection 1 of section 15-34.1-03 of the North Dakota Century Code, relating to school attendance.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Subsection 1 of section 15-34.1-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. That the child is in attendance for the same length of time at a parochial or private school approved by the county superintendent of schools and the superintendent of public instruction. No such school shall be approved unless the teachers therein are legally certificated in the state of North Dakota and the subjects offered are in accordance with sections 15-38-07, 15-41-06, 15-41-24, and 15-41-25 of the North Dakota Century Code.

Approved March 8, 1973

CHAPTER 149

HOUSE BILL NO. 1458
(Vander Vorst)

QUALIFICATIONS AND AGE OF
SCHOOL BUS DRIVERS

AN ACT to amend and reenact section 15-34.2-14 of the North Dakota Century Code, relating to the qualifications and age of school bus drivers, and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-34.2-14 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-34.2-14. QUALIFICATIONS, CHARACTER, AND AGE OF SCHOOL BUS DRIVERS.) The driver of a school bus shall be in good physical and mental health, able-bodied, free from communicable diseases, and shall have normal use of both hands, both feet, both eyes, and both ears. It shall be the duty of school boards to designate reputable physicians to examine each driver annually. It shall be the duty of each driver to present the physician's certificate of physical fitness to the employing school board before a contract is signed. Such driver shall possess a good moral character, shall be at least eighteen and not more than sixty-five years of age, and shall be required to have a North Dakota driver's license. However, the school board, in its discretion, may extend the maximum age of a driver to age sixty-seven. Any driver reaching the age of sixty-seven during the school year may be allowed to drive until the completion of that school year. All drivers over the age of sixty-five must submit to a physical examination once every six months and present the physician's certificate of physical fitness to the school board after each examination. The term school bus as used in this section shall mean a passenger motor vehicle having an actual seating capacity of twelve or more passengers.

SECTION 2. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 15, 1973

CHAPTER 150

HOUSE BILL NO. 1026
(Hildebrand, Knudson, G. Larson, Jacobson)
(From Legislative Council Study)

TEACHER CERTIFICATION

AN ACT to amend and reenact sections 15-36-01, 15-36-08, 15-36-11, 15-38-17, 15-38-18, and 15-41-25 of the North Dakota Century Code, providing procedures for the establishment of criteria for teachers' certificates by the superintendent of public instruction and the teachers' professional practices commission, and providing for the administration of such certificates; to repeal sections 15-36-04, 15-36-05, and 15-36-06 of the North Dakota Century Code, relating to first and second grade professional certificates and special certificates; and providing an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-36-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-36-01. TEACHERS' CERTIFICATES - CRITERIA TO BE ESTABLISHED.) The superintendent of public instruction, after consulting with the teachers' professional practices commission, shall determine the criteria for teacher certification for school terms beginning on or after July 1, 1974. The established criteria shall be based upon standards which shall include considerations of character, adequate educational preparation, and general fitness to teach in the public schools of this state. After holding a public hearing thereon, the superintendent shall issue rules and regulations concerning the issuance of teachers' certificates, and such certificates shall be issued by his office in accordance with such rules and regulations. Nothing in this section shall be interpreted to affect the validity of life certificates in existence on the effective date of this Act, nor shall this section affect vocational education certificate qualifications as provided in chapter 15-20.1.

SECTION 2. AMENDMENT.) Section 15-36-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-36-08. FEES FOR CERTIFICATES.) The superintendent of public instruction shall require a fee of five dollars for each certificate issued by this state, and no certificate shall be issued for a period of less than one school year. The fees herein provided for shall be deposited in the state treasury to the credit of the general fund of the state.

SECTION 3. AMENDMENT.) Section 15-36-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-36-11. CERTIFICATE REQUIRED.) No person who is not the holder of a valid teacher's certificate shall be permitted or employed to teach in any of the public schools of the state, except that teachers unable to be certificated because they are not citizens of the United States or because they have not declared their intention to become citizens of the United States, but are otherwise qualified to teach in North Dakota, may be employed on a temporary basis if they are approved annually by the superintendent of public instruction. The employment of such teachers in accordance with this section shall not cause any foundation aid payments to be withheld from the school districts by whom they are employed.

SECTION 4. AMENDMENT.) Section 15-38-17 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-38-17. TEACHERS' PROFESSIONAL PRACTICES COMMISSION.) The teachers' professional practices commission shall consist of nine members. Effective July 1, 1973, the present members of the teachers' professional practices commission shall be deemed to have resigned and the governor shall appoint four members from a list of nominees submitted by the North Dakota education association, two members from a list submitted by the North Dakota school boards association, two members from a list submitted by the North Dakota association of school administrators, and one member selected by the state board of public school education from among its membership. Each list of nominees shall include at least three nominees for each position upon the commission. The term of office of members of the commission shall be three years commencing on July first of the year of the appointment, except that original appointments shall be for staggered terms of one, two, and three years in order that the terms of three members of the commission shall expire each year thereafter. Vacancies shall be filled for an unexpired term in the same manner as original appointments. No person shall serve for more than two consecutive terms as a member of the commission.

The commission shall annually select a chairman and vice chairman, and the superintendent of public instruction or his designee shall serve as secretary. Meetings shall be held after ten days' notice to all members at the call of the chairman or upon request in writing of a majority of the commission. A

majority shall constitute a quorum and a majority of such quorum shall have authority to act upon any matter properly before the commission. It shall adopt its own rules of order and procedure not inconsistent with sections 15-38-16 through 15-38-19 and shall hold meetings pursuant to the provisions of sections 15-38-16 through 15-38-19.

The members of the commission shall receive twenty-five dollars for each day actually engaged in the service of the commission and shall be paid actual and necessary traveling and other expenses at the same rate as for employees of the state. The superintendent of public instruction shall approve proper vouchers for such expenses.

SECTION 5. AMENDMENT.) Section 15-38-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-38-18. DUTIES OF COMMISSION AND SUPERINTENDENT OF PUBLIC INSTRUCTION.) It shall be the duty of the commission to develop and revise, consistent with state law, professional codes or standards relating to ethics, conduct, and professional performance and practices of persons engaged in the profession of teaching in the public schools. In the development of such professional codes and standards, the commission shall solicit the assistance of members of the teaching profession and representatives of school administrators, school board members, teacher education professors, and other interested citizens. The commission shall recommend such professional codes and standards as it may approve to the superintendent of public instruction, who after a hearing thereon may, consistent with state law, approve or revise such codes and standards as he deems proper and in the best interest of the public and the profession, and thereafter shall promulgate such approved or revised codes and standards as regulations in accordance with chapter 28-32. The commission shall advise the superintendent of public instruction regarding rules and regulations and procedures to be followed related to the issuance of teachers' certificates.

SECTION 6. AMENDMENT.) Section 15-41-25 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-41-25. HIGH SCHOOLS - TEACHER QUALIFICATION - ACCREDITATION.) Not later than July 1, 1961, every teacher in any high school in this state teaching any of the course areas or fields mentioned in section 15-41-24 shall have a valid teacher's certificate and shall have a major or minor in the course areas or fields that he is teaching if such high school is to receive any accreditation by the department of public instruction. However, a teacher granted a certificate to teach in the disciplines of trade, industrial, technical, and health under chapter 15-20.1 and possessing neither a major nor a minor in the field in which he is employed shall not affect the accreditation of the employing school district.

SECTION 7. REPEAL.) Sections 15-36-04, 15-36-05, and 15-36-06 of the North Dakota Century Code are hereby repealed.

SECTION 8. APPROPRIATION.) There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$20,000.00, or so much thereof as may be necessary, to the superintendent of public instruction for the teachers' professional practices commission, for expenses during the biennium beginning July 1, 1973, and ending June 30, 1975.

Approved March 26, 1973

CHAPTER 151

HOUSE BILL NO. 1158
(Committee on Education)

(At the request of the Department of Public Instruction)

PHYSICAL EDUCATION INSTRUCTION

AN ACT to amend and reenact section 15-38-09 of the North Dakota Century Code, relating to physical education instruction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-38-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-38-09. PHYSICAL EDUCATION TO BE TAUGHT IN ALL SCHOOLS.) Physical education shall be taught as a regular subject to all pupils in all departments of the public schools and offered in all educational institutions supported wholly or in part by money from the state. All school boards and boards of educational institutions receiving money from the state shall make provision for instruction in all the schools and institutions under their respective jurisdictions and shall adopt such methods as will adapt progressive physical exercises to the development, health, and discipline of the pupils in the various grades and classes of such schools and institutions.

Approved March 13, 1973

CHAPTER 152

HOUSE BILL NO. 1290
(Hentges, Dornacker, Knudson)

TEACHER RETIREMENT OPTIONS

AN ACT to provide that retired teachers may elect benefits under the teachers' fund for retirement, to provide for contributions to the fund, to provide an alternative increase in benefits for annuitants of the teachers' insurance and retirement fund who elect not to come under the new program, and to provide for an actuarial study of the teachers' fund for retirement.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. RETIRED TEACHERS - ELECTION OF COVERAGE - ELIGIBILITY - CONTRIBUTION TO FUND - LIMITATION.) Notwithstanding the provisions of chapter 15-39.1, any person who retired from teaching under the teachers' insurance and retirement fund who had ten or more years of teaching credit under that program, except for those persons referred to in section 15-39.1-25 who have only such rights, benefits, and privileges as provided in chapter 15-39 as it existed on July 1, 1967, shall be entitled to elect to qualify for benefits under the teachers' fund for retirement by complying with the provisions of this Act. An annuitant who elects to come under the 1971 law shall pay into the teachers' fund for retirement the difference between the amount actually paid into the fund or the predecessor fund by the teacher and the school board during his last year of teaching and the amount which would have been required to have been paid on the salary paid the annuitant for his last year of teaching under the 1971 law.

The amount of monthly benefits to which an annuitant electing to come under the 1971 law shall be entitled until death shall be equal to one percent of the monthly salary of the annuitant for the last school year for each year of service of such annuitant. Monthly salary within the meaning of this provision shall be deemed to be an amount equal to one-twelfth of the annual salary of the teacher. If for any reason the earnings of the teacher for the last year of teaching are shown to have been nonrepresentative of his typical earnings, the board shall readjust the credit to be allowed for past years of service to the last year of typical earnings.

SECTION 2. OPTIONAL INCREASE IN BENEFITS - ALTERNATIVES.)

Any person entitled to make the election provided for in section 1 of this Act shall be permitted, in the alternative, to accept a twenty-percent increase in his current annuity or, if he has at least seventeen years of teaching credit under the teachers' insurance and retirement fund, to accept a minimum monthly annuity of one hundred dollars plus five dollars per month for each additional year of teaching credit up to a maximum of twenty-five years. Nothing in this Act shall be interpreted to permit any person to elect benefits under more than one of the options offered in this Act, or to draw benefits concurrently under more than one retirement program.

SECTION 3. LIMITATION ON ELECTIONS ON RETIREMENT PROGRAMS.) Nothing in this Act shall be interpreted to permit any person to elect benefits under more than one of the options offered in this Act, nor to permit any person to make more than one such election.

SECTION 4. LEGISLATIVE INTENT - ACTUARIAL STUDY OF TEACHERS' FUND FOR RETIREMENT.) It is the intent of the legislative assembly that the teachers' fund for retirement maintain actuarial soundness. In order that the effects of the additional benefits provided for in this Act may be reviewed by the 1975 legislative assembly, the board of trustees of the teachers' fund for retirement shall conduct an actuarial study of the teachers' fund for retirement and shall make its report to the 1975 legislative assembly.

Approved March 27, 1973

CHAPTER 153

HOUSE BILL NO. 1460
(Backes, Knudson)

COMPUTATION OF EDUCATIONAL
COST PER PUPIL

AN ACT to amend and reenact sections 15-40.1-06 and 15-40.2-03 of the North Dakota Century Code, relating to the computation of the educational cost per pupil and school district tuition payments.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-40.1-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

* 15-40.1-06. DECLARATION OF LEGISLATIVE INTENT.) It is the intent of the legislative assembly to support elementary and secondary education in this state from state and county funds based on the educational cost per pupil. In determining the educational cost per pupil, the following criteria shall be used:

1. No expenditures for capital outlay for buildings and sites, or debt service shall be included.
2. No expenditures from school activities and school lunch programs shall be included.
3. No expenditures for the cost of transportation, including the cost of school buses, shall be included.

It is hereby found that the educational cost per pupil during the first year of the 1971-1973 biennium is two hundred fifty dollars and for the second year of the biennium the educational cost is two hundred sixty dollars and shall be the basis for calculating grants-in-aid on a per-pupil basis as provided in sections 15-40.1-07 and 15-40.1-08. School districts operating high schools not meeting the minimum curriculum as provided in section 15-41-24 or the teacher qualifications in section 15-41-25 shall have an educational cost of two hundred twenty dollars, which shall be the basis for calculating grants-in-aid on a per-pupil basis as provided in section 15-40.1-07.

SECTION 2. AMENDMENT.) Section 15-40.2-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

*NOTE: Section 15-40.1-06 was also amended by section 3 of Senate Bill No. 2026, chapter 127.

* 15-40.2-03. LEGISLATIVE INTENT RELATING TO TUITION PAYMENTS.) It is the intent of the legislative assembly that school districts educating pupils in other school districts shall pay the full cost of education. Such costs shall be determined on the basis of average daily membership and shall include annual expenditures from the general fund and annual educational expenditures from all special funds, provided that only those expenditures permitted in determining the educational cost per pupil in section 15-40.1-06 shall be included in determining average current operating expenses. To such average current operating expense in the county for elementary or high school students, as the case may be, shall be added double the statewide total of all school districts' annual expenditures from sinking and interest funds, plus double the statewide total of all school districts' annual tax receipts to the building funds, including any amounts expended from school districts' general funds for capital outlay, divided by the average daily membership of the state. From this amount, there shall be deducted for each individual pupil such payments as are received for him from the county equalization fund and state payments received by the admitting district, and a credit applied for any school taxes paid to the admitting district by the parent or guardian of the admitted pupil. The amount remaining shall be the tuition charge for the individual pupil, and shall be paid under the provisions of this chapter.

If the district of residence and the parent or guardian are both paying tuition, the credit allowed under this section for taxes paid to the admitting district by the parent or guardian shall be credited to the district of residence and the parent or guardian in proportion to the amount of tuition paid by each.

Nothing contained in this chapter shall affect the right of a school district to charge and collect such tuition as may be fixed by agreement from pupils who are not residents of this state, in accordance with the provisions of section 15-40.2-10.

Approved March 21, 1973

*NOTE: Section 15-40.2-03 was also amended by section 7 of Senate Bill No. 2026, chapter 127.

CHAPTER 154

HOUSE BILL NO. 1380
(Tinjum)

FOUNDATION PROGRAM PAYMENTS
DURING A STATE OF EMERGENCY

AN ACT to provide that days in which schools are closed because of a state of emergency declared by the governor as the result of an act of God may be counted for foundation program payments.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. EMERGENCY RESULTING FROM ACTS OF GOD -
FOUNDATION PROGRAM PAYMENT ELIGIBILITY.) The existence of a state of emergency may be proclaimed by the governor if he finds that an act of God has occurred and that the safety and welfare of the inhabitants of the state or of any portion thereof require the closing of schools or any particular school. Any such emergency shall terminate upon the proclamation of the termination thereof by the governor. Any school district which is located within the boundaries of the territory included within the governor's proclamation of a state of emergency or designated by it may include days actually lost, not to exceed five days, during which school was not held because of such state of emergency for purposes of the foundation program as provided in chapter 15-40.1. Any school district in which schools are closed for in excess of five days in any school year because of such a state of emergency shall receive two days of credit for foundation program purposes for each additional day school is held to make up for such lost days.

Approved March 13, 1973

CHAPTER 155

HOUSE BILL NO. 1126
(K. Johnson)

TUITION PAYMENTS TO ANOTHER STATE

AN ACT to amend and reenact sections 15-40.2-01, 15-40.2-09, and 15-40.2-10 of the North Dakota Century Code, relating to payment of tuition to an accredited institution of another state.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-40.2-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.2-01. TRANSFER OF PUPILS TO OTHER DISTRICTS OR INSTITUTIONS - TUITION AGREEMENTS.) The school board of any district may send elementary or high school pupils into another school district or to an accredited institution of another state when, because of shorter distances and other conveniences, it is to the best interests of the school district to do so, and in such instances the board may pay the tuition of such pupils to the district or institution to which they are sent. The school board may arrange, and when petitioned to do so by a majority of electors of the district, shall arrange with the school boards of other districts or with the institutions, to send pupils to such other districts or institutions who can be taught conveniently therein, and for the payment of their tuition and for furnishing and paying for their transportation to and from such other schools or institutions.

SECTION 2. AMENDMENT.) Section 15-40.2-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.2-09. ATTENDANCE IN PUBLIC SCHOOLS OR INSTITUTIONS OF BORDERING STATES, WHEN PERMITTED - CONTINUATION OF ATTENDANCE WHEN DISTRICT ANNEXED OR REORGANIZED.) Students may attend a school in a bordering state under the following circumstances:

1. A student who lives within forty miles of another state or in a county bordering on another state may, with the approval of the school board, attend a public school or institution in a bordering state, and the school board of the school district within which such student resides may contract with the bordering state for the education of such student.

2. A student who resides within a school district which is annexed to or reorganized with another district or districts, and which has been sending students to a school district in a bordering state because of proximity or terrain, shall be permitted to attend or continue attending school in the district in the bordering state.

If a request for attendance is denied under subsection 1 or subsection 2 of this section by the school board of the district in which the student resides, an appeal may be made to the three-member committee referred to in section 15-40.2-05. The decision of the committee may be appealed by the school board, or the parent or guardian of the student, to the state board of public school education, whose decision shall be final. In the event that the district does not comply with a decision requiring that tuition charges be paid, county equalization fund payments and state payments shall be withheld as provided in section 15-40.2-05.

Payments shall be made by the county of the pupil's residence to the school district or institution in the bordering state for attendance under the provisions of this section in an amount equal to the per-pupil payments as provided in sections 15-40.1-07 or 15-40.1-08, as the case may be, and the remainder of the pupil's tuition as determined under section 15-40.2-10 shall be paid by the district of the pupil's residence. Pupils attending public schools or institutions in bordering states in accordance with this section shall be certified by the district or institution in the bordering state to the county superintendent of the county of the pupil's residence, and payments shall be made from the county to the school district or institution in the bordering state.

This section shall not be construed to require the district of residence to provide pupil transportation, or payments in lieu thereof, for pupils for whom the payment of tuition has been approved.

SECTION 3. AMENDMENT.) Section 15-40.2-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.2-10. RECIPROCAL MASTER AGREEMENTS FOR PUPIL ATTENDANCE IN OTHER STATES.) The superintendent of public instruction may enter into reciprocal master agreements with the appropriate state educational agencies or officers of bordering states in regard to the cost of educating elementary and high school pupils in the public schools or institutions in such bordering states. Such reciprocal agreements may provide for payment on a per-pupil basis from the county equalization fund for pupils from this state attending schools in bordering states in a sum equal to payments received by the district of the pupil's residence from the county equalization fund. The superintendent of public instruction, by certificate to the department of accounts and purchases, shall authorize payments from the appropriation for state payments to the county equalization fund for the attendance

of pupils in bordering states, and the department of accounts and purchases, within the limits of legislative appropriations, shall make such payments. The balance of the tuition payment by the pupil's district of residence shall not exceed the amount established by reciprocal agreement less the amount paid from the county equalization fund to the school district or institution in the bordering state.

Approved February 25, 1973

CHAPTER 156

HOUSE BILL NO. 1367
(Fleming)

APPLICATION FOR PAYMENT
OF TUITION

AN ACT to amend and reenact section 15-40.2-05 of the North Dakota Century Code, relating to application of a parent or guardian for payment of tuition by a school district.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-40.2-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.2-05. APPLICATION OF PARENT OR GUARDIAN FOR PAYMENT OF TUITION BY DISTRICT.) The parent or guardian of any pupil who is a resident of a district may apply in writing to the school board of the school district of residence of the pupil for approval of the payment of tuition charges to another school district for attendance of the pupil in such other school district. The school board shall, within sixty days of its receipt of such application, meet with the parent or guardian of the pupil concerned and render a decision in regard to payment of tuition charges. If the school board has not rendered a decision within sixty days of receipt of the application, the application shall be deemed approved. If the school board of the district of residence shall approve such application, it shall pay the tuition charges. In the event such application shall be disapproved, the parent or guardian of the pupil may file an appeal with the county superintendent of schools, and a three-member committee consisting of the county judge, state's attorney, and the county superintendent of schools shall within fifteen days consult with the school boards of the districts concerned and with the parent or guardian of the pupil concerned and render a decision in regard to payment of the tuition charges. In making such decision, the committee shall determine whether the pupil is a high school pupil, which, for purposes of this section, shall be defined to mean grades nine to twelve, inclusive, or whether the pupil is an elementary school pupil, which, for purposes of this section, shall be defined to mean grades one through eight, inclusive, and then proceed in accordance with the following:

1. HIGH SCHOOL. If the pupil is a high school pupil and the committee finds that the attendance of such pupil is necessitated by shorter distances, previous attendance in another high school, inadequacy of curriculum considering the educational needs of the particular pupil, or other reasons of convenience, it shall approve the

payment of tuition by the district of residence of the pupil, obligating such district of residence to pay the same. The committee's approval for the payment of tuition may be for any fixed number of school terms, up to the completion of the pupil's high school education. The decision of the committee may be appealed to the state board of public school education and the decision of the board shall be final.

2. ELEMENTARY. If the pupil is an elementary pupil and the committee finds that the attendance of such pupil is necessitated by shorter distances or other reasons of convenience, it shall approve the payment of tuition by the district of residence of the pupil, obligating such district of residence to pay the same. The committee's approval for the payment of tuition shall be limited to one school term, and subsequent applications for the payment of tuition may be made annually. The decision of the committee shall be final.

If any portion of the school district lies in more than one county, the committee shall consist of the county judge, state's attorney, and county superintendent of schools from each county lying within the district, and the concurrence of at least two members from each county shall be necessary for a majority of the committee. In the event that the district of residence of the pupil does not comply with the decision requiring that the tuition charges be paid, the admitting district shall notify the county superintendent of schools of the county of the pupil's residence and the state superintendent of public instruction of such fact, and upon verification by the county superintendent of schools that such tuition payments are in fact due the admitting district and are unpaid, all county equalization fund payments including payments from the state for foundation aid to the district of residence of the pupil, shall be withheld until the tuition due has been fully paid.

This section shall not be construed to require the district of residence to provide pupil transportation or payments in lieu thereof, for pupils for whom the payment of tuition has been approved.

Approved March 6, 1973

CHAPTER 157

SENATE BILL NO. 2179
(Committee on Social Welfare and Veterans' Affairs)
(At the request of the Director of Institutions)

CHILD PLACEMENT RESIDENCY
DETERMINATIONS

AN ACT to amend and reenact section 15-40.2-08 of the North Dakota Century Code, relating to residency determination in child placement cases.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-40.2-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-40.2-08. RESIDENCY DETERMINATION IN CHILD PLACEMENT CASES - DECISION BY THREE-MEMBER COMMITTEE - PROVISIONS OF SECTION 15-40.2-05 TO APPLY.) For purposes of applying this chapter, the school district in which a child resides shall be construed to be the residence district of such child:

1. At the time any court order or order of a juvenile supervisor shall have been issued requiring such child to stay for any prescribed period at a foster home, or home maintained by any nonprofit corporation, or any referrals made from a state operated institution;
2. At the time of any placement for any prescribed period of time by a county or state welfare agency with the consent of the parent or guardian at a foster home or home maintained by any nonprofit corporation; or
3. At the time of any voluntary admission to Grafton state school or any state licensed child care home or agency, including referrals made therefrom.

Such residence district shall be liable for tuition upon claim by the admitting district, provided that in the event of placement by a county or state welfare agency with the consent of the parent or guardian, or the voluntary admission to any state licensed child care home or agency, including referrals made therefrom, the determination of tuition may be subject to an appeal filed with the county superintendent of schools and the three-member committee referred to in section 15-40.2-05 shall within fifteen days con-

sult with the school boards of the districts concerned and with the parent or guardian of the pupil concerned and render a decision in regard to the tuition charges. Those provisions of section 15-40.2-05 relating to multicounty districts, notification of unpaid tuition, and withholding of county equalization fund payments and state payments shall apply to this section.

Approved March 28, 1973

CHAPTER 158

HOUSE BILL NO. 1464
(Knudson)

SCHOOL STARTING AGE

AN ACT to amend and reenact section 15-47-01 of the North Dakota Century Code, relating to school starting age of a child.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-47-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-47-01. SCHOOLS FREE AND ACCESSIBLE - SCHOOL AGES.) The public schools of the state shall be equally free, open, and accessible at all times to all children between the ages of six and twenty-one, except that children who do not arrive at the age of six years by midnight October thirty-first of each year shall not start school until the beginning of the following year. Be it further provided that children who do not arrive at the age of six years by midnight September thirtieth, 1974, shall not start school until the following year, and children who do not arrive at the age of six years by midnight August thirty-first, 1975, and thereafter shall not start school until the beginning of the following years. Provided that in those schools which have established free kindergartens in connection with the public schools of the district, children who by reason of special talents or abilities as determined by a series of developmental and readiness screening instruments approved by the state department of public instruction and administered by the school district, may start school at an earlier age.

Approved March 27, 1973

CHAPTER 159

HOUSE BILL NO. 1147

(Committee on Education)

(At the request of the Department of Public Instruction)

ENGLISH LANGUAGE IN SCHOOLS

AN ACT to repeal section 15-47-03 of the North Dakota Century Code, relating to the English language in schools.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. REPEAL.) Section 15-47-03 of the North Dakota Century Code is hereby repealed.

Approved March 3, 1973

CHAPTER 160

SENATE BILL NO. 2223
(Longmire, Lips, Hoffner, Strand)

TEACHERS' RIGHTS IN DISMISSAL CASES

AN ACT to create and enact a new subsection to section 15-47-38 and to amend and reenact section 15-47-38 of the North Dakota Century Code, providing for expansion of rights for teachers in connection with discharge or failure to renew a teacher's contract.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-47-38 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-47-38. LEGISLATIVE INTENT IN EMPLOYMENT OF TEACHERS -
NOTIFICATION OF DISCHARGE OR FAILURE TO RENEW - HEARING.)

1. The legislative assembly, in recognition of the value of good employer-employee relationships between school boards of this state and the teachers employed in the school systems, the need to recruit and retain qualified teachers in this state, and further in recognition of the many intangibles in evaluating the performance of individual members of the teaching profession, urges that each school board of this state ensure through formally adopted policies, that channels of communication exist between the board, supervisory personnel, and teachers employed within its school system. It is the intent of the legislative assembly that in the very sensitive area of discharge of teachers for cause prior to the expiration of the term of the teachers' contracts, or in decisions not to renew the contracts of teachers, that recognition be given by school boards to damage that can result to the professional stature and reputation of such teachers, which stature and reputation were acquired only after the expenditure of substantial time and money in obtaining the necessary qualifications for such profession and in years of practicing the profession of teaching; and that in all decisions of school boards relating to discharge or refusal to renew

contracts, all actions of the board be taken with consideration and dignity, giving the maximum consideration to basic fairness and decency.

2. The school board of any school district contemplating discharging a teacher for cause prior to the expiration of the term of the teacher's contract shall notify such teacher in writing of such fact at least ten days prior to the date of contemplated discharge. Such teacher shall be informed in writing of the time and place for a special meeting of the school board to be held for such purpose prior to the final decision on the matter. Such teacher shall also be informed in writing of his right to demand a specification of the reasons for such discharge, which must on demand of the teacher be furnished not less than five days prior to said meeting to be held on the question of contemplated discharge. Such reasons shall be sufficient to justify the contemplated action of the board and shall not be frivolous or arbitrary. At the meeting with the board, if the teacher has informed the board in writing at least two days prior thereto that he will contest the charges brought against him, the board must sustain the charges with evidence produced at such hearing with witnesses who shall be subject to cross-examination by the teacher or his representative. The teacher may then produce such witnesses as may be necessary to refute the charges, which witnesses shall be subject to cross-examination. The proceedings may, at the request of either party, be transcribed by a court reporter at the expense of the person requesting such transcript and the witnesses may on demand of either party be placed under oath by a person authorized by law to administer oaths. Any person testifying falsely under oath shall be guilty of perjury and punished according to law. The meeting shall be an executive session of the board unless both the school board and the teacher requesting such meeting shall agree that it shall be open to other persons or the public. The teacher may be represented at the meeting by two representatives of his own choosing. In addition to board members, the school district clerk, and the superintendent, the school board may be represented by two other representatives of its own choosing at such executive session. If the teacher so requests he shall be granted a continuance of not to exceed seven days by the board unless for good cause otherwise shown. No cause of action for

libel or slander shall lie for any statement expressed either orally or in writing at any executive session of the school board held for the purposes provided for in this section.

SECTION 2.) A new subsection to section 15-47-38 of the North Dakota Century Code is hereby created and enacted to read as follows:

The school board of any school district contemplating not renewing a teacher's contract, as provided in section 15-47-27, shall notify such teacher in writing of such contemplated nonrenewal no later than April first. Such teacher shall be informed in writing of the time, which shall not be later than April seventh, and place of a special school board meeting for the purpose of discussing and acting upon such contemplated nonrenewal. The school board shall give an explanation and shall discuss at such meeting its reasons for the contemplated nonrenewal of the contract. The meeting shall be an executive session of the board unless both the school board and the teacher shall agree that it shall be open to other persons or the public. The teacher may be represented at such meeting by any two representatives of his own choosing. In addition to board members, the school district clerk, and the superintendent, the school board may be represented by two other representatives of its own choosing at such executive session. Upon such hearing, if the teacher so requests, he shall be granted a continuance of not to exceed seven days. No cause of action for libel or slander shall lie for any statement expressed either orally or in writing at any executive session of the school board held for the purposes provided for in this section. The determination not to renew a contract if made in good faith shall be final and binding on all parties. Final notice of the determination not to renew a contract shall be given in writing by April fifteenth as provided in section 15-47-27.

Approved March 30, 1973

CHAPTER 161

HOUSE BILL NO. 1180
(Lodoen)

SCHOOL DISTRICT BOUNDARY CHANGES

AN ACT to create and enact section 15-47-43 of the North Dakota Century Code, relating to areas which are public school districts, their corporate powers, and corporate name; to amend and reenact section 15-53.1-02 of the North Dakota Century Code, relating to reorganization, annexation, and dissolution of school districts; to repeal sections 15-53.1-03 and 15-53.1-04 of the North Dakota Century Code, relating to areas which are public school districts and their corporate powers and corporate name; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) Section 15-47-43 of the North Dakota Century Code is hereby created and enacted to read as follows:

15-47-43. PUBLIC SCHOOL DISTRICTS - CORPORATE POWERS - CORPORATE NAME - NAME CHANGE.) All school districts in the state of North Dakota, except the Fargo school district, are public school districts and shall be governed by the provisions of this title. Every public school district shall be a body corporate for school purposes and the name of such school district shall be substantially as follows:

" _____ Public School District No. _____
of _____ County, State of North Dakota."

The school district shall possess all the powers and shall perform all the duties usual to corporations for public purposes or conferred upon it by law. Under its name it may sue and be sued, enter into contracts, and convey such real and personal property as shall come into its possession by will or otherwise. It may have a corporate seal by which its official acts may be attested. Whenever in the judgment of the school board of any public school district it is deemed desirable to change the name of the school district, or whenever one-third of the electors of the school district shall submit a petition requesting a change in the name of the school district, the school board shall submit the proposed name change at the next school election.

Upon ratification of the proposed change of such name by a majority of the ballots cast on the question, the school district shall be renamed accordingly. The clerk of the school board of the district shall notify the county auditor, the county superintendent of schools, and the superintendent of public instruction of any change in the name of the district.

SECTION 2. AMENDMENT.) Section 15-53.1-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-53.1-02. REORGANIZATION NOT TO INCLUDE ANNEXATION OR DISSOLUTION - BOUNDARY CHANGES.) Article III, reorganization of school districts, shall not apply to article II, annexation of public school districts, or article IV, involuntary dissolution of public school districts, except where specifically referenced in articles II and IV. It is the intent of the legislative assembly that articles II and IV of this chapter shall remain separate and additional methods for the changing of school district boundaries. The boundaries of all school districts within the state of North Dakota shall be changed or altered only by annexation, reorganization, or involuntary dissolution as provided for in this chapter. Articles I, II, and IV of this chapter apply to all school districts in the state, including the board of education of the city of Fargo and the district under its jurisdiction for school purposes.

SECTION 3. REPEAL.) Sections 15-53.1-03 and 15-53.1-04 of the North Dakota Century Code are hereby repealed.

SECTION 4. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 15, 1973

CHAPTER 162

HOUSE BILL NO. 1433
(Miedema)

REGULATION OF COMMERCIAL ACTIVITY
ON SCHOOL PREMISES

AN ACT to regulate certain commercial activities on school premises and to provide for the accounting of proceeds to school boards; to repeal section 15-49-10 of the North Dakota Century Code, relating to solicitations and sales in schools; and to provide a penalty.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. SOLICITATIONS AND SALES IN SCHOOLS - PERMISSION REQUIRED - ACCOUNTING OF PROCEEDS - PENALTY.) No person, firm, or corporation shall sell, solicit for sale, or advertise the sale of any merchandise, product, or service on school premises, or organize students for any such purpose, without first obtaining the permission of the school board or superintendent or principal of such school. The proceeds of any sale, by students or student groups, made for school activities shall be accounted for to the school board not more than thirty days after such sale. Any person who violates any provision of this Act shall be guilty of a misdemeanor and shall be punished by a fine of not more than one hundred dollars.

SECTION 2. REPEAL.) Section 15-49-10 of the North Dakota Century Code is hereby repealed.

Approved March 12, 1973

CHAPTER 163

HOUSE BILL NO. 1166

(Committee on Education)

(At the request of the State Board for Vocational Education)

TRADE AND CORRESPONDENCE SCHOOLS

AN ACT to amend and reenact sections 15-50-01, 15-50-02, and 15-50-03 of the North Dakota Century Code, relating to the regulation of trade and correspondence schools and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-50-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-50-01. DEFINITIONS.) In this chapter, unless the context or subject matter otherwise requires:

1. "Private trade, industrial, vocational, technical, business" and "correspondence schools" mean schools maintained or classes conducted for the purpose of teaching any trade, industrial, vocational, technical, business occupation, or educational subjects for profit or for a tuition charge, and shall exclude schools or colleges regularly chartered and authorized by the laws of the state of North Dakota to grant degrees, endowed schools which offer approved courses without profit, schools exclusively engaged in training physically handicapped persons, schools conducted by any person for the education and training of his own employees, schools which offer instruction of purely avocational or recreational subjects as determined by the state board for vocational education;
2. "Board" means the state board of vocational education;
3. "Executive officer" means the officer who directs the policymaking of the division of vocational education. The director of vocational education is by board appointment the executive officer for vocational education;
4. "Solicitor" means a person who solicits business for a private trade, industrial, vocational, technical,

business, and correspondence school or who offers to sell or sells any such instruction or course of instruction. The private schools referred to in this paragraph include those within and outside the state of North Dakota.

SECTION 2. AMENDMENT.) Section 15-50-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-50-02. LICENSE PROCURED - FROM WHOM.) Every private trade, industrial, vocational, technical, business, or correspondence school, before offering any instruction, first shall procure a license from the executive officer of the state board for vocational education.

SECTION 3. AMENDMENT.) Section 15-50-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-50-03. LICENSING OF PRIVATE TRADE, INDUSTRIAL, VOCATIONAL, TECHNICAL, BUSINESS, AND CORRESPONDENCE SCHOOLS - REQUIREMENTS.)

1. The executive officer is empowered to issue a license upon compliance with the terms and provisions of this chapter.
2. Application for a license shall be made to the executive officer upon a form prescribed and furnished by him.
3. A regular license shall not be issued until the executive officer has approved the method and content of the advertising, the standards and methods of instruction, the equipment and housing provided, the qualifications of the teachers, the form and contents of the student enrollment agreement or contract, the sufficiency of its resources and equipment, and its accreditation by a recognized accrediting agency.
4. In addition to the other provisions of this Act, schools domiciled or having their principal place of business outside of the state shall be required to be accredited by a recognized accrediting agency.
5. Any school domiciled in North Dakota that is seeking its first license may be issued a provisional license on an annual basis until such school becomes eligible for accreditation by a recognized accrediting agency. At the end of the accrediting agencies accreditation process, such school shall submit evidence of accreditation, or a substantial showing of progress being made in good faith toward achieving such status.

Upon becoming accredited by a recognized accrediting agency, such school shall become eligible for a regular license.

6. If the license is granted it shall be issued upon the faithful performance of all agreements and contracts with students, as disclosed by the application for license, and the compliance with this chapter and all rules and regulations prescribed thereunder. Every license shall expire on the thirtieth day of June following the date of issuance. Licenses may be renewed subject to the continued compliance with the rules and regulations of this chapter.

SECTION 4. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1973

CHAPTER 164

SENATE BILL NO. 2401
(Lips, Christensen, Nasset)
(From Legislative Council Study)

MEDICAL EDUCATION

AN ACT expressing the intent of the forty-third legislative assembly regarding medical education, authorizing the state board of higher education to enter into intrastate and interstate medical education contracts, directing review of such contracts by a legislative council committee, and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. INTENT.) It is hereby declared to be the intent of the forty-third legislative assembly that the state of North Dakota, through its board of higher education, provide for a comprehensive program of medical education leading to a doctor of medicine degree.

SECTION 2. CONTRACTS OR AGREEMENTS AUTHORIZED.) The state board of higher education is hereby authorized to enter into contracts or agreements, both interstate and intrastate, to provide medical education opportunities. These contracts and agreements shall be made within the limits of available legislative appropriation and may be for such periods of time as the board of higher education deems necessary.

SECTION 3. CONTRACT OR AGREEMENT REVIEW BY LEGISLATIVE COUNCIL.) The legislative council is hereby authorized and directed to maintain a committee to study and review medical education and services in North Dakota. The board of higher education shall submit agreements or contracts entered into pursuant to this Act to this committee for review and approval.

SECTION 4. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 29, 1973

CHAPTER 165

HOUSE BILL NO. 1244
(G. Larson, Leibhan, L. Erickson)

EXCHANGES OF PROPERTY
BETWEEN SCHOOL DISTRICTS

AN ACT to create and enact section 15-53.1-05.1 of the North Dakota Century Code, relating to school district boundary changes.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) Section 15-53.1-05.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

15-53.1-05.1. RESTRICTED CHANGES IN BOUNDARIES - PETITION - REQUIREMENTS.) A resident or residents of a school district may request annexation of the property upon which his or their residence is situated to an adjacent school district by a petition for an exchange of property between the district of his residence and such adjacent district under the following conditions:

1. The signer of such petition must reside upon the property which he requests be annexed to the adjacent district.
2. There is an agreement for the exchange of property between the petitioners and the owner of the property in the adjacent district which property is to be exchanged for the property of the petitioner; provided, however, that the owner of the property in the adjoining district need not reside thereon in order to enter into such agreement.
3. The school boards of the districts involved approve such exchange of property.
4. The difference in taxable valuation of the property involved in such exchange does not exceed one thousand dollars.

Except as provided in this section the other provisions of this chapter applicable to annexation proceedings generally shall apply to the proceedings in this section. The approval by the county and state committees for the reorganization of school districts shall contain a finding that the above requirements have been met.

Approved February 25, 1973

CHAPTER 166

HOUSE BILL NO. 1144
(Leibhan, G. Larson)

ANNEXATION PETITION HEARINGS

AN ACT to amend and reenact section 15-53.1-06 of the North Dakota Century Code, relating to annexation petition hearings.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-53.1-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-53.1-06. ANNEXATION HEARINGS - EQUALIZATION - NOTICE OF HEARINGS.) Before detaching territory from one school district or annexing territory to another school district, the county committee shall hold a hearing on the annexation thereof. At least fourteen days prior to the time the hearing is to be held, the committee shall cause notice of such hearing to be published in the official newspaper of the county in which the school district is located, or if no newspaper is published in the county, the notice shall be published in a newspaper in an adjoining county in this state. At such hearing the county committee shall receive testimony for the purpose of determining the value and amount of all school property and all bonded and other indebtedness of each school district affected by a change in boundaries, and shall consider the amount of all outstanding indebtedness and make an equitable adjustment of all property, assets, debts, and liabilities among the districts involved; and, if the annexation is approved by the state committee, the county committee may cause a tax to be levied against each district affected in accordance with the provisions of section 15-47-21 which will equalize the several interests fairly. If the adjoining district is in another county or counties, the county committee of all counties affected shall consider and jointly effect the annexation if a majority of the members of each of the county committees approves the annexation. In the event that the annexation is approved by a majority of the members of one or more county committees, the county superintendent of the county in which the annexing district is located shall submit the annexation to the state committee for approval or disapproval, and in such instance approval of the annexation shall have the same effect as approval by all county committees. If the annexation does not receive the approval of any county committee, it shall not be presented to the state committee. An appeal from the decision of the state committee may be had to the district court of the county in which the annexing

district is located, in accordance with applicable provisions of chapter 28-32. Whenever a petition for annexation has failed to be approved by the state committee, a petition involving any of the same area shall not be submitted for a period of three months and such petition shall in no event be submitted more than twice in twelve consecutive months.

Approved March 24, 1973

CHAPTER 167

HOUSE BILL NO. 1148
(Committee on Education)

(At the request of the Department of Public Instruction)

DISSOLUTION OF SCHOOL DISTRICTS

AN ACT to amend and reenact section 15-53.1-41 of the North Dakota Century Code, relating to dissolution of school districts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-53.1-41 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-53.1-41. DISSOLUTION OF SCHOOL DISTRICTS - DUTY OF COUNTY SUPERINTENDENT.) The county superintendent shall notify the county committee:

1. When any school district within the county has had its assessed valuation reduced to an amount which will no longer enable the district to raise sufficient funds to carry on normal school operations;
2. When any school district within the county has not operated a school by the thirty-first of December of the year following the calendar year in which such operation ceased, providing fifty percent of the pupils from such school district are not attending schools in another state; or
3. Of the existence of territory not organized into a school district.

Upon receipt of such notice, the county committee shall forthwith give notice of hearing to dissolve the school district or attach the unorganized territory to other districts in the manner provided in section 15-53.1-29 and shall, after approval by the state committee, provide for its attachment to one or more adjoining school districts effective July first next following the approval unless another effective date is provided for by the county committee. Qualified electors residing in the attached territory shall be entitled to vote and hold office in the school district to the same extent as all other qualified electors residing therein, and such territory shall be part of the school district as fully in every respect as if it had been included in the district when organized. Nothing herein shall prevent the district from providing for

the education of such children to the extent that its current budget in the judgment of the school board will permit, or shall relieve the district from any existing responsibility for the education of children attending its schools before the effective date of the order. Nothing herein shall change the effect of any election held within the school district pursuant to chapter 15-48 before the effective date of the order. This section applies to all school districts in the state including the board of education of the city of Fargo and the district under its jurisdiction for school purposes.

Approved March 24, 1973

CHAPTER 168

HOUSE BILL No. 1235

(Jacobson, Winkjer, Opedahl, Tinjum)

INVOLUNTARY DISSOLUTION IN
MULTI-COUNTY DISTRICTS

AN ACT to amend and reenact section 15-53.1-42 of the North Dakota Century Code, relating to the involuntary dissolution of public school districts located in more than one county, and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-53.1-42 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-53.1-42. NOTICE OF HEARING - ORDER OF ATTACHMENT - JOINT COUNTY ACTION.) The county superintendent, upon order of the county committee, shall notify the clerk of each school district adjoining any district which is to be dissolved pursuant to section 15-53.1-41, and any unorganized territory recommended for attachment as therein provided, that a hearing will be held and the time and the place of the hearing by the county committee, for the purpose of determining to which school district or districts the dissolved or unorganized territory will be attached. At such hearing, the county committee shall receive testimony for the purpose of adjusting properties, debts and liabilities of the district to be dissolved in accordance with the provisions of section 15-53.1-06. Upon or after such hearing the county committee shall by resolution order the district dissolved and its territory attached, or the unorganized territory attached, to one or more adjoining school districts in such manner as will, in its judgment, provide the best educational opportunities for pupils of the public schools and the wisest use of public funds for the support of the public school system in such school districts and attached territory. The order shall become effective July first following the date of the order or resolution and after approval by the state committee, unless another effective date is provided for by the county committee, as provided in section 15-53.1-41. If that portion of the order providing for attachment of the dissolved or unorganized territory is rendered ineffective or suspended for any reason, the portion of the order providing for the dissolution shall also be suspended until such time as the attachment becomes effective. If any of such adjoining district is situated wholly or partly in a county other than that which included the

district to be dissolved or the unorganized territory affected, any order attaching territory to such adjoining school district shall become effective only upon the adoption of a concurring resolution by the county committee of the other county in which it is situated. In the event that the county committees cannot agree upon an order attaching the territory to adjoining districts, the county superintendent of the county in which the majority of the district being dissolved is located shall submit the dissolution and attachment to the state committee, and in such instance the state committee shall dissolve and attach the district to be dissolved, or the unorganized territory, in the manner as will, in its judgment, provide the best educational opportunities for pupils of the public school system in such school districts and attached territories. The action of the state committee shall have the same effect as approval by all county committees.

SECTION 2. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 28, 1973

CHAPTER 169

SENATE BILL NO. 2070
(Wenstrom)

BONDING AUTHORITY FOR JUNIOR COLLEGES

AN ACT to amend and reenact section 15-55-18 of the North Dakota Century Code, relating to the bonding authority for junior colleges and educational centers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-55-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-55-18. BOND ISSUE FOR JUNIOR COLLEGES AND OFF-CAMPUS EDUCATIONAL CENTERS.) The school board of any school district having a junior college or off-campus educational center as provided in chapter 15-18 is hereby authorized and empowered to issue and sell tax-exempt bonds for the purpose of purchasing or constructing buildings, adding to or repairing or renovating existing buildings, furnishing or equipping these buildings, or operating and maintaining these buildings for its junior college or off-campus educational center students. The total principal amount of such bonds shall not exceed two and one-half million dollars. The bonds authorized by this section shall be retired from revenues of the buildings and facilities purchased or constructed under the provisions of this section. The school board may also use tuition and fee revenue to retire these bonds. These bonds shall never become a general obligation of the school district, or the state of North Dakota.

Approved February 25, 1973

CHAPTER 170

SENATE BILL NO. 2252
(Nasset)

FINANCIAL RECORDS FOR
REVENUE PRODUCING BUILDINGS

AN ACT to amend and reenact sections 15-55-20 and 15-55-21 of the North Dakota Century Code, relating to the maintaining of financial records and expenses of revenue producing buildings, and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-55-20 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-55-20. FINANCIAL RECORDS REQUIRED.) Each institution under the control of the board of higher education which has constructed student housing, a food service facility, or a student union under the provisions of this chapter shall maintain records of financial accounts to provide a record of revenues received and expenses incurred in the use of such revenue producing building. The definition of "expenses incurred" shall include, but not be limited to, the estimated value of heat, electricity, water, repairs, insurances, and janitorial and maintenance services provided. From the information recorded in such records, appropriate financial statements shall be prepared and included in the institutions' published and audited annual or biennial financial reports.

SECTION 2. AMENDMENT.) Section 15-55-21 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-55-21. EXPENSES TO BE PAID FROM GROSS REVENUES.) Expenses incurred as defined in section 15-55-20 of the North Dakota Century Code shall be payable from the gross revenues of the revenue bond project as defined in said section, except in those instances where contracts or revenue bond indentures in existence on the effective date of this section provide that such payments shall not be charged to the gross revenues.

SECTION 3. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 15, 1973

CHAPTER 171

HOUSE BILL NO. 1090
(Miedema)

COMPULSORY SPECIAL EDUCATION

AN ACT to create and enact sections 15-59-04.1, 15-59-05.1, and 15-59-06.1 of the North Dakota Century Code, relating to recordkeeping requirements, eligibility for state and federal aid, and the duty of the superintendent of public instruction with regard to special education; and to amend and reenact sections 15-59-01, 15-59-04, 15-59-07, 15-59.1-02, 15-59.1-03, 15-59.1-06, and 15-59.1-08 of the North Dakota Century Code, relating to definitions, compulsory special education programs, enabling attendance at private schools, financing, elections to remove mill levies, and multiple county boards of special education.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-59-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-59-01. DEFINITIONS.) As used in this chapter:

1. "Exceptional child" means a natural person to the age of twenty-one, who, because of mental, physical, emotional, or learning characteristics, requires special education services. This may include a handicapped child or a gifted child.
2. "Special education" means classroom, home, hospital, institutional, or other instruction to meet the needs of handicapped children, transportation, and corrective and supporting services required to assist exceptional children in taking advantage of, or responding to, educational programs and opportunities.
3. "Handicapped child" means a child who is mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, emotionally disturbed, specific learning disabled, crippled, or otherwise health impaired who by reason thereof requires special education and related services.
4. "Gifted child" means a gifted and talented child

identified by professional, qualified persons, who, by virtue of outstanding abilities, is capable of high performance and who requires differentiated educational programs and services beyond those normally provided by the regular school program in order to realize his contribution to self and society.

SECTION 2. AMENDMENT.) Section 15-59-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-59-04. SCHOOL DISTRICTS TO PROVIDE SPECIAL EDUCATION.) School districts shall provide special education to handicapped children in accordance with the provisions of this chapter and in so doing may act jointly with one or more other districts and shall cooperate with the state advisory council and the director of special education and with the institutions of the state. Each school district shall submit a plan with the superintendent of public instruction for implementing special education in the district by July 1, 1975. Special education services shall be fully implemented by July 1, 1980. School districts may provide special education to gifted children in accordance with the provisions of this chapter and in so doing may act jointly with one or more other districts and shall cooperate with the state advisory council and the director of special education.

SECTION 3.) Section 15-59-04.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

15-59-04.1. RECORDS.) Every school district shall make and keep a current record of all school age handicapped children who are residents of the school district.

SECTION 4.) Section 15-59-05.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

15-59-05.1. ELIGIBILITY FOR STATE AND FEDERAL AID.) The superintendent of public instruction may apply for, administer, receive, and expend any federal aid for which this state may be eligible, under the office of the superintendent of public instruction, in the administration of this chapter within the limits of legislative appropriation. School districts, county special education boards and multi-county special education boards shall be eligible to serve as the local education agency for application, receipt, administration, and expenditure of state and federal aid within the limits of legislative appropriation.

SECTION 5.) Section 15-59-06.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

15-59-06.1. ENFORCEMENT OF SPECIAL EDUCATION PROGRAMS IN INSTITUTIONS BY SUPERINTENDENT OF PUBLIC INSTRUCTION.) The superintendent of public instruction shall enforce educational standards for all special education programs in institutions wholly or partly supported by the state which are not supervised by public school authorities. Such standards shall be similar to

regulations and standards established for the conduct of special education classes of the public schools in the state.

SECTION 6. AMENDMENT.) Section 15-59-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-59-07. CONTRACTS FOR HANDICAPPED CHILDREN TO ATTEND PRIVATE SCHOOLS.) If any school district in this state has any educable elementary or high school student who in the opinion of a qualified psychologist, a medical doctor, and the district superintendent is unable to attend the public schools in the district because of a physical or mental handicap or because of a learning disability, such school district shall contract with any accredited private nonsectarian nonprofit corporation within or without the state which has proper facilities for the education of such student, if there are no public schools in the state with the necessary facilities which will accept such student. No school district shall enter into a contract with any private nonsectarian nonprofit corporation for the education of any student having a physical handicap or learning disability, unless the curriculum provided by such school and the contract has been approved in advance by the superintendent of public instruction. The contract shall provide that such school district agrees to pay to the private nonsectarian nonprofit corporation as part of the cost of educating such student an amount for the school year equal to three times the state average per-pupil elementary or high school cost, depending on whether the enrollment would be in a grade or high school department, provided that such payment shall not exceed the actual per-pupil cost incurred by such private, nonsectarian nonprofit corporation. The district of the student's residence shall be reimbursed from funds appropriated by the legislative assembly for the foundation aid program, in an amount equal to sixty percent of the payment made to such private, nonsectarian nonprofit corporation. If the attendance of such student at such school is for less than a school year, then the contract shall provide for such lesser amount prorated on a monthly basis. The reimbursement herein provided to the contracting district from the foundation aid program shall be in lieu of any other foundation aid to which the district might otherwise be entitled.

As used in this section, the term "learning disability" shall mean a disorder in one or more of the basic psychological processes involved in understanding or in using spoken or written languages, and which may be manifested in disorders of listening, thinking, talking, reading, writing, spelling, or arithmetic. The term "learning disability" shall include, but not be limited to, such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia, but shall not include learning problems due primarily to visual, hearing or motor handicaps, mental retardation, emotional disturbance, or environmental disadvantage.

SECTION 7. AMENDMENT.) Section 15-59.1-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-59.1-02. OPERATIONS PLAN - FINANCING.) The county board

of special education shall annually prepare a program for special education in the county and a budget necessary to implement such program. The program and budget shall be submitted to the board of county commissioners at the same time and in the same manner as other statements on budgetary matters are filed. If such program and budget are approved by the board of county commissioners, the county commissioners may budget funds from the county general fund and, in addition, upon approval by a majority of the voters voting on the proposal at an election called by the county commissioners, may levy a tax not to exceed three mills upon all taxable property in the county for the purpose of carrying out such program. Such mill levy shall be over and above any mill levy limitation provided by law and shall be collected and paid in the same manner as are other county property taxes. The county treasurer shall credit the proceeds of the tax levy, together with any other funds received from the state or other sources for special education purposes, to a special education fund. Such funds shall be expended, within the limitations of the budget approved by the board of county commissioners, as directed by the county board of special education upon vouchers approved by the county superintendent of schools and in the same manner as other county funds are expended, except that such specific expenditures need not be approved by the board of county commissioners.

SECTION 8. AMENDMENT.) Section 15-59.1-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-59.1-03. ELECTION TO REMOVE MILL LEVY.) Upon the filing with the board of county commissioners at least thirty days in advance of any regular county election of a petition signed by five percent of the electors of the county as determined by the number of votes cast for the office of governor at the preceding general election, the question of whether to continue the mill levy of not to exceed three mills for financing the special education program shall be submitted to the voters at the next regular county election. If the levy for special education is disapproved by a majority of the votes cast at this election, the board of county commissioners shall immediately discontinue such levy but levies previously spread upon the tax rolls shall not be invalidated. A subsequent vote upon the question of authorizing a mill levy of not to exceed three mills may be had at any regular county election upon the filing with the board of county commissioners of a petition containing the signatures of five percent of the electors of the county as determined by the number of votes cast for the office of governor at the preceding general election not less than thirty days prior to such election.

SECTION 9. AMENDMENT.) Section 15-59.1-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-59.1-06. MULTIPLE COUNTY BOARDS.) When it is deemed desirable by the boards of county commissioners of two or more counties, such counties may join together in the formation of a multiple county board of special education. Such board shall consist of at least one member from each county special education board appointed by the respective county superintendents of schools and approved by the respective boards of county commissioners.

Vacancies shall be filled in the same manner as provided in original appointment. Such multiple county board shall designate one of the county treasurers to act as treasurer for special education funds and one of the county superintendents of schools to act as secretary and executive officer of the board. The remaining county superintendents of schools shall perform such other duties in connection with the special education program as the joint board of special education shall designate.

SECTION 10. AMENDMENT.) Section 15-59.1-08 of the North Dakota Code is hereby amended and reenacted to read as follows:

15-59.1-08. ELECTION TO REMOVE MILL LEVY.) Upon the filing with the board of county commissioners at least thirty days in advance of any regular county election, of a petition signed by five percent of the electors of the county as determined by the number of votes cast for the office of governor at the preceding general election, the question of whether to continue the mill levy of not to exceed three mills to finance the individual county's prorated share of the costs of the multiple county special education program shall be submitted to the voters of the individual county at the next regular county election. If the levy for special education is disapproved by a majority of the votes cast at this election, the board of county commissioners shall immediately discontinue such levy, but levies previously spread upon the tax rolls shall not be invalidated. A subsequent vote upon the question of authorizing a mill levy of not to exceed three mills may be had at any regular county election upon the filing with the board of county commissioners at least thirty days in advance of any regular county election, of a petition containing the signatures of five percent of the electors of the county as determined by the number of votes cast for the office of governor at the preceding general election.

Approved March 26, 1973

CHAPTER 172

HOUSE BILL NO. 1350
(Erickson)

SCHOOL DISTRICT SPECIAL EDUCATION

AN ACT to provide for a special education levy in school districts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. SCHOOL DISTRICT SPECIAL EDUCATION PROGRAM - FINANCING - LEVY - LIMITATIONS OF LEVY.) The school board of any school district may budget funds from the school district general fund for a special education program for the school district. If the school district is located in a county which is not levying a county tax for special education, the school board may, upon approval by a majority of the voters voting on the proposal at an election called by the school board, levy a tax not to exceed a total of three mills upon all taxable property in the school district for the purpose of carrying out a special education program for the school district, separately or, whenever possible, in cooperation with other school districts. If the school district is located in a county which is levying less than three mills for special education, or if the school district consists of territory in more than one county and one or more of the counties of which the district is a part, levy a tax for special education, the tax provided in this section shall be levied on all of the property in the district to the extent possible, provided that the levy on any property which is now subjected to a county levy for special education shall be reduced, if necessary, to ensure that none of the property located within the school district is subjected to a combined county and school district special education levy in excess of three mills. The school board of a school district, all or a part of which is located in a county levying a tax for special education, shall cooperate with the county or counties having special education programs to provide a program of special education for the children with special education needs in the school district. The levy provided in this section shall be over and above any mill levy limitations provided by law and shall be collected and paid in the same manner as are other school district property taxes. The county treasurer shall credit the proceeds of the tax levy, together with any other funds received from the state or other sources for school district special education purposes, to a school district special education fund. Such funds shall be expended, within the limitations of the budget approved by the school board, for the school district special education program.

SECTION 2. ELECTION TO DISCONTINUE MILL LEVY.) Upon the filing with the school board at least thirty days in advance of any regular school district election of a petition signed by ten percent of the electors of the school district as determined by the county superintendent for such county in which such school is located, the question of whether to continue the mill levy of not to exceed three mills for financing the special education program shall be submitted to the voters at the next regular school district election. If the levy for special education is disapproved by a majority of the votes cast at this election, the school board shall immediately discontinue such levy, but levies previously spread upon the tax rolls shall not be invalidated. A subsequent vote upon the question of authorizing a mill levy of not to exceed three mills may be had at any regular school district election upon the filing with the school board of a petition containing the signatures of ten percent of the electors of the school district as determined by the county superintendent for such county in which such school is located.

Approved March 27, 1973

CHAPTER 173

SENATE BILL NO. 2283
(Melland, Jones, Kautzmann, Wenstrom)

STUDENT FINANCIAL ASSISTANCE PROGRAM

AN ACT to provide for the creation of a North Dakota student financial assistance program, and providing an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. STUDENT FINANCIAL ASSISTANCE PROGRAM - ESTABLISHMENT - ADMINISTRATIVE RESPONSIBILITY.) There is hereby established a North Dakota student financial assistance program, which shall provide grants to assist undergraduate students having graduated from North Dakota high schools who are attending qualified institutions of postsecondary education within North Dakota. The student must be in substantial need of financial assistance. This program shall be administered by a single state agency, which shall be the state board of higher education or such other agency as may otherwise be designated by the governor in accordance with federal law. Hereinafter, reference to the "administrative agency" will signify that board, agency, or commission ultimately designated as provided in this section to officially administer the North Dakota student financial assistance program.

SECTION 2. ADMINISTRATIVE AGENCY - POWERS AND DUTIES.)
The powers and duties of the administrative agency shall be:

1. To administer the North Dakota student financial assistance program, and to adopt functional rules and regulations regarding the eligibility and selection of grant recipients.
2. To determine the amount of individual grants, but not to exceed five hundred dollars per recipient per academic year.
3. To establish criteria for substantial need based upon the ability of the parents or guardian to contribute toward the applicant's educational expenses.
4. To establish the appropriate procedures for fiscal control, fund accounting, and necessary reports.
5. To determine the organization of the program, hire

a director and staff, and do such other things as may be necessary and incidental in the administration of the program.

6. To apply for, receive, expend, and administer granted moneys from federal or private sources.

SECTION 3. ADVISORY BOARD - MEMBERSHIP - APPOINTMENT - AUTHORITY.) There is hereby created and established a North Dakota student financial assistance program advisory board, which shall consist of three practicing financial aid officers, one chief administrator of a postsecondary educational institution, one chief fiscal officer of a postsecondary educational institution, one full-time secondary school counselor, and one student enrolled full time at a postsecondary educational institution. All advisory board members are to be selected from North Dakota educational institutions, except that no single institution shall provide more than one member. The advisory board members will be appointed and have terms designated by the administrative agency. Advisory board members shall be reimbursed for travel expenses in the same manner and amounts as other state officials and employees. The advisory board shall have the responsibility to advise the administrative agency on all matters relating to the North Dakota student financial assistance program, and to act as a liaison between the administrative agency and the participating institutions of postsecondary education.

SECTION 4. FUNDS RECEIVED BY THE ADMINISTRATIVE AGENCY - WHERE DEPOSITED - HOW APPROPRIATED - HOW EXPENDED.) Funds received by the administrative agency shall be deposited in the state treasury in a special fund to be known as the North Dakota student financial assistance fund and expended in accordance with legislative appropriation. All expenditures from this fund shall be paid by warrant-check prepared by the department of accounts and purchases upon vouchers submitted by the administrative agency.

SECTION 5. APPROPRIATION.) There is hereby appropriated out of the North Dakota student financial assistance fund in the state treasury the sum of \$715,000.00, or so much thereof as may be necessary, for the operation of the North Dakota student financial assistance program for the biennium beginning July 1, 1973, and ending June 30, 1975, as follows:

Salaries and wages	\$ 35,200.00
Fees and services	5,000.00
Supplies and materials	4,250.00
Equipment	550.00
Student grants and aids	670,000.00
Total	\$ 715,000.00
Less estimated income	<u>335,000.00</u>
General fund transfer and appropriation	\$ 380,000.00

Approved March 28, 1973

CHAPTER 174

HOUSE BILL NO. 1388
(Raymond)

INDIAN SCHOLARSHIPS

AN ACT to amend and reenact sections 15-63-03 and 15-63-05 of the North Dakota Century Code, relating to the number and payment of scholarships awarded by the state board for Indian scholarships; and to repeal section 15-63-06 of the North Dakota Century Code, relating to the use of unused scholarship funds.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 15-63-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-63-03. NUMBER AND NATURE OF SCHOLARSHIPS.) The state board for Indian scholarships shall provide scholarships each year for resident persons of at least one-fourth degree of Indian blood or for enrolled members of tribes now resident in North Dakota to entitle persons so selected to enter and attend any institution of higher learning within North Dakota upon compliance with all requirements for admission and to pursue any course or courses offered in such institutions.

SECTION 2. AMENDMENT.) Section 15-63-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-63-05. SCHOLARSHIP PAYMENTS - CONDITIONS.) Upon the granting of a scholarship and acceptance thereof, the recipient shall be eligible for a credit in fees in the enrolling institution of higher learning to apply toward the cost of registration, health, activities, board, books, and other necessary items of not to exceed five hundred dollars per quarter for three quarters, or seven hundred fifty dollars per semester for two semesters, in any academic year. The board for Indian scholarships may reduce the amount of any scholarship to accord with individual financial need or funds available. After the enrolling institution has deducted the amount due such institution, the remaining balance shall be given to the recipient for necessary expenses during the quarter or semester. At the beginning of each quarter or semester of a regular academic year, the board for Indian scholarships shall certify to the director of the department of accounts and purchases the name of each recipient and the amount payable, and the director of the department of accounts and purchases shall issue his warrant to the state treasurer who shall pay the amount

of the scholarship to the institution of higher learning in which the recipient is enrolled. Renewal of the scholarship award shall be subject to the maintenance of a minimum grade average of "C" in the courses taken.

SECTION 3. REPEAL.) Section 15-63-06 of the North Dakota Century Code is hereby repealed.

Approved March 12, 1973

CHAPTER 175

SENATE BILL NO. 2241
(Fritzell, Christensen)

REGIONAL MEDICAL EDUCATION BOARD

AN ACT to repeal chapter 15-66 of the North Dakota Century Code, relating to the regional medical education board.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. REPEAL.) Chapter 15-66 of the North Dakota Century Code is hereby repealed.

Approved March 8, 1973

CHAPTER 176

HOUSE BILL NO. 1052
(Solberg, Strinden, L. Hausauer)
(From Legislative Council Study)

REALLOCATION OF ELLENDALE GRANT LANDS

AN ACT to reallocate the grant lands and assets of the Ellendale fund and to direct the deposit of the remainder of the Ellendale branch fire proceeds in the state's general fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) The grant lands and other assets of the Ellendale fund, maintained by the state land department and previously allocated under section 216 of the North Dakota Constitution to an institution at Ellendale, are hereby reallocated to the soldiers' home, the North Dakota school for the blind, the forestry school, the state school of science, the state hospital, Minot state college, and Dickinson state college.

The board of university and school lands shall allocate the income in equal proportions to the above-mentioned institutions.

SECTION 2.) It is hereby directed that one hundred twelve thousand four hundred four dollars and fifty-four cents of the fire insurance proceeds from the university of North Dakota-Ellendale branch, or so much thereof as remains, including the appropriation authorized by chapter 209 of the 1971 session laws, be deposited in the general fund in the state treasury.

Approved February 6, 1973

CHAPTER 177

HOUSE BILL NO. 1200

(L. Hausauer, Peterson, Jenkins, H. Johnson, Bridston)

COLLEGE BUILDING FUND

AN ACT to provide for a conditional transfer of funds to the college building fund and providing an appropriation for the construction, additions to, remodeling, and equipping of buildings on college campuses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) Commencing July 1, 1973, and at the same date each year thereafter until the sum of \$4,701,000.00 shall have been transferred to the college building fund, the director of the department of accounts and purchases shall determine the cash balance in the general fund of the state. In the event the cash balance in the general fund as of the close of business on the previous thirtieth day of June shall exceed \$25,000,000.00, the director of accounts and purchases shall direct the state treasurer to transfer to the college building fund an amount which shall not exceed \$2,000,000.00, or the amount in excess of \$25,000,000.00 in the general fund, whichever is the lesser. Such funds shall be expended by the board of higher education for the construction or addition, remodeling, and equipping of buildings at state-supported institutions of higher learning in accordance with specific appropriations to be made by the legislative assembly.

SECTION 2. APPROPRIATIONS.) There is hereby appropriated out of any moneys in the college building fund the sum of \$4,701,000.00 or so much thereof as may be available in such fund, for the construction or addition, remodeling, and equipping of buildings and facilities at state-operated institutions of higher learning for purposes as follows and within the limitations of the costs hereafter stated:

NAME OF INSTITUTION	TYPE OF FACILITY	STATE FUNDS
State school of science, Wahpeton	diesel building and completion of main- tenance-laboratory building	\$1,000,000.00
NDSU, Fargo	home economics building addition	\$1,500,000.00

Minot state college, Minot	science facility	\$ 450,000.00
UND, Grand Forks	nursing building	\$ 800,000.00
State school of science, Wahpeton	auto mechanics addition	\$ 850,000.00
State school of science, Wahpeton	addition to trade- technical auto body building	<u>\$ 101,000.00</u>
TOTAL		\$4,701,000.00

The amount of moneys remaining in the fund created by chapter 210 of the 1971 session laws which the board of higher education determines is not necessary for the construction of buildings authorized thereunder shall be transferred to and become a part of the fund created by this Act. The construction of a specific building or facility shall not be commenced until the amount of funds indicated for such building or facility has been transferred to the college building fund as provided in this chapter. In no event shall any facility exceed the cost indicated in the column "State Funds" except to the extent funds may be received from federal and private sources. The authorization for the diesel building and completion of the maintenance-laboratory building at the state school of science at Wahpeton includes an appropriation of \$135,655.00 for completion of the maintenance-laboratory building authorized by chapter 210 of the 1971 session laws. If \$135,655.00 of federal and/or private funds, or any portion thereof, becomes available for the completion of the maintenance-laboratory building, then such amount shall not be available for such purpose under this Act but shall be available for the diesel building for the state school of science at Wahpeton.

SECTION 3. APPROPRIATION.) There is hereby appropriated from the general fund in the state treasury, not otherwise appropriated, the sum of \$1,778,000.00, or so much thereof as may be necessary, for the construction of a veterinary science building on the campus of North Dakota state university.

Approved March 29, 1973

CHAPTER 178

HOUSE BILL NO. 1426
(Olin)DEDICATION OF LAND
TO CITY OF DICKINSON

AN ACT to authorize the state board of higher education to dedicate certain lands to the city of Dickinson and to appropriate funds for a street project upon that land.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) The state board of higher education is hereby authorized to dedicate certain land owned by the state of North Dakota to the city of Dickinson, North Dakota, for use as a public street, such land lying between the stadium grounds and the original college grounds, and being more specifically described as follows:

A strip of land sixty-two feet wide in the west half of section four, township one hundred thirty-nine north, range ninety-six west of the fifth principal meridian, Stark County, North Dakota, and commencing at the north-west corner of Young's fifth addition to the city of Dickinson, North Dakota; thence west on line with the north line of Young's fifth addition nine hundred feet to the point of beginning; thence north two thousand fifty-two and two-tenths feet; thence east sixty-two feet; thence south two thousand fifty-two and two-tenths feet; thence west sixty-two feet to the point of beginning. This tract contains two and nine-tenths acres, more or less.

The dedication is authorized subject to the state's mineral reservations provided for in section 38-09-01 of the North Dakota Century Code.

SECTION 2. APPROPRIATION.) There is hereby appropriated to the state board of higher education, out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$30,000.00, or so much thereof as may be necessary, to use in cooperation with the city of Dickinson, North Dakota, in a street project involving the land described in section 1 of this Act.

Approved March 13, 1973

CHAPTER 179

SENATE BILL NO. 2017.
(Tweten, Larson)
(From Legislative Council Study)

LIMITING CERTAIN SCHOOL
CONSTRUCTION PROJECTS

AN ACT to amend and reenact section 2 of chapter 189 of the 1969 Session Laws of North Dakota, providing the superintendent of public instruction and, in case of appeal, the board of public school education with authority to limit certain school construction projects; and to repeal section 1 of chapter 189 of the 1969 Session Laws of North Dakota, providing statements of legislative rationale.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 2 of chapter 189 of the 1969 Session Laws of North Dakota is hereby amended and reenacted to read as follows:

Section 2. APPROVAL REQUIRED FOR CERTAIN SCHOOL DISTRICT CONSTRUCTION PROJECTS.) Notwithstanding the powers and duties of school boards of public school districts otherwise provided by law, all construction, purchase, repair, improvement, renovation, or modernization of any school building within a school district estimated by the school boards to cost in excess of twenty-five thousand dollars shall not be commenced unless approved by the superintendent of public instruction. The superintendent of public instruction shall not approve such school building project unless he shall find that the building will be fully or substantially usable by any reorganized school district which in his judgment is likely to be created and which would encompass all or a major portion of the school district applying for approval of the building project. In the event of disagreement between the superintendent of public instruction and the school board applying for approval of a construction project under this Act, such school board shall have the right to appeal such application to the board of public school education and the decision of the board approving or disapproving such application shall be final.

SECTION 2. REPEAL.) Section 1 of chapter 189 of the 1969 Session Laws of North Dakota is hereby repealed.

Approved February 1, 1973

CHAPTER 180

SENATE BILL NO. 2043
(Melland)
(From Legislative Council Study)

SALE OF UND-ELLENDALE BRANCH

AN ACT to amend and reenact chapter 214 of the 1971 Session Laws of North Dakota, relating to the sale of the university of North Dakota-Ellendale branch property.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Chapter 214 of the 1971 Session Laws of North Dakota is hereby amended and reenacted to read as follows:

SALE OF ELLENDALE BRANCH PROPERTY

AN ACT to authorize the state board of higher education to sell and convey certain real and personal property presently under the custody and control of the Ellendale branch of the university of North Dakota to the city of Ellendale or to a nonprofit industrial development corporation in such city.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) The state board of higher education is hereby authorized to sell and convey certain land, including the buildings and improvements located thereon, and the personal property owned by the state of North Dakota and held for the use and benefit of the Ellendale branch of the university of North Dakota to the city of Ellendale, subject to its acceptance, or to a nonprofit industrial development corporation in such city, subject to its acceptance, for a purchase price of not to exceed fifty thousand dollars. The real property may be sold in parts or parcels, and is described as follows:

Lots seven, eight, nine, ten, eleven, twelve, thirteen, fourteen, fifteen, sixteen, seventeen, and eighteen, block one, DeCoster, Flemington and Wells addition, city of Ellendale, North Dakota; blocks nine and eleven in DeCoster, Flemington and Wells addition, city of Ellendale, North Dakota; Fulls subdivision to block four of DeCoster, Flemington and Wells addition, city of Ellendale, North Dakota; lot five, Boekelheide subdivision to the city of Ellendale, North Dakota; lots one through six, block five, DeCoster, Flemington and Wells addition to the city of Ellendale,

North Dakota; lots seven, eight, nine, ten, eleven and east ten feet of lot twelve, except north seventy-five feet, all in block four, DeCoster, Flemington and Wells addition to the city of Ellendale, North Dakota; all of block three, DeCoster, Flemington and Wells addition to the city of Ellendale, North Dakota; that part of the southwest quarter (SW 1/4) of section twelve (12), township one hundred twenty-nine north, range sixty-three west, described as beginning at the quarter corner between sections twelve and thirteen, thence north twenty-eight and ninety hundredths chains along the quarter line, thence west nine and six tenths chains to a point thirty-three feet east of the east line of DeCoster, Flemington and Wells addition, thence south twenty and forty-five hundredths chains to a point thirty-three feet east of the east line of DeCoster, Flemington and Wells addition if extended south, thence west sixteen and thirty-five hundredths chains to the east line of fourth street extended, thence south eight and forty-five hundredths chains to the section line, thence east twenty-five and forty-one hundredths chains to the point of beginning; that part of the southwest quarter of section twelve, township one hundred twenty-nine north, range sixty-three west, described as beginning at the southwest corner of block two of Olson's addition to Ellendale, North Dakota, thence south three hundred seventy-six minutes, thence east two hundred thirty-three minutes, thence north three hundred seventy-six minutes along the west line of block three of said addition, to a point in the south line of said block two, thence west two hundred thirty-three minutes to the place of beginning; all of blocks two and three of Olson's addition to the city of Ellendale, North Dakota; that portion of vacated seventh avenue lying south of main street in Ellendale, North Dakota; that portion of the vacated street lying south of and adjoining block three of the DeCoster, Flemington and Wells addition to the city of Ellendale, North Dakota; and such other real property under the jurisdiction and control of the state board of higher education for the use and benefit of the Ellendale branch of the university of North Dakota as the board may determine.

The sale of the real and personal property shall not be consummated until such time as the people of the state of North Dakota approve a revision of the Constitution of the state of North Dakota removing the requirement that an educational or charitable institution be located in the city of Ellendale. Until such time as the properties are sold and conveyed to the city of Ellendale, or to a nonprofit industrial development corporation in such city, the expense of upkeep, maintenance, and repair shall be the obligation of the state of North Dakota, and the state board of higher education is hereby authorized and directed to maintain and keep in repair all buildings until such time as they are sold or conveyed. All documents necessary to carry out the provisions of this Act shall be executed by the governor and attested by the secretary of state. Upon the sale of the real and personal property, the proceeds of the sale shall be deposited in the general fund in the state treasury.

Approved February 1, 1973

CHAPTER 181

SENATE BILL NO. 2143

(Longmire, Coughlin, Tweten, Goodman, Fritzell, Reiten, Anderson)

HIGHER EDUCATION BONDS FOR
CAMPUS IMPROVEMENTS

AN ACT to authorize the state board of higher education to sell self-liquidating tax-exempt bonds and provide for the use of the proceeds of such self-liquidating bonds for the purpose of constructing or purchasing revenue producing buildings and other campus improvements at institutions of higher learning in this state under the jurisdiction of the board, at such maximum amounts, at such locations, and for such purposes as are hereinafter provided.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) In accordance with the provisions of chapter 15-55 of the North Dakota Century Code, the state board of higher education is hereby authorized and empowered to issue and sell self-liquidating tax-exempt bonds for the purpose of purchasing or constructing revenue producing buildings and other campus improvements at institutions of higher learning in this state under the jurisdiction of the board, at such maximum amounts, at such locations, and for such purposes as hereinafter provided:

1. University of North Dakota, Grand Forks, North Dakota
 - a. Parking lots (reauthorization) \$ 150,000.00
 - b. Married student housing 1,000,000.00
 - c. Warehouse building (reauthorization) 150,000.00
2. Mayville state college, Mayville, North Dakota
 - a. Parking lots \$ 30,000.00
3. Minot state college, Minot, North Dakota
 - a. Married student housing (reauthorization) 750,000.00

Bonds issued under the provisions of this Act shall never become a general obligation of the state of North Dakota.

SECTION 2.) The proceeds resulting from the sale of bonds authorized under section 1 of this Act, or so much thereof as may be necessary, are hereby appropriated for the purchase or construction and equipment of the buildings and facilities authorized in

section 1. Any unexpended balances from the sale of bonds shall be placed in sinking funds for the retirement of the bonds authorized in section 1.

Approved March 29, 1973

CHAPTER 182

SENATE BILL NO. 2229
(Nasset)

SALE OF LAND TO HETTINGER AIRPORT

AN ACT authorizing the state board of higher education to sell and transfer certain land owned by the state of North Dakota for the use and benefit of the Hettinger sub-station of the North Dakota agricultural college of the state of North Dakota to the Hettinger municipal airport authority and appropriating the proceeds of sale to the state board of higher education for the purpose of acquiring other land.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) The state board of higher education is hereby authorized to sell and transfer to the Hettinger municipal airport authority, for a purchase price of not less than \$100.00 per acre, land owned by the state of North Dakota and held for the use and benefit of the Hettinger sub-station of the North Dakota agricultural college of the state of North Dakota, now known as North Dakota state university of agriculture and applied science, which land is located in the northwest quarter (NW 1/4) of section eleven (11), township one hundred twenty-nine north (129 N), range ninety-six west (96 W), of the fifth principal meridian (5th P.M.), Adams County, North Dakota, and more particularly described as follows:

Beginning at the northeast corner of the northwest quarter of the said northwest quarter (NW 1/4 NW 1/4); then bearing south along the east line of the said northwest quarter of the northwest quarter (NW 1/4 NW 1/4) a distance of three hundred sixty-five (365) feet; thence bearing north forty-four degrees and twenty-five minutes west (N.44°-25'W) a distance of five hundred nine (509) feet more or less, to the north line of the said northwest quarter of the northwest quarter (NW 1/4 NW 1/4); thence bearing east along said north line a distance of three hundred fifty-five (355) feet to the point of beginning. Tract contains one and five tenths (1.5) acres more or less.

Upon sale of such land, the proceeds of sale are hereby appropriated to the state board of higher education for the purpose of acquiring replacement land, as determined by the state board of higher education, in the name of the state of North Dakota

for the use and benefit of the Hettinger branch experiment station of the North Dakota state university of agriculture and applied science. Upon the sale of the above-described land, the deed to the purchaser shall be executed by the governor and attested by the secretary of state, and shall contain a proviso that the title to the lands above described, or any portion of the lands above described, shall revert to the state of North Dakota for the use and benefit of the Hettinger branch experiment station of the North Dakota state university of agriculture and applied science when said lands are no longer used as a location for a municipal airport and public uses related thereto, with the exception of any portions of the lands above described which may be needed and used for public rights-of-way or public utility installations. Any such reversions shall be at no cost to the state of North Dakota.

Approved March 28, 1973

CHAPTER 183

SENATE BILL NO. 2238
(Christensen)

SALE OF RENVILLE COUNTY LAND

AN ACT authorizing the state board of higher education to sell and transfer certain land, appropriating the proceeds of such sale to the state board of higher education for the purpose for which the land was originally received, and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) The state board of higher education is hereby authorized to sell and transfer by public bid certain land owned by the state of North Dakota and held for the use and benefit of the university of North Dakota, which land is described as follows:

Northeast quarter of section eleven, township one hundred sixty-one north, range eighty-seven west of the fifth principal meridian, situated in the county of Renville and state of North Dakota, and comprising one hundred sixty acres more or less.

Upon sale of such land, the proceeds of the sale are hereby appropriated to the state board of higher education for the purpose for which the land was originally received. Upon the sale of the above-described land, the deed to the purchaser shall be executed by the governor and attested by the secretary of state.

SECTION 2. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 21, 1973

CHAPTER 184

SENATE BILL NO. 2277
(Ringsak)

DEPOSIT OF COUNTY AGRICULTURAL
SCHOOL FUNDS

AN ACT to permit the depositing in school district general funds of moneys accumulated in such districts from tuition levies for now defunct county agricultural and training schools, and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. SCHOOL DISTRICTS MAY DEPOSIT COUNTY AGRICULTURAL SCHOOL TUITION MONEYS IN GENERAL FUNDS.) The school board of any school district which comprises territory which was formerly served by a now defunct county agricultural and training school may deposit any moneys which were accumulated from tuition levies for such county agricultural and training school in the school district general fund.

SECTION 2. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 8, 1973