

**FIRST ENGROSSMENT  
with Senate Amendments**

Fifty-sixth  
Legislative Assembly  
of North Dakota

**ENGROSSED HOUSE BILL NO. 1196**

Introduced by

Representatives Hanson, Kroeber

1 A BILL for an Act to amend and reenact subsection 1 of section 57-15-14.2 and section  
2 57-15-17.1 of the North Dakota Century Code, relating to mill levies for alternative education  
3 programs; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-15-14.2 of the North Dakota  
6 Century Code is amended and reenacted as follows:

- 7 1. A school board of any school district may levy an amount sufficient to cover  
8 general expenses including the costs of the following:
- 9 a. Board and lodging for high school students as provided in section 15-34.2-06.
  - 10 b. The teachers' retirement fund as provided in section 15-39.1-28.
  - 11 c. Tuition for students in grades seven through twelve as provided in section  
12 15-40.2-12.
  - 13 d. Special education program as provided in section 15-59-08.
  - 14 e. The establishment and maintenance of an insurance reserve fund for  
15 insurance purposes as provided in section 32-12.1-08.
  - 16 f. A final judgment obtained against a school district.
  - 17 g. The district's share of contribution to the old-age survivors' fund and matching  
18 contribution for the social security fund as provided by chapter 52-09 and to  
19 provide the district's share of contribution to the old-age survivors' fund and  
20 matching contribution for the social security fund for contracted employees of  
21 a multidistrict special education board.
  - 22 h. The rental or leasing of buildings, property, or classroom space. Minimum  
23 state standards for health and safety applicable to school building

- 1 construction shall apply to any rented or leased buildings, property, or  
2 classroom space.
- 3 i. Unemployment compensation benefits.
- 4 j. The removal of asbestos substances from school buildings or the abatement  
5 of asbestos substances in school buildings under any method approved by  
6 the United States environmental protection agency and any repair,  
7 replacement, or remodeling that results from such removal or abatement and  
8 for providing an alternative education program as provided in section  
9 57-15-17.1.
- 10 k. Participating in cooperative vocational education programs approved by the  
11 state board.
- 12 l. Maintaining a vocational education program approved by the state board and  
13 established only for that school district.
- 14 m. Paying the cost of purchasing, contracting, operating, and maintaining  
15 schoolbuses.
- 16 n. Establishing and maintaining school library services.
- 17 o. Equipping schoolbuses with two-way communications and central station  
18 equipment and providing for the installation and maintenance of such  
19 equipment.
- 20 p. Establishing free public kindergartens in connection with the public schools of  
21 the district for the instruction of resident children below school age during the  
22 regular school term.
- 23 q. Establishing, maintaining, and conducting a public recreation system.
- 24 r. The district's share of contribution to finance an interdistrict cooperative  
25 agreement authorized by section 15-47-40.1.

26 **SECTION 2. AMENDMENT.** Section 57-15-17.1 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **57-15-17.1. Multiyear asbestos abatement and alternative education program levy**  
29 **by school district.**

- 30 1. The governing body of any public school district may by resolution adopted by a  
31 two-thirds vote of the school board dedicate a tax levy for purposes of this section

- 1 of not exceeding fifteen mills on the dollar of taxable valuation of property within  
2 the district for a period not longer than fifteen years. The school board may  
3 authorize and issue general obligation bonds to be paid from the proceeds of this  
4 dedicated levy for the purpose of ~~providing~~:
- 5 a. Providing funds for the removal of asbestos substances from school buildings  
6 or the abatement of asbestos substances in school buildings under any other  
7 method approved by the United States environmental protection agency and  
8 for any repair, replacement, or remodeling that results from removal or  
9 abatement of asbestos substances; and
- 10 b. Providing alternative education programs.
- 11 2. All revenue accruing from the levy under this section, except revenue deposited as  
12 allowed by subsection 3, must be placed in a separate fund known as the asbestos  
13 abatement fund and must be accounted for within the capital projects fund group  
14 and disbursements must be made from such funds within this fund group for the  
15 purpose of asbestos abatement.
- 16 3. All revenue accruing from up to ten mills of the fifteen-mill levy under this section  
17 may be placed in a separate fund known as the alternative education program  
18 fund. Disbursement may be made from the fund for the purpose of providing an  
19 alternative education program, but may not be used to construct or remodel  
20 facilities used to accommodate an alternative education program.
- 21 4. Any moneys remaining in the asbestos abatement fund after completion of the  
22 principal and interest payments for any bonds issued for any school asbestos  
23 abatement project and any funds remaining in the alternative education program  
24 fund at the termination of the program must be transferred to the general fund of  
25 the school district upon the order of the school board.

26 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
27 December 31, 1998.