

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2162

That the House recede from its amendments as printed on pages 1102-1104 of the Senate Journal and pages 1162-1164 of the House Journal and that Reengrossed Senate Bill No. 2162 be amended as follows:

Page 1, line 2, after "enact" insert "a new section to chapter 15-29 of the North Dakota Century Code, or in the alternative to create and enact a new section to chapter 15.1-09 of the North Dakota Century Code, relating to the joint employment of school district superintendents; to create and enact"

Page 1, line 3, replace "contingent per student payments" with "nonoperating schools"

Page 1, line 4, after "sections" insert "15-35-01.1,"

Page 1, line 5, after "to" insert "school construction approval,"

Page 1, line 6, after "student" insert a comma and after the second semicolon insert "to provide for a legislative council study;"

Page 1, after line 8, insert:

**"SECTION 1.** If House Bill No. 1034 does not become effective, a new section to chapter 15-29 of the North Dakota Century Code is created and enacted as follows:

**School district superintendent - Joint employment - Accreditation.** The superintendent of public instruction may not impose through the accreditation process any penalties or sanctions on a school district for employing a superintendent jointly with one or more other districts. The superintendent may not require, through the accreditation process, that an employee of a school district having fewer than one hundred students in high school spend more than thirty-three percent of the employee's time performing the duties of a school principal if the school district employs a superintendent jointly with one or more other districts.

**SECTION 2. AMENDMENT.** Section 15-35-01.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**15-35-01.1. Approval required for certain school district construction projects.**

1. 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 or facility within a school district estimated by the school boards to cost in excess of twenty-five thousand dollars may not be commenced unless approved by the superintendent of public instruction.
2. ~~No such~~ The superintendent of public instruction may not approve the construction, purchase, repair, improvement, renovation, or modernization of any school building or facility ~~may be approved~~ unless the school district proposing the project ~~demonstrates:~~
  - a. Demonstrates the need for the project, the educational utility of the project, ~~fiscal need,~~ and the ability to sustain a stable or increasing

student enrollment for a period of time at least equal to the anticipated usable life of the project, or demonstrates potential utilization of the project by a future reorganized school district; and

- b. Demonstrates the capacity to pay for the project under rules adopted by the superintendent of public instruction pursuant to chapter 28-32 after receiving input from the state board of public school education.
- 3. In the event of disagreement between the superintendent of public instruction and the school board applying for approval of a construction project under this section, the school board may appeal the application to the state board of public school education and the decision of the state board approving or disapproving the application is final.
- 2- 4. For purposes of this section, "facility" includes a parking lot, athletic complex, or any other improvement to real property owned by the school district.
- 3- 5. This section does not apply to any construction, purchase, repair, improvement, renovation, or modernization required as part of a plan of correction approved by the state fire marshal under section 15-35-01.2, unless the cost of the improvements exceeds seventy-five thousand dollars."

Page 1, line 15, overstrike "based on the educational cost"

Page 1, line 16, overstrike "per student"

Page 1, line 18, after the second underscored comma insert "transportation aid,"

Page 1, line 20, after the underscored period insert "For purposes of distributing state funds, the superintendent of public instruction shall determine the educational cost per student." and overstrike "following criteria" and insert immediately thereafter "superintendent"

Page 1, line 21, overstrike "be used" and insert immediately thereafter "use"

Page 2, line 3, replace "thirty-nine" with "forty-five"

Page 2, line 5, replace "ten" with "thirty"

Page 2, line 8, remove "The superintendent of public instruction shall monitor student enrollments. If"

Page 2, remove lines 9 through 14

Page 2, line 15, remove "c."

Page 2, line 20, remove the overstrike over "e:" and remove "d."

Page 3, line 5, remove the overstrike over "d:" and remove "e."

Page 11, remove lines 29 and 30

Page 12, remove lines 1 through 5

Page 12, after line 27 insert:

**"SECTION 8.** A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

**Nonoperating school districts - Education of students - State payments.**

1. Notwithstanding the provisions of any other law, a school district operating on the effective date of this Act may become a nonoperating district, provided:
  - a. The board of the district terminates the operation of all public schools in the district;
  - b. The board provides for the education in other school districts of all kindergarten, elementary, and secondary school students residing in the district; and
  - c. The board pays to other school districts educating its students the full per student cost of education in the receiving district.
2. The board of a nonoperating school district shall continue to employ, on a full-time or a part-time basis, one person qualified to manage the finances of the district.
3. The board of a nonoperating school district is governed by all laws applicable to the board of an operating school district.
4. In lieu of all other state payments, a nonoperating school district under this section is entitled to receive an amount equal to the per student payment determined under section 15-40.1-06 and multiplied by the number of students ages six through seventeen who reside in the district, as established by the latest available school district census, less the product of thirty-two mills times the latest available net assessed and equalized valuation of property of the school district.
5. A school district may be nonoperational for no more than three school years.
6. At or before the conclusion of the three-year period, the nonoperating school district must become, through reorganization or dissolution, part of one or more operating school districts.
7. A school district that has become a nonoperating district and has accepted state payments, as provided for by this section, may not revert to an independent operating district.

**SECTION 9.** A new section to chapter 15.1-09 of the North Dakota Century Code is created and enacted as follows:

**School district superintendent - Joint employment - Accreditation.** The superintendent of public instruction may not impose through the accreditation process any penalties or sanctions on a school district for employing a superintendent jointly with one or more other districts. The superintendent may not require, through the accreditation process, that an employee of a school district having fewer than one hundred students in high school spend more than thirty-three percent of the employee's

time performing the duties of a school principal if the school district employs a superintendent jointly with one or more other districts."

Page 15, line 20, replace "the effective date of" with "July 1, 1999,"

Page 15, line 21, remove "sections 1 through 8 of this Act"

Page 15, replace lines 24 through 31 with:

**"SECTION 13. LEGISLATIVE COUNCIL STUDY OF EDUCATIONAL EQUITY AND FUTURE EDUCATIONAL DELIVERY.** The legislative council shall study the provision of education to public school students in this state and shall examine the manner in which education to public school students will be delivered in the ensuing five, ten, and twenty years. Within this study, the council shall address demographic changes as they affect equity of educational opportunities with respect to courses, facilities, and extracurricular activities; equity with respect to teacher availability and qualifications; equity with respect to the organization and administration of school districts; and taxpayer equity in both rural and urban school districts. The legislative council shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the fifty-seventh legislative assembly.

**SECTION 14. APPROPRIATION - CONTINGENT DISTRIBUTIONS.**

1. a. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$3,500,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing supplemental payments to school districts, for the biennium beginning July 1, 1999, and ending June 30, 2001.
- b. During the first year of the biennium, the superintendent shall distribute \$1,750,000 of the appropriated amount as supplemental per student payments to each school district in the state on the basis of average daily membership and \$1,000,000 of the appropriated amount to assist school districts whose 1999-2000 fall enrollment is less than the district's 1994-1995 fall enrollment. The superintendent shall base the latter payments on each eligible school district's proportionate share of the total statewide decline during the five-year period, provided that no school district is eligible to receive payments for declining enrollments in excess of five hundred students.
- c. During the second year of the biennium, the superintendent shall distribute the remaining \$750,000 as supplemental per student payments to each school district in the state on the basis of average daily membership.
2. a. If any funds appropriated by the legislative assembly to the grants - foundation aid and transportation line item remain after completion of all statutory obligations, to the extent of legislative appropriations, the superintendent of public instruction shall distribute the first \$1,000,000 of such contingent funds as supplemental per student payments to each school district in the state on the basis of average daily membership.
- b. The superintendent shall distribute the next \$1,000,000 of such contingent funds to assist school districts experiencing declines in student enrollment under the terms provided for by subdivision b of subsection 1.

- c. The superintendent shall distribute the next \$2,000,000 of such contingent funds to school districts eligible to receive reorganization bonuses, as provided for by Senate Bill No. 2441, as approved by the fifty-sixth legislative assembly, and shall distribute any remaining funds as supplemental per student payments to each school district in the state on the basis of average daily membership.

**SECTION 15. REORGANIZATION BONUSES - LEGISLATIVE INTENT.** If insufficient funds exist to fully reimburse all school districts eligible for reorganization bonuses, as provided for by Senate Bill No. 2441, as approved by the fifty-sixth legislative assembly, the fifty-seventh legislative assembly shall consider introduction of an emergency measure to adopt a deficiency appropriation in an amount necessary to provide the full reimbursement."

Page 16, remove lines 1 through 13

Page 16, line 14, replace "Section 9" with "Sections 2, 7, and 12" and replace "is" with "are"

Renumber accordingly