

**SECOND ENGROSSMENT
with House Amendments**Fifty-ninth
Legislative Assembly
of North Dakota**REENGROSSED SENATE BILL NO. 2333**

Introduced by

Senators Grindberg, Cook, Espegard

Representatives Aarsvold, Haas, R. Kelsch

1 A BILL for an Act to create and enact three new sections to chapter 15.1-07 of the North
2 Dakota Century Code, relating to the provision of educational services by school districts; and
3 to amend and reenact sections 15.1-12-26 and 15.1-31-07 of the North Dakota Century Code,
4 relating to the dissolution of school districts and attendance in schools in bordering states.

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

6 **SECTION 1.** A new section to chapter 15.1-07 of the North Dakota Century Code is
7 created and enacted as follows:

8 **School district - Provision of educational services - Required reorganization -**
9 **Dissolution.**

- 10 1. Each school district in this state shall offer educational services to students from
11 kindergarten through grade twelve.
- 12 2. If a school district fails to meet the requirements of subsection 1, the
13 superintendent of public instruction shall notify the superintendent of the school
14 district and the president of the school board that the school district must pursue
15 reorganization as provided for in chapter 15.1-12.1.
- 16 3. If the school district fails to become reorganized within eighteen months from the
17 notification required by the superintendent of public instruction under subsection 2,
18 the superintendent of public instruction shall direct a county committee to initiate
19 proceedings to dissolve the district and attach the property to other operating high
20 school districts.
- 21 4. Subsection 1 does not apply to an elementary school district if that district has a
22 fall enrollment count of at least one hundred students. If that elementary school
23 district has two successive fall enrollment counts of fewer than one hundred
24 students, the superintendent shall provide the notification required by subsection 2.

1 5. Subsection 1 does not apply to any elementary school district that borders another
2 state and pays tuition to a school district in that other state so students residing in
3 the elementary school district may attend high school in the bordering state.

4 **SECTION 2.** A new section to chapter 15.1-07 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Closure of elementary school - Vote.** Notwithstanding the provisions of any other
7 law, before the board of a newly reorganized school district may close an elementary school
8 located within the boundary of a district that participated in a reorganization under section 1 of
9 this Act, the board shall place the question of closing the elementary school on the ballot. The
10 question may be voted upon only by those qualified electors who reside within the boundary of
11 the elementary district that participated in the reorganization under section 1 of this Act. The
12 board may not close the elementary school unless a majority of the qualified electors voting on
13 the question approve the closure. This section applies only to the closure of an elementary
14 school that was operational on the day before the effective date of the reorganization.

15 **SECTION 3.** A new section to chapter 15.1-07 of the North Dakota Century Code is
16 created and enacted as follows:

17 **School district - Required reorganization - Mill levy.** Notwithstanding the provisions
18 of any other law:

19 1. During the first year after a school district becomes reorganized, as required by
20 section 1 of this Act, the property within the boundaries of the district that did not
21 offer educational services to students from kindergarten through grade twelve may
22 not be subject to a total school district general fund and special fund mill levy that
23 is greater than the total school district general fund and special fund mill levy
24 applicable to such property during the taxable year immediately preceding the
25 reorganization plus one-fourth of the difference between that amount and the total
26 school district general fund and special fund mill levy applicable to all other taxable
27 property in the reorganized district.

28 2. During the second year after a school district becomes reorganized, as required by
29 section 1 of this Act, the property within the boundaries of the district that did not
30 offer educational services to students from kindergarten through grade twelve may
31 not be subject to a total school district general fund and special fund mill levy that

1 is greater than the total school district general fund and special fund mill levy
2 applicable to such property during the preceding taxable year plus one-half of the
3 difference between that amount and the total school district general fund and
4 special fund mill levy applicable to all other taxable property in the reorganized
5 district.

6 3. During the third year after a school district becomes reorganized, as required by
7 section 1 of this Act, the property within the boundaries of the district that did not
8 offer educational services to students from kindergarten through grade twelve may
9 not be subject to a total school district general fund and special fund mill levy that
10 is greater than the total school district general fund and special fund mill levy
11 applicable to such property during the preceding taxable year plus three-fourths of
12 the difference between that amount and the total school district general fund and
13 special fund mill levy applicable to all other taxable property in the reorganized
14 district.

15 4. During the fourth year after a school district becomes reorganized, as required by
16 section 1 of this Act, the property within the boundaries of the district that did not
17 offer educational services to students from kindergarten through grade twelve must
18 be subject to the same total school district general fund and special fund mill levy
19 applicable to all other taxable property in the reorganized district.

20 **SECTION 4. AMENDMENT.** Section 15.1-12-26 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15.1-12-26. Dissolution of school district - Grounds.**

23 1. A county committee shall initiate proceedings to dissolve a school district and
24 attach the property to other operating school districts when it is notified in writing
25 by the county superintendent of schools whose jurisdiction includes the
26 administrative headquarters of the district that:

- 27 a. The district is financially unable to effectively and efficiently educate its
28 students;
- 29 b. The district has not operated a school as required by section 15.1-12-24; or
- 30 c. A school board has determined that dissolution is in the best interest of its
31 students.

1 2. A county committee shall initiate proceedings to dissolve a school district and
2 attach the property to other operating high school districts when it is notified in
3 writing by the superintendent of public instruction that the district does not provide
4 or has ceased to provide educational services to students from kindergarten
5 through grade twelve.

6 ~~3.~~ 3. Except as provided in subsection ~~3~~ 4, a county committee shall initiate
7 proceedings under section 15.1-12-27 to attach real property to an operating
8 school district when it is notified in writing by the county superintendent that:
9 a. Real property has been severed from its school district by the expansion of a
10 city and the severed portion is not contiguous with its district; or
11 b. There exists real property that does not belong to a school district.

12 ~~3.~~ 4. If a school district reorganization plan which does not include all real property in a
13 district is approved by the electors, the county committee shall, within forty-five
14 days after the election, hold a hearing under section 15.1-12-29 to attach the
15 remaining property to one or more operating districts.

16 ~~4.~~ 5. Receipt of notice by a county committee under this section:
17 a. Renders an annexation petition involving any real property in the district void,
18 unless the annexation has already been approved by the state board; and
19 b. Prohibits the acceptance of a new annexation petition involving any real
20 property in the district until all dissolution proceedings have been completed.

21 ~~5.~~ 6. One or more annexation petitions may not be used to annex all of the real property
22 in a school district to surrounding school districts.

23 **SECTION 5. AMENDMENT.** Section 15.1-31-07 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15.1-31-07. Students not subject to this chapter.**

26 1. If a student, as a result of a school district dissolution or reorganization, resides in
27 a district other than the one the student chooses to attend at the time of the
28 dissolution or reorganization, the student is not subject to this chapter and may
29 attend school in the chosen school district, including a school district in a bordering
30 state. Notwithstanding section 15.1-28-03, the superintendent of public instruction
31 shall forward payments from the state tuition fund made on behalf of the student to

1 the student's chosen school district, unless the chosen school district is in a
2 bordering state. The student may not be considered a student in average daily
3 membership in the student's school district of residence for purposes of section
4 15.1-31-02.

5 2. If a student chooses to attend a school in a school district in a bordering state in
6 accordance with this section, the student's school district of residence shall
7 contract with the bordering state for the education of the student and pay the
8 student's tuition at the agreed-upon amount.