Prepared by the Legislative Council staff for
Representative R. Kelsch
April 30, 2009

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1400

That the Senate recede from its amendments as printed on pages 1194-1219 of the House Journal and pages 1059-1084 of the Senate Journal and that Engrossed House Bill No. 1400 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact two new sections to chapter 15-20.1, two new sections to chapter 15.1-02, two new sections to chapter 15.1-06, two new sections to chapter 15.1-07, a new section to chapter 15.1-09, a new section to chapter 15.1-13, chapter 15.1-18.2, sections 15.1-21-02.3, 15.1-21-02.4, 15.1-21-02.5, 15.1-21-02.6, and 15.1-21-02.7, seven new sections to chapter 15.1-21, two new sections to chapter 15.1-27, and three new sections to chapter 15.1-37 of the North Dakota Century Code, relating to career development facilitation, student health insurance, the use of federal stimulus dollars, school personnel, student information systems, school district insurance, national board certification, program and course requirements, assessments, state aid payments, and an early childhood education council; to amend and reenact sections 15.1-06-04, 15.1-09.1-10, 15.1-21-02, 15.1-21-02.1, 15.1-23-03, 15.1-23-17, 15.1-27-03.1, 15.1-27-04, 15.1-27-07.2, 15.1-27-11, 15.1-27-19, 15.1-27-35, 15.1-27-35.3, 15.1-27-41, 15.1-32-18, 15.1-36-01, 15.1-38-01.1, and 57-15-14 of the North Dakota Century Code and section 55 of chapter 163 of the 2007 Session Laws, relating to school calendars, course requirements, home education, state aid payments, special education, school construction, English language learners, and school district general fund levies; to repeal sections 15.1-21-02.2, 15.1-27-20.1, 15.1-27-41, and 15.1-38-01.2 of the North Dakota Century Code, relating to high school graduation requirements, the minimum mill levy offset, the commission on education improvement, and new immigrant English language learners; to provide an appropriation; to provide a continuing appropriation; to provide for compensation increases; to provide for the distribution of supplemental one-time grants, supplemental operations grants, teacher support system grants, transportation grants, reorganization planning grants, regional education association grants, baseline recalculation grants, and contingency payments; to provide for a contingent transfer; to provide for legislative council studies and reports; to provide an effective date; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15-20.1 of the North Dakota Century Code is created and enacted as follows:

Career development facilitation - Certificate - Qualifications.

1. The department shall develop a program leading to a certificate in career development facilitation. The department shall award the certificate to any individual who:

   a. Holds a baccalaureate degree from an accredited institution of higher education;

   b. Has at least a five-year employment history; and

   c. Successfully completes the department's programmatic requirements.

2. An individual holding a certificate awarded under this section is a career advisor.

SECTION 2. A new section to chapter 15-20.1 of the North Dakota Century Code is created and enacted as follows:

Career development facilitation - Provisional approval.

1. The department may provisionally approve an individual to serve as a career advisor if the individual:

   a. Holds a baccalaureate degree from an accredited institution of higher education;

   b. Has at least a five-year employment history; and

   c. Provides the department with a plan for completing the department's programmatic requirements within a two-year period.

2. Provisional approval under subsection 1 is valid for a period of two years and may not be extended by the department.

SECTION 3. A new section to chapter 15.1-02 of the North Dakota Century Code is created and enacted as follows:

Health insurance programs - Joint enrollment program. The superintendent of public instruction and the department of human services jointly shall develop a system under which families of children enrolling in the public school system are provided with information regarding state and federally funded health insurance programs and encouraged to apply for such coverage if determined to be eligible.

SECTION 4. A new section to chapter 15.1-02 of the North Dakota Century Code is created and enacted as follows:

Education stabilization fund dollars - Notification of nonreplacement - Publication of notice.

1. The superintendent of public instruction shall notify the superintendent and board of each school district in the state, by certified mail, that any education stabilization fund dollars received by the district as a result of the American Recovery and Reinvestment Act of 2009 must be used first to restore funding deficiencies in the 2009-10 school year when compared to the 2005-06 school year and that any additional dollars received under the American Recovery and Reinvestment Act of 2009 must be used for one-time, nonrecurring expenditures because this state is not responsible for replacing that level of funding or otherwise sustaining that level of funding during the 2011-13 biennium.

2. During the thirty-day period following receipt of the notification, the superintendent of each school district shall arrange to publish the notice at least twice in the official newspaper of the district.

SECTION 5. AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-04. School calendar - Length.

1. During ~~each~~ the 2009-10 school year, a school district shall provide for a school calendar of at least one hundred eighty days~~, apportioned as follows:~~.

a. One hundred seventy-three ~~full~~ days ~~of~~ must be used for instruction;

b. Three days must be used for holidays ~~listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and~~, as selected by the school board in consultation with district teachers from the list provided for in subdivisions b through j of subsection 1 of section 15.1-06-02;

c. Up to two ~~full~~ days ~~during which parent-teacher conferences are held or which are deemed by the school board to be compensatory~~ must be used for:

(1) Parent-teacher conferences; or

(2) Compensatory time for parent-teacher conferences held outside regular school hours; and

d. Two days must be used for professional development ~~activities~~.

2. During the 2010-11 school year, a school district shall provide for a school calendar of at least one hundred eighty-one days.

a. One hundred seventy-four days must be used for instruction;

b. Three days must be used for holidays, as selected by the board in consultation with district teachers from the list provided for in subdivisions b through j of subsection 1 of section 15.1-06-02;

c. Up to two days must be used for:

(1) Parent-teacher conferences; or

(2) Compensatory time for parent-teacher conferences held outside of regular school hours; and

d. Two days must be used for professional development.

3. Beginning with the 2011-12 school year, a school district shall provide for a school calendar of at least one hundred eighty-two days.

a. One hundred seventy-five days must be used for instruction;

b. Three days must be used for holidays, as selected by the board in consultation with district teachers from the list provided for in subdivisions b through j of subsection 1 of section 15.1-06-02;

c. Up to two days must be used for:

(1) Parent-teacher conferences; or

(2) Compensatory time for parent-teacher conferences held outside of regular school hours; and

d. Two days must be used for professional development.

4. A day for professional development must consist of:

a. Six hours of professional development, exclusive of meals and other breaks, conducted within a single day; or

b. Two four-hour periods of professional development, exclusive of meals and other breaks, conducted over two days.

5. If a school district offers a four-hour period of professional development, as permitted in subdivision b of subsection 4, the school district may schedule instruction during other available hours on that same day and be credited with providing one-half day of instruction to students. This subsection does not apply unless the one-half day of instruction equals at least one-half of the time required for a full day of instruction, as defined in this section.

6. a. In meeting the requirements for two days of professional development ~~activities~~ under ~~subsection 1~~ this section, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided their attendance is verified.

b. In meeting the requirements for two days of professional development ~~activities~~ under ~~subsection 1~~ this section, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.

c. ~~For purposes of this section, a "day for professional development activities" means:~~

~~(1) Six hours of professional development activities, exclusive of meals and other breaks, conducted within a single day; or~~

~~(2) Two four-hour periods of professional development activities, exclusive of meals and other breaks, conducted over two days.~~

~~3. If a school district offers a four-hour period of professional development activities, as permitted in subdivision c of subsection 2, the school district may schedule instruction during other available hours on that same day and be credited with providing one-half day of instruction to students. The provisions of this subsection do not apply unless the one-half day of instruction equals at least one-half of the time required for a full day of instruction, as defined in this section.~~

~~4.~~ A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school-sanctioned, or school-related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

~~5. a. During the 2007-08 school year, a full day of instruction consists of:~~

~~(1) At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and~~

~~(2) At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.~~

~~b. Beginning with the 2008-09 school year, a full day of instruction consists of:~~

~~(1) At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and~~

~~(2) At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.~~

7. Beginning with the 2010-11 school year, if a school district elects to provide an optional third day of professional development, the school district shall do so by:

a. Meeting the requirements for a day of professional development as set forth in subsection 4; or

b. Shortening four instructional days, for the purpose of providing for two-hour periods of professional development, provided:

(1) Each instructional day on which such professional development occurs includes at least four hours of instruction for kindergarten and elementary students and four and one-half hours for high school students;

(2) The instructional time for each course normally scheduled on that day is reduced proportionately or the daily schedule is reconfigured to ensure that the same course is not subject to early dismissal more than one time per school calendar, as a result of this subdivision; and

(3) All teachers having a class dismissed as a result of this subdivision are required to be in attendance and participate in the professional development.

~~6.~~ 8. a. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

~~7.~~ b. A school that does not qualify under the provisions of ~~subsection 6~~ this subsection must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.

~~8.~~ c. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

9. For purposes of this section, a full day of instruction consists of:

a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and

b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 6. A new section to chapter 15.1-06 of the North Dakota Century Code is created and enacted as follows:

Counselor positions - Requirement.

1. Beginning with the 2010-11 school year, each school district must have available one full-time equivalent counselor for every three hundred students in grades seven through twelve.

2. Up to one-third of the full-time equivalency requirement established in subsection 1 may be met by career advisors.

3. For purposes of this section, a "career advisor" means an individual who holds a certificate in career development facilitation issued by the department of career and technical education under section 1 of this Act or an individual who is provisionally approved by the department of career and technical education under section 2 of this Act to serve as a career advisor.

SECTION 7. A new section to chapter 15.1-06 of the North Dakota Century Code is created and enacted as follows:

Career advisor - Duties. A career advisor shall provide sequential career development activities, current career information, and related career exploration opportunities to students in grades seven through twelve. A career advisor shall use computer-assisted career guidance systems and work at the direction and under the supervision of the school district counseling staff.

SECTION 8. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Student performance strategist - Verification - Qualifications. Beginning with the 2010-11 school year, each school district must have available one full-time equivalent student performance strategist for every four hundred students in average daily membership in kindergarten through grade three. Each school district shall submit documentation to the superintendent of public instruction, at the time and in the manner directed by the superintendent, verifying the amount of time that each student performance strategist expended in tutoring students on a one-to-one basis or in groups ranging from two to five, or in providing instructional coaching to teachers. For purposes of this section, a "student performance strategist" must meet the qualifications of an elementary school teacher as set forth in section 15.1-18-07 and serve as a tutor or an instructional coach.

SECTION 9. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Student information system - Statewide coordination. Notwithstanding any other technology requirements imposed by the superintendent of public instruction, the information technology department, or the North Dakota educational technology council, each school district shall acquire PowerSchool through the information technology department and use it as its principal student information system.

SECTION 10. A new section to chapter 15.1-09 of the North Dakota Century Code is created and enacted as follows:

Maintenance of insurance - Report to superintendent of public instruction.

1. During the 2009-10 school year and at least once every eight years thereafter, each school district shall obtain an appraisal of its buildings and its facilities, and an inventory of their contents.

2. Annually, each school district shall review the terms of any insurance policies providing coverage for its buildings, its facilities, and their contents and ensure that there are in place policies sufficient to provide in full for the repair or replacement of the buildings, its facilities, and their contents, in the event of a loss.

3. Annually, the superintendent of public instruction shall verify that each school district is in compliance with the requirements of this section.

SECTION 11. AMENDMENT. Section 15.1-09.1-10 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09.1-10. State aid - Payable to a regional education association - Obligation of district.

1. The superintendent of public instruction shall forward the portion of a school district's state aid ~~that~~ which is payable by the superintendent under subdivision n of subsection 1 of section 15.1-27-03.1 as a result of the district's participation in a regional education association directly to the association in which the district participates. The superintendent shall forward the amount payable under this subsection at the same time and in the same manner as provided for other state aid payments under section 15.1-27-01.

2. If the superintendent of public instruction determines that a school district failed to meet any contractual or statutory obligation imposed upon it as a result of the district's participation in a regional education association, the superintendent shall subtract the amount for which the district was not eligible from any future distribution of state aid to the district under section 15.1-27-01.

SECTION 12. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

National board certification fund - Creation - Continuing appropriation.

1. The national board certification fund is a special fund in the state treasury. The state investment board shall invest the fund in accordance with chapter 21-10. All interest and income received on investments are appropriated on a continuing basis to the superintendent of public instruction for the purpose of allowing the education standards and practices board to award grants to teachers pursuing national board certification.

2. The education standards and practices board shall make grants available to applicants in an amount equal to the cost of obtaining national board certification, but not exceeding two thousand five hundred dollars per applicant. The board shall make the grants available to applicants in chronological order, based on the date the board receives an applicant's completed application.

3. As a condition of the grant, the education standards and practices board may require recipients who achieve national board certification to mentor other individuals who are licensed to teach by the board.

SECTION 13. Chapter 15.1-18.2 of the North Dakota Century Code is created and enacted as follows:

15.1-18.2-01. Professional development plan - Adoption - Review by school district.

1. Each school district shall adopt a professional development plan. The plan must include a description of the professional development activities that the district offers or makes available, the district's requirements for participation by teachers, and the manner in which participation is documented.

2. Each school district shall review and if necessary modify its plan at least once every five years.

3. Each school district shall file a copy of its most recent professional development plan with the superintendent of public instruction.

15.1-18.2-02. Professional development plan - Review by superintendent of public instruction. The superintendent of public instruction shall review each school district's professional development plan to ensure that the plan meets the requirements of section 15.1-18.2-01, is designed to improve the quality of teaching and learning in the district, and is implemented in an efficient and effective manner.

15.1-18.2-03. Professional development advisory committee - Duties - Staff support.

1. The superintendent of public instruction shall appoint a professional development advisory committee to:

   a. Examine the delivery of professional development in this state;

   b. Review professional development needs from the perspective of teachers, school administrators, school board members, and parents;

   c. Review the professional development plans filed by school districts and propose changes to improve the opportunities for professional development; and

   d. Advise the superintendent regarding regulatory and statutory measures that could be pursued to improve the quality and availability of professional development opportunities.

2. The superintendent shall provide staff support to the professional development advisory committee.

SECTION 14. AMENDMENT. Section 15.1-21-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-21-02. High schools - Required units.

1. In order to be approved by the superintendent of public instruction, each public and nonpublic high school shall make available to each student:

   a. Four units of English language arts from a sequence that includes literature, composition, and speech;

   b. Four units of mathematics~~;~~, including:

      (1) One unit of algebra II; and

(2) One unit for which algebra II is a prerequisite;

c. Four units of science~~;~~, including:

(1) One unit of physical science; and

(2) One unit of biology;

d. Four units of social studies, including ~~one~~:

(1) One unit of world history ~~and one~~;

(2) One unit of United States history; and

(3) (a) One unit of problems of democracy; or

(b) One-half unit of United States government and one-half unit of economics;

e. One-half unit of health;

f. One-half unit of physical education during each school year, provided that once every four years the unit must be a concept-based fitness class that includes instruction in the assessment, improvement, and maintenance of personal fitness;

g. Two units of fine arts, at least one of which must be music;

h. Two units of the same foreign or native American language; ~~and~~

i. One unit of an advanced placement course or one unit of a dual-credit course; and

j. Two units of career and technical education from a coordinated plan of study recommended by the department of career and technical education and approved by the superintendent of public instruction.

2. In addition to the requirements of subsection 1, each public and nonpublic high school shall make available to each student, at least once every two years, one-half unit of North Dakota studies, with an emphasis on the geography, history, and agriculture of this state.

3. Each unit which must be made available under this section must meet or exceed the state content standards.

4. For purposes of this section, unless the context otherwise requires, "make available" means that:

a. Each public high school and nonpublic high school shall allow students to select units over the course of a high school career from a list that includes at least those required by this section;

b. If a student selects a unit from the list required by this section, the public high school or the nonpublic high school shall provide the unit to the student; and

c. The unit may be provided to the student through any delivery method not contrary to state law and may include classroom or individual instruction and distance learning options, including interactive video,

computer instruction, correspondence courses, and postsecondary enrollment under chapter 15.1-25.

5. The board of a school district may not impose any fees or charges upon a student for the provision of or participation in units as provided in this section, other than the fees permitted by section 15.1-09-36.

6. If in order to meet the minimum requirements of this section a school district includes academic courses offered by a postsecondary institution under chapter 15.1-25, the school district shall:

   a. Pay all costs of the student's attendance, except those fees that are permissible under section 15.1-09-36; and

   b. Transport the student to and from the location at which the course is offered or provide mileage reimbursement to the student if transportation is provided by the student or the student's family.

7. The requirements of this section do not apply to alternative high schools or alternative high school education programs.

8. The requirements of subdivisions g and h of subsection 1 do not apply to the North Dakota youth correctional center.

SECTION 15. AMENDMENT. Section 15.1-21-02.1 of the North Dakota Century Code is amended and reenacted as follows:

15.1-21-02.1. High school graduation - Diploma requirements. ~~Before~~ Except as provided in section 15.1-21-02.3, before a school district, a nonpublic high school, or the center for distance education issues a high school diploma to a student, the student must have successfully completed ~~at least twenty-one~~ the following twenty-two units of high school coursework ~~from the minimum required curriculum offerings established by section 15.1-21-02. Beginning with the 2009-10 school year, the number of units required by this section increases to twenty-two and beginning with the 2011-12 school year, the number of units required by this section increases to twenty-four~~:

1. Four units of English language arts from a sequence that includes literature, composition, and speech;

2. Three units of mathematics;

3. Three units of science, including:

   a. One unit of physical science;

   b. One unit of biology; and

   c. (1) One unit of any other science; or

      (2) Two one-half units of any other science;

4. Three units of social studies, including:

   a. One unit of United States history;

   b. (1) One-half unit of United States government and one-half unit of economics; or

      (2) One unit of problems of democracy; and

c. One unit or two one-half units of any other social studies, which may include civics, civilization, geography and history, multicultural studies, North Dakota studies, psychology, sociology, and world history;

5. a. One unit of physical education; or

b. One-half unit of physical education and one-half unit of health;

6. Three units of:

a. Foreign languages;

b. Native American languages;

c. Fine arts; or

d. Career and technical education courses; and

7. Any five additional units.

SECTION 16. Section 15.1-21-02.3 of the North Dakota Century Code is created and enacted as follows:

15.1-21-02.3. Optional high school curriculum - Requirements. If after completing at least two years of high school a student has failed to pass at least one-half unit from three subsections in section 15.1-21-02.1 or has a grade point average at or below the twenty-fifth percentile of other students in the district who are enrolled in the same grade, the student may request that the student's career advisor, guidance counselor, or principal meet with the student and the student's parent to determine if the student should be permitted to pursue an optional high school curriculum, in place of the requirements set forth in section 15.1-21-02.1. If a student's parent consents in writing to the student pursuing the optional high school curriculum, the student is eligible to receive a high school diploma upon completing the following requirements:

1. Four units of English language arts from a sequence that includes literature, composition, and speech;

2. Two units of mathematics;

3. Two units of science;

4. Three units of social studies, which may include up to one-half unit of North Dakota studies and one-half unit of multicultural studies;

5. a. One unit of physical education; or

b. One-half unit of physical education and one-half unit of health;

6. Two units of:

a. Foreign languages;

b. Native American languages;

c. Fine arts; or

d. Career and technical education courses; and

7. Any seven additional units.

SECTION 17. Section 15.1-21-02.4 of the North Dakota Century Code is created and enacted as follows:

15.1-21-02.4. North Dakota career and technical education scholarship. Any resident student who graduates from a high school during or after the 2010-11 school year is eligible to receive a North Dakota career and technical education scholarship provided the student completes all requirements set forth in subsections 1 through 5 and subsection 7 of section 15.1-21-02.1 for a high school diploma and:

1. a. Completes one unit of algebra II, as defined by the superintendent of public instruction, in fulfillment of the mathematics requirement set forth in subsection 2 of section 15.1-21-02.1;

   b. Completes two units of a coordinated plan of study recommended by the department of career and technical education and approved by the superintendent of public instruction; and

   c. Completes three additional units, two of which must be in the area of career and technical education;

2. Obtains a grade of at least "C" in each unit or one-half unit required for the diploma;

3. Obtains a cumulative grade point of at least "B", as determined by the superintendent of public instruction; and

4. Receives:

   a. A composite score of at least twenty-four on an ACT; or

   b. A score of at least five on each of three WorkKeys assessments recommended by the department of career and technical education and approved by the superintendent of public instruction.

SECTION 18. Section 15.1-21-02.5 of the North Dakota Century Code is created and enacted as follows:

15.1-21-02.5. North Dakota academic scholarship. Any resident student who graduates from a high school during or after the 2010-11 school year is eligible to receive a North Dakota academic scholarship provided the student completes all requirements set forth in subsections 1 through 5 and subsection 7 of section 15.1-21-02.1 for a high school diploma and:

1. a. Completes one unit of algebra II, as defined by the superintendent of public instruction, in fulfillment of the mathematics requirement set forth in subsection 2 of section 15.1-21-02.1;

   b. Completes one additional unit of mathematics for which algebra II, as defined by the superintendent of public instruction, is a prerequisite; and

   c. Completes:

      (1) Two units of the same foreign or native American language;

      (2) One unit of fine arts or career and technical education; and

      (3) One unit of a foreign or native American language, fine arts, or career and technical education;

2. Obtains a grade of at least "C" in each unit or one-half unit required for the diploma;

3. Obtains a cumulative grade point of at least "B", as determined by the superintendent of public instruction;

4. Receives a composite score of at least twenty-four on an ACT; and

5. Completes one unit of an advanced placement course and examination or a dual-credit course.

SECTION 19. Section 15.1-21-02.6 of the North Dakota Century Code is created and enacted as follows:

15.1-21-02.6. North Dakota scholarship - Amount - Applicability.

1. The state board of higher education shall provide to any student certified as being eligible by the superintendent of public instruction either a North Dakota academic scholarship or a North Dakota career and technical education scholarship in the amount of seven hundred fifty dollars for each semester during which the student is enrolled full time at an accredited institution of higher education in this state and maintains a cumulative grade point average of 2.75.

2. A student is not entitled to receive more than six thousand dollars under this section.

3. The state board of higher education shall forward the scholarship directly to the institution in which the student is enrolled.

4. This section does not require a student to be enrolled in consecutive semesters. However, a scholarship under this section is valid only for six academic years after the student's graduation from high school and may not be applied to graduate programs.

5. A scholarship under this section is available to any eligible student who graduates from a high school in this state or from a high school in a bordering state under chapter 15.1-29.

SECTION 20. Section 15.1-21-02.7 of the North Dakota Century Code is created and enacted as follows:

15.1-21-02.7. North Dakota scholarship opportunities - 2009-10 high school graduates.

1. Except as provided in subsection 3, any resident student who graduates from a high school during the 2009-10 school year is eligible to receive a North Dakota academic scholarship, provided the student is certified by the superintendent of public instruction as having obtained a composite score of at least twenty-four on an ACT.

2. Except as provided in subsection 3, any resident student who graduates from a high school during the 2009-10 school year is eligible to receive a North Dakota technical scholarship, provided the student is certified by the superintendent of public instruction as having obtained:

   a. A composite score of at least twenty-four on an ACT; or

b. A score of at least five on each of three WorkKeys assessments recommended by the department of career and technical education and approved by the superintendent of public instruction.

3. A student is eligible to receive a scholarship under either subsection 1 or 2, but may not receive a scholarship under both subsections.

SECTION 21. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Summer school courses and programs - Eligibility for payment. The summer school courses and programs for which a school district may receive payment as provided in section 15.1-27-19 are:

1. a. Remedial mathematics provided to students enrolled in any grade from kindergarten through eight;

b. Remedial reading provided to students enrolled in any grade from kindergarten through eight;

c. Beginning after the conclusion of the 2009-10 school calendar, mathematics provided to students enrolled in any grade from five through eight;

d. Beginning after the conclusion of the 2009-10 school calendar, reading provided to students enrolled in any grade from five through eight;

e. Beginning after the conclusion of the 2009-10 school calendar, science provided to students enrolled in any grade from five through eight; and

f. Beginning after the conclusion of the 2009-10 school calendar, social studies provided to students enrolled in any grade from five through eight; and

2. Any other high school summer courses that satisfy requirements for graduation, comprise at least as many clock-hours as courses offered during the regular school term, and comply with rules adopted by the superintendent of public instruction.

SECTION 22. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Interim assessment. Each school district shall administer annually to students in grades two through ten the measures of academic progress test or any other interim assessment approved by the superintendent of public instruction.

SECTION 23. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Career interest inventory. A school district shall administer to students, once during their enrollment in grade seven or eight and once during their enrollment in grade nine or ten, a career interest inventory recommended by the department of career and technical education and approved by the superintendent of public instruction.

SECTION 24. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Summative assessment - Selection - Cost - Exemptions.

1. Except as otherwise provided, each public and nonpublic school student in grade eleven shall take the ACT or three WorkKeys assessments recommended by the department of career and technical education and approved by the superintendent of public instruction. The student shall determine which summative assessment to take. The student's school district of residence is responsible for the cost of one summative assessment and its administration per student.

2. The student's career advisor or guidance counselor shall meet with the student to review the student's assessment results.

3. A school district superintendent or a school administrator in the case of a nonpublic school student may exempt a student from the requirements of this section if taking the test is not required by the student's individualized education program plan or if other special circumstances exist.

4. If the superintendent of public instruction determines that the cost of the summative assessment and its administration can be reduced through use of a state procurement process, the superintendent shall work with the school districts to procure and arrange for the administration of the assessment and shall withhold each district's share of the total cost from any state aid otherwise payable to the district.

SECTION 25. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Summative assessment - General educational development diploma - Selection - Cost.

1. Except as otherwise provided, each student pursuing a general educational development diploma may take the ACT or three WorkKeys assessments recommended by the department of career and technical education and approved by the superintendent of public instruction. The student shall determine which summative assessment to take. The school district in which the student resides at the time the student takes the summative assessment is responsible for the cost of one summative assessment and its administration per student.

2. The student's career advisor or guidance counselor shall meet with the student to review the student's assessment results.

3. This section is applicable only to a student who has not reached the age of twenty-one before August first of the year of enrollment.

SECTION 26. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Concepts of personal finance - Inclusion in curriculum.

1. Beginning July 1, 2010, each school district shall ensure that its curriculum for either economics or problems of democracy includes the exposure of students to concepts of personal finance, including:

   a. Checkbook mechanics, including writing checks, balancing, and statement reconciliation;

   b. Saving for larger purchases;

   c. Credit, including credit card usage, interest, and fees;

d. Earning power, including jobs for teenagers;

e. Taxation and paycheck withholdings;

f. College costs;

g. Making and living within a budget; and

h. Mortgages, retirement savings, and investments.

2. Upon written request, the superintendent of public instruction may allow a school district annually to select courses other than economics or problems of democracy for purposes of exposing students to the concepts of personal finance, as listed in this section, provided the school district can demonstrate that the number of students exposed to the concepts in the other selected courses would meet or exceed the number of students exposed under the requirements of subsection 1.

3. The requirements of this section may be provided by the regular classroom teacher of the course in which the concepts of personal finance are incorporated.

SECTION 27. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Required reading of historical documents. Before a student is deemed to have successfully completed either United States government or problems of democracy, as required by section 15.1-21-02.1, the student's school district shall ensure that the student has read the Declaration of Independence, the United States Constitution, and the Bill of Rights.

SECTION 28. AMENDMENT. Section 15.1-23-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-23-03. Home education - Parental qualifications. A parent may supervise home education if the parent:

1. ~~Is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;~~

~~2.~~ Holds a ~~baccalaureate degree~~ high school diploma or a general educational development diploma;

~~3. Has met or exceeded the cutoff score of a national teacher examination given in this state or in any other state if this state does not offer such a test;~~ or

~~4.~~ 2. Meets the requirements of section 15.1-23-06.

SECTION 29. AMENDMENT. Section 15.1-23-17 of the North Dakota Century Code is amended and reenacted as follows:

15.1-23-17. Home education - High school diplomas.

1. A child's school district of residence, an approved nonpublic high school, or the center for distance education may issue a high school diploma to a child who, through home education, has met the issuing entity's requirements for high school graduation provided the child's parent submits to the issuing entity a description of the course material covered in each high school subject, a description of the course objectives and how the

objectives were met, and a transcript of the child's performance in grades nine through twelve.

2. In the alternative, a high school diploma may be issued by the child's school district of residence, an approved nonpublic high school, or the center for distance education provided the child, through home education, has completed at least twenty-one units of high school coursework from the minimum required curriculum offerings established by law for public and nonpublic schools and the child's parent or legal guardian submits to the issuing entity a description of the course material covered in each high school subject, a description of the course objectives and how the objectives were met, and a transcript of the child's performance in grades nine through twelve. The issuing entity may indicate on a diploma issued under this subsection that the child was provided with home education. Beginning with the 2010-11 school year, the number of units required by this section increases to twenty-two.

3. If for any reason the documentation required in subsection 1 or 2 is unavailable, the entity issuing the diploma may accept any other reasonable proof that the child has met the applicable requirements for high school graduation.

SECTION 30. AMENDMENT. Section 15.1-27-03.1 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-03.1. Weighted average daily membership - Determination.

1. For each school district, the superintendent of public instruction shall multiply by:

   a. 1.00 the number of full-time equivalent students enrolled in a migrant summer program;

   b. 1.00 the number of full-time equivalent students enrolled in an extended educational program in accordance with section 15.1-32-17;

   c. 0.60 the number of full-time equivalent students enrolled in a summer education program;

   d. 0.50 the number of full-time equivalent students enrolled in a home-based education program and monitored by the school district under chapter 15.1-23;

   e. 0.30 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be least proficient and are enrolled in a program of instruction for English language learners;

   f. 0.25 the number of full-time equivalent students enrolled in an alternative high school;

   ~~f.~~ g. 0.25 the number of full-time equivalent students enrolled in an isolated elementary school;

   ~~g.~~ h. 0.25 the number of full-time equivalent students enrolled in an isolated high school;

   ~~h.~~ i. 0.20 the number of full-time equivalent students attending school in a bordering state in accordance with section 15.1-29-01;

~~i.~~ j. 0.20 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be not proficient and are enrolled in a program of instruction for English language learners;

k. 0.17 the number of full-time equivalent students enrolled in an early childhood special education program;

~~j. 0.14 the number of full-time equivalent students enrolled in a new immigrant English language learner program;~~

~~k.~~ l. ~~0.067~~ 0.07 the number of students enrolled in average daily membership, in order to support the provision of special education services; ~~and~~

~~l. 0.02 the number of full-time equivalent students, other than these provided for in subdivision j, who are enrolled in an English language learner program~~

m. 0.07 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be somewhat proficient and are enrolled in a program of instruction for English language learners;

n. 0.004 the number of students enrolled in average daily membership in a school district that is a participating member of a regional education association meeting the requirements of chapter 15.1-09.1; and

o. 0.002 the number of students enrolled in average daily membership, in order to support technology.

2. The superintendent of public instruction shall determine each school district's weighted average daily membership by adding the products derived under subsection 1 to the district's average daily membership.

SECTION 31. AMENDMENT. Section 15.1-27-03.1 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-03.1. Weighted average daily membership - Determination.

1. For each school district, the superintendent of public instruction shall multiply by:

a. 1.00 the number of full-time equivalent students enrolled in a migrant summer program;

b. 1.00 the number of full-time equivalent students enrolled in an extended educational program in accordance with section 15.1-32-17;

c. 0.60 the number of full-time equivalent students enrolled in a summer education program;

d. 0.50 the number of full-time equivalent students enrolled in a home-based education program and monitored by the school district under chapter 15.1-23;

e. 0.30 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be least proficient and are enrolled in a program of instruction for English language learners;

f. 0.25 the number of full-time equivalent students enrolled in an alternative high school;

~~f.~~ g. 0.25 the number of full-time equivalent students enrolled in an isolated elementary school;

~~g.~~ h. 0.25 the number of full-time equivalent students enrolled in an isolated high school;

~~h.~~ i. 0.20 the number of full-time equivalent students attending school in a bordering state in accordance with section 15.1-29-01;

~~i.~~ j. 0.20 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be not proficient and are enrolled in a program of instruction for English language learners;

k. 0.17 the number of full-time equivalent students enrolled in an early childhood special education program;

~~j. 0.14 the number of full-time equivalent students enrolled in a new immigrant English language learner program;~~

~~k.~~ l. ~~0.067~~ 0.07 the number of students enrolled in average daily membership, in order to support the provision of special education services; ~~and~~

m. 0.07 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be somewhat proficient and are enrolled in a program of instruction for English language learners;

~~l.~~ n. ~~0.02~~ 0.025 the number of ~~full-time equivalent students, other than those provided for in subdivision j, who are enrolled in an English language learner program~~ students representing that percentage of the total number of students in average daily membership which is equivalent to the three-year average percentage of students in grades three through eight who are eligible for free or reduced lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.];

o. 0.004 the number of students enrolled in average daily membership in a school district that is a participating member of a regional education association meeting the requirements of chapter 15.1-09.1; and

p. 0.002 the number of students enrolled in average daily membership, in order to support technology.

2. The superintendent of public instruction shall determine each school district's weighted average daily membership by adding the products derived under subsection 1 to the district's average daily membership.

SECTION 32. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment rate.

1. a. The per student payment rate to which each school district is entitled for the first year of the biennium is three thousand two hundred ~~fifty~~ dollars.

b. The per student payment rate to which each school district is entitled for the second year of the biennium is three thousand ~~three~~ seven hundred ~~twenty-five~~ seventy-nine dollars.

2. In order to determine the state aid payment to which each district is entitled, the superintendent of public instruction shall multiply each district's weighted student units by the per student payment rate set forth in subsection 1.

SECTION 33. AMENDMENT. Section 15.1-27-07.2 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07.2. Baseline funding - Determination - Minimum and maximum allowable increases.

1. The superintendent of public instruction shall determine each school district's baseline funding per weighted student unit by:

   a. Adding together all state aid received by the district during the 2006-07 school year;

   b. Subtracting the amount received by the district during the 2006-07 school year for transportation aid, special education excess cost reimbursements, special education contracts, prior year funding adjustments, and per student payments for participation in educational associations governed by joint powers agreements; and

   c. Dividing the amount determined under subdivision b by the district's 2007-08 weighted student units.

2. a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for the ~~2007-08~~ 2009-10 school year, is at least equal to one hundred ~~three and one-half~~ eight percent of the baseline funding per weighted student unit, as established in subsection 1.

   b. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for each school year after the ~~2007-08~~ 2009-10 school year, is at least equal to one hundred ~~six~~ twelve and one-half percent of the baseline funding per weighted student unit, as established in subsection 1.

3. a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed, for the ~~2007-08~~ 2009-10 school year, one hundred ~~seven~~ twenty percent of the baseline funding per weighted student unit, as established in subsection 1.

   b. ~~Beginning with the 2008-09 school year, the maximum percentage of allowable growth in the baseline funding per weighted student unit provided in subdivision a must be annually increased by three percentage points, plus the district's share of any increased state aid for that year. Payments received by districts for the provision of full-day kindergarten do not constitute increases in state aid for purposes of this subdivision.~~ The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed,

for each school year after the 2009-10 school year, one hundred thirty-four percent of the baseline funding per weighted student unit, as established in subsection 1.

SECTION 34. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-11. Equity payments.

1. The superintendent of public instruction shall:

   a. Divide the imputed taxable valuation of the state by the total average daily membership of all school districts in the state in order to determine the state average imputed taxable valuation per student.

   b. Divide the imputed taxable valuation of each school district by the district's total average daily membership in order to determine each district's average imputed taxable valuation per student.

2. ~~a. If a school district's imputed taxable valuation per student is less than eighty-eight and one-half percent of the statewide imputed taxable valuation per student, the superintendent of public instruction shall calculate the valuation deficiency by:~~

   ~~(1) Determining the difference between eighty-eight and one-half percent of the state average imputed taxable valuation per student and the district's average imputed taxable valuation per student; and~~

   ~~(2) Multiplying that difference by the district's total average daily membership.~~

   ~~b.~~ ~~Beginning July 1, 2008, if~~ If a school district's imputed taxable valuation per student is less than ninety percent of the statewide imputed taxable valuation per student, the superintendent of public instruction shall calculate the valuation deficiency by:

   ~~(1)~~ a. Determining the difference between ninety percent of the state average imputed taxable valuation per student and the district's average imputed taxable valuation per student; and

   ~~(2)~~ b. Multiplying that difference by the district's total average daily membership.

3. Except as provided in subsection 4, the equity payment to which a district is entitled under this section equals the district's valuation deficiency multiplied by the lesser of:

   a. The district's general fund ~~mill~~ levy for the taxable year 2008; or

   b. One hundred eighty-five mills.

4. a. The equity payment to which a district is entitled may not exceed the district's taxable valuation multiplied by its general fund ~~mill~~ levy for the taxable year 2008.

   b. If a district's general fund levy for the taxable year 2008 is less than one hundred eighty-five mills, the superintendent of public instruction shall subtract the district's general fund ~~mill~~ levy for the taxable year 2008 from one hundred eighty-five mills, multiply the result by the

district's taxable valuation, and subtract that result from the equity payment to which the district is otherwise entitled.

c. If a district's imputed taxable valuation per student is less than fifty percent of the statewide imputed taxable valuation per student, the payment to which the district is entitled under this section may not be less than twenty percent of the statewide imputed taxable valuation per student times the school district's average daily membership, multiplied by one hundred eighty-five mills.

5. In determining the amount to which a school district is entitled under this section, the superintendent of public instruction may not include any payments received by the district as a result of Public Law No. 81-874 [64 Stat. 1100; 20 U.S.C. 236 et seq.] and may not include in the district's average daily membership students who are dependents of members of the armed forces and students who are dependents of civilian employees of the department of defense.

6. For purposes of this section:

a. "General fund levy" includes a district's high school transportation levy and its high school tuition levy.

b. "Imputed taxable valuation" means the valuation of all taxable real property in the district plus ~~an amount determined by dividing sixty percent of the district's mineral and tuition revenue by the district's general fund mill levy. Beginning July 1, 2008, "imputed taxable valuation" means the valuation of all taxable real property in the district plus an~~:

(1) An amount determined by dividing seventy percent of the district's mineral and tuition revenue, revenue from payments in lieu of property taxes on distribution and transmission of electric power, revenue from payments in lieu of taxes from electricity generated from sources other than coal, and revenue received on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3 by the district's general fund mill levy; and

(2) An amount determined by dividing the district's revenue from mobile home taxes and telecommunications taxes by the district's general fund mill levy.

c. "Mineral revenue" includes all revenue from county sources reported under code 2000 of the North Dakota school district financial accounting and reporting manual as developed by the superintendent of public instruction in accordance with section 15.1-02-08.

d. "Tuition revenue" includes all revenue reported under code 1300 of the North Dakota school district financial accounting and reporting manual as developed by the superintendent of public instruction in accordance with section 15.1-02-08. "Tuition revenue" does not include tuition income received specifically for the operation of an educational program provided at a residential treatment facility.

SECTION 35. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Reorganized district - Continuation of equity payment. If a school district that received an equity payment under section 15.1-27-11 becomes part of a reorganized district after June 30, 2010, the newly reorganized district is entitled to receive, for a period of two years, an amount equal to the greater of:

1. The equity payment received by each of the school districts during the school year immediately preceding the reorganization; or

2. The equity payment to which the newly reorganized school district is entitled under section 15.1-27-11.

SECTION 36. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Dissolved district - Continuation of equity payment. If a school district that received an equity payment under section 15.1-27-11 dissolves after June 30, 2009, any school district that receives a portion of the dissolved district's land is entitled to receive, for a period of two years, an amount equal to the greatest of:

1. That percentage of the dissolved school district's equity payment from the school year immediately preceding the dissolution which is the same as that percentage of the dissolved district's land which was attached to the receiving district;

2. The same equity payment to which the receiving school district was entitled in the school year immediately preceding the dissolution; or

3. The equity payment to which the receiving school district is entitled under section 15.1-27-11.

SECTION 37. AMENDMENT. Section 15.1-27-19 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-19. Summer school courses and programs - Payments to school districts.

1. Before a weight may be assigned under section 15.1-27-03.1 for a student enrolled in a high school summer course, the superintendent of public instruction shall verify that the course ~~satisfies requirements for graduation, comprises at least as many clock hours as courses offered during the regular school term, and complies with rules adopted by the superintendent of public instruction~~ meets the requirements of section 21 of this Act.

2. Before a weight may be assigned under section 15.1-27-03.1 for a student enrolled in an elementary summer program, the superintendent of public instruction shall verify that the program meets the requirements of section 21 of this Act and complies with rules adopted by the superintendent of public instruction.

SECTION 38. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35. Average daily membership - Calculation.

1. a. ~~Average~~ During the 2009-10 school year, average daily membership is calculated at the conclusion of the school year by adding the total number of days that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of days that each student in a given grade, school, or school district is

absent during a school calendar, and then dividing the sum by the greater of:

~~a.~~ (1) The school district's calendar; or

~~b.~~ (2) One hundred eighty.

b. During the 2010-11 school year, average daily membership is calculated at the conclusion of the school year by adding the total number of days that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of days that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by the greater of:

(1) The school district's calendar; or

(2) One hundred eighty-one.

c. Beginning with the 2011-12 school year, average daily membership is calculated at the conclusion of the school year by adding the total number of days that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of days that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by the greater of:

(1) The school district's calendar; or

(2) One hundred eighty-two.

2. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

a. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;

b. The two days set aside for professional development activities under section 15.1-06-04; and

c. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.

3. For purposes of calculating average daily membership:

a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

b. ~~During the 2007-08 school year, a student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 0.50. Beginning with the 2008-09 school year, a~~ A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 39. AMENDMENT. Section 15.1-27-35.3 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-35.3. Payments to school districts - Unobligated general fund balance - Report to legislative council.

1. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1, 2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars.

2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that:

   a. (1) Were received by the district during the school year ending June 30, 2009, on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3; and

   (2) Exceeded the amount received by the district during the school year ending June 30, 2008, for the purpose stated in paragraph 1;

   b. Were received directly by the district from the United States government in accordance with the American Recovery and Reinvestment Act of 2009; or

   c. Were received by the district as supplemental one-time grants under section 52 of this Act.

3. Any district having more than fifty thousand dollars excluded in the determination of its ending fund balance, as required by subsection 2, shall provide a report to the legislative council. The report, which must be presented at the time and in the manner directed by the legislative council, must address how the money was expended, including the number of mills by which the district was able to decrease its property taxes, if such was a permitted use.

SECTION 40. AMENDMENT. Section 15.1-27-41 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-41. North Dakota commission on education improvement - Membership - Duties - Report to legislative council - Reimbursement for expenses.

1. The North Dakota commission on education improvement consists of:

a. (1) The governor or an individual designated by the governor, who shall serve as the chairman;

(2) One individual, appointed by the ~~governor, who~~ chairman of the legislative management from a list of three nominees submitted by the North Dakota council of educational leaders, provided each nominee is employed as the superintendent of a high school district having more than one thousand students in average daily membership and has not served on the commission for more than one interim;

(3) One individual, appointed by the ~~governor, who~~ chairman of the legislative management from a list of three nominees submitted by the North Dakota council of educational leaders, provided each nominee is employed as the superintendent of a high school district having more than two hundred twenty but fewer than one thousand students in average daily membership and has not served on the commission for more than one interim;

(4) One individual, appointed by the ~~governor, who~~ chairman of the legislative management from a list of three nominees submitted by the North Dakota council of educational leaders, provided each nominee is employed as the superintendent of a high school district having fewer than two hundred twenty students in average daily membership and has not served on the commission for more than one interim;

(5) ~~One individual, appointed by the governor, who is employed as a school district business manager;~~

~~(6)~~ The chairman of the senate education committee or the chairman's designee;

~~(7)~~ (6) The chairman of the house education committee or the chairman's designee;

~~(8)~~ (7) The senate minority leader or the leader's designee;

~~(9)~~ (8) One legislator appointed by the chairman of the legislative ~~council~~ management; ~~and~~

~~(10)~~ (9) The superintendent of public instruction or an assistant superintendent designated by the superintendent of public instruction; and

(10) The director of the department of career and technical education or the director's designee; and

b. The following nonvoting members:

(1) One ~~nonvoting member~~ individual representing the North Dakota council of educational leaders~~, one nonvoting member~~;

(2) One individual representing the North Dakota education association~~, and one nonvoting member~~;

(3) One individual representing the North Dakota school boards association;

(4) One individual who is or has served as the president of a private four-year institution of higher education, appointed by the chairman of the legislative management;

(5) One individual who is the owner or manager of a business located in this state, appointed by the chairman of the legislative management from a list of three nominees submitted by the North Dakota chamber of commerce; and

(6) The commissioner of higher education or the commissioner's designee.

2. The commission shall establish its own duties and rules of operation and procedure, including rules relating to appointments, terms of office, vacancies, quorums, and meetings, provided that the duties and the rules do not conflict with any provisions of this section.

3. a. The members of the commission are entitled to reimbursement for actual and necessary expenses incurred in the same manner as state officials.

b. In addition, members of the legislative assembly who serve on the commission and the individual who is the owner or manager of a business located in this state are entitled to receive compensation in the amount of one hundred thirty-five dollars per day if they are attending meetings or performing duties directed by the commission. The superintendent of public instruction shall use up to forty thousand dollars from moneys appropriated in the grants - state school aid line item in ~~section 3 of Senate Bill No. 2013~~ the appropriation bill for the superintendent of public instruction, as approved by the ~~sixtieth~~ legislative assembly, to provide the compensation and reimbursements.

4. The commission shall ~~examine~~:

a. Examine the current system of delivering and financing public elementary and secondary education and shall develop recommendations addressing educational adequacy, the equitable distribution of state education funds, the allocation of funding responsibility between federal, state, and local sources, and any other matters that could result in the improvement of elementary and secondary education in the state;

b. Examine the state's high school graduation requirements, curricular standards, and assessments to ensure that students have the academic skills necessary to move seamlessly and without remediation from high schools to institutions of higher education or to meet the performance levels expected by employers;

c. Examine the measures enacted by the most recent legislative assembly to improve student performance, confirm their full implementation, and recommend future measures for continued improvement; and

d. Examine the measures enacted by the most recent legislative assembly to improve the quality of instruction, confirm their full implementation, and recommend future measures for continued improvement.

5. The commission shall provide periodic reports to the governor and to the legislative council.

SECTION 41. AMENDMENT. Section 15.1-32-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-32-18. Cost - Liability of school district for special education.

1. Each year the superintendent of public instruction shall identify the approximately one percent of special education students statewide who are not eligible for cost reimbursement under section 15.1-29-14 and who require the greatest school district expenditures in order to provide them with special education and related services. This percentage represents the number of students that would qualify for excess cost reimbursement beyond the multiplier that is established in subsection 3.

2. The excess costs of providing special education and related services to these students are the responsibility of the state and the superintendent of public instruction shall reimburse the school districts for any excess costs incurred in the provision of special education and related services to the identified students.

3. "Excess costs" are those that exceed four ~~and one-half~~ times the state average cost of education per student and which are incurred by the special education students identified in subsection 1.

4. All costs of providing special education and related services to those students identified in subsection 1, other than excess costs reimbursed by the state, are the responsibility of the student's school district of residence.

5. In addition to any other reimbursements provided under this section, if a school district expends more than two percent of its annual budget for the provision of special education and related services to one student, the district shall notify the superintendent of public instruction. Upon verification, the superintendent shall reimburse the district for the difference between:

   a. Two percent of the district's annual budget; and

   b. The lesser of:

      (1) The amount actually expended by the district for the provision of special education and related services to that student; or

      (2) The amount representing four ~~and one-half~~ times the state average cost of education per student.

SECTION 42. AMENDMENT. Section 15.1-36-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-36-01. School construction projects - Approval.

1. Notwithstanding the powers and duties of school boards provided by law, the superintendent of public instruction shall approve the construction, purchase, repair, improvement, modernization, or renovation of any public school building or facility before commencement of the project if the cost of the project, as estimated by the school board, is in excess of ~~twenty-five~~ forty thousand dollars.

2. The superintendent of public instruction may not approve a project unless the school district proposing the project:

   a. Demonstrates the need for the project~~,~~ and the educational utility of the project~~, 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.

3. a. If the superintendent of public instruction denies the project, the school board may appeal the superintendent's decision to the state board of public school education. In considering the appeal, the state board shall review:

      (1) The need for the project;

      (2) The educational utility of the project;

      (3) ~~The school district's 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;~~

      ~~(4)~~ The potential use of the project by a future reorganized school district;

      ~~(5)~~ (4) The capacity of the district to pay for the project; and

      ~~(6)~~ (5) Any other objective factors relative to the appeal.

   b. The decision of the state board is final.

4. 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 15.1-06-09 unless the cost of the improvements exceeds seventy-five thousand dollars.

5. This section is applicable to any construction, purchase, repair, improvement, renovation, or modernization, even if the school board pays for the project in whole or in part with moneys received on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3 or in accordance with moneys received under the American Recovery and Reinvestment Act of 2009.

6. For purposes of this chapter, "facility" includes a public school parking lot, public school athletic complex, or any other improvement to real property owned by the school district.

SECTION 43. A new section to chapter 15.1-37 of the North Dakota Century Code is created and enacted as follows:

North Dakota early childhood education council - Membership - Terms.

1. The North Dakota early childhood education council consists of:

   a. A chairman appointed by the governor;

b. The superintendent of public instruction, or the superintendent's designee;

c. The state health officer, or the officer's designee;

d. The director of the department of human services, or the director's designee;

e. The North Dakota head start - state collaboration administrator, or the administrator's designee;

f. The commissioner of higher education, or the commissioner's designee;

g. The chairman of the senate education committee, or the chairman's designee;

h. The chairman of the house of representatives education committee, or the chairman's designee; and

i. The following gubernatorial appointees:

(1) The superintendent of a school district having at least one thousand students in average daily membership;

(2) The superintendent of a school district having fewer than one thousand students in average daily membership;

(3) The superintendent of a school district headquartered on a reservation or including reservation land within its boundaries;

(4) The principal of a school district;

(5) An individual employed as an elementary school teacher;

(6) An individual representing a non-religious-based provider of preschool education;

(7) An individual representing a religious-based provider of preschool education;

(8) An individual representing a center-based licensed child care provider;

(9) An individual representing a home-based licensed child care provider;

(10) An individual representing a reservation-based head start program;

(11) An elected member of a school board;

(12) The parent of a child not yet enrolled in elementary school; and

(13) The parent of a child with special needs not yet enrolled in elementary school.

2. a. The term of each member enumerated in subdivision g of subsection 1 is three years and begins on July first. The terms must be staggered by lot so that four of the terms expire each year.

b. If at any time during a member's term the member ceases to possess the qualifications required by this section, the member's seat is deemed vacant and the governor shall appoint another qualified individual to serve for the remainder of the term.

c. A member may not serve more than two consecutive terms. If an individual is appointed to complete a vacancy, that service is not counted as a term, for purposes of this section, unless the duration of that service exceeds one year.

3. The council shall meet at least twice each year, at the call of the chairman.

SECTION 44. A new section to chapter 15.1-37 of the North Dakota Century Code is created and enacted as follows:

Council - Duties. The council shall:

1. Review the delivery of early childhood education in this state;

2. Conduct a needs assessment;

3. Review early childhood education standards and propose revisions to the standards as needed;

4. Review opportunities for public and private sector collaboration in the delivery of early childhood education in this state;

5. Develop a comprehensive plan governing the delivery of early childhood education in this state; and

6. Provide a biennial report regarding its activities to the governor and the legislative council.

SECTION 45. A new section to chapter 15.1-37 of the North Dakota Century Code is created and enacted as follows:

Council members - Reimbursement for expenses. Each member of the council is entitled to receive reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the council. In addition, each member of the legislative assembly who serves on the council is entitled to receive compensation in the amount provided per day for members of the legislative council under section 54-35-10 for attending meetings or performing duties as directed by the council.

SECTION 46. AMENDMENT. Section 15.1-38-01.1 of the North Dakota Century Code is amended and reenacted as follows:

15.1-38-01.1. English language learner - Definition. English language learner means a student who:

1. Is at least five years of age but has not reached the age of ~~twenty-two~~ twenty-one before August first of the year of enrollment;

2. Is enrolled in a school district in this state;

3. Has a primary language other than English or comes from an environment in which a language other than English significantly impacts the individual's level of English language proficiency; and

4. Has difficulty speaking, reading, writing, and understanding English, as evidenced by a language proficiency test approved by the superintendent of public instruction and aligned to the state English language proficiency standards and the state language proficiency test.

SECTION 47. AMENDMENT. Section 57-15-14 of the North Dakota Century Code is amended and reenacted as follows:

57-15-14. General fund levy limitations in school districts. The aggregate amount levied each year for the purposes listed in section 57-15-14.2 by any school district, except the Fargo school district, may not exceed the amount in dollars which the school district levied for the prior school year plus ~~eighteen~~ twelve percent up to a general fund levy of one hundred eighty-five mills on the dollar of the taxable valuation of the district, except that:

1. 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 qualified electors voting upon the question at any regular or special school district election.

   b. There is no limitation upon the taxes which may be levied if upon resolution of the school board of any such district the removal of the mill levy limitation has been submitted to and approved by a majority of the qualified electors voting at any regular or special election upon such question.

2. In any school district having a total population of less than four thousand, there may be levied any specific number of mills that upon resolution of the school board has been approved by fifty-five percent of the qualified electors voting upon the question at any regular or special school election.

3. After June 30, 2007, in any school district election for approval by electors of unlimited or increased levy authority under subsection 1 or 2, the ballot must specify the number of mills, the percentage increase in dollars levied, or that unlimited levy authority is proposed for approval, and the number of taxable years for which that approval is to apply. After June 30, 2007, approval by electors of unlimited or increased levy authority under subsection 1 or 2 may not be effective for more than ten taxable years.

The question of authorizing or discontinuing such specific number of mills authority or unlimited taxing authority in any school district must be submitted to the qualified electors 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 qualified electors of the district equal in number to ten percent of the number of electors who cast votes in the most recent election in the school district. However, not fewer than twenty-five signatures are required unless the district has fewer than twenty-five qualified electors, in which case the petition must be signed by not less than twenty-five percent of the qualified electors of the district. In those districts with fewer than twenty-five qualified electors, the number of qualified electors in the district must be determined by the county superintendent for such county in which such school is located. However, the approval of discontinuing either such authority does not affect the tax levy in the calendar year in which the election is held. The election must 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 48. APPROPRIATION - TEACHER SUPPORT SYSTEM PROGRAM. There is appropriated out of any moneys in the general fund in the state

treasury, not otherwise appropriated, the sum of $2,300,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a grant to the education standards and practices board for a teacher support system program, for the biennium beginning July 1, 2009, and ending June 30, 2011.

1. The education standards and practices board shall:

   a. Employ an individual to serve as a teacher support system coordinator;

   b. Administer and evaluate the program; and

   c. (1) Select and train experienced teachers who will serve as mentors for first-year teachers and assist the first-year teachers with instructional skills development; or

      (2) If a school district is not in need of mentors for its first-year teachers, the board shall select and train experienced teachers who will work with school district administrators to identify the needs of the district's non-first-year teachers and through research-validated interventions and the use of proven instructional methods help the district's non-first-year teachers address their particular needs.

2. The education standards and practices board may use any moneys provided under this section for staff compensation, training, evaluation, stipends for mentors and experienced teachers who assist first-year and non-first-year teachers participating in the program, and any other administrative expenses resulting from the program; provided, however, that the board may not expend more than five percent of the funds appropriated in this section for administrative expenses.

3. The education standards and practices board may provide services under this section only to teachers employed by school districts and not to teachers employed by any other entity.

SECTION 49. APPROPRIATION - NATIONAL BOARD CERTIFICATION FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $500,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of creating the national board certification fund, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 50. APPROPRIATION - CONTINUING EDUCATION GRANTS. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing continuing education grants, for the biennium beginning July 1, 2009, and ending June 30, 2011.

1. The superintendent shall award grants in amounts up to $1,200 to eligible recipients in chronological order, based on the date of an individual's application. An eligible recipient must:

   a. (1) Be licensed to teach by the education standards and practices board;

      (2) Have taught in this state during each of the last three school years; and

(3) Be enrolled at an institution under the control of the state board of higher education in either a master of education program in educational leadership or a program leading to a specialist diploma in educational leadership;

b. Be pursuing the requirements for a certificate in career development facilitation; or

c. Be pursuing a school counselor credential.

2. If any of the amount appropriated under this section remains after the superintendent of public instruction has awarded grants to all eligible recipients, the superintendent shall distribute that amount as additional per student payments on a prorated basis, according to the latest available average daily membership of each school district.

SECTION 51. USE OF NEW MONEY - COMPENSATION INCREASES - REPORTS TO LEGISLATIVE COUNCIL.

1. During the 2009-11 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new money received by the district for per student payments and supplemental operations grants to increase the compensation paid to teachers, counselors, and career advisors and to provide compensation to teachers, counselors, and career advisors who begin employment with the district on or after July 1, 2009.

2. For purposes of this section, the superintendent of public instruction shall calculate the amount of new money received by a district during the 2009-11 biennium by:

a. Determining the total amount of dollars in the 2009-11 biennium grants - state school aid line item and in the grants - supplemental operations line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, and subtracting from that amount:

(1) Equity payments under section 15.1-27-11;

(2) Payments to school districts participating in regional education associations under section 15.1-27-03.1;

(3) Grants to school districts for reorganization planning under section 55 of this Act;

(4) Grants to regional education associations under section 56 of this Act; and

(5) Eleven dollars and fifty-eight cents per weighted student unit;

b. Determining the total amount of dollars in the 2007-09 biennium grants - state school aid line item in the appropriation bill for the superintendent of public instruction, as approved by the sixtieth legislative assembly, and subtracting from that amount:

(1) Equity payments under section 15.1-27-11; and

(2) Grants to school districts for reorganization planning under section 49 of chapter 163 of the 2007 Session Laws; and

c. Subtracting the amount arrived at under subdivision b from the amount arrived at under subdivision a.

3. For purposes of this section, money made available to the state as a result of federal action to stimulate the national economy or to address state fiscal recovery does not constitute new money unless the money is distributed through the state school aid formula as provided in chapter 15.1-27.

4. School districts providing educational services under a cooperative agreement approved by the superintendent of public instruction must be treated as a single district for purposes of this section.

5. a. This section does not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of the members of the board that complying with subsection 1 would place the school district in the position of having insufficient fiscal resources to meet the school district's other obligations.

b. Within ten days of the vote required by subdivision a, the school board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.

c. The superintendent of public instruction shall report all notices received under this subsection to the legislative council.

6. This section does not extend, by intent, implication, or any other granting of unenumerated statutory rights, to teachers, counselors, and career advisors employed by an entity other than the board of a school district.

SECTION 52. SUPPLEMENTAL ONE-TIME GRANTS - REPORT TO LEGISLATIVE COUNCIL.

1. The superintendent of public instruction may expend up to $85,644,337 from the grants - one-time supplemental payments line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, for the purpose of providing, during the biennium beginning July 1, 2009, and ending June 30, 2011, one-time supplemental payments to school districts on a prorated basis, according to the latest available average daily membership of each school district. The superintendent shall divide the amount due each school district under this section into four payments of approximately equal size and shall forward each payment on a monthly basis, beginning September 1, 2009.

2. Grants distributed under this section may be used only for:

a. The improvement, renovation, repair, or modernization of school buildings and facilities, including deferred maintenance; weatherization; heating, ventilation, and cooling projects; asbestos removal and abatement; security improvements; and laboratory improvements provided that the projects meet the approval requirements of section 15.1-36-01;

b. Building additions, provided the additions do not exceed twenty-five percent of the square footage of the building to which they are to be attached and further provided that the additions meet the approval requirements of section 15.1-36-01;

c. Equipment, including technological equipment, career and technical education equipment, vehicles for instructional purposes, and vehicles for student transportation;

d. Textbooks, instructional materials, and library media materials;

e. Title I expenditures; or

f. Professional development for teachers and administrators.

3. Grants distributed under this section may not be used for any other purpose, including temporary property tax reductions, principal payments on outstanding debts, construction of new buildings, hiring of new personnel, or compensation increases.

4. Grants distributed under this section do not constitute new money for purposes of increased compensation under section 51 of this Act.

5. Any school district receiving a grant under this section shall file a report with the superintendent of public instruction, at the time and in the manner directed by the superintendent. The report must include a description of all expenditures, obligations, or other commitments made as a result of receiving a grant under this section. The superintendent shall compile the information and present it to the legislative council.

SECTION 53. SUPPLEMENTAL OPERATIONS GRANTS. The superintendent of public instruction may expend up to $16,795,584 from the grants - supplemental operations line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, for the purpose of providing during the first year of the biennium beginning July 1, 2009, and ending June 30, 2011, a supplemental grant to each school district on a prorated basis, according to the latest available average daily membership of each school district. The superintendent shall forward payment under this section to each school district on or before September 1, 2009.

SECTION 54. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2009-11 biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement at the rate of:

   a. Ninety-two cents per mile for schoolbuses having a capacity of ten or more passengers;

   b. Forty-four cents per mile for vehicles having a capacity of nine or fewer passengers; and

   c. Twenty-four cents per student for each one-way trip.

2. The superintendent of public instruction shall use the latest available student enrollment count in each school district in applying the provisions of the transportation formula as it existed on June 30, 2001.

3. If any moneys provided for transportation payments in the grants - transportation line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, remain after application of the formula provided for in this section, the superintendent of public instruction shall prorate the remaining amounts

according to the percentage of the total transportation formula amount to which each school district is entitled.

4. This section does not authorize the reimbursement of any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 55. SCHOOL DISTRICT REORGANIZATION PLANNING GRANTS. The superintendent of public instruction may expend up to $100,000 from the grants - state school aid line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, for the purpose of providing planning grants to school districts participating in reorganizations under chapter 15.1-12, for the biennium beginning July 1, 2009, and ending June 30, 2011. A grant provided under this section may not exceed $25,000 and may not be awarded unless the student enrollment of the participating districts exceeds three hundred sixty. If a grant is provided and the recipient districts vote not to reorganize, the superintendent of public instruction shall withhold the grant amount that each district received under this section from any state aid payable to the district.

SECTION 56. REGIONAL EDUCATION ASSOCIATIONS - GRANTS. During each year of the 2009-11 biennium, the superintendent of public instruction shall expend up to $200,000 from the grants - state school aid line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, for the purpose of providing grants in the amount of $25,000, to each group of school districts which has been designated as a regional education association under section 15.1-09.1-02. Before September first of each year, the superintendent of public instruction shall divide each grant by the number of school districts in the respective association and forward that portion of each school district's individual grant directly to the association in which the district participates.

SECTION 57. FEDERAL IMPACT AID - BASELINE RECALCULATION - GRANT.

1. If the amount of federal impact aid received by a school district during the 2006-07 school year resulted in that district losing state aid under section 15.1-27-35.3 during the 2007-09 biennium, the superintendent shall reestablish that district's baseline by:

   a. Adding together the amount of state aid that the district would have received during the 2006-07 school year if in determining the district's ending fund balance the average amount of federal impact aid received by the district during the 2005-06 and 2006-07 school years had been used, rather than the actual amount received during the 2006-07 school year;

   b. Subtracting the amount received by the district during the 2006-07 school year for transportation aid, special education excess reimbursements, special education contracts, prior year funding adjustments, and per student payments for participation in regional education associations; and

   c. Dividing the amount determined under subdivision b by the district's 2007-08 weighted student units.

2. On or before August 1, 2009, the superintendent of public instruction shall use up to $300,000 from moneys appropriated in the grants - state school aid line item in the appropriation bill for the superintendent of public instruction, as approved by the legislative assembly, to provide to a school district a grant equaling the difference in the 2007-09 biennium state aid

payments that resulted from the baseline recalculation required by this section.

SECTION 58. AMENDMENT. Section 55 of chapter 163 of the 2007 Session Laws is amended and reenacted as follows:

SECTION 55. CONTINGENT MONEY - 2007-09.

1. In determining the availability of contingent money under this section, the superintendent of public instruction shall first add to the money in the grants - state school aid line item in Senate Bill No. 2013, as approved by the sixtieth legislative assembly, any money that was appropriated to the superintendent for special education contracts in Senate Bill No. 2013 and which remains after the superintendent complied with all statutory special education contract payment obligations imposed for the biennium beginning July 1, 2007, and ending June 30, 2009.

2. If any money that was appropriated to the superintendent of public instruction for state aid payments to school districts or added to the grants - state school aid line item in accordance with subsection 1 remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2007, and ending June 30, 2009, the superintendent shall:

   ~~1.~~ a. Use the first $1,000,000, or so much of that amount as may be necessary, to pay any state obligations in excess of the amount appropriated for special education contract charges;

   ~~2.~~ b. Use the next $2,000,000, or so much of that amount as may be necessary, for the purpose of providing additional per student payments to school districts participating in regional education associations under chapter 15.1-09.1;

   ~~3.~~ c. Use the next $550,000, or so much of that amount as may be necessary, for the purpose of providing additional payments to school districts serving English language learners and new immigrant English language learners, in accordance with chapter 15.1-38;

   ~~4.~~ d. Use the next $200,000, or so much of that amount as may be necessary, for the purpose of providing additional payments to school districts offering an adult education program during the 2007-09 biennium; and

   ~~5.~~ e. Use the remainder of the moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 59. CONTINGENT MONEY - 2009-11.

1. In determining the availability of contingent money under this section, the superintendent of public instruction shall first add to the money in the grants - state school aid line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-first legislative assembly, any money that was appropriated to the superintendent for special education contracts and which remains after the superintendent complied with all statutory special education contract payment obligations imposed for the biennium beginning July 1, 2009, and ending June 30, 2011.

2. If any money that was appropriated to the superintendent of public instruction for grants - state aid payments to school districts or added to the grants - state school aid line item in accordance with subsection 1 remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2009, and ending June 30, 2011, the superintendent shall use the money to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 60. CONTINGENT TRANSFER BY BANK OF NORTH DAKOTA FOR SPECIAL EDUCATION. If during the biennium beginning July 1, 2009, and ending June 30, 2011, the superintendent of public instruction determines that, using all available sources, there are insufficient funds with which to fully reimburse school districts for the excess costs of serving the one percent of special education students statewide who require the greatest school district expenditures in order to be provided with special education and related services, the industrial commission shall transfer from the earnings and accumulated and undivided profits of the Bank of North Dakota the amount the superintendent of public instruction certifies is necessary to provide the statutorily required level of reimbursement. The superintendent of public instruction shall file for introduction legislation requesting that the sixty-second legislative assembly return any amount transferred under this section to the Bank of North Dakota.

SECTION 61. LEGISLATIVE COUNCIL STUDY - SCHOOL APPROVAL AND ACCREDITATION. During the 2009-10 interim, the legislative council shall consider studying statutory criteria for the approval of public and nonpublic schools, regulatory criteria for the accreditation of schools, and the consequences to schools and school districts that fail to meet the criteria. In addition, the study must include a review of statutory sections that place specific requirements on school districts and the consequences to school districts that fail to abide by the requirements. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 62. LEGISLATIVE COUNCIL STUDY - WEATHER-RELATED SCHOOL CANCELLATIONS. During the 2009-10 interim, the legislative council shall consider studying the cancellation of school and early dismissal as a result of severe weather or other emergency conditions. The study must include parameters for determining whether to dismiss school early or cancel school for the entire day, statutory requirements for making up lost instructional time, issues related to personnel contracts, issues related to the school calendar and the payment of state aid, and gubernatorial authority to waive statutory rescheduling requirements. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 63. LEGISLATIVE COUNCIL STUDY - DISPLACEMENT OF STUDENTS - NATURAL OR MANMADE CAUSES. During the 2009-10 interim, the legislative council shall consider studying longer term elementary and high school closings and student transfers necessitated by the occurrence of widespread or severe damage as a result of any natural or manmade cause, including fire, flood, tornado, storm, chemical spill, and epidemic. The study should address the coordination of plans to accommodate displaced students, examine responsibility for payment obligations to districts that are not able to provide services, examine responsibility for compensating districts that have accepted displaced students, and specifically examine the expenses incurred by school districts that provided services to displaced students during the 2009 floods. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 64. REPEAL. Sections 15.1-21-02.2, 15.1-27-20.1, and 15.1-38-01.2 of the North Dakota Century Code are repealed.

SECTION 65. REPEAL. Section 15.1-27-41 of the North Dakota Century Code is repealed.

SECTION 66. EFFECTIVE DATE.

1. Section 47 of this Act is effective for taxable years beginning after December 31, 2008.

2. Sections 15 and 16 of this Act become effective on July 1, 2010.

3. Section 65 of this Act becomes effective on December 31, 2010.

4. Section 31 of this Act becomes effective on July 1, 2011.

SECTION 67. EXPIRATION DATE. Sections 39 and 42 of this Act are effective through June 30, 2011, and after that date are ineffective. Section 28 of this Act is effective through July 31, 2011, and after that date is ineffective.

SECTION 68. EMERGENCY. Sections 39 and 58 of this Act are declared to be an emergency measure."

Renumber accordingly