

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2013

Page 1, line 4, replace "alternative education program" with "continuing education"

Page 1, line 4, after "programs" insert "and medicaid matching funds,"

Page 1, line 4, remove "to"

Page 1, line 5, remove "provide a contingent appropriation;"

Page 1, line 10, after the semicolon insert "to amend and reenact section 16 of chapter 13 of the 2009 Session Laws, relating to contingent supplemental transportation aid payments; to provide a statement of legislative intent; to provide for reports to the budget section and sixty-third legislative assembly;"

Page 1, replace line 24 with:

"Operating expenses	30,770,801	(1,087,614)	29,683,187"
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Page 2, replace line 1 with:

"Grants - State school aid	722,725,958	190,033,520	912,759,478"
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Page 2, replace lines 6 and 7 with:

"Grants - Other grants	245,203,721	64,180,672	309,384,393
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Grants - Mill levy reduction	295,000,000	(295,000,000)	0
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ATCS review panel	0	300,000	300,000"
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Page 2, replace lines 11 through 13 with:

"Total all funds	\$1,468,777,356	(\$116,008,282)	\$1,352,769,074
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Less estimated income	<u>360,597,766</u>	<u>90,605,657</u>	<u>451,203,423</u>
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Total general fund	\$1,108,179,590	(\$206,613,939)	\$901,565,651"
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Page 3, replace lines 22 through 24 with:

"Grand total general fund	\$1,122,401,382	(\$205,055,744)	\$917,345,638
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Grand total special funds	\$364,672,954	\$101,588,177	\$466,261,131
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Grand total all funds	\$1,487,074,336	(\$103,467,567)	\$1,383,606,769"
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Page 4, remove line 21

Page 4, replace line 24 with:

"Total school for the blind - All funds		\$70,200	\$70,000"
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Page 4, replace lines 26 and 27 with:

"Total school for the blind - General fund	\$70,200	\$70,000
Grand total - All funds	\$156,055,588	\$557,800"

Page 4, replace line 29 with:

"Grand total - General fund	\$2,197,200	\$557,800"
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Page 5, after line 3, insert:

"SECTION 3. APPROPRIATION - LANDS AND MINERALS TRUST FUND - STATE BOARD OF HIGHER EDUCATION. There is appropriated out of any moneys in the lands and minerals trust fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of providing North Dakota academic and career and technical education scholarships, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 5, remove lines 13 through 18

Page 6, after line 7, insert:

"SECTION 8. RESERVED FUNDS - CONTINGENT ADULT EDUCATION LEARNING CENTER GRANTS. The sum of \$500,000, or so much of the sum as may be necessary, made available under section 18 of this Act, must be used by the department of public instruction for providing adult education learning center grants, for the biennium beginning July 1, 2011, and ending June 30, 2013. The department may provide grants of up to \$250,000 during the first year of the biennium only if federal funding available to the state for adult education is less than \$900,000 in federal fiscal year 2012. Funding provided in the first year of the biennium is limited to the difference between federal funding available in federal fiscal year 2012 and \$900,000. The department may use any remaining funds for adult education learning center grants during the second year of the biennium.

SECTION 9. CONTINUING EDUCATION GRANTS - FUNDING - DISTRIBUTION. The sum of \$100,000, or so much of the sum as may be necessary, included in the grants - other grants line item in subdivision 1 of section 1 of this Act is provided for continuing education grants, for the biennium beginning July 1, 2011, and ending June 30, 2013.

1. The superintendent of public instruction 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 of higher education in this state 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 for this purpose remains after the superintendent of public instruction has awarded grants to all eligible recipients, the superintendent shall distribute that amount as an additional per student payment on a prorated basis, according to the latest available average daily membership of each school district."

Page 6, remove lines 8 through 16

Page 6, line 17, after the first boldfaced dash insert "**MEDICAID MATCHING -**"

Page 6, line 17, after the second boldfaced period insert:

"1."

Page 6, line 23, after the period insert:

"2."

Page 6, remove lines 29 through 31

Page 7, remove lines 1 through 5

Page 8, remove lines 13 through 31

Page 9, replace lines 1 through 18 with:

"SECTION 16. AMENDMENT. Section 16 of chapter 13 of the 2009 Session Laws is amended and reenacted as follows:

SECTION 16. CONTINGENT APPROPRIATION - SUPPLEMENTAL TRANSPORTATION AID PAYMENTS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of ~~\$5,000,000~~\$2,500,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing supplemental transportation aid payments, for the biennium beginning July 1, 2009, and ending June 30, 2011.
2. If the office of management and budget determines by July 31, 2010, that the June 30, 2011, ending balance of the state general fund will be more than \$30,000,000 in excess of the amount predicted by the office of management and budget at the conclusion of the 2009 legislative session, the superintendent of public instruction shall provide ~~\$5,000,000~~\$2,500,000 as supplemental transportation aid payments to school districts.
3. If the general fund balance requirements of subsection 2 are not met and if the office of management and budget determines by April 30, 2011, that the June 30, 2011, ending balance of the state general fund will be more than \$30,000,000 in excess of the amount predicted by the office of management and budget at the conclusion of the 2009 legislative session, the superintendent of public instruction shall

provide ~~\$5,000,000~~\$2,500,000 as supplemental transportation aid payments to school districts.

4. The superintendent of public instruction shall pro rate the supplemental transportation payments according to the percentage of the total transportation formula amount that each school district is entitled to receive under 2009 House Bill No. 1400 as approved by the sixty-first legislative assembly."

Page 11, line 6, after "b." insert "Reserve the next five hundred thousand dollars, which is not subject to the provisions of section 54-44.1-11 and must be used in accordance with section 8 of this Act.

c."

Page 11, line 13, replace "54-44.1-1-11" with "54-44.1-11"

Page 11, after line 13, insert:

"SECTION 20. LEGISLATIVE INTENT - 2013-15 SCHOOL FOR THE DEAF APPROPRIATION BILL. It is the intent of the sixty-second legislative assembly that the governor include the recommended funding for the school for the deaf in a separate draft appropriations act for introduction to the sixty-third legislative assembly.

SECTION 21. REPORT TO THE BUDGET SECTION AND THE SIXTY-THIRD LEGISLATIVE ASSEMBLY. The superintendent of public instruction shall provide a report to the budget section by September 30, 2012, and to the sixty-third legislative assembly on the development of alternative teacher compensation plans. The report must include use of the funding, number of plans developed, summary of plan variances, criteria for teacher performance review, and recommendations."

Page 11, line 21, replace "3, 17, and 18" with "4, 16, 17, and 18"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2013 - Summary of House Action

	Executive Budget	Senate Version	House Changes	House Version
Department of Public Instruction				
Total all funds	\$1,694,573,163	\$1,694,606,663	(\$341,837,589)	\$1,352,769,074
Less estimated income	<u>792,508,423</u>	<u>792,993,423</u>	<u>(341,790,000)</u>	<u>451,203,423</u>
General fund	\$902,064,740	\$901,613,240	(\$47,589)	\$901,565,651
University System Office				
Total all funds	\$0	\$0	\$10,000,000	\$10,000,000
Less estimated income	<u>0</u>	<u>0</u>	<u>10,000,000</u>	<u>10,000,000</u>
General fund	\$0	\$0	\$0	\$0
State Library				
Total all funds	\$7,398,585	\$7,398,585	\$0	\$7,398,585
Less estimated income	<u>2,134,610</u>	<u>2,134,610</u>	<u>0</u>	<u>2,134,610</u>
General fund	\$5,263,975	\$5,263,975	\$0	\$5,263,975
School for the Deaf				
Total all funds	\$8,806,779	\$8,806,779	\$0	\$8,806,779
Less estimated income	<u>2,088,007</u>	<u>2,088,007</u>	<u>0</u>	<u>2,088,007</u>
General fund	\$6,718,772	\$6,718,772	\$0	\$6,718,772
Vision Services - School for the Blind				
Total all funds	\$4,915,331	\$4,632,331	\$0	\$4,632,331

Less estimated income	835,091	835,091	0	835,091
General fund	\$4,080,240	\$3,797,240	\$0	\$3,797,240
Bill total				
Total all funds	\$1,715,693,858	\$1,715,444,358	(\$331,837,589)	\$1,383,606,769
Less estimated income	797,566,131	798,051,131	(331,790,000)	466,261,131
General fund	\$918,127,727	\$917,393,227	(\$47,589)	\$917,345,638

Senate Bill No. 2013 - Department of Public Instruction - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$14,409,300	\$14,409,300		\$14,409,300
Operating expenses	29,651,187	29,751,187	(68,000)	29,683,187
Grants - State school aid	919,459,478	919,459,478	(6,700,000)	912,759,478
Grants - Special education contracts	16,000,000	16,000,000		16,000,000
Grants - Transportation	48,500,000	48,500,000		48,500,000
Grants - Other education	302,730,482	302,963,982	6,420,411	309,384,393
Grants - Mill levy reduction	341,790,000	341,790,000	(341,790,000)	
ATCS review panel	300,000		300,000	300,000
Education jobs fund	21,517,716	21,517,716		21,517,716
Transportation efficiency	30,000	30,000		30,000
National board certification	185,000	185,000		185,000
Total all funds	\$1,694,573,163	\$1,694,606,663	(\$341,837,589)	\$1,352,769,074
Less estimated income	792,508,423	792,993,423	(341,790,000)	451,203,423
General fund	\$902,064,740	\$901,613,240	(\$47,589)	\$901,565,651
FTE	99.75	99.75	0.00	99.75

Department No. 201 - Department of Public Instruction - Detail of House Changes

	Increases Funding for Grants¹	Increases Funding for Adult Education Grants²	Adjusts State School Aid³	Removes Funding for Alternative Education Program Grants⁴	Restores Funding for the Alternative Teacher Compensation System Review Panel⁵	Adds Funding for Alternative Teacher Compensation Plan Development Grants⁶
Salaries and wages						
Operating expenses						
Grants - State school aid			(6,700,000)			
Grants - Special education contracts						
Grants - Transportation						
Grants - Other education	120,000	1,060,411		(460,000)		700,000
Grants - Mill levy reduction						
ATCS review panel					300,000	
Education jobs fund						
Transportation efficiency						
National board certification						
Total all funds	\$120,000	\$1,060,411	(\$6,700,000)	(\$460,000)	\$300,000	\$700,000
Less estimated income	0	0	0	0	0	0
General fund	\$120,000	\$1,060,411	(\$6,700,000)	(\$460,000)	\$300,000	\$700,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Rapid Enrollment Grants⁷	Decreases Funding for the Professional Development Advisory Committee⁸	Removes Funding for Mill Levy Reduction Grants⁹	Total House Changes
Salaries and wages				

Operating expenses		(68,000)		(68,000)
Grants - State school aid				(6,700,000)
Grants - Special education contracts				
Grants - Transportation				
Grants - Other education	5,000,000			6,420,411
Grants - Mill levy reduction			(341,790,000)	(341,790,000)
ATCS review panel				300,000
Education jobs fund				
Transportation efficiency				
National board certification				
Total all funds	\$5,000,000	(\$68,000)	(\$341,790,000)	(\$341,837,589)
Less estimated income	0	0	(341,790,000)	(341,790,000)
General fund	\$5,000,000	(\$68,000)	\$0	(\$47,589)
FTE	0.00	0.00	0.00	0.00

¹ Funding for general fund grants is increased as follows:

	Increase	Total Provided
Atlantic Brucke/Atlantic Forum	\$30,000	\$105,000
North Central Council for School Television	40,000	485,000
Governor's School	<u>50,000</u>	<u>460,000</u>
Total	\$120,000	\$1,050,000

² Funding for adult education learning center grants is increased to provide a total of \$3,110,411 from the general fund. In addition, Section 59 of Chapter 175 of the 2009 Session Laws is amended to provide that, after reserving the first \$8 million of 2009-11 biennium unobligated state school aid for per student payments during the 2011-13 biennium, the next \$500,000 is reserved for adult education learning center grants. The \$500,000 is available to the department for additional adult education learning center grants if federal funding for adult education received by the department is less than \$900,000 in any year of the 2011-13 biennium. The department may only spend up to \$250,000 of these funds during the first year of the biennium.

³ State school aid and per student payment rates are adjusted for the following:

- (\$7,500,000) - Removal of funding used by the Senate to increase per student payment rates. The Senate removed the supplemental teacher-effectiveness compensation program factor included in the executive recommendation and used the funding to increase per student payment rates.
- (\$3,600,000) - Decrease due to delaying implementation of the requirement that school districts increase their school calendars by 1 day, from 181 days to 182 days, until the 2012-13 school year.
- \$2,500,000 - Increase relating to the use of funding made available from a reduction in the 2009-11 biennium contingent supplemental transportation aid payments provided by the 2009 Legislative Assembly from \$5 million to \$2.5 million.
- \$1,900,000 - Increase per student payment rates.
- (\$6,700,000) - Total reduction in state school aid.

⁴ Funding for alternative education program grants added by the Senate is removed. The executive recommendation did not include the alternative education program grants.

⁵ Funding for the Alternative Teacher Compensation System Review Panel and contracted program adviser, included in the executive recommendation and removed by the Senate, is restored.

⁶ Funding is added to provide grants to school districts that wish to develop alternative teacher compensation plans. Funding for these grants was not included in the executive recommendation.

⁷ Funding is provided for grants to school districts that are experiencing rapid enrollment increases. This funding was not included in the executive recommendation.

⁸ Funding is reduced to reflect a limit on the number of meetings of the Professional Development Advisory Committee in Senate Bill No. 2150.

⁹ Funding for mill levy reduction grants from the property tax sustainability fund included in the executive recommendation is removed. Funding is provided from the general fund in House Bill No. 1047.

In addition, this amendment:

- Removes Section 8 relating to alternative education program grants, Section 10 relating to the Teacher of the Year program, Section 16 relating to a contingent appropriation for school district deferred maintenance and physical plant improvement grants, and Section 5 relating to mill levy reduction grants.
- Amends Section 9 relating to the gifted and talented program and Medicaid matching funds to more clearly distinguish distribution and Section 18 relating to an amendment to Section 59 of Chapter 175 of the 2009 Session Laws to reserve \$500,000 of unobligated 2009-11 state school aid for 2011-13 adult education learning center grants.
- Adds sections relating to the distribution of continuing education grants, a separate budget bill for the North Dakota School for the Deaf for the 2013 legislative session rather than in the appropriation bill for the Department of Public Instruction, an amendment to Section 16 of Chapter 13 of the 2009 Session Laws regarding contingent supplemental transportation aid payments which will result in an additional \$2.5 million of funding available in the general fund for the 2011-13 biennium, the distribution of unobligated 2009-11 state school aid reserved for adult education learning center grants, and a report to the Budget Section and the Legislative Assembly on the development of alternative teacher compensation plans.

Senate Bill No. 2013 - University System Office - House Action

	Executive Budget	Senate Version	House Changes	House Version
North Dakota Scholarship Program			\$10,000,000	\$10,000,000
Total all funds	\$0	\$0	\$10,000,000	\$10,000,000
Less estimated income	0	0	10,000,000	10,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department No. 215 - University System Office - Detail of House Changes

	Provides Funding for the North Dakota Scholarship Program ¹	Total House Changes
North Dakota Scholarship Program	\$10,000,000	\$10,000,000
Total all funds	\$10,000,000	\$10,000,000
Less estimated income	10,000,000	10,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment adds a section providing \$10 million for North Dakota academic and career and technical education scholarships from the lands and minerals trust fund. The Governor recommended a continuing appropriation from the lands and minerals trust fund to provide for these scholarships.