

**SECOND ENGROSSMENT  
with Senate Amendments  
REENGROSSED HOUSE BILL NO. 1319**

Introduced by

Representatives Monson, Heilman, Nathe, Rust, Sanford, Schatz, Williams

Senators Cook, Flakoll, Holmberg, Heckaman, O'Connell

1 A BILL for an Act to create and enact sections 15.1-27-04.1, 15.1-27-04.2, and 15.1-27-45 of  
2 the North Dakota Century Code, relating to determination of state aid payable to school  
3 districts; to amend and reenact sections 15-39.1-28, 15.1-09-33, 15.1-09-39, 15.1-09-40,  
4 15.1-09-47, 15.1-09-48, 15.1-09-49, 15.1-22-01, 15.1-27-03.1, 15.1-27-03.2, 15.1-27-17,  
5 15.1-27-35, 15.1-27-35.3, 15.1-27-39, 15.1-29-15, 15.1-30-04, 15.1-36-02, 40-55-08, 40-55-09,  
6 57-15-01.1, 57-15-14, 57-15-14.2, 57-15-14.5, 57-15-17, 57-15-17.1, 57-15-31, 57-19-01,  
7 57-19-02, 57-19-09, and 57-20-07.1 of the North Dakota Century Code, relating to the  
8 determination of state aid payable to school districts; to repeal sections 15.1-27-07.1 and  
9 57-19-10 of the North Dakota Century Code, relating to kindergarten payments and special  
10 reserve funds; to provide an appropriation; to provide for a legislative management study; to  
11 provide for a suspension; to provide an effective date; and to provide an expiration date.

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

13 **SECTION 1. AMENDMENT.** Section 15-39.1-28 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **15-39.1-28. Tax levy for teachers' retirement.**

16 Any school district by a resolution of its school board may ~~levy a tax pursuant to~~  
17 ~~subdivision b of subsection 1 of~~ use the proceeds of levies, as permitted by section 57-15-14.2,  
18 ~~the proceeds to be used~~ for the purposes of meeting the district's contribution to the fund arising  
19 under this chapter and to provide the district's share, if any, of contribution to the fund for  
20 contracted employees of either a multidistrict special education board or another school district  
21 where the contracted employees are also providing services to the taxing school district.

22 **SECTION 2. AMENDMENT.** Section 15.1-09-33 of the North Dakota Century Code is  
23 amended and reenacted as follows:

1       **15.1-09-33. School board - Powers.**

2       The board of a school district may:

- 3       1.    Establish a system of free public schools for all children of legal school age residing
- 4       within the district.
- 5       2.    Organize, establish, operate, and maintain elementary, middle, and high schools.
- 6       3.    Have custody and control of all school district property and, in the case of the board of
- 7       education of the city of Fargo, have custody and control of all public school property
- 8       within the boundaries of the Fargo public school district and to manage and control all
- 9       school matters.
- 10      4.    Acquire real property and construct school buildings and other facilities.
- 11      5.    Relocate or discontinue schools and liquidate the assets of the district as required by
- 12      law; provided no site may be acquired or building constructed, or no school may be
- 13      organized, established, operated, maintained, discontinued, or changed in location
- 14      without the approval of the state board of public school education if outside the
- 15      boundary of the district.
- 16      6.    Purchase, sell, exchange, and improve real property.
- 17      7.    Lease real property for a maximum of one year except in the case of a career and
- 18      technical education facility constructed in whole or in part with financing acquired
- 19      under chapter 40-57, which may be leased for up to twenty years.
- 20      8.    Subject to chapter 32-15, exercise the power of eminent domain to acquire real
- 21      property for school purposes.
- 22      9.    Purchase, sell, exchange, improve, and lease for up to one year equipment, furniture,
- 23      supplies, and textbooks.
- 24      10.   Recruit or contract with others to recruit homes and facilities which provide boarding
- 25      care for special education students.
- 26      11.   Provide dormitories for the boarding care of special education students.
- 27      12.   Insure school district property.
- 28      13.   Independently or jointly with other school districts, purchase telecommunications
- 29      equipment or lease a telecommunications system or network.
- 30      14.   Provide for the education of students by another school district.
- 31      15.   Contract with federal officials for the education of students in a federal school.

Sixty-third  
Legislative Assembly

- 1       16.   Prescribe courses of study in addition to those prescribed by the superintendent of
- 2           public instruction or by law.
- 3       17.   Adopt rules regarding the instruction of students, including their admission, transfer,
- 4           organization, grading, and government.
- 5       18.   Join the North Dakota high school activities association and pay membership fees.
- 6       19.   Adopt alternative curricula for high school seniors who require fewer than four
- 7           academic units.
- 8       20.   Contract with, employ, and compensate school district personnel.
- 9       21.   Contract with and provide reimbursement for the provision of teaching services by an
- 10       individual certified as an instructor in the areas of North Dakota American Indian
- 11       languages and culture by the education standards and practices board.
- 12       22.   Suspend school district personnel.
- 13       23.   Dismiss school district personnel.
- 14       24.   Participate in group insurance plans and pay all or part of the insurance premiums.
- 15       25.   Contract for the services of a district superintendent, provided that the contract, which
- 16       may be renewed, does not exceed a period of three years.
- 17       26.   Contract for the services of a principal.
- 18       27.   Employ an individual to serve as the school district business manager or contract with
- 19       any person to perform the duties assigned to a school district business manager by
- 20       law.
- 21       28.   Suspend or dismiss a school district business manager for cause without prior notice.
- 22       29.   Suspend or dismiss a school district business manager without cause with thirty days'
- 23       written notice.
- 24       30.   Defray the necessary and contingent expenses of the board.
- 25       31.   Levy a tax upon property in the district for school purposes, as permitted in
- 26       accordance with chapter 57-15.
- 27       32.   Amend and certify budgets and tax levies, as provided in title 57.
- 28       33.   Pay dues allowing for the board to hold membership in city, county, state, and national
- 29       organizations and associations.
- 30       34.   Designate, at its annual meeting, a newspaper of general circulation as the official
- 31       newspaper of the district.

1       **SECTION 3. AMENDMENT.** Section 15.1-09-39 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **15.1-09-39. Districts in bordering states - Contract.**

- 4       1. Notwithstanding any other provision of law, the board of a school district in this state  
5       may contract with the board of a school district in another state for the joint operation  
6       and maintenance of school facilities and for joint activities, if the districts are  
7       contiguous. To be valid, the contract must be approved by the superintendent of public  
8       instruction and by a majority of the qualified electors residing in the district.
- 9       2. In assessing the contract, the superintendent shall consider the district's enrollment,  
10       its valuation, and its longevity.
- 11       3. If the superintendent approves the contract, the board shall submit the contract to the  
12       electorate of the district, for approval, at an annual or a special election.
- 13       4. The board shall publish notice of the election in the official newspaper of the district at  
14       least fourteen days before the election. The notice must include a statement regarding  
15       the purpose of the election and the terms of the contract.
- 16       5. On the ballot, the board shall seek the voters' permission to execute the proposed  
17       contract, as approved by the superintendent of public instruction.
- 18       6. If the voters approve the execution of the contract, the board may levy and collect  
19       taxes, as permitted in accordance with chapter 57-15, to carry out the contract  
20       pursuant to law.
- 21       7. If a district that is a party to a contract under this section dissolves, any district to  
22       which the land of the dissolved district is attached shall assume the contractual  
23       responsibilities.

24       **SECTION 4. AMENDMENT.** Section 15.1-09-40 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26       **15.1-09-40. Sharing of levied taxes - Contract.**

27       The boards of two or more school districts may contract to share levied taxes in all or a  
28       portion of their respective districts. The rate of taxes to be levied on any property in the joint  
29       taxing area or district is the rate of tax provided for in the contract, not exceeding any levy  
30       limitations ~~applicable to the property under chapter 57-15~~. The auditor of each county in which  
31       all or a portion of a contracting district is located shall fix and levy taxes on that portion of the

1 property which is described in the contract and is located in the county at the rate set by the  
2 contract.

3 **SECTION 5. AMENDMENT.** Section 15.1-09-47 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **15.1-09-47. Board of education of city of Fargo - Taxing authority.**

6 1. The board of education of the city of Fargo may levy taxes, as necessary for any of the  
7 following purposes:

8 a. To purchase, exchange, lease, or improve sites for schools.

9 b. To build, purchase, lease, enlarge, alter, improve, and repair schools and their  
10 appurtenances.

11 c. To procure, exchange, improve, and repair school apparatus, books, furniture, and  
12 appendages, but not the furnishing of textbooks to any student whose parent is  
13 unable to furnish the same.

14 d. To provide fuel.

15 e. To defray the contingent expenses of the board, including the compensation of  
16 employees.

17 f. To pay teacher salaries after the application of public moneys, which may by law  
18 be appropriated and provided for that purpose.

19 2. The question of authorizing or discontinuing the unlimited taxing authority of the board  
20 of education of the city of Fargo must be submitted to the qualified electors of the  
21 Fargo school district at the next regular election upon resolution of the board of  
22 education or upon filing with the board a petition containing the signatures of qualified  
23 electors of the district equal in number to twenty percent of the individuals enumerated  
24 in the most recent school district census. However, if the electors approve a  
25 discontinuation of the unlimited taxing authority, their approval of the discontinuation  
26 may not affect the tax levy effective for the calendar year in which the election is held.  
27 In addition, the minimum levy may not be less than the levy that was in force at the  
28 time of the election. The board may increase its levy in accordance with section  
29 57-15-01. If the district experiences growing enrollment, the board may increase the  
30 levy by an amount equal to the amount levied the preceding year per student times the

1           ~~number of additional students enrolled during the new year within the requirements of~~  
2           ~~limitations of this title and title 57.~~

3           **SECTION 6. AMENDMENT.** Section 15.1-09-48 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5           **15.1-09-48. Board of education of city of Fargo - Tax collection.**

6           The board of education of the city of Fargo ~~has the power to~~may levy taxes within the  
7 boundaries of the Fargo public school district and ~~to cause such~~the taxes to be collected in the  
8 same manner as other city taxes, ~~provided the taxes meet the requirements or limitations of this~~  
9 ~~title and title 57.~~ The business manager of the board of education shall ~~cause~~certify the rate for  
10 each purpose ~~to be certified by the business manager~~ to the city auditor in time to be added to  
11 the annual tax list of the city. ~~It is the duty of the~~The city auditor ~~to~~shall calculate and extend  
12 upon the annual assessment roll and tax list any tax levied by the board of education. The tax  
13 must be collected in the same manner as other city taxes ~~are collected~~. If the city council fails to  
14 levy any tax for city purposes or fails to cause an assessment roll or tax list to be made, the  
15 board of education may ~~cause~~make an assessment roll and tax list ~~to be made~~ and submit the  
16 roll to the city auditor with a warrant for the collection of the tax. The board of education may  
17 cause the tax to be collected in the same manner as other city taxes are collected or as  
18 otherwise provided by resolution of the board.

19           **SECTION 7. AMENDMENT.** Section 15.1-09-49 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21           **15.1-09-49. Board of education of city of Fargo - Taxes for buildings.**

22           The amount to be raised for teacher salaries and contingent expenses must be such only  
23 as together with the public money coming to the city from any source is sufficient to establish  
24 and maintain efficient and proper schools for students in the city. The tax for purchasing,  
25 leasing, or improving sites and the building, purchasing, leasing, enlarging, altering, and  
26 repairing of schools may not exceed in any one year fifteen mills on the ~~dollar valuation of the~~  
27 taxable valuation of property of the city in the school district. The board of education may borrow,  
28 and when necessary shall borrow, in anticipation of the ~~amount of the~~ taxes to be raised, levied,  
29 and collected.

30           **SECTION 8. AMENDMENT.** Section 15.1-22-01 of the North Dakota Century Code is  
31 amended and reenacted as follows:

1           **15.1-22-01. Kindergarten - Establishment by board - Request by parent –Levy.**

2           4. The board of a school district shall either provide at least a half-day kindergarten  
3 program for any student enrolled in the district or pay the tuition required for the student to  
4 attend a kindergarten program in another school district.

5           ~~2. The board of a school district that establishes a kindergarten under this section may~~  
6           ~~levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.~~

7           **SECTION 9. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9           **15.1-27-03.1. (Effective through June 30, 2013, and after June 30, 2015) Weighted**  
10 **average daily membership - Determination.**

- 11           1. For each school district, the superintendent of public instruction shall multiply by:
- 12           a. 1.00 the number of full-time equivalent students enrolled in a migrant summer  
13           program;
- 14           b. 1.00 the number of full-time equivalent students enrolled in an extended  
15           educational program in accordance with section 15.1-32-17;
- 16           c. 0.60 the number of full-time equivalent students enrolled in a summer education  
17           program;
- 18           d. 0.50 the number of full-time equivalent students enrolled in a home-based  
19           education program and monitored by the school district under chapter 15.1-23;
- 20           e. 0.30 the number of full-time equivalent students who:
- 21           (1) On a test of English language proficiency approved by the superintendent of  
22           public instruction are determined to be least proficient and placed in the first  
23           of six categories of proficiency; and
- 24           (2) Are enrolled in a program of instruction for English language learners;
- 25           f. 0.25 the number of full-time equivalent students enrolled in an alternative high  
26           school;
- 27           g. 0.20 the number of full-time equivalent students attending school in a bordering  
28           state in accordance with section 15.1-29-01;
- 29           h. 0.20 the number of full-time equivalent students who:
- 30           (1) On a test of English language proficiency approved by the superintendent of  
31           public instruction are determined to be more proficient than students placed

- 1                   in the first of six categories of proficiency and therefore placed in the second  
2                   of six categories of proficiency; and
- 3           (2) Are enrolled in a program of instruction for English language learners;
- 4           i. 0.17 the number of full-time equivalent students enrolled in an early childhood  
5           special education program;
- 6           j. 0.10 the number of students enrolled in average daily membership, if the district  
7           has fewer than one hundred students enrolled in average daily membership and  
8           the district consists of an area greater than two hundred seventy-five square  
9           miles [19424.9 hectares], provided that any school district consisting of an area  
10           greater than six hundred square miles [155399 hectares] and enrolling fewer than  
11           fifty students in average daily membership must be deemed to have an  
12           enrollment equal to fifty students in average daily membership;
- 13           k. ~~0.0790.082~~ the number of students enrolled in average daily membership, in  
14           order to support the:
- 15           (1) Parentally authorized testing of a student, one time before the student's  
16           enrollment in the first grade, for the purpose of identifying learning disorders  
17           and disabilities; and
- 18           (2) The provision of special education services;
- 19           l. 0.07 the number of full-time equivalent students who:
- 20           (1) On a test of English language proficiency approved by the superintendent of  
21           public instruction are determined to be more proficient than students placed  
22           in the second of six categories of proficiency and therefore placed in the  
23           third of six categories of proficiency;
- 24           (2) Are enrolled in a program of instruction for English language learners; and
- 25           (3) Have not been in the third of six categories of proficiency for more than  
26           three years;
- 27           m. 0.025 the number of students representing that percentage of the total number of  
28           students in average daily membership which is equivalent to the three-year  
29           average percentage of students in grades three through eight who are eligible for  
30           free or reduced lunches under the Richard B. Russell National School Lunch Act  
31           [42 U.S.C. 1751 et seq.], provided that moneys received under this subdivision



1                   be used to support the provision of a daily snack beverage of milk or juice to  
2                   students eligible for free or reduced lunches under the referenced federal law;

3                   n. 0.006 the number of students enrolled in average daily membership in each  
4                   public school in the district that:

5                   (1) Has acquired and is utilizing the PowerSchool student information system;

6                   (2) Has acquired and is in the process of implementing the PowerSchool  
7                   student information system; or

8                   (3) Will acquire the PowerSchool student information system during the current  
9                   school year, provided the acquisition is contractually demonstrated; and

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

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

16                  **(Effective July 1, 2013, through June 30, 2015) Weighted average daily membership -**  
17                  **Determination.**

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

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

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

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

25                  d. ~~0.50~~0.20 the number of full-time equivalent students enrolled in a home-based  
26                  education program and monitored by the school district under chapter 15.1-23;

27                  e. 0.30 the number of full-time equivalent students who:

28                  (1) On a test of English language proficiency approved by the superintendent of  
29                  public instruction are determined to be least proficient and placed in the first  
30                  of six categories of proficiency; and

31                  (2) Are enrolled in a program of instruction for English language learners;

Sixty-third  
Legislative Assembly

- 1 f. 0.25 the number of full-time equivalent students enrolled in an alternative high  
2 school;
- 3 g. 0.20 the number of full-time equivalent students attending school in a bordering  
4 state in accordance with section 15.1-29-01;
- 5 h. 0.20 the number of full-time equivalent students who:  
6 (1) On a test of English language proficiency approved by the superintendent of  
7 public instruction are determined to be more proficient than students placed  
8 in the first of six categories of proficiency and therefore placed in the second  
9 of six categories of proficiency; and  
10 (2) Are enrolled in a program of instruction for English language learners;
- 11 i. 0.17 the number of full-time equivalent students enrolled in an early childhood  
12 special education program;
- 13 j. 0.15 the number of full-time equivalent students in grades six through eight  
14 enrolled in an alternative education program for at least an average of fifteen  
15 hours per week;
- 16 k. 0.10 the number of students enrolled in average daily membership, if the district  
17 has fewer than one hundred students enrolled in average daily membership and  
18 the district consists of an area greater than two hundred seventy-five square  
19 miles [19424.9 hectares], provided that any school district consisting of an area  
20 greater than six hundred square miles [155399 hectares] and enrolling fewer than  
21 fifty students in average daily membership must be deemed to have an  
22 enrollment equal to fifty students in average daily membership;
- 23 l. ~~0.0790.082~~ the number of students enrolled in average daily membership, in  
24 order to support the:  
25 (1) Parentally authorized testing of a student, one time before the student's  
26 enrollment in the first grade, for the purpose of identifying learning disorders  
27 and disabilities; and  
28 (2) The provision of special education services;
- 29 m. 0.07 the number of full-time equivalent students who:  
30 (1) On a test of English language proficiency approved by the superintendent of  
31 public instruction are determined to be more proficient than students placed

- 1                   in the second of six categories of proficiency and therefore placed in the  
2                   third of six categories of proficiency;
- 3                   (2) Are enrolled in a program of instruction for English language learners; and  
4                   (3) Have not been in the third of six categories of proficiency for more than  
5                   three years;
- 6                   n. 0.025 the number of students representing that percentage of the total number of  
7                   students in average daily membership which is equivalent to the three-year  
8                   average percentage of students in grades three through eight who are eligible for  
9                   free or reduced lunches under the Richard B. Russell National School Lunch Act  
10                  [42 U.S.C. 1751 et seq.], provided that moneys received under this subdivision  
11                  be used to support the provision of a daily snack beverage of milk or juice to  
12                  students eligible for free or reduced lunches under the referenced federal law;
- 13                  o. ~~0.0060.003~~ the number of students enrolled in average daily membership in each  
14                  public school in the district that:
- 15                   (1) Has acquired and is utilizing the PowerSchool student information system;  
16                   (2) Has acquired and is in the process of implementing the PowerSchool  
17                   student information system; or  
18                   (3) Will acquire the PowerSchool student information system during the current  
19                   school year, provided the acquisition is contractually demonstrated; and
- 20                  p. ~~0.0040.002~~ the number of students enrolled in average daily membership in a  
21                  school district that is a participating member of a regional education association  
22                  meeting the requirements of chapter 15.1-09.1.
- 23                  2. The superintendent of public instruction shall determine each school district's weighted  
24                  average daily membership by adding the products derived under subsection 1 to the  
25                  district's average daily membership.

26                  **SECTION 10. AMENDMENT.** Section 15.1-27-03.2 of the North Dakota Century Code is  
27                  amended and reenacted as follows:

28                  **15.1-27-03.2. School district size weighting factor - Weighted student units.**

- 29                  1. For each high school district in the state, the superintendent of public instruction shall  
30                  assign a school district size weighting factor of:  
31                  a. ~~4.251.35~~ if the students in average daily membership number fewer than ~~485125~~;







- 1           b. The district's 2012-13 mill levy reduction grant, as determined in accordance with  
2           chapter 57-64, as it existed on June 30, 2013;
- 3           c. An amount equal to that raised by the district's 2012 general fund levy or that  
4           raised by one hundred ten mills of the district's 2012 general fund levy, whichever  
5           is less;
- 6           d. An amount equal to that raised by the district's 2012 long-distance learning and  
7           educational technology levy;
- 8           e. An amount equal to that raised by the district's 2012 alternative education  
9           program levy; and
- 10          f. An amount equal to:
- 11           (1) Seventy-five percent of all revenue received by the school district and  
12           reported under code 2000 of the North Dakota school district financial  
13           accounting and reporting manual, as developed by the superintendent of  
14           public instruction in accordance with section 15.1-02-08;
- 15           (2) Seventy-five percent of all tuition received by the school district and  
16           reported under code 1300 of the North Dakota school district financial  
17           accounting and reporting manual, as developed by the superintendent of  
18           public instruction in accordance with section 15.1-02-08, with the exception  
19           of revenue received specifically for the operation of an educational program  
20           provided at a residential treatment facility and tuition received for the  
21           provision of an adult farm management program;
- 22           (3) Seventy-five percent of all revenue received by the school district from  
23           payments in lieu of taxes on the distribution and transmission of electric  
24           power;
- 25           (4) Seventy-five percent of all revenue received by the school district from  
26           payments in lieu of taxes on electricity generated from sources other than  
27           coal;
- 28           (5) All revenue received by the school district from mobile home taxes;
- 29           (6) Seventy-five percent of all revenue received by the school district from the  
30           leasing of land acquired by the United States for which compensation is  
31           allocated to the state under 33 U.S.C. 701(c)(3);

- 1                   (7) All telecommunications tax revenue received by the school district; and  
2                   (8) All revenue received by the school district from payments in lieu of taxes  
3                   and state reimbursement of the homestead credit and disabled veterans'  
4                   credit.
- 5           2. The superintendent shall divide the district's total baseline funding by the district's  
6           2012-13 weighted student units in order to determine the district's baseline funding per  
7           weighted student unit.
- 8           3. a. In 2013-14, the superintendent shall multiply the district's weighted student units  
9           by eight thousand eight hundred ten dollars.
- 10           (1) The superintendent shall adjust the product to ensure that the product is at  
11           least equal to the greater of:
- 12           (a) One hundred two percent of the district's baseline funding per  
13           weighted student unit, as established in subsection 2, multiplied by  
14           the district's 2013-14 weighted student units; or
- 15           (b) One hundred percent of the district's baseline funding as established  
16           in subsection 1.
- 17           (2) The superintendent shall also adjust the product to ensure that the product  
18           does not exceed one hundred ten percent of the district's baseline funding  
19           per weighted student unit multiplied by the district's 2013-14 weighted  
20           student units, as established in subsection 2.
- 21           b. In 2014-15, the superintendent shall multiply the district's weighted student units  
22           by nine thousand ninety-two dollars.
- 23           (1) The superintendent shall adjust the product to ensure that the product is at  
24           least equal to the greater of:
- 25           (a) One hundred four percent of the district's baseline funding per  
26           weighted student unit, as established in subsection 2, multiplied by  
27           the district's 2014-15 weighted student units; or
- 28           (b) One hundred percent of the district's baseline funding as established  
29           in subsection 1.
- 30           (2) The superintendent shall also adjust the product to ensure that the product  
31           does not exceed one hundred twenty percent of the district's baseline



1                   funding per weighted student unit, as established in subsection 2, multiplied  
2                   by the district's 2014-15 weighted student units.

3       4. After determining the product in accordance with subsection 3, the superintendent of  
4       public instruction shall:

5           a. Subtract an amount equal to fifty mills multiplied by the taxable valuation of the  
6           school district, provided that after 2013, the amount in dollars subtracted for  
7           purposes of this subdivision may not exceed the previous year's amount in  
8           dollars subtracted for purposes of this subdivision by more than twelve percent;  
9           and

10          b. Subtract an amount equal to seventy-five percent of all revenues listed in  
11          paragraphs 1 through 4, and 6 of subdivision f of subsection 1 and one hundred  
12          percent of all revenues listed in paragraphs 5, 7, and 8 of subdivision f of  
13          subsection 1.

14       5. The amount remaining after the computation required under subsection 4 is the  
15       amount of state aid to which a school district is entitled, subject to any other statutory  
16       requirements or limitations.

17       **SECTION 12.** Section 15.1-27-04.2 of the North Dakota Century Code is created and  
18       enacted as follows:

19       **15.1-27-04.2. State aid - Minimum local effort - Determination.**

20       If a district's taxable valuation per student is less than twenty percent of the state average  
21       valuation per student, the superintendent of public instruction, for purposes of determining state  
22       aid in accordance with section 15.1-27-04.1, shall utilize an amount equal to fifty mills times  
23       twenty percent of the state average valuation per student multiplied by the number of weighted  
24       student units in the district.

25       **SECTION 13. AMENDMENT.** Section 15.1-27-17 of the North Dakota Century Code is  
26       amended and reenacted as follows:

27       **15.1-27-17. Per student payments - Reorganization of school districts - Separate**  
28       **weighting factor.**

29       1. Notwithstanding the provisions of section 15.1-27-03.2, the superintendent of public  
30       instruction shall create and assign a separate weighting factor to:

- 1           a. ~~Any school district that reorganized on or before June 30, 2007, and which was~~  
2           ~~receiving per student payments in accordance with section 15.1-27-17, as that~~  
3           ~~section existed on June 30, 2007; and~~
- 4           b. ~~Any any school district that reorganizes on or after July 1, 2007.~~
- 5        2.    a.    The separate weighting factor must allow the reorganized school district to  
6            receive a payment rate equivalent to that which each separate school district  
7            would have received had the reorganization not taken place.
- 8            b.    The separate weighting factor must be computed to four decimal places.
- 9            c.    The provisions of this subsection are effective for a period of four years from the  
10           date of the reorganization.
- 11        3.    At the beginning of the fifth and at the beginning of the sixth years after the date of the  
12            reorganization, the superintendent of public instruction shall make proportionate  
13            adjustments in the assigned weighting factor so that beginning with the seventh year  
14            after the date of the reorganization, the weighting factor that will be applied to the  
15            reorganized district is that provided in section 15.1-27-03.2.

16        **SECTION 14. AMENDMENT.** Section 15.1-27-35 of the North Dakota Century Code is  
17        amended and reenacted as follows:

18        **15.1-27-35. Average daily membership - Calculation.**

- 19        1.    a.    ~~During the 2009-10 school year, average daily membership is calculated at the~~  
20            ~~conclusion of the school year by adding the total number of days that each student in~~  
21            ~~a given grade, school, or school district is in attendance during a school calendar and~~  
22            ~~the total number of days that each student in a given grade, school, or school district is~~  
23            ~~absent during a school calendar, and then dividing the sum by the greater of:~~
- 24            (1) ~~The school district's calendar; or~~
- 25            (2) ~~One hundred eighty.~~
- 26        b.    ~~During the 2010-11 school year, average daily membership is calculated at the~~  
27            ~~conclusion of the school year by adding the total number of days that each~~  
28            ~~student in a given grade, school, or school district is in attendance during a~~  
29            ~~school calendar and the total number of days that each student in a given grade,~~  
30            ~~school, or school district is absent during a school calendar, and then dividing the~~  
31            ~~sum by the greater of:~~

- 1                   (1) ~~The school district's calendar; or~~
- 2                   (2) ~~One hundred eighty-one.~~
- 3                   e. ~~Beginning with the 2011-12 school year, average~~Average daily membership is
- 4                   calculated at the conclusion of the school year by adding the total number of
- 5                   days that each student in a given grade, school, or school district is in attendance
- 6                   during a school calendar and the total number of days that each student in a
- 7                   given grade, school, or school district is absent during a school calendar, and
- 8                   then dividing the sum by the greater of:
- 9                   (1)a. The school district's calendar; or
- 10                  (2)b. One hundred eighty-two.
- 11                  2. For purposes of calculating average daily membership, all students are deemed to be
- 12                  in attendance on:
- 13                  a. The three holidays listed in subdivisions b through j of subsection 1 of section
- 14                  15.1-06-02 and selected by the school board in consultation with district
- 15                  teachers;
- 16                  b. The two days set aside for professional development activities under section
- 17                  15.1-06-04; and
- 18                  c. The two full days, or portions thereof, during which parent-teacher conferences
- 19                  are held or which are deemed by the board of the district to be compensatory
- 20                  time for parent-teacher conferences held outside regular school hours.
- 21                  3. For purposes of calculating average daily membership:
- 22                  a. A student enrolled full time in any grade from one through twelve may not exceed
- 23                  an average daily membership of 1.00. The membership may be prorated for a
- 24                  student who is enrolled less than full time.
- 25                  b. A student enrolled full time in an approved regular education kindergarten
- 26                  program may not exceed an average daily membership of 1.00. The membership
- 27                  may be prorated for a student who is enrolled less than full time.
- 28                  c. A student enrolled full time, as defined by the superintendent of public instruction,
- 29                  in an approved early childhood special education program may not exceed an
- 30                  average daily membership of 1.00. The membership may be prorated for a
- 31                  student who is enrolled less than full time.

1       **SECTION 15. AMENDMENT.** Section 15.1-27-35.3 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **15.1-27-35.3. Payments to school districts - Unobligated general fund balance.**

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

9       b.   Beginning July 1, 2015, the superintendent of public instruction shall determine  
10       the amount of payments due to a school district and shall subtract from that the  
11       amount by which the unobligated general fund balance of the district on the  
12       preceding June thirtieth is in excess of forty percent of its actual expenditures,  
13       plus twenty thousand dollars.

14       c.   Beginning July 1, 2017, the superintendent of public instruction shall determine  
15       the amount of payments due to a school district and shall subtract from that the  
16       amount by which the unobligated general fund balance of the district on the  
17       preceding June thirtieth is in excess of thirty-five percent of its actual  
18       expenditures, plus twenty thousand dollars.

19       2.   In making the determination required by subsection 1, the superintendent of public  
20       instruction may not include in a district's unobligated general fund balance any  
21       moneys that were received by the district from the federal education jobs fund  
22       program.

23       **SECTION 16. AMENDMENT.** Section 15.1-27-39 of the North Dakota Century Code is  
24 amended and reenacted as follows:

25       **15.1-27-39. Annual salary - Minimum amount.**

26       ~~1.   Beginning with the 2005-06 school year, the board of each school district shall provide~~  
27       ~~to each full-time teacher, under contract for a period of nine months, a minimum salary~~  
28       ~~level for the contract period equal to at least twenty-two thousand dollars.~~

29       2.   Beginning with the 2006-072014-15 school year, the board of each school district shall  
30 provide to each full-time teacher, under contract for a period of nine months, a minimum salary

1 level for the contract period equal to at least ~~twenty-two~~twenty-seven thousand five hundred  
2 dollars.

3 **SECTION 17.** Section 15.1-27-45 of the North Dakota Century Code is created and enacted  
4 as follows:

5 **15.1-27-45. Property tax relief fund.**

- 6 1. The property tax relief fund is a special fund in the state treasury. On July 1, 2013, the  
7 state treasurer shall change the name of the property tax relief sustainability fund  
8 established under section 57-64-05 to property tax relief fund as established by this  
9 section and any unobligated balance in the property tax relief sustainability fund must  
10 be retained in the property tax relief fund. Moneys in the property tax relief fund may  
11 be expended pursuant to legislative appropriations for property tax relief programs.  
12 2. On or before the third Monday in each January, February, March, April, August,  
13 September, October, November, and December, the office of management and budget  
14 shall certify to the superintendent of public instruction the amount of the property tax  
15 relief fund. The superintendent shall include the amount certified in determining the  
16 state aid payments to which each school district is entitled under chapter 15.1-27.

17 **SECTION 18. AMENDMENT.** Section 15.1-29-15 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **15.1-29-15. Levy for tuition payments.**

20 If the board of a school district approves tuition payments for students in grades seven  
21 through twelve or if the board is required to make tuition or tutoring payments under this  
22 chapter, the board may levy an amount sufficient to meet such payments, pursuant to  
23 ~~subdivision c of subsection 1 of section 57-15-14.2.~~

24 **SECTION 19. AMENDMENT.** Section 15.1-30-04 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **15.1-30-04. Provision of meals and lodging for high school students - Payment**  
27 **permitted -Levy.**

28 Instead of providing transportation so that an eligible high school student residing in the  
29 district can attend school in another district, a school board may pay a reasonable allowance to  
30 the student's parent for costs incurred in the provision of meals and lodging for the student at a  
31 location other than the student's residence. ~~A school district that furnishes either transportation~~

1 ~~or an allowance for the provision of meals and lodging for a student under this section may levy~~  
2 ~~a tax pursuant to subdivision a of subsection 1 of section 57-15-14.2 for this purpose.~~

3 **SECTION 20. AMENDMENT.** Section 15.1-36-02 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **15.1-36-02. School construction projects - Loans.**

- 6 1. ~~The~~In order to provide school construction loans, the board of university and school  
7 lands may authorize the use of moneys in:
- 8 a. Fifty million dollars, or so much of that amount as may be necessary, from the  
9 coal development trust fund, established pursuant to section 21 of article X of the  
10 Constitution of North Dakota and subsection 1 of section 57-62-02 to provide  
11 school construction loans, as described in this chapter. The outstanding principal  
12 balance of loans under this chapter may not exceed fifty million dollars. The  
13 board may adopt policies and rules governing school construction loans; and
- 14 b. Two hundred million dollars from the strategic investment and improvements  
15 fund, established pursuant to section 15-08.1-08.
- 16 2. In order to be eligible for a loan under this section, the board of a school district shall:
- 17 a. Propose a construction project with a cost of at least one million dollars and an  
18 expected utilization of at least thirty years;
- 19 b. Obtain the approval of the superintendent of public instruction for the construction  
20 project under section 15.1-36-01; and
- 21 c. Submit to the superintendent of public instruction an application containing all  
22 information deemed necessary by the superintendent, including potential  
23 alternative sources or methods of financing the construction project.
- 24 3. ~~The superintendent of public instruction shall give priority to any district that meets the~~  
25 ~~requirements for receipt of an equity payment under section 15.1-27-11.~~
- 26 4. If an eligible school district's ~~imputed~~ taxable valuation per student is less than eighty  
27 percent of the state average ~~imputed~~taxable valuation per student, the district is  
28 entitled to receive:
- 29 a. A school construction loan equal to the lesser of ~~twelve~~twenty million dollars or  
30 ~~eighty~~ninety percent of the actual project cost;

- 1           b. An interest rate discount equal to at least one hundred but not more than ~~two~~four  
2           hundred ~~five~~ basis points below the prevailing tax-free bond rates; and
- 3           c. A term of repayment that may extend up to twenty years.
- 4    ~~5.4.~~ If an eligible school district's ~~imputed~~ taxable valuation per student is equal to at least  
5           eighty percent but less than ninety percent of the state average ~~imputed~~ taxable  
6           valuation per student, the district is entitled to receive:
- 7           a. A school construction loan equal to the lesser of ~~ten~~fifteen million dollars or  
8           ~~seventy~~eighty percent of the actual project cost;
- 9           b. An interest rate buydown equal to at least one hundred but not more than  
10          ~~two~~three hundred fifty basis points below the prevailing tax-free bond rates; and
- 11          c. A term of repayment that may extend up to twenty years.
- 12   ~~6.5.~~ If an eligible school district's ~~imputed~~ taxable valuation per student is equal to at least  
13          ninety percent of the state average ~~imputed~~ taxable valuation per student, the district  
14          is entitled to receive:
- 15          a. A school construction loan equal to the lesser of ~~four~~ten million dollars or  
16          ~~thirty~~seventy percent of the actual project cost;
- 17          b. An interest rate discount equal to at least one hundred but not more than  
18          ~~two~~three hundred ~~five~~ basis points below the prevailing tax-free bond rates; and
- 19          c. A term of repayment that may extend up to twenty years.
- 20   ~~7.6.~~ The board of a school district may submit its loan application to the superintendent of  
21          public instruction before or after receiving authorization of a bond issue in accordance  
22          with chapter 21-03. If the vote to authorize a bond issue precedes the application for a  
23          loan, the application must be acted upon by the superintendent expeditiously but no  
24          later than one hundred eighty days from the date it is received by the superintendent.
- 25   ~~8.7.~~ The superintendent of public instruction shall consider each loan application in the  
26          order it received approval under section 15.1-36-01.
- 27   ~~9.8.~~ If the superintendent of public instruction approves the loan, the superintendent may  
28          determine the loan amount, the term of the loan, and the interest rate, in accordance  
29          with the requirements of this section. A school district's interest rate may not be less  
30          than one percent, regardless of any rate discount for which the district might otherwise  
31          qualify under this section.

1        10.    The superintendent of public instruction may adopt rules governing school-  
2            construction loans.

- 3            9.    a.    If a school district seeking a loan under this section received an allocation of the  
4            oil and gas gross production tax during the previous fiscal year in accordance  
5            with chapter 57-51, the board of the district shall provide to the board of  
6            university and school lands, and to the state treasurer, its evidence of  
7            indebtedness indicating that the loan originated under this section.
- 8            b.    If the evidence of indebtedness is payable solely from the school district's  
9            allocation of the oil and gas gross production tax in accordance with section  
10           57-51-15, the loan does not constitute a general obligation of the school district  
11           and may not be considered a debt of the district.
- 12           c.    If a loan made to a school district is payable solely from the district's allocation of  
13           the oil and gas gross production tax in accordance with section 57-51-15, the  
14           terms of the loan must require that the state treasurer withhold the dollar amount  
15           or percentage specified in the loan agreement, from each of the district's oil and  
16           gas gross production tax allocations, in order to repay the principal and interest of  
17           the evidence of indebtedness. The state treasurer shall deposit the amount  
18           withheld into the fund from which the loan originated.
- 19           d.    Any evidence of indebtedness executed by the board of a school district under  
20           this subsection is a negotiable instrument and not subject to taxation by the state  
21           or any political subdivision of the state.

22    ~~44-10.~~    For purposes of this section, a "construction project" means the purchase, lease,  
23            erection, or improvement of any structure or facility by a school board, provided the  
24            acquisition or activity is within a school board's authority.

25            **SECTION 21. AMENDMENT.** Section 40-55-08 of the North Dakota Century Code is  
26            amended and reenacted as follows:

27            **40-55-08. Election to determine desirability of establishing recreation system - How**  
28            **called.**

29            The governing body of any municipality, school district, or park district to which this chapter  
30            is applicable, may and upon receipt of a petition signed by at least ten qualified electors but not  
31            less than five percent of those qualified electors who voted at the last general election of the



1 municipality, school district, or park district, shall submit to the qualified electors the question of  
2 the establishment, maintenance, and conduct of a public recreation system, and except in the  
3 case of a school district, the levying of an annual tax for the conduct and maintenance thereof  
4 of not more than two and five-tenths mills on each dollar of taxable valuation of all taxable  
5 property within the corporate limits or boundaries of such municipality or park district, to be  
6 voted upon at the next general election or special municipal election; provided, however, that  
7 such questions may not be voted upon at the next general election unless such action of the  
8 governing body shall be taken, or such petition to submit such question shall be filed thirty days  
9 prior to the date of such election. A school district may ~~levy a tax~~ provide for the establishment,  
10 maintenance, and conduct of a public recreation system pursuant to subdivision q of subsection  
11 ~~4 of~~ fusing the proceeds of levies, as permitted by section 57-15-14.2.

12 **SECTION 22. AMENDMENT.** Section 40-55-09 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **40-55-09. Favorable vote at election - Procedure.**

15 Except in the case of a school district or park district, upon adoption of the public recreation  
16 system proposition at an election by a majority of the votes cast upon the proposition, the  
17 governing body of the municipality, by resolution or ordinance, shall provide for the  
18 establishment, maintenance, and conduct of a public recreation system, and thereafter levy and  
19 collect annually a tax of not more than two and five-tenths mills, or not more than eight and  
20 five-tenths mills if authorized as provided by this section, on each dollar of the taxable valuation  
21 of all taxable property within the corporate limits or boundaries of the municipality. This tax is in  
22 addition to the maximum of taxes permitted to be levied in such municipality. The mill levy  
23 authorized by this section may be raised to not more than eight and five-tenths mills when the  
24 increase is approved by the citizens of the municipality after submission of the question in the  
25 same manner as provided in section 40-55-08 for the establishment of the public recreation  
26 system. The governing body of the municipality shall continue to levy the tax annually for public  
27 recreation purposes until the qualified voters, at a regular or special election, by a majority vote  
28 on the proposition, decide to discontinue the levy. The governing body of the municipality may  
29 appropriate additional funds for the operation of the public recreation system if in the opinion of  
30 the governing body additional funds are needed for the efficient operation thereof. This chapter  
31 does not limit the power of any municipality, school district, or park district to appropriate on its

1 own initiative general municipal, school district, or park district tax funds for the operation of a  
2 public recreation system, a community center, or character-building facility. ~~A school district may~~  
3 ~~levy a tax annually for the conduct and maintenance of a public recreation system pursuant to~~  
4 ~~subdivision c of subsection 1 of section 57-15-14.2.~~ A park district may levy a tax annually  
5 within the general fund levy authority of section 57-15-12 for the conduct and maintenance of a  
6 public recreation system.

7 **SECTION 23. AMENDMENT.** Section 57-15-01.1 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **57-15-01.1. Protection of taxpayers and taxing districts.**

10 Each taxing district may levy the lesser of the amount in dollars as certified in the budget of  
11 the governing body, or the amount in dollars as allowed in this section, subject to the following:

- 12 1. No taxing district may levy more taxes expressed in dollars than the amounts allowed  
13 by this section.
- 14 2. For purposes of this section:
  - 15 a. "Base year" means the taxing district's taxable year with the highest amount  
16 levied in dollars in property taxes of the three taxable years immediately  
17 preceding the budget year. For a park district general fund, the "amount levied in  
18 dollars in property taxes" is the sum of amounts levied in dollars in property taxes  
19 for the general fund under section 57-15-12 including any additional levy  
20 approved by the electors, the insurance reserve fund under section 32-12.1-08,  
21 the employee health care program under section 40-49-12, the public recreation  
22 system under section 40-55-09 including any additional levy approved by the  
23 electors, forestry purposes under section 57-15-12.1 except any additional levy  
24 approved by the electors, pest control under section 4-33-11, and handicapped  
25 person programs and activities under section 57-15-60;
  - 26 b. "Budget year" means the taxing district's year for which the levy is being  
27 determined under this section;
  - 28 c. "Calculated mill rate" means the mill rate that results from dividing the base year  
29 taxes levied by the sum of the taxable value of the taxable property in the base  
30 year plus the taxable value of the property exempt by local discretion or  
31 charitable status, calculated in the same manner as the taxable property; and

- 1           d. "Property exempt by local discretion or charitable status" means property  
2           exempted from taxation as new or expanding businesses under chapter 40-57.1;  
3           improvements to property under chapter 57-02.2; or buildings belonging to  
4           institutions of public charity, new single-family residential or townhouse or  
5           condominium property, property used for early childhood services, or pollution  
6           abatement improvements under section 57-02-08.
- 7           3. A taxing district may elect to levy the amount levied in dollars in the base year. Any  
8           levy under this section must be specifically approved by a resolution approved by the  
9           governing body of the taxing district. Before determining the levy limitation under this  
10          section, the dollar amount levied in the base year must be:
- 11          a. Reduced by an amount equal to the sum determined by application of the base  
12          year's calculated mill rate for that taxing district to the final base year taxable  
13          valuation of any taxable property and property exempt by local discretion or  
14          charitable status which is not included in the taxing district for the budget year but  
15          was included in the taxing district for the base year.
- 16          b. Increased by an amount equal to the sum determined by the application of the  
17          base year's calculated mill rate for that taxing district to the final budget year  
18          taxable valuation of any taxable property or property exempt by local discretion or  
19          charitable status which was not included in the taxing district for the base year  
20          but which is included in the taxing district for the budget year.
- 21          c. Reduced to reflect expired temporary mill levy increases authorized by the  
22          electors of the taxing district. For purposes of this subdivision, an expired  
23          temporary mill levy increase does not include a school district general fund mill  
24          rate exceeding one hundred ten mills which has expired or has not received  
25          approval of electors for an extension under subsection 2 of section 57-64-03.
- 26          d. Increased, for a school district determining its levy limitation under this section,  
27          by the amount the school district's mill levy reduction grant under section  
28          57-64-02 and state aid under chapter 15.1-27 for the base year exceeds the  
29          amount of the school district's ~~mill levy reduction grant under section~~  
30          ~~57-64-02~~ state aid under chapter 15.1-27 for the budget year.

- 1 e. Reduced for a school district determining its levy limitation under this section, by  
2 the amount the school district's mill levy reduction grant under section  
3 ~~57-64-02~~state aid under chapter 15.1-27 for the budget year exceeds the amount  
4 of the school district's mill levy reduction grant under section 57-64-02 and state  
5 aid under chapter 15.1-27 for the base year.
- 6 4. In addition to any other levy limitation factor under this section, a taxing district may  
7 increase its levy in dollars to reflect new or increased mill levies authorized by the  
8 legislative assembly or authorized by the electors of the taxing district.
- 9 5. Under this section a taxing district may supersede any applicable mill levy limitations  
10 otherwise provided by law, or a taxing district may levy up to the mill levy limitations  
11 otherwise provided by law without reference to this section, but the provisions of this  
12 section do not apply to the following:
- 13 a. Any irrevocable tax to pay bonded indebtedness levied pursuant to section 16 of  
14 article X of the Constitution of North Dakota.
- 15 b. The one-mill levy for the state medical center authorized by section 10 of article X  
16 of the Constitution of North Dakota.
- 17 6. A school district choosing to determine its levy authority under this section may apply  
18 subsection 3 only to the amount in dollars levied for general fund purposes under  
19 section 57-15-14 or, if the levy in the base year included separate general fund and  
20 special fund levies under sections 57-15-14 and 57-15-14.2, the school district may  
21 apply subsection 3 to the total amount levied in dollars in the base year for both the  
22 general fund and special fund accounts. School district levies under any section other  
23 than section 57-15-14 may be made within applicable limitations but those levies are  
24 not subject to subsection 3.
- 25 7. Optional levies under this section may be used by any city or county that has adopted  
26 a home rule charter unless the provisions of the charter supersede state laws related  
27 to property tax levy limitations.

28 **SECTION 24. AMENDMENT.** Section 57-15-14 of the North Dakota Century Code is  
29 amended and reenacted as follows:

1           **57-15-14. General fund levy limitations**~~Voter approval of excess levies in school~~  
2 **districts.**

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

7           1. Unless authorized by the electors of the school district in accordance with this section,  
8 a school district may not impose greater levies than those permitted under section  
9 57-15-14.2.

10           a. In any school district having a total population in excess of four thousand  
11           according to the last federal decennial census there may be levied any specific  
12           number of mills that upon resolution of the school board has been submitted to  
13           and approved by a majority of the qualified electors voting upon the question at  
14           any regular or special school district election.

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

19           3. c. After June 30, 2009, in any school district election for approval by electors of  
20           increased levy authority under subsection 1 or 2, the ballot must specify the  
21           number of mills proposed for approval, and the number of taxable years for which  
22           that approval is to apply. After June 30, 2009, approval by electors of increased  
23           levy authority under subsection 1 or 2 may not be effective for more than ten  
24           taxable years.

25           4. d. The authority for a levy of up to a specific number of mills under this section  
26           approved by electors of a school district before July 1, 2009, is terminated  
27           effective for taxable years after 2015. If the electors of a school district subject to  
28           this subsection have not approved a levy for taxable years after 2015 of up to a  
29           specific number of mills under this section by December 31, 2015, the school  
30           district levy limitation for subsequent years is subject to the limitations under  
31           section 57-15-01.1 or this section.

- 1           e. For taxable years beginning after 2012:
- 2           (1) The authority for a levy of up to a specific number of mills, approved by
- 3           electors of a school district for any period of time that includes a taxable
- 4           year before 2009, must be reduced by one hundred thirty-five mills as a
- 5           precondition of receiving state aid in accordance with chapter 15.1-27.
- 6           (2) The authority for a levy of up to a specific number of mills, approved by
- 7           electors of a school district for any period of time that does not include a
- 8           taxable year before 2009, must be reduced by sixty mills as a precondition
- 9           of receiving state aid in accordance with chapter 15.1-27.
- 10          (3) The authority for a levy of up to a specific number of mills, placed on the
- 11          ballot in a school district election for electoral approval of increased levy
- 12          authority under subdivision a or b, after June 30, 2013, must be stated as a
- 13          specific number of mills of general fund levy authority and must include a
- 14          statement that the statutory school district general fund levy limitation is
- 15          sixty mills on the dollar of the taxable valuation of the school district.
- 16          5. f. The authority for an unlimited levy approved by electors of a school district before
- 17             July 1, 2009, is terminated effective for taxable years after 2015. If the electors of
- 18             a school district subject to this subsection have not approved a levy of up to a
- 19             specific number of mills under this section by December 31, 2015, the school
- 20             district levy limitation for subsequent years is subject to the limitations under
- 21             section 57-15-01.1 or this section.
- 22          2. a. The question of authorizing or discontinuing such specific number of mills
- 23             authority in any school district must be submitted to the qualified electors at the
- 24             next regular election upon resolution of the school board or upon the filing with
- 25             the school board of a petition containing the signatures of qualified electors of the
- 26             district equal in number to ten percent of the number of electors who cast votes in
- 27             the most recent election in the school district. ~~However, not~~ No fewer than
- 28             twenty-five signatures are required. ~~However, the~~
- 29          b. The approval of discontinuing such authority does not affect the tax levy in the
- 30             calendar year in which the election is held.

- 1           c. The election must be held in the same manner and subject to the same  
2           conditions as provided in this section for the first election upon the question of  
3           authorizing the mill levy.

4           **SECTION 25. AMENDMENT.** Section 57-15-14.2 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6           **57-15-14.2. Mill levies requiring board action -- Proceeds to general fund**  
7 ~~account~~**School district levies.**

- 8           1. A school board of any school district may levy an amount sufficient to cover general  
9           expenses, including the costs of the following:
- 10           a. Board and lodging for high school students as provided in section 15.1-30-04.
  - 11           b. The teachers' retirement fund as provided in section 15-39.1-28.
  - 12           c. Tuition for students in grades seven through twelve as provided in section  
13           15.1-29-15.
  - 14           d. Special education program as provided in section 15.1-32-20.
  - 15           e. The establishment and maintenance of an insurance reserve fund for insurance  
16           purposes as provided in section 32-12.1-08.
  - 17           f. A final judgment obtained against a school district.
  - 18           g. The district's share of contribution to the old age survivors' fund and matching  
19           contribution for the social security fund as provided by chapter 52-09 and to  
20           provide the district's share of contribution to the old age survivors' fund and  
21           matching contribution for the social security fund for contracted employees of a  
22           multidistrict special education board.
  - 23           h. The rental or leasing of buildings, property, or classroom space. Minimum state  
24           standards for health and safety applicable to school building construction shall  
25           apply to any rented or leased buildings, property, or classroom space.
  - 26           i. Unemployment compensation benefits.
  - 27           j. The removal of asbestos substances from school buildings or the abatement of  
28           asbestos substances in school buildings under any method approved by the  
29           United States environmental protection agency and any repair, replacement, or  
30           remodeling that results from such removal or abatement, any remodeling  
31           required to meet specifications set by the Americans with Disabilities Act

- 1                   accessibility guidelines for buildings and facilities as contained in the appendix to  
2                   28 CFR 36, any remodeling required to meet requirements set by the state fire  
3                   marshal during the inspection of a public school, and for providing an alternative  
4                   education program as provided in section 57-15-17.1.
- 5                   k. Participating in cooperative career and technical education programs approved  
6                   by the state board.
- 7                   l. Maintaining a career and technical education program approved by the state  
8                   board and established only for that school district.
- 9                   m. Paying the cost of purchasing, contracting, operating, and maintaining  
10                  schoolbuses.
- 11                  n. Establishing and maintaining school library services.
- 12                  o. Equipping schoolbuses with two-way communications and central station  
13                  equipment and providing for the installation and maintenance of such equipment.
- 14                  p. Establishing free public kindergartens in connection with the public schools of the  
15                  district for the instruction of resident children below school age during the regular  
16                  school term.
- 17                  q. Establishing, maintaining, and conducting a public recreation system.
- 18                  r. The district's share of contribution to finance an interdistrict cooperative  
19                  agreement authorized by section 15.1-09-40.
- 20                  2. This limitation does not apply to mill levies pursuant to subdivisions a, c, f, and j of  
21                  subsection 1. If a school district maintained a levy to finance either its participation in a  
22                  cooperative career and technical education program or its sponsorship of  
23                  single-district career and technical education programs prior to July 1, 1983, and the  
24                  district discontinues its participation in or sponsorship of those career and technical  
25                  education programs, that district must reduce the proposed aggregated expenditure  
26                  amount for which its general fund levy is used by the dollar amount raised by its prior  
27                  levy for the funding of those programs.
- 28                  3. All proceeds of any levy established pursuant to this section must be placed in the  
29                  school district's general fund account and may be expended to achieve the purposes  
30                  for which the taxes authorized by this section are levied. Proceeds from levies



1           ~~established pursuant to this section and funds provided to school districts pursuant to~~  
2           ~~chapter 15.1-27 may not be transferred to the building fund within the school district.~~

- 3           1. The board of a school district may levy a tax not exceeding the amount in dollars that  
4           the school district levied for the prior year, plus twelve percent, up to a levy of sixty  
5           mills on the taxable valuation of the district for any purpose related to the provision of  
6           educational services. The proceeds of this levy must be deposited into the school  
7           district's general fund and used in accordance with this subsection. The proceeds may  
8           not be transferred into any other fund. For the 2013 taxable year levy only, the amount  
9           in dollars that the school district levied for the 2012 taxable year is determined by  
10           multiplying the 2012 taxable valuation of the school district by the sum of the 2012  
11           mills levied for the district's general fund, high school tuition, and high school  
12           transportation.
- 13           2. The board of a school district may levy no more than twelve mills on the taxable  
14           valuation of the district for miscellaneous purposes and expenses. The proceeds of  
15           this levy must be deposited into a special fund known as the miscellaneous fund and  
16           used in accordance with this subsection. The proceeds may not be transferred into  
17           any other fund.
- 18           3. The board of a school district may levy no more than three mills on the taxable  
19           valuation of the district for deposit into a special reserve fund, in accordance with  
20           chapter 57-19.
- 21           4. The board of a school district may levy no more than the number of mills necessary,  
22           on the taxable valuation of the district, for the payment of tuition, in accordance with  
23           section 15.1-29-15. The proceeds of this levy must be deposited into a special fund  
24           known as the tuition fund and used in accordance with this subsection. The proceeds  
25           may not be transferred into any other fund.
- 26           5. Nothing in this section limits the board of a school district from levying:
  - 27           a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and
  - 28           b. Mills necessary to pay principal and interest on the bonded debt of the district,  
29           including the mills necessary to pay principal and interest on any bonded debt  
30           incurred under section 57-15-17.1 before January 1, 2013.

1       **SECTION 26. AMENDMENT.** Section 57-15-14.5 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **57-15-14.5. Long-distance learning and educational technology levy --~~Voter approval.~~**

4       1. ~~The school board of a public school district may, upon approval by a majority vote of the~~  
5 ~~qualified electors of the school district voting on the question at any regular or special election,~~  
6 ~~dedicate a tax levy for purposes of this section not to exceed five mills on the dollar of taxable~~  
7 ~~valuation of property within the district.~~

8       2. ~~All revenue accruing from the levy under this section must be used only for purposes~~  
9 ~~of establishing and maintaining long distance learning and purchasing and maintaining~~  
10 ~~educational technology. For purposes of this section, educational technology includes~~  
11 ~~computer software, computers and computer networks, other computerized~~  
12 ~~equipment, which must be used for student instruction, and the salary of a staff person~~  
13 ~~to supervise the use and maintenance of educational technology.~~

14       3. ~~If the need for the fund terminates, the governing board of the public school district~~  
15 ~~shall order the termination of the levy and~~On July 1, 2013, each school district shall  
16 transfer the remainingany balance remaining in its long-distance learning and  
17 educational technology fund to the general fund of the school district.

18       **SECTION 27. AMENDMENT.** Section 57-15-17 of the North Dakota Century Code is  
19 amended and reenacted as follows:

20       **57-15-17. Disposition of building fund tax.**

21       Revenue raised for building purposes shall be disposed of as follows:

22       1.    a.   All revenue accruing from appropriations or tax levies for a school district building  
23           fund together with such amounts as may be realized for building purposes from  
24           all other sources must be placed in a separate fund known as a school building  
25           fund and must be deposited, held, or invested in the same manner as the sinking  
26           funds of such school district or in the purchase of shares or securities of federal  
27           or state-chartered savings and loan associations within the limits of federal  
28           insurance.

29       b.    The funds may only be used for the following purposes:

30           (1)   ~~The erection~~construction of new school district buildings or and facilities, ~~or~~  
31           ~~additions to old;~~

- 1           (2) The renovation, repair, or expansion of school district buildings and  
2           facilities, ~~or the making of major repairs to existing buildings or facilities, or~~  
3           improvements to school land and site. For purposes of this paragraph,  
4           facilities may include parking lots, athletic complexes, or any other real  
5           property owned by the school district.;
- 6           (3) The improvement of school district buildings, facilities, and real property;
- 7           (4) The leasing of buildings and facilities;
- 8           (2)(5) The payment of rentals upon contracts with the state board of public school  
9           education.;
- 10          (3)(6) The payment of rentals upon contracts with municipalities for career and  
11          technical education facilities financed pursuant to chapter 40-57.
- 12          (4) ~~Within the limitations of school plans as provided in subsection 2 of section-~~  
13          ~~57-15-16.;~~ and
- 14          (5)(7) The payment of principal, ~~premium, if any~~ premiums, and interest on bonds  
15          issued ~~pursuant to~~ in accordance with subsection 7 of section 21-03-07.
- 16          (6) ~~The payment of premiums for fire and allied lines, liability, and multiple peril~~  
17          ~~insurance on any building and its use, occupancy, fixtures, and contents.~~
- 18          c. The custodian of the funds may pay out the funds only upon order of the school  
19          board, signed by the president and the business manager of the school district.  
20          The order must recite upon its face the purpose for which payment is made.
- 21          2. Any moneys remaining in a school building fund after the completion of the payments  
22          for any school building project which has cost seventy-five percent or more of the  
23          amount in such building fund at the time of letting the contracts therefor shall be  
24          returned to the general fund of the school district upon the order of the school board.
- 25          3. The governing body of any school district may pay into the general fund of the school  
26          district any moneys which have remained in the school building fund for a period of ten  
27          years or more, and such district may include the same as a part of its cash on hand in  
28          making up its budget for the ensuing year. In determining what amounts have  
29          remained in said fund for ten years or more, all payments which have been paid from  
30          the school building fund for building purposes shall be considered as having been paid  
31          from the funds first acquired.

- 1           4. Whenever collections from the taxes levied for the current budget and other income  
2           are insufficient to meet the requirements for general operating expenses, a majority of  
3           the governing body of a school district may transfer unobligated funds from the school  
4           building fund into the general fund of the school district if the school district has issued  
5           certificates of indebtedness equal to fifty percent of the outstanding uncollected  
6           general fund property tax. No school district may transfer funds from the school  
7           building fund into the general fund for more than two years.

8           **SECTION 28. AMENDMENT.** Section 57-15-17.1 of the North Dakota Century Code is  
9           amended and reenacted as follows:

10           ~~57-15-17.1. School board levies -- Multiyear mercury and hazardous substance~~  
11           ~~abatement or removal -- Required remodeling -- Alternative education programs -- Heating,~~  
12           ~~ventilation, and air-conditioning systems~~Discontinuation of special funds - Required  
13           transfers.

14           1. The governing body of any public school district may by resolution adopted by a  
15           two-thirds vote of the school board dedicate a tax levy for purposes of this section of not  
16           exceeding fifteen mills on the dollar of taxable valuation of property within the district for a  
17           period not longer than fifteen years. The school board may authorize and issue general  
18           obligation bonds to be paid from the proceeds of this dedicated levy for the purpose of:

- 19           a. Providing funds for the abatement or removal of mercury and other hazardous  
20           substances from school buildings in accordance with any method approved by  
21           the United States environmental protection agency and for any repair,  
22           replacement, or remodeling that results from the abatement or removal of such  
23           substances;
- 24           b. Any remodeling required to meet specifications set by the Americans with  
25           Disabilities Act accessibility guidelines for buildings and facilities as contained in  
26           the appendix to 28 CFR 36;
- 27           c. Any remodeling required to meet requirements set by the state fire marshal  
28           during the inspection of a public school;
- 29           d. Providing alternative education programs; and
- 30           e. Providing funds for the repair, replacement, or modification of any heating,  
31           ventilation, or air-conditioning systems and required ancillary systems to provide

1                   proper indoor air quality that meets American society of heating, refrigerating and  
2                   air-conditioning engineers, incorporated standards.

3           2. ~~All revenue accruing from the levy under this section, except revenue deposited as~~  
4           ~~allowed by subsections 3, 4, and 5 must be placed in a separate fund known as the~~  
5           ~~mercury and hazardous substance abatement or removal fund and must be accounted~~  
6           ~~for within the capital projects fund group and disbursements must be made from such~~  
7           ~~funds within this fund group for the purpose of mercury and hazardous substance~~  
8           ~~abatement or removal.~~

9           3. ~~All revenue accruing from up to five mills of the fifteen mill levy under this section must~~  
10           ~~be placed in a separate fund known as the required remodeling fund and must be~~  
11           ~~accounted for within the capital projects fund group and disbursements must be made~~  
12           ~~from such funds within this fund group for the purpose of required remodeling, as set~~  
13           ~~forth in subsection 1.~~

14           4. ~~All revenue accruing from up to ten mills of the fifteen mill levy under this section may~~  
15           ~~be placed in a separate fund known as the alternative education program fund.~~  
16           ~~Disbursement may be made from the fund for the purpose of providing an alternative~~  
17           ~~education program but may not be used to construct or remodel facilities used to~~  
18           ~~accommodate an alternative education program.~~

19           5. ~~All revenue accruing from the levy under this section, except revenue deposited as~~  
20           ~~allowed by subsections 2, 3, and 4, must be placed in a separate fund known as the~~  
21           ~~heating, ventilation, and air conditioning upgrade fund and must be accounted for~~  
22           ~~within the capital projects fund group and disbursements must be made from such~~  
23           ~~funds within this fund group for the purpose of improving indoor air quality.~~

24           6. Any~~On July 1, 2013, each school district shall transfer to its building fund or its general~~  
25           fund any ~~moneys remaining in the mercury and hazardous substance abatement or~~  
26           ~~removal fund after completion of the principal and interest payments for any bonds~~  
27           ~~issued for any school mercury and hazardous substance abatement or removal~~  
28           ~~project, any funds, any moneys remaining in the required remodeling fund after~~  
29           ~~completion of the remodeling projects, any funds, any moneys remaining in the~~  
30           ~~alternative education program fund at the termination of the program, and any~~  
31           ~~funds~~moneys ~~remaining in the heating, ventilation, and air-conditioning upgrade fund~~

1 after completion of the principal and interest payments for any bonds issued for any  
2 indoor air quality project must be transferred to the general fund of the school district  
3 upon the order of the school board.

4 **SECTION 29. AMENDMENT.** Section 57-15-31 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **57-15-31. Determination of levy.**

7 The amount to be levied by any county, city, township, school district, park district, or other  
8 municipality authorized to levy taxes shall be computed by deducting from the amount of  
9 estimated expenditures for the current fiscal year as finally determined, plus the required  
10 reserve fund determined upon by the governing board from the past experience of the taxing  
11 district, the total of the following items:

- 12 1. The available surplus consisting of the free and unencumbered cash balance.
- 13 2. Estimated revenues from sources other than direct property taxes.
- 14 3. The total estimated collections from tax levies for previous years.
- 15 4. Such expenditures as are to be made from bond sources.
- 16 5. The amount of distributions received from an economic growth increment pool under  
17 section 57-15-61.
- 18 6. The estimated amount to be received from payments in lieu of taxes on a project  
19 under section 40-57.1-03.
- 20 7. ~~The amount reported to a school district by the superintendent of public instruction as~~  
21 ~~the school district's mill levy reduction grant for the year under section 57-64-02.~~

22 Allowance may be made for a permanent delinquency or loss in tax collection not to exceed five  
23 percent of the amount of the levy.

24 **SECTION 30. AMENDMENT.** Section 57-19-01 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **57-19-01. School district may establish special reserve fund.**

27 Each school district in this state may establish and maintain a special reserve fund which  
28 ~~must be separate and distinct from all other funds now authorized by law and which may not~~  
29 ~~exceed in amount at any one time the sum. The balance of moneys in the fund may not exceed~~  
30 ~~that~~ which could be produced by a levy of the maximum ~~mill levynumber of mills~~ allowed by law  
31 in that district for that year.

1       **SECTION 31. AMENDMENT.** Section 57-19-02 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **57-19-02. Special reserve fund - Separate trust fund.**

4       ~~The special reserve fund is a separate trust fund for the use and benefit of the school-~~  
5 ~~district, to be drawn upon as provided in this chapter.~~

- 6       1. Moneys in the fund may be deposited, held, or invested in the same manner as the  
7 sinking fund of the district or in the purchase of shares or securities of federal savings  
8 and loan associations or state-chartered building and loan associations, within the  
9 limits of federal insurance. ~~The school district business manager shall annually, upon a~~  
10 ~~resolution of the school board,~~
- 11       2. Annually, the board of the school district shall transfer to the school district general  
12 fund any part or all of the investment income orand interest earned by the principal  
13 amount of the school district's of the special reserve fund.
- 14       3. On July 1, 2013, the board of the school district shall transfer from the special reserve  
15 fund to the district's general fund any amount that exceeds the limitation in section  
16 57-19-01.

17       **SECTION 32. AMENDMENT.** Section 57-19-09 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19       **57-19-09. When fund may be transferred.**

20       Any school district which has heretofore by mistake, or for any other reason, considered all  
21 or any part of a special reserve fund, as provided for in chapter 57-19, in determining the  
22 budget for the school district which has deducted all or any part of the funds in such special  
23 reserve fund from the amount necessary to be levied for any school fiscal year, may transfer  
24 from the special reserve fund into the general fund all or any part of such amounts which have  
25 been so considered contrary to the provisions of section 57-19-05. ~~Any school district special-~~  
26 ~~reserve fund and the tax levy therefor may be discontinued by a vote of sixty percent of the~~  
27 ~~electors of the school district voting upon the question at any special or general election. Any~~  
28 ~~moneys remaining unexpended in such~~the special reserve fund must be transferred to the  
29 building or general fund of the school district. The discontinuance of a special reserve fund shall  
30 not decrease the school district tax levies otherwise provided for by law by more than twenty-  
31 percent. A special reserve fund and the tax levy therefor which has been discontinued may be

1 reinstated by a vote of sixty percent of the electors of the school district voting upon the  
2 question at any special or general election.

3 **SECTION 33. AMENDMENT.** Section 57-20-07.1 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **57-20-07.1. County treasurer to mail real estate tax statement.**

6 1. On or before December twenty-sixth of each year, the county treasurer shall mail a  
7 real estate tax statement to the owner of each parcel of real property at the owner's  
8 last-known address. The statement must be provided in a manner that allows the  
9 taxpayer to retain a printed record of the obligation for payment of taxes and special  
10 assessments as provided in the statement.

11 2. If a parcel of real property is owned by more than one individual, the county treasurer  
12 shall send only one statement to one of the owners of that property. Additional copies  
13 of the tax statement will be sent to the other owners upon their request and the  
14 furnishing of their names and addresses to the county treasurer.

15 3. The tax statement must include a dollar valuation of the true and full value as defined  
16 by law of the property and the total mill levy applicable.

17 4. The tax statement must include, or be accompanied by a separate sheet, with three  
18 columns showing, for the taxable year to which the tax statement applies and the two  
19 immediately preceding taxable years, ~~the:~~

20 a. The property tax levy in dollars against the parcel by the county and school  
21 district and any city or township that levied taxes against the parcel; and

22 b. The amount in dollars by which the owner's tax liability has been reduced as a  
23 result of mill levy reduction grants provided by the legislative assembly.

24 5. Failure of an owner to receive a statement will not relieve that owner of liability, nor  
25 extend the discount privilege past the February fifteenth deadline.

26 **SECTION 34. LEGISLATIVE MANAGEMENT STUDY - FUNDING OF EDUCATION -**  
27 **ACCOUNTABILITY - COMMITTEE ESTABLISHMENT.**

28 1. The legislative management shall appoint a committee to examine and clarify  
29 state-level and local-level responsibility for the equitable and adequate funding of  
30 elementary and secondary education in this state.

31 2. The committee shall:



- 1           a. Define what constitutes "education" for purposes of meeting the state's  
2           constitutional requirements;
- 3           b. Examine the distribution of financial and managerial responsibility for  
4           transportation, athletics and activities, course offerings beyond those that are  
5           statutorily required, and other nonmandatory offerings and services;
- 6           c. Examine the distribution of financial and managerial responsibility for school  
7           construction;
- 8           d. Examine the organizational structure for educational delivery in this state, in light  
9           of demographic changes, to ensure effectiveness and efficiency;
- 10          e. Examine the benefits and detriments of statutorily limiting school districts in their  
11          ability to generate and expend property tax dollars; and
- 12          f. Define what constitutes "adequacy" for purposes of funding education.
- 13      3. The committee shall:
  - 14          a. Examine concepts of accountability in elementary and secondary education;
  - 15          b. Examine the performance of North Dakota students in state and national  
16          assessments to determine whether recent legislative efforts have effected  
17          measurable improvements in student achievement; and
  - 18          c. Examine high school curricular requirements, content standards, and teacher  
19          training and qualifications to determine whether North Dakota students are being  
20          adequately prepared for the various assessments and for their first year of  
21          enrollment in institutions of higher education.
- 22      4. The committee shall examine the effectiveness of teacher, principal, and  
23      superintendent evaluation systems.
- 24      5. The legislative management shall report its findings and recommendations, together  
25      with any legislation required to implement the recommendations, to the sixty-fourth  
26      legislative assembly.

27      **SECTION 35. APPROPRIATION.** There is appropriated out of any moneys in the general  
28 fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the  
29 sum as may be necessary, to the legislative council for the purpose of contracting with  
30 consultants and other personnel necessary to complete the study of education funding and  
31 accountability, for the biennium beginning July 1, 2013, and ending June 30, 2015.

1       **SECTION 36. APPROPRIATION.** There is appropriated out of any moneys in the general  
2 fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the  
3 sum as may be necessary, to the department of career and technical education for the purpose  
4 of providing a grant to an institution implementing a certificate program that prepares individuals  
5 with autism spectrum disorder for employment in the technology sector, for the biennium  
6 beginning July 1, 2013, and ending June 30, 2015.

7       1. For the 2014-15 school year, the amount of the grant must be determined by  
8 multiplying the per student payment rate established in subdivision b of subsection 3  
9 of section 15.1-27-04.1 by the number of students that completed the program, up to a  
10 maximum of thirty students.

11       2. The grant recipient shall provide a report to the legislative management regarding  
12 program graduates who found employment in the technology sector, their starting  
13 salaries, and their total compensation.

14       **SECTION 37. SUSPENSION.** Sections 15.1-27-04, 15.1-27-11, 15.1-27-22.1, 15.1-27-42,  
15 15.1-27-43, 15.1-27-44, 15.1-32-20, 57-15-14.4, and 57-19-04 of the North Dakota Century  
16 Code are suspended through June 30, 2015.

17       **SECTION 38. SUSPENSION.** Chapter 57-64 of the North Dakota Century Code is  
18 suspended for the first two taxable years beginning after December 31, 2012.

19       **SECTION 39. REPEAL.** Sections 15.1-27-07.1 and 57-19-10 of the North Dakota Century  
20 Code are repealed.

21       **SECTION 40. EXPIRATION DATE.** Sections 10 through 12, 15, 16, 20, and 31 of this Act  
22 are effective through June 30, 2015, and after that date are ineffective.

23       **SECTION 41. EFFECTIVE DATE - EXPIRATION DATE.** Sections 1, 5, 8, 19, and 21  
24 through 29 of this Act are effective for the first two taxable years beginning after December 31,  
25 2012, and are thereafter ineffective.