

Introduced by

Representatives Nathe, Bellew

Senators Hogue, Schaible

1 A BILL for an Act to amend and reenact sections 15.1-07-29 and 15.1-27-35.3 of the North
2 Dakota Century Code, relating to school district ending fund balances; to provide an effective
3 date; and to declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 15.1-07-29 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15.1-07-29. Ending fund balance - Amount.**

8 1. ~~The~~Within the limitations of this section, the board of a school district may carry over
9 moneys to the ensuing fiscal year, to meet the cash requirements of all funds or
10 purposes to which the credit of the school district may be legally extended.

11 2. ~~For taxable years beginning after December 31, 2003, and ending on December 31,~~
12 ~~2007, the amount carried over by a school district may not exceed fifty percent of the~~
13 ~~current annual budget for all purposes other than debt retirement and amounts~~
14 ~~financed from bond sources plus twenty thousand dollars.~~

15 3. a. ~~For taxable years beginning after December 31, 2007~~2015, the total unobligated
16 amount carried over by a school district in its general fund and its miscellaneous
17 fund, as established under section 57-15-14.2, may not exceed forty-fiveten
18 percent of the district's current annual budget for all purposes other thanor three
19 hundred thousand dollars, whichever is greater.

20 b. For taxable years beginning after December 31, 2015, the amount carried over
21 by a school district in all other funds, except for debt retirement and amounts
22 financed from bond sources, may not exceed one and one-half percent of the
23 district's current annual budget plus twenty or forty-five thousand dollars,
24 whichever is greater.

1 **SECTION 2. 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. (~~Effective through June 30, 2015~~) Payments to school districts -**
4 **Unobligated general fund balance.**

- 5 1. a. The superintendent of public instruction shall determine the amount of
6 payments due a school district and shall subtract from that the amount by which the
7 unobligated general fund balance of the district on the ~~preceding June thirtieth~~ is in
8 excess of forty-five percent of its actual expenditures, plus twenty thousand 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 preceding~~
12 ~~June thirtieth~~June 30, 2015, is in excess of forty percent of its actual expenditures,
13 plus twenty thousand dollars.
- 14 2. a. The superintendent of public instruction shall:
- 15 (1) Determine the amount that represents forty percent of a school district's
16 actual 2014-15 expenditures, plus twenty thousand dollars;
- 17 (2) Determine the greater of the amount that represents ten percent of a school
18 district's actual 2014-15 expenditures or three hundred thousand dollars;
19 and
- 20 (3) Subtract the amount determined under paragraph 2 from the amount
21 determined under paragraph 1.
- 22 b. If the difference, as determined under paragraph 3 of subdivision a, is greater
23 than zero, the superintendent shall direct that the school district provide a credit
24 in the amount of that difference to the owners of all taxable property in the district,
25 against taxes levied for taxable year 2016 by the district. The percentage of the
26 total credit to which each eligible owner of taxable property is entitled must equal
27 the percentage that the taxable valuation of the individual owner's real property
28 bears to the total taxable valuation of all real property located within the district.
- 29 ~~e.3.~~ Beginning July 1, ~~2017~~2016, the superintendent of public instruction shall annually
30 determine the amount of payments due to a school district and shall subtract from that
31 the amount by which the unobligated general fund balance and unobligated

1 miscellaneous fund balance of the district on the preceding June thirtieth is in excess
2 of ~~thirty-five~~ten percent of its actual expenditures, ~~plus twenty or three hundred~~
3 thousand dollars, whichever is greater.

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

8 3. For purposes of this section, a district's unobligated general fund balance includes all
9 moneys in the district's miscellaneous fund, as established under section ~~57-15-14.2~~.

10 **(Effective after June 30, 2015) Payments to school districts - Unobligated general**
11 **fund balance.**

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

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

20 **SECTION 3. EFFECTIVE DATE.** Section 2 of this Act is effective on July 1, 2015.

21 **SECTION 4. EMERGENCY.** Section 2 of this Act is declared to be an emergency measure.