

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 public instruction, the state library, the school for the deaf, and North Dakota vision services -  
3 school for the blind; to amend and reenact sections 15.1-02-02 and 54-24.3-01 of the North  
4 Dakota Century Code, relating to the salary of the superintendent of public instruction and  
5 regional library cooperative definitions; to provide for a transfer; to provide for reports; and to  
6 provide an exemption.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
9 as may be necessary, are appropriated out of any moneys in the general fund in the state  
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
11 other income, to the department of public instruction, the state library, the school for the deaf,  
12 and North Dakota vision services - school for the blind for the purpose of defraying the  
13 expenses of those agencies, for the biennium beginning July 1, 2023, and ending June 30,  
14 2025, as follows:

15 Subdivision 1.

16 DEPARTMENT OF PUBLIC INSTRUCTION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18 Salaries and wages	\$17,854,747	\$1,459,112	\$19,313,859
19 Operating expenses	33,098,149	195,171	33,293,320
20 Integrated formula payments	2,131,825,000	316,826,200	2,448,651,200
21 Grants - special education	27,000,000	0	27,000,000
22 Grants - transportation	58,100,000	0	58,100,000
23 Grants - other grants	312,738,893	70,000,000	382,738,893

Sixty-eighth  
Legislative Assembly

1	Grants - program grants	0	13,780,000	13,780,000
2	Grants - passthrough grants	0	2,229,764	2,229,764
3	Grants - program and passthrough	10,387,064	(10,387,064)	0
4	PowerSchool	5,250,000	525,000	5,775,000
5	National board certification	<u>176,290</u>	<u>0</u>	<u>176,290</u>
6	Total all funds	\$2,596,430,143	\$394,628,183	\$2,991,058,326
7	Less estimated income	<u>938,233,270</u>	<u>154,404,811</u>	<u>1,092,638,081</u>
8	Total general fund	\$1,658,196,873	\$240,223,372	\$1,898,420,245
9	Full-time equivalent positions	86.25	0.00	86.25

10 Subdivision 2.

11 STATE LIBRARY

12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Salaries and wages	\$4,139,907	\$345,606	\$4,485,513
15	Operating expenses	1,822,703	415,770	2,238,473
16	Grants	<u>2,233,528</u>	<u>50,000</u>	<u>2,283,528</u>
17	Total all funds	\$8,196,138	\$811,376	\$9,007,514
18	Less estimated income	<u>2,364,417</u>	<u>(221,410)</u>	<u>2,143,007</u>
19	Total general fund	\$5,831,721	\$1,032,786	\$6,864,507
20	Full-time equivalent positions	26.75	0.00	26.75

21 Subdivision 3.

22 SCHOOL FOR THE DEAF

23			Adjustments or	
24		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
25	Salaries and wages	\$8,332,820	\$855,432	\$9,188,252
26	Operating expenses	1,705,586	120,171	1,825,757
27	Capital assets	<u>158,678</u>	<u>843,500</u>	<u>1,002,178</u>
28	Total all funds	\$10,197,084	\$1,819,103	\$12,016,187
29	Less estimated income	<u>2,790,528</u>	<u>887,693</u>	<u>3,678,221</u>
30	Total general fund	\$7,406,556	\$931,410	\$8,337,966
31	Full-time equivalent positions	44.61	0.75	45.36

1 Subdivision 4.

2 NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
4			
5	Salaries and wages	\$4,992,194	\$445,666
6	Operating expenses	792,671	103,015
7	Capital assets	<u>39,192</u>	<u>439,000</u>
8	Total all funds	\$5,824,057	\$987,681
9	Less estimated income	<u>1,062,178</u>	<u>602,245</u>
10	Total general fund	\$4,761,879	\$385,436
11	Full-time equivalent positions	27.75	0.00

12 Subdivision 5.

13 TOTAL - SECTION 1

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14			
15			
16	Grand total general fund	\$1,676,197,029	\$242,573,004
17	Grand total special funds	<u>944,450,393</u>	<u>155,673,339</u>
18	Grand total all funds	\$2,620,647,422	\$398,246,343

19 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

20 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
 21 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the  
 22 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
23			
24	Department of public instruction		
25	Science experiments grant	\$13,500,000	\$0
26	Regional education association grants	250,000	0
27	State automated reporting system maintenance	200,000	0
28	Children's science center	5,900,000	0
29	State automated reporting system and	10,100,000	0
30	statewide longitudinal data system upgrades		
31	Elementary and secondary school emergency	305,266,879	0

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1	education relief		
2	Emergency education relief homeless children	1,999,661	0
3	and youth program		
4	Assistance to nonpublic schools	4,151,371	0
5	Individuals with disabilities education act grant	8,632,569	0
6	Grow-your-own teacher program	0	3,000,000
7	School board training grants	0	2,000,000
8	Cybersecurity training for teachers	<u>0</u>	<u>1,000,000</u>
9	Total department of public instruction -	\$350,000,480	\$6,000,000
10	all funds		
11	Total department of public instruction -	<u>349,800,480</u>	<u>6,000,000</u>
12	estimated income		
13	Total department of public instruction -	\$200,000	\$0
14	general fund		
15	State library		
16	COVID-19 salaries and wages	\$86,669	\$0
17	COVID-19 operating expenses	1,580,057	0
18	COVID-19 grants	500,000	0
19	Retirement leave payouts	0	40,000
20	Maintenance of effort	0	100,000
21	IT equipment	0	43,000
22	Building renovations	<u>0</u>	<u>150,000</u>
23	Total state library - all funds	\$2,166,726	\$333,000
24	Total state library - estimated income	<u>2,166,726</u>	<u>0</u>
25	Total state library - general fund	\$0	\$333,000
26	School for the deaf		
27	Campus server upgrade	\$7,500	\$0
28	Operating expenses	21,500	0
29	Equipment	40,000	43,500
30	Boiler and resource center projects	650,000	0
31	Operating expense inflation	0	120,171

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1	Boiler replacement	0	650,000
2	Fire alarm and controls	<u>0</u>	<u>150,000</u>
3	Total school for the deaf - all funds	\$719,000	\$963,671
4	Total school for the deaf - estimated income	<u>719,000</u>	<u>873,586</u>
5	Total school for the deaf - general fund	\$0	\$90,085
6	North Dakota vision services - school for the blind		
7	Vision screening devices	\$11,500	\$0
8	Replace flooring	10,000	0
9	Replace south wing air conditioning	40,000	0
10	Repair sidewalk, roof, and parking lot	24,000	0
11	Replace doors and key system	45,000	0
12	Heating, ventilation, and air conditioning upgrades	86,000	0
13	Install LED lighting	33,000	0
14	South wing electrical service	165,000	0
15	Equipment	0	26,000
16	Repairs and maintenance	<u>0</u>	<u>439,000</u>
17	Total school for the blind - estimated income	\$414,500	\$465,000
18	Grand total - all funds	\$353,300,706	\$7,761,671
19	Grand total - estimated income	<u>353,100,706</u>	<u>7,338,586</u>
20	Grand total - general fund	\$200,000	\$423,085

21 The 2023-25 biennium one-time funding amounts are not part of the entity's base budget for  
 22 the 2025-27 biennium. The department of public instruction, state library, school for the deaf,  
 23 and North Dakota vision services - school for the blind shall report to the appropriations  
 24 committees of the sixty-ninth legislative assembly on the use of this one-time funding for the  
 25 biennium beginning July 1, 2023, and ending June 30, 2025.

26 **SECTION 3. APPROPRIATION - TUITION APPORTIONMENT.** The sum of \$510,860,000,  
 27 included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is  
 28 from the state tuition fund in the state treasury. Any additional amount in the state tuition fund  
 29 that becomes available for distribution to public schools is appropriated to the department of  
 30 public instruction for that purpose for the biennium beginning July 1, 2023, and ending June 30,  
 31 2025.

1       **SECTION 4. ESTIMATED INCOME - FOUNDATION AID STABILIZATION FUND.** The  
2 estimated income line item in subdivision 1 of section 1 of this Act includes the sum of  
3 \$143,454,500 from the foundation aid stabilization fund for integrated formula payments.

4       **SECTION 5. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION**  
5 **CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may  
6 expend funds included in the integrated formula payments and grants - special education  
7 contracts line items in subdivision 1 of section 1 of this Act for paying grants for educational  
8 services that were due in the 2021-23 biennium but which were not filed, claimed, or properly  
9 supported by the education provider until after June 30, 2023. To be reimbursed under this  
10 section, claims must be properly supported and filed with the superintendent of public  
11 instruction by June 30, 2024.

12       **SECTION 6. GIFTED AND TALENTED PROGRAM.** The sum of \$800,000, included in the  
13 integrated formula payments line item in subdivision 1 of section 1 of this Act, must be  
14 distributed to reimburse school districts or special education units for gifted and talented  
15 programs upon the submission of an application that is approved in accordance with guidelines  
16 adopted by the superintendent of public instruction. The superintendent of public instruction  
17 shall encourage cooperative efforts for gifted and talented programs among school districts and  
18 special education units.

19       **SECTION 7. MEDICAID MATCHING FUNDING AND SCHOOL APPROVAL -**  
20 **WITHHOLDING AND DISTRIBUTION.**

- 21       1. State school aid payments for special education must be reduced by the amount of  
22 matching funds required to be paid by school districts or special education units for  
23 students participating in the Medicaid program for the biennium beginning July 1,  
24 2023, and ending June 30, 2025. Special education funds equal to the amount of the  
25 matching funds required to be paid by the school district or special education unit must  
26 be paid by the superintendent of public instruction to the department of health and  
27 human services on behalf of the school district or unit.
- 28       2. State school aid payments for integrated formula payments must be reduced by the  
29 amount of funds required to be paid by school districts for school approval for the  
30 biennium beginning July 1, 2023, and ending June 30, 2025.

1       **SECTION 8. REGIONAL EDUCATION ASSOCIATIONS - GRANTS - DISTRIBUTION.** The  
2 integrated formula payments line item in subdivision 1 of section 1 of this Act includes \$700,000  
3 from the general fund for the purpose of providing annual grants to regional education  
4 associations for the biennium beginning July 1, 2023, and ending June 30, 2025. An annual  
5 grant of \$50,000 is provided to each regional education association that exists as of July 1,  
6 2023. Regional education associations that merge during the 2023-25 biennium are entitled to  
7 the annual grants that would have been paid to each of the member associations.

8       **SECTION 9. PASSTHROUGH GRANTS - APPLICATION - DISTRIBUTION -**  
9 **REPORTING.** The grants - passthrough grants line item in subdivision 1 of section 1 of this Act  
10 includes \$2,229,764 for passthrough grants. The superintendent of public instruction shall  
11 determine the manner in which each passthrough grant is distributed but no more than one-half  
12 of the funding may be provided each year of the biennium. Annually grantees, as a condition of  
13 receiving the grant, must establish performance measures to be reviewed by the superintendent  
14 of public instruction. Grantees shall report annually to the superintendent of public instruction  
15 regarding performance based on the measures. The superintendent may not distribute the grant  
16 payment for the second year of the biennium until the grantee submits the annual report for the  
17 first year of the biennium. The superintendent of public instruction shall report to the  
18 appropriations committees of the sixty-ninth legislative assembly regarding funds granted,  
19 performance measures established for each grantee, and whether grantees met performance  
20 expectations.

21       **SECTION 10. USE OF NEW MONEY - NONADMINISTRATIVE PERSONNEL**  
22 **COMPENSATION INCREASES.**

- 23       1. During the 2023-25 biennium, the board of each school district shall use an amount  
24 equal to at least seventy percent of all new money received by the district, resulting  
25 from increases in the base integrated formula payment rate, to increase the  
26 compensation paid to nonadministrative personnel.
- 27       2. For purposes of this section, the superintendent of public instruction shall provide  
28 guidance to school districts regarding the calculation of the amount of new money  
29 resulting from increases in the base integrated formula payment rate during the  
30 2023-25 biennium.

1       **SECTION 11. EXEMPTION - INDIRECT COST RECOVERIES, GENERAL EDUCATIONAL**  
2 **DEVELOPMENT FEES, AND DISPLACED HOMEMAKER DEPOSITS.** Notwithstanding  
3 section 54-44.1-15, the department of public instruction may deposit indirect cost recoveries in  
4 its operating account. In addition, any moneys collected by the department of public instruction  
5 for general educational development fees and displaced homemakers deposits must be  
6 deposited in the public instruction fund in the state treasury. Any funds deposited in the public  
7 instruction fund may only be spent subject to appropriation by the legislative assembly.

8       **SECTION 12. EXEMPTION - TRANSFER - PUBLIC INSTRUCTION FUND - TRANSFER -**  
9 **GENERAL FUND.** Notwithstanding section 54-44.1-11, if, after the superintendent of public  
10 instruction complies with all statutory payment obligations imposed for the 2021-23 biennium,  
11 from any moneys remaining in the integrated formula payments line item in subdivision 1 of  
12 section 1 of chapter 13 of the 2021 Session Laws, the lesser of \$16,009,764 or the remaining  
13 amount must be continued into the 2023-25 biennium and the office of management and budget  
14 shall transfer this amount into the public instruction fund for the purpose of providing program  
15 and passthrough grants as appropriated in subdivision 1 of section 1 of this Act. The  
16 superintendent of public instruction shall transfer any these funds remaining unspent at the end  
17 of the 2023-25 biennium to the general fund.

18       **SECTION 13. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following  
19 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into  
20 the biennium beginning July 1, 2023, and ending June 30, 2025:

- 21       1. Any funds remaining from federal funds derived from the elementary and secondary  
22       school emergency education relief fund and any other federal funds appropriated in  
23       subdivision 2 of section 2 of chapter 28 of the 2021 Session Laws; and
- 24       2. Any funds remaining from federal funds appropriated in subsection 2 of section 6 of  
25       chapter 15 of the 2021 Session Laws, as amended in section 1 of chapter 548 of the  
26       2021 Special Session Session Laws.

27       **SECTION 14. STATE AID TO PUBLIC LIBRARIES.** The grants line item in subdivision 2 of  
28 section 1 of this Act includes \$1,737,582 for aid to public libraries, of which no more than  
29 one-half may be expended during the fiscal year ending June 30, 2024.

30       **SECTION 15. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is  
31 amended and reenacted as follows:



1       **15.1-02-02. Salary.**

2       The annual salary of the superintendent of public instruction is one hundred ~~twenty-seven-~~  
3 ~~thousand seven hundred sixty-eight~~thirty-five thousand five hundred thirty-six dollars through  
4 June 30, ~~2022~~2024, and one hundred ~~thirty thousand three hundred twenty-three~~forty thousand  
5 nine hundred fifty-seven dollars thereafter.

6       **SECTION 16. AMENDMENT.** Section 54-24.3-01 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8       **54-24.3-01. Definitions.**

9       In this chapter, unless the context otherwise requires:

- 10       1. "Academic library" means a library that is part of a college or university that is publicly  
11       or privately funded and whose primary role is to provide resources to enrich and  
12       support the school's curricula and the research needs of students and faculty.
- 13       2. "Library resource center" means a central service unit, whose location is to be agreed  
14       upon by members of the regional library cooperative and which is responsible for  
15       extending special services to support members of the regional library cooperative,  
16       while meeting all cooperative standards.
- 17       3. "Multitype library authority" means a geographic subdivision within which multitype  
18       libraries are organized for the purpose of providing library and information services  
19       through cooperation and mutual support.
- 20       4. "Participant library" means any library agreeing to join a regional library cooperative.
- 21       5. "Public library" means a library that is supported with funds derived from taxation and  
22       which maintains a balanced collection of materials to serve the lifelong information,  
23       reading, and recreational needs of the general population. For purposes of this  
24       chapter, "public library" includes tribal libraries.
- 25       6. "Regional library cooperative" means an organization of one or more types of library  
26       organized under Article VI of section 54-24.1-01, or a multitype library authority.
- 27       7. "School library media center" means a learning center operated as part of a publicly or  
28       privately supported school or school district and whose role is to provide instruction,  
29       cooperatively design learning strategies, and provide resources that support and  
30       enrich the curriculum, following the North Dakota school library media guidelines.

- 1           8. "Special library" means a public or private sector library whose collection is specialized
- 2                   and limited in scope and size and whose role is to provide information to a limited
- 3                   clientele.