

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2328

Introduced by

Senators Wanzek, Erbele, Klein

Representatives Headland, Vigesaa, Weisz

1 A BILL ~~for an Act to amend and reenact subsection 4 of section 15.1-27-03.2 of the North~~
2 ~~Dakota Century Code, relating to weighting factors for rural schools;~~ for an Act to create a school
3 funding task force; to provide for a legislative management report; and to provide an
4 appropriation.

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

6 **SECTION 1. AMENDMENT.** ~~Subsection 4 of section 15.1-27-03.2 of the North Dakota~~
7 ~~Century Code is amended and reenacted as follows:—~~
8 ~~—4. The school district size weighting factor determined under this section and~~
9 ~~multiplied by a school district's weighted average daily membership equals the~~
10 ~~district's weighted student units. For the 2022-23 school year, for school districts that~~
11 ~~operate multiple kindergarten through grade twelve buildings at least nineteen~~fourteen
12 ~~miles [30.5822.53 kilometers] apart, or multiple buildings at least nineteen~~fourteen
13 ~~miles [30.5822.53 kilometers] apart with no replicated grades, the superintendent of~~
14 ~~public instruction shall determine the school size weighting factor for each building~~
15 ~~separately, with no adjustment for elementary schools. The superintendent of public~~
16 ~~instruction shall multiply the school size weighting factor for each building by the~~
17 ~~school district's weighted average daily membership to determine each building's~~
18 ~~weighted student units. The superintendent of public instruction shall combine the~~
19 ~~weighted student units of all buildings in the school district to determine the school~~
20 ~~district's weighted student units.~~

21 **SECTION 1. SCHOOL FUNDING TASK FORCE - REPORT TO LEGISLATIVE**
22 **MANAGEMENT.**
23 1. During the 2023-24 interim, the legislative management shall establish and provide
24 staffing and administrative services to a school funding task force facilitated by a

1 nonpartisan leadership organization. The task force may include public school
2 administrators or business managers, public school teachers, five members of the
3 legislative assembly appointed by the legislative management, parents of public
4 school students, representatives from the department of public instruction, a
5 representative from the governor's office, and a representative from a regional
6 education association.

7 2. During the 2023-24 interim, the school funding task force shall:

- 8 a. Review litigation the state was a party to relating to school funding and the
9 resulting implications for school funding models;
- 10 b. Analyze higher education funding sources to determine whether the sources may
11 be used in whole or in part for the kindergarten through grade twelve system;
- 12 c. Review school payment formulas to determine whether education costs can be
13 equalized across the state;
- 14 d. Study the size, student population, and economics of school districts and the
15 number of facilities within the district per square mile compared with student
16 population;
- 17 e. Develop and study sliding-scale models within school districts based on size,
18 student populations, and economics;
- 19 f. Assess the negative impacts of the current funding formula;
- 20 g. Study school funding formulas used by other states;
- 21 h. Determine the benefits of and incentives to promote school district consolidation;
- 22 i. Review school transportation costs considering location, size, and student
23 enrollment; and
- 24 j. Study high-cost student and special education student costs as those costs relate
25 to the formula weighting factors.

26 3. The task force may:

- 27 a. Study the funding of school building maintenance and repairs considering
28 location and whether buildings are located in a rural or urban area; and
- 29 b. Review ending fund balances and analyze how the current funding formula
30 impacts ending fund balances.

1 4. The task force shall report its findings and recommendations, together with any
2 legislation necessary to implement the recommendations, to the sixty-ninth legislative
3 assembly.

4 **SECTION 2. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION - SCHOOL**
5 **DISTRICT OPERATING GRANTS - ONE-TIME FUNDING.** There is appropriated out of any

6 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
7 \$3,095,040, or so much of the sum as may be necessary, to the department of public instruction
8 for the purpose of providing operating grants to school districts, for the biennium beginning
9 July 1, 2023, and ending June 30, 2025. The funding provided in this section is to be considered
10 one-time funding. The department of public instruction shall provide grants to school districts as
11 follows:

<u>School District</u>	<u>Grant</u>
Hope-Page public school district	\$150,000
Dakota prairie school district	409,316
Midkota public school district	264,437
North border school district	687,145
TGU school district	809,927
Lewis and Clark public school district	<u>774,215</u>
Total	\$3,095,040