

May 2, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO  
FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1013**

Introduced by

Appropriations Committee

*In place of amendment (25.0157.02005) adopted by the Senate, Engrossed House Bill No. 1013 is amended by amendment (25.0157.02008) as follows:*

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 public instruction, the center for distance education, the state library, the school for the deaf,  
3 and North Dakota vision services - school for the blind; to create and enact a new section to  
4 chapter 15.1-07 of the North Dakota Century Code, relating to the collection of free or reduced-  
5 price meal eligibility information; to amend and reenact ~~section~~sections 15.1-02-02 and  
6 15.1-27-16 of the North Dakota Century Code, relating to the salary of the superintendent of  
7 public instruction and administrative cost-sharing; to provide for a transfer; to provide a report;  
8 ~~and~~ to provide an exemption; and to provide an effective date.

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

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
11 as may be necessary, are appropriated out of any moneys in the general fund in the state  
12 treasury, not otherwise appropriated, and from other funds derived from special funds and  
13 federal funds, to the department of public instruction, the center for distance education, the  
14 state library, the school for the deaf, and North Dakota vision services - school for the blind for  
15 the purpose of defraying the expenses of those agencies, for the biennium beginning July 1,  
16 2025, and ending June 30, 2027, as follows:

17 Subdivision 1.

18 DEPARTMENT OF PUBLIC INSTRUCTION

Sixty-ninth  
Legislative Assembly

|    |                              | Adjustments or    |                     |                      |
|----|------------------------------|-------------------|---------------------|----------------------|
|    |                              | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| 3  | Salaries and wages           | \$19,964,765      | \$1,121,603         | \$21,086,368         |
| 4  | New and vacant FTE pool      | 0                 | 695,495             | 695,495              |
| 5  | Operating expenses           | 32,793,320        | 9,718,204           | 42,511,524           |
| 6  | Integrated formula payments  | 2,299,674,851     | 116,655,489         | 2,416,330,340        |
| 7  | Grants - special education   | 24,000,000        | 0                   | 24,000,000           |
| 8  | Grants - transportation      | 58,100,000        | 5,400,000           | 63,500,000           |
| 9  | Grants - other grants        | 382,738,893       | 29,705,709          | 412,444,602          |
| 10 | Grants - program grants      | 17,205,000        | 7,011,027           | 24,216,027           |
| 11 | Grants - passthrough grants  | 3,569,000         | 12,266,000          | 15,835,000           |
| 12 | PowerSchool                  | 5,775,000         | (5,775,000)         | 0                    |
| 13 | Student information systems  | 0                 | 5,775,000           | 5,775,000            |
| 14 | National board certification | 176,290           | 0                   | 176,290              |
| 15 | Total all funds              | \$2,843,997,119   | \$182,573,527       | \$3,026,570,646      |
| 16 | Less other funds             | 1,115,246,674     | 176,835,668         | 1,292,082,342        |
| 17 | Total general fund           | \$1,728,750,445   | \$5,737,859         | \$1,734,488,304      |
| 18 | Salaries and wages           | \$19,964,765      | \$1,121,603         | \$21,086,368         |
| 19 | New and vacant FTE pool      | 0                 | 695,495             | 695,495              |
| 20 | Operating expenses           | 32,793,320        | 10,618,819          | 43,412,139           |
| 21 | Integrated formula payments  | 2,299,674,851     | 114,602,852         | 2,414,277,703        |
| 22 | Grants - special education   | 24,000,000        | (2,000,000)         | 22,000,000           |
| 23 | Grants - transportation      | 58,100,000        | 2,000,000           | 60,100,000           |
| 24 | Grants - other grants        | 382,738,893       | 29,705,709          | 412,444,602          |
| 25 | Grants - program grants      | 17,205,000        | 8,511,027           | 25,716,027           |
| 26 | Grants - passthrough grants  | 3,569,000         | 1,166,000           | 4,735,000            |
| 27 | PowerSchool                  | 5,775,000         | (5,775,000)         | 0                    |
| 28 | Student information systems  | 0                 | 5,775,000           | 5,775,000            |
| 29 | National board certification | 176,290           | 0                   | 176,290              |
| 30 | Total all funds              | \$2,843,997,119   | \$166,421,505       | \$3,010,418,624      |
| 31 | Less other funds             | 1,115,246,674     | 187,164,012         | 1,302,410,686        |

|   |                           |                        |                       |                        |
|---|---------------------------|------------------------|-----------------------|------------------------|
| 1 | <u>Total general fund</u> | <u>\$1,728,750,445</u> | <u>(\$20,742,507)</u> | <u>\$1,708,007,938</u> |
|---|---------------------------|------------------------|-----------------------|------------------------|

|   |                                |       |      |       |
|---|--------------------------------|-------|------|-------|
| 2 | Full-time equivalent positions | 86.25 | 0.00 | 86.25 |
|---|--------------------------------|-------|------|-------|

3 Subdivision 2.

4 CENTER FOR DISTANCE EDUCATION

|   |  |                   |                     |                      |
|---|--|-------------------|---------------------|----------------------|
| 5 |  |                   | Adjustments or      |                      |
| 6 |  | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |

|   |  |                         |                        |                         |
|---|--|-------------------------|------------------------|-------------------------|
| 7 | <del>Center for distance education</del> | <del>\$11,613,483</del> | <del>\$2,966,477</del> | <del>\$14,579,960</del> |
|---|--|-------------------------|------------------------|-------------------------|

|   |                                    |              |                    |                    |
|---|------------------------------------|--------------|--------------------|--------------------|
| 8 | <del>New and vacant FTE pool</del> | <del>0</del> | <del>361,061</del> | <del>361,061</del> |
|---|------------------------------------|--------------|--------------------|--------------------|

|   |                            |                         |                        |                         |
|---|----------------------------|-------------------------|------------------------|-------------------------|
| 9 | <del>Total all funds</del> | <del>\$11,613,483</del> | <del>\$3,327,538</del> | <del>\$14,941,021</del> |
|---|----------------------------|-------------------------|------------------------|-------------------------|

|    |                             |                      |                      |                      |
|----|-----------------------------|----------------------|----------------------|----------------------|
| 10 | <del>Less other funds</del> | <del>4,550,000</del> | <del>1,974,000</del> | <del>6,524,000</del> |
|----|-----------------------------|----------------------|----------------------|----------------------|

|    |                               |                        |                        |                        |
|----|-------------------------------|------------------------|------------------------|------------------------|
| 11 | <del>Total general fund</del> | <del>\$7,063,483</del> | <del>\$1,353,538</del> | <del>\$8,417,021</del> |
|----|-------------------------------|------------------------|------------------------|------------------------|

|    |   |                  |                 |                  |
|----|---|------------------|-----------------|------------------|
| 12 | <del>Full-time equivalent positions</del> | <del>30.80</del> | <del>1.20</del> | <del>32.00</del> |
|----|---|------------------|-----------------|------------------|

|    |                                      |                     |                    |                     |
|----|--------------------------------------|---------------------|--------------------|---------------------|
| 13 | <u>Center for distance education</u> | <u>\$11,613,483</u> | <u>\$3,066,477</u> | <u>\$14,679,960</u> |
|----|--------------------------------------|---------------------|--------------------|---------------------|

|    |                                |          |                |                |
|----|--------------------------------|----------|----------------|----------------|
| 14 | <u>New and vacant FTE pool</u> | <u>0</u> | <u>203,156</u> | <u>203,156</u> |
|----|--------------------------------|----------|----------------|----------------|

|    |                        |                     |                    |                     |
|----|------------------------|---------------------|--------------------|---------------------|
| 15 | <u>Total all funds</u> | <u>\$11,613,483</u> | <u>\$3,269,633</u> | <u>\$14,883,116</u> |
|----|------------------------|---------------------|--------------------|---------------------|

|    |                         |                  |                  |                  |
|----|-------------------------|------------------|------------------|------------------|
| 16 | <u>Less other funds</u> | <u>4,550,000</u> | <u>2,074,000</u> | <u>6,624,000</u> |
|----|-------------------------|------------------|------------------|------------------|

|    |                           |                    |                    |                    |
|----|---------------------------|--------------------|--------------------|--------------------|
| 17 | <u>Total general fund</u> | <u>\$7,063,483</u> | <u>\$1,195,633</u> | <u>\$8,259,116</u> |
|----|---------------------------|--------------------|--------------------|--------------------|

|    |                                       |              |             |              |
|----|---------------------------------------|--------------|-------------|--------------|
| 18 | <u>Full-time equivalent positions</u> | <u>30.80</u> | <u>0.20</u> | <u>31.00</u> |
|----|---------------------------------------|--------------|-------------|--------------|

19 Subdivision 3.

20 STATE LIBRARY

|    |  |                   |                     |                      |
|----|--|-------------------|---------------------|----------------------|
| 21 |  |                   | Adjustments or      |                      |
| 22 |  | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |

|    |                    |             |           |             |
|----|--------------------|-------------|-----------|-------------|
| 23 | Salaries and wages | \$4,615,731 | \$500,120 | \$5,115,851 |
|----|--------------------|-------------|-----------|-------------|

|    |                         |   |         |         |
|----|-------------------------|---|---------|---------|
| 24 | New and vacant FTE pool | 0 | 107,552 | 107,552 |
|----|-------------------------|---|---------|---------|

|    |                    |           |         |           |
|----|--------------------|-----------|---------|-----------|
| 25 | Operating expenses | 2,282,298 | 707,777 | 2,990,075 |
|----|--------------------|-----------|---------|-----------|

|    |        |                  |          |                  |
|----|--------|------------------|----------|------------------|
| 26 | Grants | <u>2,283,528</u> | <u>0</u> | <u>2,283,528</u> |
|----|--------|------------------|----------|------------------|

|    |                 |             |             |              |
|----|-----------------|-------------|-------------|--------------|
| 27 | Total all funds | \$9,181,557 | \$1,315,449 | \$10,497,006 |
|----|-----------------|-------------|-------------|--------------|

|    |                  |                  |                |                  |
|----|------------------|------------------|----------------|------------------|
| 28 | Less other funds | <u>2,499,073</u> | <u>305,139</u> | <u>2,804,212</u> |
|----|------------------|------------------|----------------|------------------|

|    |                    |             |             |             |
|----|--------------------|-------------|-------------|-------------|
| 29 | Total general fund | \$6,682,484 | \$1,010,310 | \$7,692,794 |
|----|--------------------|-------------|-------------|-------------|

|    |                                |       |      |       |
|----|--------------------------------|-------|------|-------|
| 30 | Full-time equivalent positions | 26.75 | 0.00 | 26.75 |
|----|--------------------------------|-------|------|-------|

31 Subdivision 4.

SCHOOL FOR THE DEAF

|                                |                   | Adjustments or      |                      |
|--------------------------------|-------------------|---------------------|----------------------|
|                                | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| Salaries and wages             | \$9,283,599       | \$735,225           | \$10,018,824         |
| New and vacant FTE pool        | 0                 | 415,571             | 415,571              |
| Operating expenses             | 1,705,586         | 320,839             | 2,026,425            |
| Capital assets                 | <u>158,678</u>    | <u>283,800</u>      | <u>442,478</u>       |
| Total all funds                | \$11,147,863      | \$1,755,435         | \$12,903,298         |
| Less other funds               | <u>2,811,557</u>  | <u>360,186</u>      | <u>3,171,743</u>     |
| Total general fund             | \$8,336,306       | \$1,395,249         | \$9,731,555          |
| Full-time equivalent positions | 45.36             | 1.50                | 46.86                |

Subdivision 5.

NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

|   |                        | Adjustments or         |                        |
|---|------------------------|------------------------|------------------------|
|   | <u>Base Level</u>      | <u>Enhancements</u>    | <u>Appropriation</u>   |
| <del>Salaries and wages</del>             | <del>\$5,538,818</del> | <del>\$241,078</del>   | <del>\$5,779,896</del> |
| <del>New and vacant FTE pool</del>        | <del>0</del>           | <del>121,985</del>     | <del>121,985</del>     |
| <del>Operating expenses</del>             | <del>869,686</del>     | <del>406,571</del>     | <del>1,276,257</del>   |
| <del>Capital assets</del>                 | <del>39,192</del>      | <del>230,808</del>     | <del>270,000</del>     |
| <del>Total all funds</del>                | <del>\$6,447,696</del> | <del>\$1,000,442</del> | <del>\$7,448,138</del> |
| <del>Less other funds</del>               | <del>1,206,705</del>   | <del>534,239</del>     | <del>1,740,944</del>   |
| <del>Total general fund</del>             | <del>\$5,240,991</del> | <del>\$466,203</del>   | <del>\$5,707,194</del> |
| <del>Full-time equivalent positions</del> | <del>27.75</del>       | <del>0.00</del>        | <del>27.75</del>       |
| Salaries and wages                        | \$5,538,818            | \$241,078              | \$5,779,896            |
| New and vacant FTE pool                   | 0                      | 259,436                | 259,436                |
| Operating expenses                        | 869,686                | 406,571                | 1,276,257              |
| Capital assets                            | 39,192                 | 230,808                | 270,000                |
| Total all funds                           | \$6,447,696            | \$1,137,893            | \$7,585,589            |
| Less other funds                          | 1,206,705              | 534,239                | 1,740,944              |
| Total general fund                        | \$5,240,991            | \$603,654              | \$5,844,645            |
| Full-time equivalent positions            | 27.75                  | 1.00                   | 28.75                  |

1 Subdivision 6.

2 TOTAL - SECTION 1

3 Adjustments or

4 Base Level Enhancements Appropriation

5 ~~Grand total all funds~~ ~~\$2,882,387,718~~ ~~\$189,972,391~~ ~~\$3,072,360,109~~

6 ~~Less grand total other funds~~ ~~1,126,314,009~~ ~~180,009,232~~ ~~1,306,323,241~~

7 ~~Grand total general fund~~ ~~\$1,756,073,709~~ ~~\$9,963,159~~ ~~\$1,766,036,868~~

8 Grand total all funds \$2,882,387,718 \$173,899,915 \$3,056,287,633

9 Less grand total other funds 1,126,314,009 190,437,576 1,316,751,585

10 Grand total general fund \$1,756,073,709 (\$16,537,661) \$1,739,536,048

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

12 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
13 items included in the appropriation in section 1 of this Act which are not included in each entity's  
14 base budget for the 2027-29 biennium and which each entity shall report to the appropriations  
15 committees of the seventieth legislative assembly regarding the use of this funding:

16 One-Time Funding Description General Fund Other Funds Total Funds

17 ~~Department of Pubic Instruction~~

18 ~~— Science center grants~~ ~~\$0~~ ~~\$10,000,000~~ ~~\$10,000,000~~

19 ~~— Teacher retention program~~ ~~0~~ ~~2,500,000~~ ~~2,500,000~~

20 ~~— School board training~~ ~~0~~ ~~1,500,000~~ ~~1,500,000~~

21 ~~— Native American essential~~ ~~0~~ ~~950,000~~ ~~950,000~~

22 ~~— understandings and book series~~

23 ~~— Statewide reading tool~~ ~~500,000~~ ~~0~~ ~~500,000~~

24 ~~— Dyslexia training~~ ~~0~~ ~~300,000~~ ~~300,000~~

25 ~~— Assistive technology and~~ ~~250,000~~ ~~0~~ ~~250,000~~

26 ~~— curriculum pilot~~

27 ~~— Total department of public instruction~~ ~~\$750,000~~ ~~\$15,250,000~~ ~~\$16,000,000~~

28 Department of Pubic Instruction

29 Teacher retention program \$0 \$2,000,000 \$2,000,000

30 School board training 0 1,500,000 1,500,000

31 Early learning program 0 1,500,000 1,500,000

Sixty-ninth  
Legislative Assembly

|    |   |                      |                         |                         |
|----|---|----------------------|-------------------------|-------------------------|
| 1  | <u>Centers of excellence</u>                        | <u>0</u>             | <u>1,000,000</u>        | <u>1,000,000</u>        |
| 2  | <u>Native American essential</u>                    | <u>0</u>             | <u>950,000</u>          | <u>950,000</u>          |
| 3  | <u>understandings and book series</u>               |                      |                         |                         |
| 4  | <u>Statewide reading tool</u>                       | <u>0</u>             | <u>500,000</u>          | <u>500,000</u>          |
| 5  | <u>Dyslexia training</u>                            | <u>0</u>             | <u>300,000</u>          | <u>300,000</u>          |
| 6  | <u>Total department of public instruction</u>       | <u>\$0</u>           | <u>\$7,750,000</u>      | <u>\$7,750,000</u>      |
| 7  | Center for Distance Education                       |                      |                         |                         |
| 8  | Information technology equipment                    | \$0                  | \$25,000                | \$25,000                |
| 9  | Student information system upgrade                  | <u>75,250</u>        | <u>0</u>                | <u>75,250</u>           |
| 10 | Total center for distance education                 | \$75,250             | \$25,000                | \$100,250               |
| 11 | School for the Deaf                                 |                      |                         |                         |
| 12 | Equipment replacement                               | \$0                  | \$45,000                | \$45,000                |
| 13 | Campus security upgrades                            | <u>0</u>             | <u>238,800</u>          | <u>238,800</u>          |
| 14 | Total school for the deaf                           | \$0                  | \$283,800               | \$283,800               |
| 15 | North Dakota vision services - School for the Blind |                      |                         |                         |
| 16 | Equipment less than \$5,000                         | \$0                  | \$28,000                | \$28,000                |
| 17 | Door replacement                                    | 0                    | 10,000                  | 10,000                  |
| 18 | Breakroom remodel                                   | 0                    | 55,000                  | 55,000                  |
| 19 | <del>Kitchen cabinet replacement</del>              | <del>0</del>         | <del>55,000</del>       | <del>55,000</del>       |
| 20 | <u>Tractor replacement</u>                          | <u>0</u>             | <u>55,000</u>           | <u>55,000</u>           |
| 21 | South parking lot replacement                       | <u>0</u>             | <u>150,000</u>          | <u>150,000</u>          |
| 22 | Total school for the blind                          | <u>\$0</u>           | <u>\$298,000</u>        | <u>\$298,000</u>        |
| 23 | <del>Grand total</del>                              | <del>\$825,250</del> | <del>\$15,856,800</del> | <del>\$16,682,050</del> |
| 24 | <u>Grand total</u>                                  | <u>\$75,250</u>      | <u>\$8,356,800</u>      | <u>\$8,432,050</u>      |

25       **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The  
26 department of public instruction, center for distance education, state library, school for the deaf,  
27 and North Dakota vision services - school for the blind may not spend funds appropriated in the  
28 new and vacant FTE pool line item in section 1 of this Act, but may request the office of  
29 management and budget to transfer funds from the new and vacant FTE pool line item to the  
30 salaries and wages line item or the center for distance education line item within each

1 respective subdivision in accordance with the guidelines and reporting provisions included in  
2 House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

3 **SECTION 4. APPROPRIATION - 2023-25 BIENNIUM - CONTRACT REIMBURSEMENTS.**

4 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise  
5 appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the  
6 department of public instruction for the purpose of providing contract reimbursements, for the  
7 period beginning with the effective date of this section, and ending June 30, 2025. The  
8 department of public instruction may use up to \$500,000 to reimburse vendors for services  
9 related to federal elementary and secondary school emergency relief fund contracts which have  
10 been denied payment by the United States department of education. Reimbursement may be  
11 made only for services provided through May 2, 2025.

12 **SECTION 5. APPROPRIATION - TUITION APPORTIONMENT.** The sum of \$595,677,350,  
13 included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is  
14 from the state tuition fund in the state treasury. Any additional amount in the state tuition fund  
15 that becomes available for distribution to public schools is appropriated to the department of  
16 public instruction for that purpose for the biennium beginning July 1, 2025, and ending June 30,  
17 2027.

18 **SECTION 6. OTHER FUNDS - FOUNDATION AID STABILIZATION FUND.** The other  
19 funds line item in subdivision 1 of section 1 of this Act includes the sum of  
20 ~~\$219,250,000~~\$233,000,000 from the foundation aid stabilization fund for integrated formula  
21 payments, ~~various program grants, and a Native American program and textbook.~~

22 **SECTION 7. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**  
23 The other funds line item in subdivision 1 of section 1 of this Act includes the sum of  
24 ~~\$10,000,000~~\$6,250,000 from the strategic investment and improvements fund for ~~science-~~  
25 ~~center grants~~one-time program grants, relating to dyslexia training, a statewide reading tool, a  
26 teacher retention program, a centers of excellence program, school board training, and a Native  
27 American essential understandings program and book series.

28 **SECTION 8. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION**  
29 **CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may  
30 expend funds included in the integrated formula payments and grants - special education  
31 contracts line items in subdivision 1 of section 1 of this Act for paying grants for educational

1 services that were due in the 2023-25 biennium but which were not filed, claimed, or properly  
2 supported by the education provider until after June 30, 2025. To be reimbursed under this  
3 section, claims must be properly supported and filed with the superintendent of public  
4 instruction by June 30, 2026.

5 **SECTION 9. GIFTED AND TALENTED PROGRAM.** The sum of \$800,000, included in the  
6 integrated formula payments line item in subdivision 1 of section 1 of this Act, must be  
7 distributed to reimburse school districts or special education units for gifted and talented  
8 programs upon the submission of an application that is approved in accordance with guidelines  
9 adopted by the superintendent of public instruction. The superintendent of public instruction  
10 shall encourage cooperative efforts for gifted and talented programs among school districts and  
11 special education units.

12 **SECTION 10. MEDICAID MATCHING FUNDING - WITHHOLDING AND DISTRIBUTION.**  
13 State school aid payments for special education must be reduced by the amount of matching  
14 funds required to be paid by school districts or special education units for students participating  
15 in the Medicaid program, for the biennium beginning July 1, 2025, and ending June 30, 2027.  
16 Special education funds equal to the amount of the matching funds required to be paid by the  
17 school district or special education unit must be paid by the superintendent of public instruction  
18 to the department of health and human services on behalf of the school district or unit.

19 **SECTION 11. REGIONAL EDUCATION ASSOCIATIONS - GRANTS - DISTRIBUTION.**  
20 The integrated formula payments line item in subdivision 1 of section 1 of this Act includes  
21 ~~\$700,000~~\$600,000 from the general fund for the purpose of providing annual grants to regional  
22 education associations, for the biennium beginning July 1, 2025, and ending June 30, 2027. An  
23 annual grant of \$50,000 is provided to each regional education association that exists as of  
24 July 1, 2025. Regional education associations that merge during the 2025-27 biennium are  
25 entitled to the annual grants that would have been paid to each of the member associations.

26 **SECTION 12. STUDENT MEALS - GRANTS - DISTRIBUTION.** The grants - program  
27 grants line item in subdivision 1 of section 1 of this Act includes ~~\$4,500,000~~\$6,000,000 from the  
28 general fund for the purpose of providing grants to school districts to defray the expenses of  
29 providing meals, free of charge, for all students enrolled in public or nonpublic school at or  
30 below two hundred twenty-five percent of the federal poverty guideline, for the biennium



beginning July 1, 2025, and ending June 30, 2027. The superintendent of public instruction shall develop guidelines and reporting requirements for the grants.

**SECTION 13. PARAPROFESSIONAL-TO-TEACHER PROGRAM - GRANTS -**

**DISTRIBUTION.** The grants - program grants line item in subdivision 1 of section 1 of this Act includes \$3,000,000 from the general fund for the purpose of providing grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers, for the biennium beginning July 1, 2025, and ending June 30, 2027. The superintendent of public instruction may award up to \$20,000 to each qualifying institution for program startup and other administrative costs and the remainder of the appropriation may be used only for tuition and scholarships for students enrolled in the program. The superintendent of public instruction may establish policies and procedures to administer this program.

**SECTION 14. NORTH DAKOTA GOVERNOR'S SCHOOLS - GRANTS - DISTRIBUTION.**

The grants - passthrough grants line item in subdivision 1 of section 1 of this Act includes \$500,000 from the general fund for the purpose of providing grants for North Dakota governor's schools at North Dakota state university and university of North Dakota, for the biennium beginning July 1, 2025, and ending June 30, 2027.

1. The superintendent of public instruction shall conduct North Dakota governor's schools once a summer alternating annually between North Dakota state university and university of North Dakota.
2. The superintendent of public instruction shall award the grants based on providing an average cost of \$5,000 per student attending the schools each year not to exceed a total of \$250,000 to each university for each year of the biennium.
3. The governor's schools program must provide programs related to science, technology, engineering, mathematics, energy law, mental health, education, and health sciences.
4. The superintendent of public instruction shall name codirectors at each university to ensure continued collaboration of the schools at both campuses.
5. Funds may be used only for defraying expenses for students while on campus, including housing, dining, resident assistants, program directors, instructors, and faculty research sponsors.

1       **SECTION 15. EXEMPTION - INDIRECT COST RECOVERIES, GENERAL**

2       **EDUCATIONAL DEVELOPMENT FEES, AND DISPLACED HOMEMAKER DEPOSITS.**

3       Notwithstanding section 54-44.1-15, the department of public instruction may deposit indirect  
4       cost recoveries in its operating account. In addition, any moneys collected by the department of  
5       public instruction for general educational development fees and displaced homemakers  
6       deposits must be deposited in the public instruction fund in the state treasury. Any funds  
7       deposited in the public instruction fund may only be spent subject to appropriation by the  
8       legislative assembly.

9       **SECTION 16. EXEMPTION - TRANSFER - PUBLIC INSTRUCTION FUND - TRANSFER -**

10      **GENERAL FUND.** Notwithstanding section 54-44.1-11, if, after the superintendent of public  
11      instruction complies with all statutory payment obligations imposed for the 2023-25 biennium,  
12      from any moneys remaining in the integrated formula payments line item in subdivision 1 of  
13      section 1 of chapter 45 of the 2023 Session Laws, the lesser of ~~\$11,165,000~~\$11,000,000 or the  
14      remaining amount must be continued into the 2025-27 biennium and the office of management  
15      and budget shall transfer this amount into the public instruction fund for the purpose of providing  
16      ~~program and passthrough grants~~integrated formula payments as appropriated in subdivision 1  
17      of section 1 of this Act. The superintendent of public instruction shall transfer any of these funds  
18      remaining unspent at the end of the 2025-27 biennium to the general fund.

19      **SECTION 17. EXEMPTION - UNEXPENDED APPROPRIATIONS - DEPARTMENT OF**

20      **PUBLIC INSTRUCTION.** The following appropriations to the department of public instruction  
21      are not subject to the provisions of section 54-44.1-11 and may be continued into the biennium  
22      beginning July 1, 2025, and ending June 30, 2027:

- 23          1. Any funds remaining from federal funds derived from the elementary and secondary  
24          school emergency education relief fund and any other federal funds appropriated in  
25          subdivision 2 of section 2 of chapter 28 of the 2021 Session Laws; and
- 26          2. Any funds remaining from special funds from the public instruction fund in the state  
27          treasury, derived from reimbursements withheld from school districts' integrated  
28          formula payments for the purpose of information technology project upgrades to the  
29          state automated reporting system and the statewide longitudinal data system,  
30          appropriated in section 17 of chapter 549 of the 2021 Special Session Session Laws.

**SECTION 18. EXEMPTION - UNEXPENDED APPROPRIATION - STATE LIBRARY.** The sum of \$150,000, appropriated from the general fund to the state library for building renovations in subdivision 3 of section 1 of chapter 45 of the 2023 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for building renovations during the biennium beginning July 1, 2025, and ending June 30, 2027.

**SECTION 19. EXEMPTION - UNEXPENDED APPROPRIATIONS - SCHOOL FOR THE DEAF.** The sum of \$800,000, appropriated from special funds, derived from trust fund distributions, rents, and service revenue, to the school for the deaf for boiler replacement, pneumatic controls, and a fire alarm system in subdivision 4 of section 1 of chapter 45 of the 2023 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for boiler replacement, pneumatic controls, and a fire alarm system during the biennium beginning July 1, 2025, and ending June 30, 2027.

**SECTION 20. STATE AID TO PUBLIC LIBRARIES.** The grants line item in subdivision 3 of section 1 of this Act includes \$1,737,582 for aid to public libraries, of which no more than one-half may be expended during the fiscal year ending June 30, 2026.

**SECTION 21. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-02-02. Salary.**

The annual salary of the superintendent of public instruction is ~~one hundred thirty-eight thousand one hundred forty-two~~ one hundred forty-seven thousand nine hundred seventy-eight dollars through June 30, ~~2024~~2026, and ~~one hundred forty-three thousand six hundred sixty-eight~~ one hundred fifty-two thousand four hundred seventeen dollars thereafter.

**SECTION 22.** A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

**Electronic collection of free or reduced-price meal eligibility information - Requirements.**

1. Each school district shall annually provide an electronic form to all parents or guardians of enrolled students to collect household income information necessary to determine eligibility for free or reduced-price meals under the national school lunch program and other relevant federal and state assistance programs.

2. The electronic form must be made available to all parents or guardians at the beginning of the eligibility period or the beginning of each school year and must be designed to facilitate ease of completion and submission.

3. A school district shall offer a paper form upon request of a parent or guardian who prefers a nonelectronic submission method.

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

**15.1-27-16. ~~Per student payments -- Administrative cost-sharing -- Cooperating districts and special education units. (Effective through June 30, 2026)~~**

~~1. If any school district receiving payments under this chapter cooperates with another school district for the joint provision of educational services under a plan approved by the superintendent of public instruction, the superintendent of public instruction shall, notwithstanding the provisions of section 15.1-27-03.2, create and assign a separate weighting factor that allows the cooperating districts to receive, for a period of four years, a payment rate equivalent to that which each district would have received had the cooperative plan not taken effect. The superintendent of public instruction shall compute the separate weighting factor to four decimal places and that weighting factor is effective for the duration of the cooperative plan.~~

~~2. A school district that is cooperating with another school district under a cooperative plan approved by the superintendent of public instruction, and which has taxable property located in the same city as the other school district under the cooperative plan, may not be required as part of the cooperative plan to:~~

~~a. Provide unduplicated grade level services; or~~

~~b. Share administrative personnel.~~

~~3. If any school district in the state receiving payments under this chapter or any special education unit in the state cooperates with another school district or special education unit to jointly employ or contract with a superintendent or a school district business manager, or both, or to jointly employ or contract with a special education unit director or a special education unit business manager, or both, the superintendent of public instruction shall provide partial reimbursement of the salary of the superintendent or the school district business manager, or both, or partial reimbursement of the salary of~~

1           the special education unit director or the special education unit business manager, or  
2           both, as follows:

3           ~~a. If the salary exceeds two hundred thousand dollars, the amount of the~~  
4           ~~reimbursement must be calculated based upon two hundred thousand dollars.~~  
5           ~~Each cooperating school district or special education unit shall receive a prorated~~  
6           ~~share of the reimbursement percentages listed below each year for four years.~~  
7           ~~The prorated reimbursement is based on the percentage of full-time equivalency~~  
8           ~~that the superintendent or school district business manager, or both, or the~~  
9           ~~special education unit director or special education unit business manager, or~~  
10          ~~both, are employed or contracted by each district or special education unit. The~~  
11          ~~percentage of reimbursement for the salary of the jointly hired superintendent or~~  
12          ~~school district business manager, or both, or of the jointly hired special education~~  
13          ~~unit director or special education unit business manager, or both, must be as~~  
14          ~~follows:~~

15          ~~(1) If two schools or special education units are cooperating, ten percent of the~~  
16          ~~salary;~~

17          ~~(2) If three schools or special education units are cooperating, fifteen percent of~~  
18          ~~the salary;~~

19          ~~(3) If four schools or special education units are cooperating, twenty percent of~~  
20          ~~the salary; and~~

21          ~~(4) If five or more schools or special education units are cooperating,~~  
22          ~~twenty-five percent of the salary.~~

23          ~~b. To be eligible for reimbursement under this subsection, the cooperating school~~  
24          ~~districts or special education units must:~~

25          ~~(1) Have been approved by the superintendent of public instruction and have~~  
26          ~~implemented their administrative cost-sharing program after June 30, 2022;~~  
27          ~~and~~

28          ~~(2) Submit the salary of the superintendent or school district business manager,~~  
29          ~~or both, or the salary of the special education unit director or special~~  
30          ~~education unit business manager, or both, to the superintendent of public~~  
31          ~~instruction by June first of each year.~~

**Per student payments - Cooperating districts. ~~(Effective after June 30, 2026)~~**

1. If any school district receiving payments under this chapter cooperates with another school district for the joint provision of educational services under a plan approved by the superintendent of public instruction, the superintendent of public instruction shall, notwithstanding the provisions of section 15.1-27-03.2, create and assign a separate weighting factor that allows the cooperating districts to receive, for a period of four years, a payment rate equivalent to that which each district would have received had the cooperative plan not taken effect. The superintendent of public instruction shall compute the separate weighting factor to four decimal places and that weighting factor is effective for the duration of the cooperative plan.
2. A school district that is cooperating with another school district under a cooperative plan approved by the superintendent of public instruction, and which has taxable property located in the same city as the other school district under the cooperative plan, may not be required as part of the cooperative plan to:
  - a. Provide unduplicated grade level services; or
  - b. Share administrative personnel.

**SECTION 24. EFFECTIVE DATE.** Section 22 of this Act becomes effective July 1, 2026.