

February 4, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1369

Introduced by

Representatives Heinert, Richter

Senators Lemm, Schaible

1 A BILL for an Act to amend and reenact sections 15.1-27-03.1, 15.1-27-04.1, 48-01.2-02.1, and
2 57-15-14.2 of the North Dakota Century Code, relating to weighted average daily membership,
3 the determination of state aid, public improvement construction, and school district levies; to
4 provide for a transfer; and to provide an effective date.

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

6 **SECTION 1. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-27-03.1. Weighted average daily membership - Determination.**

- 9 1. For each school district, the superintendent of public instruction shall multiply by:
- 10 a. 1.00 the number of full-time equivalent students enrolled in an extended
11 educational program in accordance with section 15.1-32-17;
- 12 b. 0.60 the number of full-time equivalent students enrolled in a summer education
13 program, including a migrant summer education program;
- 14 c. 0.40 the number of full-time equivalent students who:
- 15 (1) On a test of English language proficiency approved by the superintendent of
16 public instruction are determined to be least proficient and placed in the first
17 of six categories of proficiency; and
- 18 (2) Are enrolled in a program of instruction for English language learners;
- 19 d. 0.28 the number of full-time equivalent students who:

- 1 (1) On a test of English language proficiency approved by the superintendent of
2 public instruction are determined to be more proficient than students placed
3 in the first of six categories of proficiency and therefore placed in the second
4 of six categories of proficiency; and
- 5 (2) Are enrolled in a program of instruction for English language learners;
- 6 e. 0.25 the number of full-time equivalent students under the age of twenty-one
7 enrolled in grades nine through twelve in an alternative high school;
- 8 f. 0.20 the number of full-time equivalent students enrolled in a home-based
9 education program and monitored by the school district under chapter 15.1-23;
- 10 g. 0.17 the number of full-time equivalent students enrolled in an early childhood
11 special education program;
- 12 h. 0.15 the number of full-time equivalent students in grades six through eight
13 enrolled in an alternative education program for at least an average of fifteen
14 hours per week;
- 15 i. 0.10 the number of students enrolled in average daily membership, if the district
16 has fewer than one hundred students enrolled in average daily membership and
17 the district consists of an area greater than two hundred seventy-five square
18 miles [19424.9 hectares], provided that any school district consisting of an area
19 greater than six hundred square miles [155399 hectares] and enrolling fewer than
20 fifty students in average daily membership must be deemed to have an
21 enrollment equal to fifty students in average daily membership;
- 22 j. ~~0.0880~~0.095 the number of students enrolled in average daily membership, in
23 order to support the provision of special education services;
- 24 k. 0.07 the number of full-time equivalent students who:
- 25 (1) On a test of English language proficiency approved by the superintendent of
26 public instruction are determined to be more proficient than students placed
27 in the second of six categories of proficiency and therefore placed in the
28 third of six categories of proficiency;
- 29 (2) Are enrolled in a program of instruction for English language learners; and
- 30 (3) Have not been in the third of six categories of proficiency for more than
31 three years;

- 1 l. 0.025 the number of students representing that percentage of the total number of
2 students in average daily membership which is equivalent to the three-year
3 average percentage of students in grades three through eight who are eligible for
4 free or reduced lunches under the Richard B. Russell National School Lunch Act
5 [42 U.S.C. 1751 et seq.];
- 6 m. 0.002 the number of students enrolled in average daily membership in a school
7 district that is a participating member of a regional education association meeting
8 the requirements of chapter 15.1-09.1;
- 9 n. 1.0 the number of students by which the district's September tenth enrollment
10 report exceeds the number of students in the prior year's average daily
11 membership; and
- 12 o. For districts paid based on September tenth enrollment in the prior year, 1.00 the
13 number of students determined by deducting the number of students in the prior
14 year's September tenth enrollment from the prior year's average daily
15 membership. If the prior year's September tenth enrollment exceeds the prior
16 year's average daily membership, then a deduction of 1.00 the number of excess
17 students.
- 18 2. The superintendent of public instruction shall determine each school district's weighted
19 average daily membership by adding the products derived under subsection 1 to the
20 district's average daily membership.

21 **SECTION 2. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid. (Effective-**
24 **through June 30, 2025) (Retroactive application - [See note](#))**

- 25 ~~1. To determine the amount of state aid payable to each district, the superintendent of~~
26 ~~public instruction shall establish each district's baseline funding. A district's baseline~~
27 ~~funding consists of:~~
- 28 ~~a. All state aid received by the district in accordance with chapter 15.1-27 during the~~
29 ~~2018-19 school year;~~
- 30 ~~b. An amount equal to the property tax deducted by the superintendent of public~~
31 ~~instruction to determine the 2018-19 state aid payment;~~

- 1 e. An amount equal to seventy-five percent of the revenue received by the school-
2 district during the 2017-18 school year for the following revenue types:
- 3 (1) Revenue reported under code 2000 of the North Dakota school district
4 financial accounting and reporting manual, as developed by the
5 superintendent of public instruction in accordance with section 15.1-02-08;
6 (2) Mineral revenue received by the school district through direct allocation from
7 the state treasurer and not reported under code 2000 of the North Dakota
8 school district financial accounting and reporting manual, as developed by
9 the superintendent of public instruction in accordance with section
10 15.1-02-08;
11 (3) Tuition reported under code 1300 of the North Dakota school district
12 financial accounting and reporting manual, as developed by the
13 superintendent of public instruction in accordance with section 15.1-02-08,
14 with the exception of revenue received specifically for the operation of an
15 educational program provided at a residential treatment facility, tuition
16 received for the provision of an adult farm management program, and
17 beginning in the 2021-22 school year, seventeen percent of tuition received
18 under an agreement to educate students from a school district on an
19 air force base with funding received through federal impact aid, and an
20 additional seventeen percent of tuition received under an agreement to
21 educate students from a school district on an air force base with funding
22 received through federal impact aid each school year thereafter, until the
23 2024-25 school year when sixty-eight percent of tuition received under an
24 agreement to educate students from a school district on an air force base
25 with funding received through federal impact aid must be excluded from the
26 tuition calculation under this paragraph;
27 (4) Revenue from payments in lieu of taxes on the distribution and transmission
28 of electric power;
29 (5) Revenue from payments in lieu of taxes on electricity generated from
30 sources other than coal; and

- 1 (6) Revenue from the leasing of land acquired by the United States for which
2 compensation is allocated to the state under 33 U.S.C. 701(c)(3);
- 3 d. An amount equal to the total revenue received by the school district during the
4 2017-18 school year for the following revenue types:
- 5 (1) Mobile home tax revenue;
- 6 (2) Telecommunications tax revenue; and
- 7 (3) Revenue from payments in lieu of taxes and state reimbursement of the
8 homestead credit and disabled veterans credit; and
- 9 e. Beginning with the 2020-21 school year, the superintendent shall reduce the
10 baseline funding for any school district that becomes an elementary district
11 pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must
12 be proportional to the number of weighted student units in the grades that are
13 offered through another school district relative to the total number of weighted
14 student units the school district offered in the year before the school district
15 became an elementary district. The reduced baseline funding applies to the
16 calculation of state aid for the first school year in which the school district
17 becomes an elementary district and for each year thereafter. For districts that
18 become an elementary district prior to the 2020-21 school year, the
19 superintendent shall use the reduced baseline funding to calculate state aid for
20 the 2020-21 school year and for each year thereafter.
- 21 2. a. The superintendent shall divide the district's baseline funding determined in
22 subsection 1 by the district's 2017-18 weighted student units to determine the
23 district's baseline funding per weighted student unit.
- 24 b. For any school district that becomes an elementary district pursuant to section
25 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the
26 district's baseline funding per weighted student unit used to calculate state aid.
27 The superintendent shall divide the district's baseline funding determined in
28 subsection 1 by the district's weighted student units after the school district
29 becomes an elementary district to determine the district's adjusted baseline
30 funding per weighted student unit. The superintendent shall use the district's
31 adjusted baseline funding per weighted student unit in the calculation of state aid

1 for the first school year in which the school district becomes an elementary-
2 district and for each year thereafter.

3 e. ~~Beginning with the 2021-22 school year and for each school year thereafter, the~~
4 ~~superintendent shall reduce the district's baseline funding per weighted student~~
5 ~~unit. Each year the superintendent shall calculate the amount by which the~~
6 ~~district's baseline funding per weighted student unit exceeds the payment per~~
7 ~~weighted student unit provided in subsection 3. For the 2023-24 school year the~~
8 ~~superintendent shall reduce the district's baseline funding per weighted student~~
9 ~~unit by forty percent of the amount by which the district's baseline funding per~~
10 ~~weighted student unit exceeds the payment per weighted student unit for the~~
11 ~~2023-24 school year. For each year thereafter, the reduction percentage is~~
12 ~~increased by an additional fifteen percent. However, the district's baseline funding~~
13 ~~per weighted student unit, after the reduction, may not be less than the payment~~
14 ~~per weighted student unit provided in subsection 3.~~

15 3. a. ~~For the 2023-24 school year, the superintendent shall calculate state aid as the~~
16 ~~greater of:~~

17 (1) ~~The district's weighted student units multiplied by ten thousand six hundred~~
18 ~~forty-six dollars;~~

19 (2) ~~One hundred two percent of the district's baseline funding per weighted~~
20 ~~student unit, as established in subsection 2, multiplied by the district's~~
21 ~~weighted student units, not to exceed the district's 2017-18 baseline~~
22 ~~weighted student units, plus any weighted student units in excess of the~~
23 ~~2017-18 baseline weighted student units multiplied by ten thousand~~
24 ~~six hundred forty-six dollars; or~~

25 (3) ~~The district's baseline funding as established in subsection 1 less the~~
26 ~~amount in paragraph 1, with the difference reduced by forty percent and~~
27 ~~then the difference added to the amount determined in paragraph 1.~~

28 b. ~~For the 2024-25 school year and each school year thereafter, the superintendent~~
29 ~~shall calculate state aid as the greater of:~~

30 (1) ~~The district's weighted student units multiplied by eleven thousand~~
31 ~~seventy-two dollars;~~

- 1 (2) ~~One hundred two percent of the district's baseline funding per weighted~~
2 ~~student unit, as established in subsection 2, multiplied by the district's~~
3 ~~weighted student units, not to exceed the district's 2017-18 baseline~~
4 ~~weighted student units, plus any weighted student units in excess of the~~
5 ~~2017-18 baseline weighted student units multiplied by eleven thousand~~
6 ~~seventy-two dollars; or~~
- 7 (3) ~~The district's baseline funding as established in subsection 1 less the~~
8 ~~amount in paragraph 1, with the difference reduced by fifty five percent for~~
9 ~~the 2024-25 school year and the reduction percentage increasing by fifteen~~
10 ~~percent each school year thereafter until the difference is reduced to zero,~~
11 ~~and then the difference added to the amount determined in paragraph 1.~~
- 12 4. ~~After determining the product in accordance with subsection 3, the superintendent of~~
13 ~~public instruction shall:~~
- 14 a. ~~Subtract an amount equal to sixty mills multiplied by the taxable valuation of the~~
15 ~~school district, except the amount in dollars subtracted for purposes of this~~
16 ~~subdivision may not exceed the previous year's amount in dollars subtracted for~~
17 ~~purposes of this subdivision by more than twelve percent, adjusted pursuant to~~
18 ~~section 15.1-27-04.3; and~~
- 19 b. ~~Subtract an amount equal to seventy-five percent of all revenue types listed in~~
20 ~~subdivisions c and d of subsection 1. Before determining the deduction for~~
21 ~~seventy-five percent of all revenue types, the superintendent of public instruction~~
22 ~~shall adjust revenues as follows:~~
- 23 (4) ~~Tuition revenue shall be adjusted as follows:~~
- 24 (a) ~~In addition to deducting tuition revenue received specifically for the~~
25 ~~operation of an educational program provided at a residential~~
26 ~~treatment facility, tuition revenue received for the provision of an adult~~
27 ~~farm management program, tuition received for the education of~~
28 ~~high-cost and special education students, and tuition received under~~
29 ~~an agreement to educate students from a school district on an~~
30 ~~air force base with funding received through federal impact aid as~~
31 ~~directed each school year in paragraph 3 of subdivision c of~~

1 subsection 1, the superintendent of public instruction also shall reduce
2 the total tuition reported by the school district by the amount of tuition
3 revenue received for the education of students not residing in the
4 state and for which the state has not entered a cross-border education
5 contract; and

6 (b) The superintendent of public instruction also shall reduce the total
7 tuition reported by admitting school districts meeting the requirements
8 of subdivision e of subsection 2 of section 15.1-29-12 by the amount
9 of tuition revenue received for the education of students residing in an
10 adjacent school district.

11 (2) After adjusting tuition revenue as provided in paragraph 1, the
12 superintendent shall reduce all remaining revenues from all revenue types
13 by the percentage of mills levied in 2022 by the school district for sinking
14 and interest relative to the total mills levied in 2022 by the school district for
15 all purposes.

- 16 5. The amount remaining after the computation required under subsection 4 is the
17 amount of state aid to which a school district is entitled, subject to any other statutory
18 requirements or limitations.
- 19 6. On or before June thirtieth of each year, the school board shall certify to the
20 superintendent of public instruction the final average daily membership for the current
21 school year.
- 22 7. For purposes of the calculation in subsection 4, each county auditor, in collaboration
23 with the school districts, shall report the following to the superintendent of public
24 instruction on an annual basis:
- 25 a. The amount of revenue received by each school district in the county during the
26 previous school year for each type of revenue identified in subdivisions c and d of
27 subsection 1;
- 28 b. The total number of mills levied in the previous calendar year by each school
29 district for all purposes; and
- 30 e. The number of mills levied in the previous calendar year by each school district
31 for sinking and interest fund purposes.

1 ~~Baseline funding -- Establishment -- Determination of state aid. (Effective after~~
2 ~~June 30, 2025)~~

- 3 1. To determine the amount of state aid payable to each district, the superintendent of
4 public instruction shall establish each district's baseline funding. A district's baseline
5 funding consists of:
- 6 a. All state aid received by the district in accordance with chapter 15.1-27 during the
7 2018-19 school year;
 - 8 b. An amount equal to the property tax deducted by the superintendent of public
9 instruction to determine the 2018-19 state aid payment;
 - 10 c. An amount equal to seventy-five percent of the revenue received by the school
11 district during the 2017-18 school year for the following revenue types:
 - 12 (1) Revenue reported under code 2000 of the North Dakota school district
13 financial accounting and reporting manual, as developed by the
14 superintendent of public instruction in accordance with section 15.1-02-08;
 - 15 (2) Mineral revenue received by the school district through direct allocation from
16 the state treasurer and not reported under code 2000 of the North Dakota
17 school district financial accounting and reporting manual, as developed by
18 the superintendent of public instruction in accordance with section
19 15.1-02-08;
 - 20 (3) Tuition reported under code 1300 of the North Dakota school district
21 financial accounting and reporting manual, as developed by the
22 superintendent of public instruction in accordance with section 15.1-02-08,
23 with the exception of revenue received specifically for the operation of an
24 educational program provided at a residential treatment facility, tuition
25 received for the provision of an adult farm management program, and
26 beginning in the 2025-26 school year, eighty-five percent of tuition received
27 under an agreement to educate students from a school district on an
28 air force base with funding received through federal impact aid, until the
29 2026-27 school year, and each school year thereafter, when all tuition
30 received under an agreement to educate students from a school district on

- 1 an air force base with funding received through federal impact aid must be
2 excluded from the tuition calculation under this paragraph;
- 3 (4) Revenue from payments in lieu of taxes on the distribution and transmission
4 of electric power;
- 5 (5) Revenue from payments in lieu of taxes on electricity generated from
6 sources other than coal; and
- 7 (6) Revenue from the leasing of land acquired by the United States for which
8 compensation is allocated to the state under 33 U.S.C. 701(c)(3); and
- 9 d. An amount equal to the total revenue received by the school district during the
10 2017-18 school year for the following revenue types:
- 11 (1) Mobile home tax revenue;
- 12 (2) Telecommunications tax revenue; and
- 13 (3) Revenue from payments in lieu of taxes and state reimbursement of the
14 homestead credit and disabled veterans credit.
- 15 e. Beginning with the 2020-21 school year, the superintendent shall reduce the
16 baseline funding for any school district that becomes an elementary district
17 pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must
18 be proportional to the number of weighted student units in the grades that are
19 offered through another school district relative to the total number of weighted
20 student units the school district offered in the year before the school district
21 became an elementary district. The reduced baseline funding applies to the
22 calculation of state aid for the first school year in which the school district
23 becomes an elementary district and for each year thereafter. For districts that
24 become an elementary district prior to the 2020-21 school year, the
25 superintendent shall use the reduced baseline funding to calculate state aid for
26 the 2020-21 school year and for each year thereafter.
- 27 2. a. The superintendent shall divide the district's baseline funding determined in
28 subsection 1 by the district's 2017-18 weighted student units to determine the
29 district's baseline funding per weighted student unit.
- 30 b. For any school district that becomes an elementary district pursuant to section
31 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the

1 district's baseline funding per weighted student unit used to calculate state aid.
2 The superintendent shall divide the district's baseline funding determined in
3 subsection 1 by the district's weighted student units after the school district
4 becomes an elementary district to determine the district's adjusted baseline
5 funding per weighted student unit. The superintendent shall use the district's
6 adjusted baseline funding per weighted student unit in the calculation of state aid
7 for the first school year in which the school district becomes an elementary
8 district and for each year thereafter.

9 c. Beginning with the 2021-22 school year and for each school year thereafter, the
10 superintendent shall reduce the district's baseline funding per weighted student
11 unit. Each year the superintendent shall calculate the amount by which the
12 district's baseline funding per weighted student unit exceeds the payment per
13 weighted student unit provided in subsection 3. For the 2023-24 school year the
14 superintendent shall reduce the district's baseline funding per weighted student
15 unit by forty percent of the amount by which the district's baseline funding per
16 weighted student unit exceeds the payment per weighted student unit for the
17 2023-24 school year. For each year thereafter, the reduction percentage is
18 increased by an additional fifteen percent. However, the district's baseline funding
19 per weighted student unit, after the reduction, may not be less than the payment
20 per weighted student unit provided in subsection 3.

21 3. a. For the ~~2023-24~~2025-26 school year, the superintendent shall calculate state aid
22 as the greater of:

23 (1) The district's weighted student units multiplied by ~~ten thousand six hundred~~
24 forty-sixeleven thousand four hundred four dollars;

25 (2) One hundred two percent of the district's baseline funding per weighted
26 student unit, as established in subsection 2, multiplied by the district's
27 weighted student units, not to exceed the district's 2017-18 baseline
28 weighted student units, plus any weighted student units in excess of the
29 2017-18 baseline weighted student units multiplied by ~~ten thousand~~
30 six hundred forty-sixeleven thousand four hundred four dollars; or

- 1 (3) The district's baseline funding as established in subsection 1 less the
2 amount in paragraph 1, with the difference reduced by ~~forty~~seventy percent
3 and then the difference added to the amount determined in paragraph 1.
- 4 b. For the ~~2024-25~~2026-27 school year and each school year thereafter, the
5 superintendent shall calculate state aid as the greater of:
- 6 (1) The district's weighted student units multiplied by eleven thousand
7 ~~seventy-two~~seven hundred forty-six dollars;
- 8 (2) One hundred two percent of the district's baseline funding per weighted
9 student unit, as established in subsection 2, multiplied by the district's
10 weighted student units, not to exceed the district's 2017-18 baseline
11 weighted student units, plus any weighted student units in excess of the
12 2017-18 baseline weighted student units multiplied by eleven thousand
13 ~~seventy-two~~seven hundred forty-six dollars; or
- 14 (3) The district's baseline funding as established in subsection 1 less the
15 amount in paragraph 1, with the difference reduced by ~~fifty-five~~eighty-five
16 percent for the ~~2024-25~~2026-27 school year and the reduction percentage
17 increasing by fifteen percent each school year thereafter until the difference
18 is reduced to zero, and then the difference added to the amount determined
19 in paragraph 1.
- 20 4. After determining the product in accordance with subsection 3, the superintendent of
21 public instruction shall:
- 22 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
23 school district; and
- 24 b. Subtract an amount equal to seventy-five percent of all revenue types listed in
25 ~~subdivisions e and d~~subdivision c and paragraphs 1 and 2 of subdivision d of
26 subsection 1 and revenue from payments in lieu of taxes. Before determining the
27 deduction for seventy-five percent of all revenue types, the superintendent of
28 public instruction shall adjust revenues as follows:
- 29 (1) Tuition revenue shall be adjusted as follows:
- 30 (a) In addition to deducting tuition revenue received specifically for the
31 operation of an educational program provided at a residential

1 treatment facility, tuition revenue received for the provision of an adult
2 farm management program, tuition received for the education of
3 high-cost and special education students, and tuition received under
4 an agreement to educate students from a school district on an
5 air force base with funding received through federal impact aid as
6 directed each school year in paragraph 3 of subdivision c of
7 subsection 1, the superintendent of public instruction also shall reduce
8 the total tuition reported by the school district by the amount of tuition
9 revenue received for the education of students not residing in the
10 state and for which the state has not entered a cross-border education
11 contract; and

12 (b) The superintendent of public instruction also shall reduce the total
13 tuition reported by admitting school districts meeting the requirements
14 of subdivision e of subsection 2 of section 15.1-29-12 by the amount
15 of tuition revenue received for the education of students residing in an
16 adjacent school district.

17 (2) After adjusting tuition revenue as provided in paragraph 1, the
18 superintendent shall reduce all remaining revenues from all revenue types
19 by the percentage of mills levied in ~~2022~~2024 by the school district for
20 sinking and interest relative to the total mills levied in ~~2022~~2024 by the
21 school district for all purposes.

- 22 5. The amount remaining after the computation required under subsection 4 is the
23 amount of state aid to which a school district is entitled, subject to any other statutory
24 requirements or limitations.
- 25 6. On or before June thirtieth of each year, the school board shall certify to the
26 superintendent of public instruction the final average daily membership for the current
27 school year.
- 28 7. For purposes of the calculation in subsection 4, each county auditor, in collaboration
29 with the school districts, shall report the following to the superintendent of public
30 instruction on an annual basis:

- 1 a. The amount of revenue received by each school district in the county during the
- 2 previous school year for each type of revenue identified in subdivisions c and d of
- 3 subsection 1;
- 4 b. The total number of mills levied in the previous calendar year by each school
- 5 district for all purposes; and
- 6 c. The number of mills levied in the previous calendar year by each school district
- 7 for sinking and interest fund purposes.

8 **SECTION 3. AMENDMENT.** Section 48-01.2-02.1 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **48-01.2-02.1. Public improvement construction threshold.**

- 11 1. The threshold for bidding construction of a public improvement is two hundred fifty
- 12 thousand dollars. The threshold for procuring plans, drawings, ~~and~~ specifications, and
- 13 bonding from an architect or engineer for construction of a public improvement is two
- 14 hundred fifty thousand dollars.
- 15 2. Notwithstanding the thresholds in subsection 1, if the state or a political subdivision
- 16 undertakes the construction of a public improvement and there is reason to believe
- 17 that engineering or architectural services are necessary to protect the health, safety, or
- 18 welfare of the public, the state or political subdivision shall consider consulting with an
- 19 engineer or architect.

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

22 **57-15-14.2. School district levies.**

- 23 1. The board of a school district may levy a tax ~~not exceeding the amount in dollars that~~
- 24 ~~the school district levied for the prior year, plus twelve percent,~~ up to a levy of seventy
- 25 mills on the taxable valuation of the district, for any purpose related to the provision of
- 26 educational services. The proceeds of this levy must be deposited into the school
- 27 district's general fund and used in accordance with this subsection. The proceeds may
- 28 not be transferred into any other fund.
- 29 2. The board of a school district may levy no more than twelve mills on the taxable
- 30 valuation of the district, for miscellaneous purposes and expenses. The proceeds of
- 31 this levy must be deposited into a special fund known as the miscellaneous fund and

1 used in accordance with this subsection. The proceeds may not be transferred into
2 any other fund.

3 3. The board of a school district may levy no more than three mills on the taxable
4 valuation of the district for deposit into a special reserve fund, in accordance with
5 chapter 57-19.

6 4. The board of a school district may levy no more than the number of mills necessary,
7 on the taxable valuation of the district, for the payment of tuition, in accordance with
8 section 15.1-29-15. The proceeds of this levy must be deposited into a special fund
9 known as the tuition fund and used in accordance with this subsection. The proceeds
10 may not be transferred into any other fund.

11 5. The board of a school district may levy no more than five mills on the taxable valuation
12 of the district, pursuant to section 57-15-15.1, for purposes of developing a school
13 safety plan in accordance with section 15.1-09-60. The proceeds of this levy must be
14 deposited into a special fund known as the school safety plan fund and used in
15 accordance with this subsection.

16 6. Nothing in this section limits the board of a school district from levying:
17 a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and
18 b. Mills necessary to pay principal and interest on the bonded debt of the district,
19 including the mills necessary to pay principal and interest on any bonded debt
20 incurred under section 57-15-17.1 before July 1, 2013.

21 **SECTION 5. TRANSFER - FOUNDATION AID STABILIZATION FUND TO SCHOOL**

22 **CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND.** The office of management and
23 budget shall transfer the sum of \$100,000,000 from the foundation aid stabilization fund to the
24 school construction assistance revolving loan fund during the biennium beginning July 1, 2025,
25 and ending June 30, 2027.

26 **SECTION 6. EFFECTIVE DATE.** Section 4 of this Act is effective for taxable years
27 beginning after December 31, 2024.