

**FIRST ENGROSSMENT**

**ENGROSSED 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:
- 20 (1) On a test of English language proficiency approved by the superintendent of  
21 public instruction are determined to be more proficient than students placed

- 1                               in the first of six categories of proficiency and therefore placed in the second  
2                               of six categories of proficiency; and
- 3                               (2) Are enrolled in a program of instruction for English language learners;
- 4                               e. 0.25 the number of full-time equivalent students under the age of twenty-one  
5                               enrolled in grades nine through twelve in an alternative high school;
- 6                               f. 0.20 the number of full-time equivalent students enrolled in a home-based  
7                               education program and monitored by the school district under chapter 15.1-23;
- 8                               g. 0.17 the number of full-time equivalent students enrolled in an early childhood  
9                               special education program;
- 10                              h. 0.15 the number of full-time equivalent students in grades six through eight  
11                              enrolled in an alternative education program for at least an average of fifteen  
12                              hours per week;
- 13                              i. 0.10 the number of students enrolled in average daily membership, if the district  
14                              has fewer than one hundred students enrolled in average daily membership and  
15                              the district consists of an area greater than two hundred seventy-five square  
16                              miles [19424.9 hectares], provided that any school district consisting of an area  
17                              greater than six hundred square miles [155399 hectares] and enrolling fewer than  
18                              fifty students in average daily membership must be deemed to have an  
19                              enrollment equal to fifty students in average daily membership;
- 20                              j. ~~0.0880~~0.095 the number of students enrolled in average daily membership, in  
21                              order to support the provision of special education services;
- 22                              k. 0.07 the number of full-time equivalent students who:
- 23                              (1) On a test of English language proficiency approved by the superintendent of  
24                              public instruction are determined to be more proficient than students placed  
25                              in the second of six categories of proficiency and therefore placed in the  
26                              third of six categories of proficiency;
- 27                              (2) Are enrolled in a program of instruction for English language learners; and
- 28                              (3) Have not been in the third of six categories of proficiency for more than  
29                              three years;
- 30                              l. 0.025 the number of students representing that percentage of the total number of  
31                              students in average daily membership which is equivalent to the three-year

1 average percentage of students in grades three through eight who are eligible for  
2 free or reduced lunches under the Richard B. Russell National School Lunch Act  
3 [42 U.S.C. 1751 et seq.];

4 m. 0.002 the number of students enrolled in average daily membership in a school  
5 district that is a participating member of a regional education association meeting  
6 the requirements of chapter 15.1-09.1;

7 n. 1.0 the number of students by which the district's September tenth enrollment  
8 report exceeds the number of students in the prior year's average daily  
9 membership; and

10 o. For districts paid based on September tenth enrollment in the prior year, 1.00 the  
11 number of students determined by deducting the number of students in the prior  
12 year's September tenth enrollment from the prior year's average daily  
13 membership. If the prior year's September tenth enrollment exceeds the prior  
14 year's average daily membership, then a deduction of 1.00 the number of excess  
15 students.

16 2. The superintendent of public instruction shall determine each school district's weighted  
17 average daily membership by adding the products derived under subsection 1 to the  
18 district's average daily membership.

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

21 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid. (Effective**  
22 **through June 30, 2025) (Retroactive application -- [See note](#))**

23 1. ~~To determine the amount of state aid payable to each district, the superintendent of~~  
24 ~~public instruction shall establish each district's baseline funding. A district's baseline~~  
25 ~~funding consists of:~~

26 a. ~~All state aid received by the district in accordance with chapter 15.1-27 during the~~  
27 ~~2018-19 school year;~~

28 b. ~~An amount equal to the property tax deducted by the superintendent of public~~  
29 ~~instruction to determine the 2018-19 state aid payment;~~

30 e. ~~An amount equal to seventy-five percent of the revenue received by the school~~  
31 ~~district during the 2017-18 school year for the following revenue types:~~

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- 1           (1) Revenue reported under code 2000 of the North Dakota school district  
2           financial accounting and reporting manual, as developed by the  
3           superintendent of public instruction in accordance with section 15.1-02-08;
- 4           (2) Mineral revenue received by the school district through direct allocation from  
5           the state treasurer and not reported under code 2000 of the North Dakota  
6           school district financial accounting and reporting manual, as developed by  
7           the superintendent of public instruction in accordance with section  
8           15.1-02-08;
- 9           (3) Tuition reported under code 1300 of the North Dakota school district  
10          financial accounting and reporting manual, as developed by the  
11          superintendent of public instruction in accordance with section 15.1-02-08,  
12          with the exception of revenue received specifically for the operation of an  
13          educational program provided at a residential treatment facility, tuition  
14          received for the provision of an adult farm management program, and  
15          beginning in the 2021-22 school year, seventeen percent of tuition received  
16          under an agreement to educate students from a school district on an  
17          air force base with funding received through federal impact aid, and an  
18          additional seventeen percent of tuition received under an agreement to  
19          educate students from a school district on an air force base with funding  
20          received through federal impact aid each school year thereafter, until the  
21          2024-25 school year when sixty-eight percent of tuition received under an  
22          agreement to educate students from a school district on an air force base  
23          with funding received through federal impact aid must be excluded from the  
24          tuition calculation under this paragraph;
- 25          (4) Revenue from payments in lieu of taxes on the distribution and transmission  
26          of electric power;
- 27          (5) Revenue from payments in lieu of taxes on electricity generated from  
28          sources other than coal; and
- 29          (6) Revenue from the leasing of land acquired by the United States for which  
30          compensation is allocated to the state under 33 U.S.C. 701(c)(3);

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

- 1           e. ~~Beginning with the 2021-22 school year and for each school year thereafter, the~~  
2           ~~superintendent shall reduce the district's baseline funding per weighted student~~  
3           ~~unit. Each year the superintendent shall calculate the amount by which the~~  
4           ~~district's baseline funding per weighted student unit exceeds the payment per~~  
5           ~~weighted student unit provided in subsection 3. For the 2023-24 school year the~~  
6           ~~superintendent shall reduce the district's baseline funding per weighted student~~  
7           ~~unit by forty percent of the amount by which the district's baseline funding per~~  
8           ~~weighted student unit exceeds the payment per weighted student unit for the~~  
9           ~~2023-24 school year. For each year thereafter, the reduction percentage is~~  
10          ~~increased by an additional fifteen percent. However, the district's baseline funding~~  
11          ~~per weighted student unit, after the reduction, may not be less than the payment~~  
12          ~~per weighted student unit provided in subsection 3.~~
- 13          3. a. ~~For the 2023-24 school year, the superintendent shall calculate state aid as the~~  
14          ~~greater of:~~
- 15               (1) ~~The district's weighted student units multiplied by ten thousand six hundred~~  
16               ~~forty-six dollars;~~
- 17               (2) ~~One hundred two percent of the district's baseline funding per weighted~~  
18               ~~student unit, as established in subsection 2, multiplied by the district's~~  
19               ~~weighted student units, not to exceed the district's 2017-18 baseline~~  
20               ~~weighted student units, plus any weighted student units in excess of the~~  
21               ~~2017-18 baseline weighted student units multiplied by ten thousand~~  
22               ~~six hundred forty-six dollars; or~~
- 23               (3) ~~The district's baseline funding as established in subsection 1 less the~~  
24               ~~amount in paragraph 1, with the difference reduced by forty percent and~~  
25               ~~then the difference added to the amount determined in paragraph 1.~~
- 26          b. ~~For the 2024-25 school year and each school year thereafter, the superintendent~~  
27          ~~shall calculate state aid as the greater of:~~
- 28               (1) ~~The district's weighted student units multiplied by eleven thousand~~  
29               ~~seventy-two dollars;~~
- 30               (2) ~~One hundred two percent of the district's baseline funding per weighted~~  
31               ~~student unit, as established in subsection 2, multiplied by the district's~~

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

1 revenue received for the education of students not residing in the  
2 state and for which the state has not entered a cross-border education  
3 contract; and

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

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

14 5. The amount remaining after the computation required under subsection 4 is the  
15 amount of state aid to which a school district is entitled, subject to any other statutory  
16 requirements or limitations.

17 6. On or before June thirtieth of each year, the school board shall certify to the  
18 superintendent of public instruction the final average daily membership for the current  
19 school year.

20 7. For purposes of the calculation in subsection 4, each county auditor, in collaboration  
21 with the school districts, shall report the following to the superintendent of public  
22 instruction on an annual basis:

23 a. The amount of revenue received by each school district in the county during the  
24 previous school year for each type of revenue identified in subdivisions c and d of  
25 subsection 1;

26 b. The total number of mills levied in the previous calendar year by each school  
27 district for all purposes; and

28 c. The number of mills levied in the previous calendar year by each school district  
29 for sinking and interest fund purposes.

30 **Baseline funding -- Establishment -- Determination of state aid. (Effective after**  
31 **June 30, 2025)**



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

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

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

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

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

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

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

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

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

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

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

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

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

- 1           b. The total number of mills levied in the previous calendar year by each school  
2           district for all purposes; and
- 3           c. The number of mills levied in the previous calendar year by each school district  
4           for sinking and interest fund purposes.

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

7           **48-01.2-02.1. Public improvement construction threshold.**

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

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

19           **57-15-14.2. School district levies.**

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

- 1           3.    The board of a school district may levy no more than three mills on the taxable  
2           valuation of the district for deposit into a special reserve fund, in accordance with  
3           chapter 57-19.
- 4           4.    The board of a school district may levy no more than the number of mills necessary,  
5           on the taxable valuation of the district, for the payment of tuition, in accordance with  
6           section 15.1-29-15. The proceeds of this levy must be deposited into a special fund  
7           known as the tuition fund and used in accordance with this subsection. The proceeds  
8           may not be transferred into any other fund.
- 9           5.    The board of a school district may levy no more than five mills on the taxable valuation  
10          of the district, pursuant to section 57-15-15.1, for purposes of developing a school  
11          safety plan in accordance with section 15.1-09-60. The proceeds of this levy must be  
12          deposited into a special fund known as the school safety plan fund and used in  
13          accordance with this subsection.
- 14          6.    Nothing in this section limits the board of a school district from levying:
- 15               a.    Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and
- 16               b.    Mills necessary to pay principal and interest on the bonded debt of the district,  
17               including the mills necessary to pay principal and interest on any bonded debt  
18               incurred under section 57-15-17.1 before July 1, 2013.

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

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

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