

February 21, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO  
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, 15.1-27-35,  
2 | 48-01.2-02.1, and 57-15-14.2 of the North Dakota Century Code, relating to weighted average  
3 | daily membership, the determination of state aid, the calculation of average daily membership,  
4 | public improvement construction, and school district levies; to provide for a transfer; and to  
5 | provide an effective date.

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

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

9 | **15.1-27-03.1. Weighted average daily membership - Determination.**

- 10 | 1. For each school district, the superintendent of public instruction shall multiply by:
- 11 | a. 1.00 the number of full-time equivalent students enrolled in an extended  
12 | educational program in accordance with section 15.1-32-17;
- 13 | b. 0.60 the number of full-time equivalent students enrolled in a summer education  
14 | program, including a migrant summer education program;
- 15 | c. 0.40 the number of full-time equivalent students who:
- 16 | (1) On a test of English language proficiency approved by the superintendent of  
17 | public instruction are determined to be least proficient and placed in the first  
18 | of six categories of proficiency; and
- 19 | (2) Are enrolled in a program of instruction for English language learners;
- 20 | 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. ~~0.0880.0950.088~~ the number of students enrolled in average daily membership,  
23          in 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;~~

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- 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~~



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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                  (1) 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

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

1 six hundred forty six eleven thousand four hundred four eleven thousand two  
2 hundred ninety-three dollars; or

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

6 b. For the ~~2024-25~~2026-27 school year and each school year thereafter, the  
7 superintendent shall calculate state aid as the greater of:

8 (1) The district's weighted student units multiplied by eleven thousand  
9 ~~seventy two seven hundred forty six~~five hundred nineteen dollars;

10 (2) One hundred two percent of the district's baseline funding per weighted  
11 student unit, as established in subsection 2, multiplied by the district's  
12 weighted student units, not to exceed the district's 2017-18 baseline  
13 weighted student units, plus any weighted student units in excess of the  
14 2017-18 baseline weighted student units multiplied by eleven thousand  
15 ~~seventy two seven hundred forty six~~five hundred nineteen dollars; or

16 (3) The district's baseline funding as established in subsection 1 less the  
17 amount in paragraph 1, with the difference reduced by ~~fifty five~~eighty-five  
18 percent for the ~~2024-25~~2026-27 school year and the reduction percentage  
19 increasing by fifteen percent each school year thereafter until the difference  
20 is reduced to zero, and then the difference added to the amount determined  
21 in paragraph 1.

22 4. After determining the product in accordance with subsection 3, the superintendent of  
23 public instruction shall:

24 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the  
25 school district; and

26 b. Subtract an amount equal to seventy-five percent of all revenue types listed in  
27 ~~subdivisions e and d~~subdivision c and paragraphs 1 and 2 of subdivision d of  
28 subsection 1 and revenue from payments in lieu of taxes. Before determining the  
29 deduction for seventy-five percent of all revenue types, the superintendent of  
30 public instruction shall adjust revenues as follows:

31 (1) Tuition revenue shall be adjusted as follows:

- 1 (a) In addition to deducting tuition revenue received specifically for the  
2 operation of an educational program provided at a residential  
3 treatment facility, tuition revenue received for the provision of an adult  
4 farm management program, tuition received for the education of  
5 high-cost and special education students, and tuition received under  
6 an agreement to educate students from a school district on an  
7 air force base with funding received through federal impact aid as  
8 directed each school year in paragraph 3 of subdivision c of  
9 subsection 1, the superintendent of public instruction also shall reduce  
10 the total tuition reported by the school district by the amount of tuition  
11 revenue received for the education of students not residing in the  
12 state and for which the state has not entered a cross-border education  
13 contract; and
- 14 (b) The superintendent of public instruction also shall reduce the total  
15 tuition reported by admitting school districts meeting the requirements  
16 of subdivision e of subsection 2 of section 15.1-29-12 by the amount  
17 of tuition revenue received for the education of students residing in an  
18 adjacent school district.
- 19 (2) After adjusting tuition revenue as provided in paragraph 1, the  
20 superintendent shall reduce all remaining revenues from all revenue types  
21 by the percentage of mills levied in ~~2022~~2024 by the school district for  
22 sinking and interest relative to the total mills levied in ~~2022~~2024 by the  
23 school district for all purposes.
- 24 5. The amount remaining after the computation required under subsection 4 is the  
25 amount of state aid to which a school district is entitled, subject to any other statutory  
26 requirements or limitations.
- 27 6. On or before June thirtieth of each year, the school board shall certify to the  
28 superintendent of public instruction the final average daily membership for the current  
29 school year.

- 1       7. For purposes of the calculation in subsection 4, each county auditor, in collaboration  
2       with the school districts, shall report the following to the superintendent of public  
3       instruction on an annual basis:
- 4       a. The amount of revenue received by each school district in the county during the  
5       previous school year for each type of revenue identified in subdivisions c and d of  
6       subsection 1;
- 7       b. The total number of mills levied in the previous calendar year by each school  
8       district for all purposes; and
- 9       c. The number of mills levied in the previous calendar year by each school district  
10      for sinking and interest fund purposes.

11      **SECTION 3. AMENDMENT.** Section 15.1-27-35 of the North Dakota Century Code is  
12      amended and reenacted as follows:

13      **15.1-27-35. Average daily membership - Calculation.**

- 14      1. Average daily membership is calculated at the conclusion of the school year by adding  
15      the total number of hours that each student in a given grade, school, or school district  
16      is in attendance at the school's physical plant during a school calendar and the total  
17      number of hours that each student in a given grade, school, or school district is absent  
18      during a school calendar, and then dividing the sum by:
- 19      a. Nine hundred sixty-two and one-half hours for elementary school students; or  
20      b. One thousand fifty hours for middle and high school students.
- 21      2. For purposes of calculating average daily membership:
- 22      a. A student enrolled full time in any grade from one through twelve may not exceed  
23      an average daily membership of 1.00. The membership may be prorated for a  
24      student who is enrolled less than full time.
- 25      b. A student enrolled full time in an approved regular education kindergarten  
26      program may not exceed an average daily membership of 1.00. The membership  
27      may be prorated for a student who is enrolled less than full time.
- 28      c. A student enrolled full time, as defined by the superintendent of public instruction,  
29      in an approved early childhood special education program may not exceed an  
30      average daily membership of 1.00. The membership may be prorated for a  
31      student who is enrolled less than full time.

- 1 d. A student enrolled full time in virtual instruction is calculated at an average daily  
2 membership of 1.00. The membership may be prorated for a student who is  
3 enrolled less than full time.
- 4 3. For purposes of determining state aid pursuant to section 15.1-27-04.1, average daily  
5 membership is the greater of:
- 6 a. The amount calculated in subsections 1 and 2 of this section; or  
7 b. The average of the amounts calculated in subsections 1 and 2 of this section for  
8 the prior three years.

9 **SECTION 4. AMENDMENT.** Section 48-01.2-02.1 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11 **48-01.2-02.1. Public improvement construction threshold.**

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

21 **SECTION 5. AMENDMENT.** Section 57-15-14.2 of the North Dakota Century Code is  
22 amended and reenacted as follows:

23 **57-15-14.2. School district levies.**

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

1 this levy must be deposited into a special fund known as the miscellaneous fund and  
2 used in accordance with this subsection. The proceeds may not be transferred into  
3 any other fund.

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

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

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

17 6. Nothing in this section limits the board of a school district from levying:

18 a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and

19 b. Mills necessary to pay principal and interest on the bonded debt of the district,  
20 including the mills necessary to pay principal and interest on any bonded debt  
21 incurred under section 57-15-17.1 before July 1, 2013.

22 **SECTION 6. TRANSFER - FOUNDATION AID STABILIZATION FUND TO SCHOOL**

23 **CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND.** The office of management and  
24 budget shall transfer the sum of ~~\$100,000,000~~ \$75,000,000 from the foundation aid stabilization  
25 fund to the school construction assistance revolving loan fund during the biennium beginning  
26 July 1, 2025, and ending June 30, 2027.

27 **SECTION 7. EFFECTIVE DATE.** Section 4 of this Act is effective for taxable years  
28 beginning after December 31, 2024.