

Introduced by

Representatives Heinert, Richter

Senators Lemm, Schaible

4% / 4% requested

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.**

(a) **Definition of ADM:** For the purposes of state education funding, "Average Daily Membership" (ADM) shall be defined as the total aggregate membership of students over a given period divided by the number of days in that period. It is determined to be based on on-time funding or three year rolling average or whatever is greater

9 (b) **Three-Year Rolling Average Calculation:** Notwithstanding any other provision of law, for the purpose of determining state aid, a three year rolling average shall be computed by averaging the ADM of the district for the current school year and the ADMs of the two immediately preceding school years.

© **On-Time Funding:** Notwithstanding any other provision of all, for the purpose of determining state aid, on-time funding is based on the student ADM count as of the North Dakota Department of Public Instruction Fall Enrollment Report.

- 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 any the-
~~first~~ 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~~
- ~~22 in the first of six categories of proficiency and therefore placed in the second~~
- ~~23 of six categories of proficiency; and~~
- ~~24 (2) Are enrolled in a program of instruction for English language learners;~~

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- 1 e. 0.25 the number of full-time equivalent students under the age of twenty-one
2 enrolled in grades nine through twelve in an alternative high school;
- 3 f. 0.20 the number of full-time equivalent students enrolled in a home-based
4 education program and monitored by the school district under chapter 15.1-23;
- 5 g. 0.17 the number of full-time equivalent students enrolled in an early childhood
6 special education program;
- 7 h. 0.15 the number of full-time equivalent students in grades six through eight
8 enrolled in an alternative education program for at least an average of fifteen
9 hours per week;
- 10 i. 0.10 the number of students enrolled in average daily membership, if the district
11 has fewer than one hundred students enrolled in average daily membership and
12 the district consists of an area greater than two hundred seventy-five square
13 miles [19424.9 hectares], provided that any school district consisting of an area
14 greater than six hundred square miles [155399 hectares] and enrolling fewer than
15 fifty students in average daily membership must be deemed to have an
16 enrollment equal to fifty students in average daily membership;
- 17 j. ~~0.0880.095~~ 0.095 the number of students enrolled in average daily membership, in
18 order to support the provision of special education services;
- 19 k. 0.07 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
22 in the second of six categories of proficiency and therefore placed in the
23 third of six categories of proficiency;
- 24 (2) Are enrolled in a program of instruction for English language learners; and
- 25 (3) Have not been in the third of six categories of proficiency for more than
26 three years;
- ~~27~~ l. 0.025 the number of students ~~representing that percentage of the total number of~~
~~28~~ ~~students in average daily membership which is equivalent to the three-year~~
~~29~~ ~~average percentage of students in grades three through eight who are eligible for~~
~~30~~ ~~free or reduced lunches under the Richard B. Russell National School Lunch Act~~
~~31~~ ~~[42 U.S.C. 1751 et seq.];~~ enrolled in average daily membership, in order to
support at-risk students

- 1 m. 0.002 the number of students enrolled in average daily membership in a school
2 district that is a participating member of a regional education association meeting
3 the requirements of chapter 15.1-09.1;
- 4 n. 1.0 the number of students by which the district's September tenth enrollment
5 report exceeds the number of students in the prior year's average daily
6 membership; and
- 7 o. For districts paid based on September tenth enrollment in the prior year, 1.00 the
8 number of students determined by deducting the number of students in the prior
9 year's September tenth enrollment from the prior year's average daily
10 membership. If the prior year's September tenth enrollment exceeds the prior
11 year's average daily membership, then a deduction of 1.00 the number of excess
12 students.

- 13 2. The superintendent of public instruction shall determine each school district's weighted
14 average daily membership by adding the products derived under subsection 1 to the
15 district's average daily membership.

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

18 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid. (~~Effective~~**
19 **~~through June 30, 2025~~) (~~Retroactive application~~ - [See note](#))**

- 20 4. ~~To determine the amount of state aid payable to each district, the superintendent of~~
21 ~~public instruction shall establish each district's baseline funding. A district's baseline~~
22 ~~funding consists of:~~
- 23 a. ~~All state aid received by the district in accordance with chapter 15.1-27 during the~~
24 ~~2018-19 school year;~~
- 25 b. ~~An amount equal to the property tax deducted by the superintendent of public~~
26 ~~instruction to determine the 2018-19 state aid payment;~~
- 27 c. ~~An amount equal to seventy-five percent of the revenue received by the school~~
28 ~~district during the 2017-18 school year for the following revenue types:~~
- 29 (1) ~~Revenue reported under code 2000 of the North Dakota school district~~
30 ~~financial accounting and reporting manual, as developed by the~~
31 ~~superintendent of public instruction in accordance with section 15.1-02-08;~~

- 1 (2) Mineral revenue received by the school district through direct allocation from
2 the state treasurer and not reported under code 2000 of the North Dakota
3 school district financial accounting and reporting manual, as developed by
4 the superintendent of public instruction in accordance with section
5 15.1-02-08;
- 6 (3) Tuition reported under code 1300 of the North Dakota school district
7 financial accounting and reporting manual, as developed by the
8 superintendent of public instruction in accordance with section 15.1-02-08,
9 with the exception of revenue received specifically for the operation of an
10 educational program provided at a residential treatment facility, tuition
11 received for the provision of an adult farm management program, and
12 beginning in the 2021-22 school year, seventeen percent of tuition received
13 under an agreement to educate students from a school district on an
14 air force base with funding received through federal impact aid, and an
15 additional seventeen percent of tuition received under an agreement to
16 educate students from a school district on an air force base with funding
17 received through federal impact aid each school year thereafter, until the
18 2024-25 school year when sixty-eight percent of tuition received under an
19 agreement to educate students from a school district on an air force base
20 with funding received through federal impact aid must be excluded from the
21 tuition calculation under this paragraph;
- 22 (4) Revenue from payments in lieu of taxes on the distribution and transmission
23 of electric power;
- 24 (5) Revenue from payments in lieu of taxes on electricity generated from
25 sources other than coal; and
- 26 (6) Revenue from the leasing of land acquired by the United States for which
27 compensation is allocated to the state under 33 U.S.C. 701(c)(3);
- 28 d. An amount equal to the total revenue received by the school district during the
29 2017-18 school year for the following revenue types:
- 30 (1) Mobile home tax revenue;
- 31 (2) Telecommunications tax revenue; and

1 (3) Revenue from payments in lieu of taxes and state reimbursement of the
2 homestead credit and disabled veterans credit; and

3 e. ~~Beginning with the 2020-21 school year, the superintendent shall reduce the~~
4 ~~baseline funding for any school district that becomes an elementary district~~
5 ~~pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must~~
6 ~~be proportional to the number of weighted student units in the grades that are~~
7 ~~offered through another school district relative to the total number of weighted~~
8 ~~student units the school district offered in the year before the school district~~
9 ~~became an elementary district. The reduced baseline funding applies to the~~
10 ~~calculation of state aid for the first school year in which the school district~~
11 ~~becomes an elementary district and for each year thereafter. For districts that~~
12 ~~become an elementary district prior to the 2020-21 school year, the~~
13 ~~superintendent shall use the reduced baseline funding to calculate state aid for~~
14 ~~the 2020-21 school year and for each year thereafter.~~

15 2. a. ~~The superintendent shall divide the district's baseline funding determined in~~
16 ~~subsection 1 by the district's 2017-18 weighted student units to determine the~~
17 ~~district's baseline funding per weighted student unit.~~

18 b. ~~For any school district that becomes an elementary district pursuant to section~~
19 ~~15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the~~
20 ~~district's baseline funding per weighted student unit used to calculate state aid.~~
21 ~~The superintendent shall divide the district's baseline funding determined in~~
22 ~~subsection 1 by the district's weighted student units after the school district~~
23 ~~becomes an elementary district to determine the district's adjusted baseline~~
24 ~~funding per weighted student unit. The superintendent shall use the district's~~
25 ~~adjusted baseline funding per weighted student unit in the calculation of state aid~~
26 ~~for the first school year in which the school district becomes an elementary~~
27 ~~district and for each year thereafter.~~

28 c. ~~Beginning with the 2021-22 school year and for each school year thereafter, the~~
29 ~~superintendent shall reduce the district's baseline funding per weighted student~~
30 ~~unit. Each year the superintendent shall calculate the amount by which the~~
31 ~~district's baseline funding per weighted student unit exceeds the payment per~~

1 weighted student unit provided in subsection 3. For the 2023-24 school year the
2 superintendent shall reduce the district's baseline funding per weighted student
3 unit by forty percent of the amount by which the district's baseline funding per
4 weighted student unit exceeds the payment per weighted student unit for the
5 2023-24 school year. For each year thereafter, the reduction percentage is
6 increased by an additional fifteen percent. However, the district's baseline funding
7 per weighted student unit, after the reduction, may not be less than the payment
8 per weighted student unit provided in subsection 3.

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

11 (1) — The district's weighted student units multiplied by ten thousand six hundred
12 forty-six dollars;

13 (2) — One hundred two percent of the district's baseline funding per weighted
14 student unit, as established in subsection 2, multiplied by the district's
15 weighted student units, not to exceed the district's 2017-18 baseline
16 weighted student units, plus any weighted student units in excess of the
17 2017-18 baseline weighted student units multiplied by ten thousand
18 six hundred forty-six dollars; or

19 (3) — The district's baseline funding as established in subsection 1 less the
20 amount in paragraph 1, with the difference reduced by forty percent and
21 then the difference added to the amount determined in paragraph 1.

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

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

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

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

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

14 6. ~~On or before June thirtieth of each year, the school board shall certify to the~~
15 ~~superintendent of public instruction the final average daily membership for the current~~
16 ~~school year.~~

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

20 a. ~~The amount of revenue received by each school district in the county during the~~
21 ~~previous school year for each type of revenue identified in subdivisions c and d of~~
22 ~~subsection 1;~~

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

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

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

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

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

17 (1) The district's weighted student units multiplied by ~~ten thousand six hundred~~
18 forty-six~~eleven thousand four hundred four~~ 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~~eleven thousand four hundred four~~ 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~~seventy percent
27 and then the difference added to the amount determined in paragraph 1.

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

30 (1) The district's weighted student units multiplied by ~~eleven thousand~~
31 seventy-two~~seven hundred forty-six~~ 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~~seven hundred forty-six 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~~eighty-five
9 percent for the ~~2024-25~~2026-27 school year and the reduction percentage
10 increasing by fifteen percent each school year thereafter until the difference
11 is reduced to zero, and then the difference added to the amount determined
12 in paragraph 1.
- 13 4. After determining the product in accordance with subsection 3, the superintendent of
14 public instruction shall:
- 15 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
16 school district; and
- 17 b. Subtract an amount equal to seventy-five percent of all revenue types listed in
18 ~~subdivisions e and d~~subdivision c and paragraphs 1 and 2 of subdivision d of
19 subsection 1 and revenue from payments in lieu of taxes. Before determining the
20 deduction for seventy-five percent of all revenue types, the superintendent of
21 public instruction shall adjust revenues as follows:
- 22 (1) Tuition revenue shall be adjusted as follows:
- 23 (a) In addition to deducting tuition revenue received specifically for the
24 operation of an educational program provided at a residential
25 treatment facility, tuition revenue received for the provision of an adult
26 farm management program, tuition received for the education of
27 high-cost and special education students, and tuition received under
28 an agreement to educate students from a school district on an
29 air force base with funding received through federal impact aid as
30 directed each school year in paragraph 3 of subdivision c of
31 subsection 1, the superintendent of public instruction also shall reduce

1 the total tuition reported by the school district by the amount of tuition
2 revenue received for the education of students not residing in the
3 state and for which the state has not entered a cross-border education
4 contract; and

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

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

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

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

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

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

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

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

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

3 **48-01.2-02.1. Public improvement construction threshold.**

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

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

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

- 16 1. The board of a school district may levy a tax ~~not exceeding the amount in dollars that~~
17 ~~the school district levied for the prior year, plus twelve percent,~~ up to a levy of seventy
18 mills on the taxable valuation of the district, for any purpose related to the provision of
19 educational services. The proceeds of this levy must be deposited into the school
20 district's general fund and used in accordance with this subsection. The proceeds may
21 not be transferred into any other fund.
- 22 2. The board of a school district may levy no more than twelve mills on the taxable
23 valuation of the district, for miscellaneous purposes and expenses. The proceeds of
24 this levy must be deposited into a special fund known as the miscellaneous fund and
25 used in accordance with this subsection. The proceeds may not be transferred into
26 any other fund.
- 27 3. The board of a school district may levy no more than three mills on the taxable
28 valuation of the district for deposit into a special reserve fund, in accordance with
29 chapter 57-19.
- 30 4. The board of a school district may levy no more than the number of mills necessary,
31 on the taxable valuation of the district, for the payment of tuition, in accordance with

1 section 15.1-29-15. The proceeds of this levy must be deposited into a special fund
2 known as the tuition fund and used in accordance with this subsection. The proceeds
3 may not be transferred into any other fund.

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

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

- 10 a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and
11 b. Mills necessary to pay principal and interest on the bonded debt of the district,
12 including the mills necessary to pay principal and interest on any bonded debt
13 incurred under section 57-15-17.1 before July 1, 2013.

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

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

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