

25.0157.02005
Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for Senate Appropriations -
Education and Environment Division
Committee

April 11, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1013

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 public instruction, the center for distance education, the state library, the school for the deaf,
3 and North Dakota vision services - school for the blind; to amend and reenact section
4 15.1-02-02 of the North Dakota Century Code, relating to the salary of the superintendent of
5 public instruction; to provide for a transfer; to provide a report; and to provide an exemption.

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

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

14 Subdivision 1.

15 DEPARTMENT OF PUBLIC INSTRUCTION

16		Adjustments or	
17	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	Salaries and wages	\$19,964,765	\$1,121,603
19	New and vacant FTE pool	0	695,495

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1	Operating expenses	32,793,320	9,718,204	42,511,524
2	Integrated formula payments	2,299,674,851	116,655,489	2,416,330,340
3	Grants - special education	24,000,000	0	24,000,000
4	Grants - transportation	58,100,000	5,400,000	63,500,000
5	Grants - other grants	382,738,893	29,705,709	412,444,602
6	Grants - program grants	17,205,000	7,011,027	24,216,027
7	Grants - passthrough grants	3,569,000	12,266,000	15,835,000
8	PowerSchool	5,775,000	(5,775,000)	0
9	Student information systems	0	5,775,000	5,775,000
10	National board certification	176,290	0	176,290
11	Total all funds	\$2,843,997,119	\$182,573,527	\$3,026,570,646
12	Less other funds	1,115,246,674	176,835,668	1,292,082,342
13	Total general fund	\$1,728,750,445	\$5,737,859	\$1,734,488,304
14	Salaries and wages	\$19,964,765	\$1,121,603	\$21,086,368
15	New and vacant FTE pool	0	695,495	695,495
16	Operating expenses	32,793,320	9,718,204	42,511,524
17	Integrated formula payments	2,299,674,851	137,446,632	2,437,121,483
18	Grants - special education	24,000,000	0	24,000,000
19	Grants - transportation	58,100,000	2,000,000	60,100,000
20	Grants - other grants	382,738,893	29,705,709	412,444,602
21	Grants - program grants	17,205,000	7,811,027	25,016,027
22	Grants - passthrough grants	3,569,000	1,166,000	4,735,000
23	PowerSchool	5,775,000	(5,775,000)	0
24	Student information systems	0	5,775,000	5,775,000
25	National board certification	176,290	0	176,290
26	Total all funds	\$2,843,997,119	\$189,664,670	\$3,033,661,789
27	Less other funds	1,115,246,674	86,170,668	1,201,417,342
28	Total general fund	\$1,728,750,445	\$103,494,002	\$1,832,244,447
29	Full-time equivalent positions	86.25	0.00	86.25
30	Subdivision 2.			
31	CENTER FOR DISTANCE EDUCATION			

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		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Center for distance education	\$11,613,483	\$2,966,477	\$14,579,960
New and vacant FTE pool	0	361,061	361,061
Total all funds	\$11,613,483	\$3,327,538	\$14,941,021
Less other funds	4,550,000	1,974,000	6,524,000
Total general fund	\$7,063,483	\$1,353,538	\$8,417,021
Full-time equivalent positions	30.80	1.20	32.00
Center for distance education	\$11,613,483	\$2,966,477	\$14,579,960
New and vacant FTE pool	0	203,156	203,156
Total all funds	\$11,613,483	\$3,169,633	\$14,783,116
Less other funds	4,550,000	1,974,000	6,524,000
Total general fund	\$7,063,483	\$1,195,633	\$8,259,116
Full-time equivalent positions	30.80	0.20	31.00

Subdivision 3.

STATE LIBRARY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,615,731	\$500,120	\$5,115,851
New and vacant FTE pool	0	107,552	107,552
Operating expenses	2,282,298	707,777	2,990,075
Grants	2,283,528	0	2,283,528
Total all funds	\$9,181,557	\$1,315,449	\$10,497,006
Less other funds	2,499,073	305,139	2,804,212
Total general fund	\$6,682,484	\$1,010,310	\$7,692,794
Full-time equivalent positions	26.75	0.00	26.75

Subdivision 4.

SCHOOL FOR THE DEAF

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,283,599	\$735,225	\$10,018,824

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1	New and vacant FTE pool	0	415,571	415,571
2	Operating expenses	1,705,586	320,839	2,026,425
3	Capital assets	<u>158,678</u>	<u>283,800</u>	<u>442,478</u>
4	Total all funds	\$11,147,863	\$1,755,435	\$12,903,298
5	Less other funds	<u>2,811,557</u>	<u>360,186</u>	<u>3,171,743</u>
6	Total general fund	\$8,336,306	\$1,395,249	\$9,731,555
7	Full-time equivalent positions	45.36	1.50	46.86

8 Subdivision 5.

9 NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

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

28 Subdivision 6.

29 TOTAL - SECTION 1

30		Adjustments or		
31		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

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1	Grand total all funds	\$2,882,387,718	\$189,972,391	\$3,072,360,109
2	Less grand total other funds	1,126,314,009	180,009,232	1,306,323,241
3	Grand total general fund	\$1,756,073,709	\$9,963,159	\$1,766,036,868
4	<u>Grand total all funds</u>	<u>\$2,882,387,718</u>	<u>\$197,043,080</u>	<u>\$3,079,430,798</u>
5	<u>Less grand total other funds</u>	<u>1,126,314,009</u>	<u>89,344,232</u>	<u>1,215,658,241</u>
6	<u>Grand total general fund</u>	<u>\$1,756,073,709</u>	<u>\$107,698,848</u>	<u>\$1,863,772,557</u>

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

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

12	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
13	Department of Public Instruction			
14	Science center grants	\$0	\$10,000,000	\$10,000,000
15	Teacher retention program	0	2,500,000	2,500,000
16	School board training	0	1,500,000	1,500,000
17	Native American essential	0	950,000	950,000
18	understandings and book series			
19	Statewide reading tool	500,000	0	500,000
20	Dyslexia training		300,000	300,000
21	Assistive technology and	250,000	0	250,000
22	curriculum pilot			
23	Total department of public instruction	\$750,000	\$15,250,000	\$16,000,000
24	<u>Department of Public Instruction</u>			
25	<u>Teacher retention program</u>	<u>\$0</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>
26	<u>School board training</u>	<u>0</u>	<u>1,500,000</u>	<u>1,500,000</u>
27	<u>Native American essential</u>	<u>0</u>	<u>950,000</u>	<u>950,000</u>
28	<u>understandings and book series</u>			
29	<u>Statewide reading tool</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>
30	<u>Dyslexia training</u>	<u>0</u>	<u>300,000</u>	<u>300,000</u>
31	<u>Total department of public instruction</u>	<u>\$0</u>	<u>\$5,750,000</u>	<u>\$5,750,000</u>

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1	Center for Distance Education			
2	Information technology equipment	\$0	\$25,000	\$25,000
3	Student information system upgrade	<u>75,250</u>	<u>0</u>	<u>75,250</u>
4	Total center for distance education	\$75,250	\$25,000	\$100,250
5	School for the Deaf			
6	Equipment replacement	\$0	\$45,000	\$45,000
7	Campus security upgrades	<u>0</u>	<u>238,800</u>	<u>238,800</u>
8	Total school for the deaf	\$0	\$283,800	\$283,800
9	North Dakota vision services - School for the Blind			
10	Equipment less than \$5,000	\$0	\$28,000	\$28,000
11	Door replacement	0	10,000	10,000
12	Breakroom remodel	0	55,000	55,000
13	Kitchen cabinet replacement	0	55,000	55,000
14	<u>Tractor replacement</u>	<u>0</u>	<u>55,000</u>	<u>55,000</u>
15	South parking lot replacement	<u>0</u>	<u>150,000</u>	<u>150,000</u>
16	Total school for the blind	\$0	\$298,000	\$298,000
17	Grand total	\$825,250	\$15,856,800	\$16,682,050
18	<u>Grand total</u>	<u>\$75,250</u>	<u>\$6,356,800</u>	<u>\$6,432,050</u>

19 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
20 department of public instruction, center for distance education, state library, school for the deaf,
21 and North Dakota vision services - school for the blind may not spend funds appropriated in the
22 new and vacant FTE pool line item in section 1 of this Act, but may request the office of
23 management and budget to transfer funds from the new and vacant FTE pool line item to the
24 salaries and wages line item or the center for distance education line item within each
25 respective subdivision in accordance with the guidelines and reporting provisions included in
26 House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

27 **SECTION 4. APPROPRIATION - TUITION APPORTIONMENT.** The sum of \$595,677,350,
28 included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is
29 from the state tuition fund in the state treasury. Any additional amount in the state tuition fund
30 that becomes available for distribution to public schools is appropriated to the department of

1 public instruction for that purpose for the biennium beginning July 1, 2025, and ending June 30,
2 2027.

3 **SECTION 5. OTHER FUNDS - FOUNDATION AID STABILIZATION FUND.** The other
4 funds line item in subdivision 1 of section 1 of this Act includes the sum of
5 ~~\$219,250,000~~ \$133,000,000 from the foundation aid stabilization fund for integrated formula
6 payments, ~~various program grants, and a Native American program and textbook.~~

7 **SECTION 6. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**
8 The other funds line item in subdivision 1 of section 1 of this Act includes the sum of
9 ~~\$10,000,000~~ \$5,750,000 from the strategic investment and improvements fund for ~~science-~~
10 ~~center grants~~ one-time program grants, relating to dyslexia training, a statewide reading tool, a
11 teacher retention program, school board training, and a Native American essential
12 understandings program and book series.

13 **SECTION 7. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION**
14 **CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may
15 expend funds included in the integrated formula payments and grants - special education
16 contracts line items in subdivision 1 of section 1 of this Act for paying grants for educational
17 services that were due in the 2023-25 biennium but which were not filed, claimed, or properly
18 supported by the education provider until after June 30, 2025. To be reimbursed under this
19 section, claims must be properly supported and filed with the superintendent of public
20 instruction by June 30, 2026.

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

28 **SECTION 9. MEDICAID MATCHING FUNDING - WITHHOLDING AND DISTRIBUTION.**
29 State school aid payments for special education must be reduced by the amount of matching
30 funds required to be paid by school districts or special education units for students participating
31 in the Medicaid program, for the biennium beginning July 1, 2025, and ending June 30, 2027.

1 Special education funds equal to the amount of the matching funds required to be paid by the
2 school district or special education unit must be paid by the superintendent of public instruction
3 to the department of health and human services on behalf of the school district or unit.

4 **SECTION 10. REGIONAL EDUCATION ASSOCIATIONS - GRANTS - DISTRIBUTION.**

5 The integrated formula payments line item in subdivision 1 of section 1 of this Act includes
6 ~~\$700,000~~ \$600,000 from the general fund for the purpose of providing annual grants to regional
7 education associations, for the biennium beginning July 1, 2025, and ending June 30, 2027. An
8 annual grant of \$50,000 is provided to each regional education association that exists as of
9 July 1, 2025. Regional education associations that merge during the 2025-27 biennium are
10 entitled to the annual grants that would have been paid to each of the member associations.

11 **SECTION 11. STUDENT MEALS - GRANTS - DISTRIBUTION.** The grants - program
12 grants line item in subdivision 1 of section 1 of this Act includes ~~\$4,500,000~~ \$7,300,000 from the
13 general fund for the purpose of providing grants to school districts to defray the expenses of
14 providing meals, free of charge, for all students enrolled in public or nonpublic school at or
15 below two hundred twenty-five percent of the federal poverty guideline, for the biennium
16 beginning July 1, 2025, and ending June 30, 2027. The superintendent of public instruction shall
17 develop guidelines and reporting requirements for the grants.

18 **SECTION 12. PARAPROFESSIONAL-TO-TEACHER PROGRAM - GRANTS -**
19 **DISTRIBUTION.** The grants - program grants line item in subdivision 1 of section 1 of this Act
20 includes \$3,000,000 from the general fund for the purpose of providing grants to accredited
21 institutions of higher education to assist paraprofessionals to become qualified teachers, for the
22 biennium beginning July 1, 2025, and ending June 30, 2027. The superintendent of public
23 instruction may award up to \$20,000 to each qualifying institution for program startup and other
24 administrative costs and the remainder of the appropriation may be used only for tuition and
25 scholarships for students enrolled in the program. The superintendent of public instruction may
26 establish policies and procedures to administer this program.

27 **SECTION 13. NORTH DAKOTA GOVERNOR'S SCHOOLS - GRANTS - DISTRIBUTION.**

28 The grants - passthrough grants line item in subdivision 1 of section 1 of this Act includes
29 \$500,000 from the general fund for the purpose of providing grants for North Dakota governor's
30 schools at North Dakota state university and university of North Dakota, for the biennium
31 beginning July 1, 2025, and ending June 30, 2027.

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

15 **SECTION 14. EXEMPTION - INDIRECT COST RECOVERIES, GENERAL**
16 **EDUCATIONAL DEVELOPMENT FEES, AND DISPLACED HOMEMAKER DEPOSITS.**

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

23 **SECTION 15. EXEMPTION - TRANSFER - PUBLIC INSTRUCTION FUND - TRANSFER -**
24 **GENERAL FUND.**

25 Notwithstanding section 54-44.1-11, if, after the superintendent of public
26 instruction complies with all statutory payment obligations imposed for the 2023-25 biennium,
27 from any moneys remaining in the integrated formula payments line item in subdivision 1 of
28 section 1 of chapter 45 of the 2023 Session Laws, the lesser of ~~\$11,165,000~~ \$11,000,000 or the
29 remaining amount must be continued into the 2025-27 biennium and the office of management
30 and budget shall transfer this amount into the public instruction fund for the purpose of providing
~~program and passthrough grants~~ integrated formula payments as appropriated in subdivision 1

1 of section 1 of this Act. The superintendent of public instruction shall transfer any of these funds
2 remaining unspent at the end of the 2025-27 biennium to the general fund.

3 **SECTION 16. EXEMPTION - UNEXPENDED APPROPRIATIONS - DEPARTMENT OF**
4 **PUBLIC INSTRUCTION.** The following appropriations to the department of public instruction
5 are not subject to the provisions of section 54-44.1-11 and may be continued into the biennium
6 beginning July 1, 2025, and ending June 30, 2027:

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

15 **SECTION 17. EXEMPTION - UNEXPENDED APPROPRIATION - STATE LIBRARY.** The
16 sum of \$150,000, appropriated from the general fund to the state library for building renovations
17 in subdivision 3 of section 1 of chapter 45 of the 2023 Session Laws, is not subject to the
18 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for
19 building renovations during the biennium beginning July 1, 2025, and ending June 30, 2027.

20 **SECTION 18. EXEMPTION - UNEXPENDED APPROPRIATIONS - SCHOOL FOR THE**
21 **DEAF.** The sum of \$800,000, appropriated from special funds, derived from trust fund
22 distributions, rents, and service revenue, to the school for the deaf for boiler replacement,
23 pneumatic controls, and a fire alarm system in subdivision 4 of section 1 of chapter 45 of the
24 2023 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended
25 funds from this appropriation are available for boiler replacement, pneumatic controls, and a fire
26 alarm system during the biennium beginning July 1, 2025, and ending June 30, 2027.

27 **SECTION 19. STATE AID TO PUBLIC LIBRARIES.** The grants line item in subdivision 3 of
28 section 1 of this Act includes \$1,737,582 for aid to public libraries, of which no more than
29 one-half may be expended during the fiscal year ending June 30, 2026.

30 **SECTION 20. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
31 amended and reenacted as follows:

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1 **15.1-02-02. Salary.**

2 The annual salary of the superintendent of public instruction is ~~one hundred thirty-eight~~
3 ~~thousand one hundred forty-two~~one hundred forty-seven thousand nine hundred seventy-eight
4 dollars through June 30, 20242026, and ~~one hundred forty-three thousand six hundred~~
5 ~~sixty-eight~~one hundred fifty-two thousand four hundred seventeen dollars thereafter.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1013 - Summary of Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Department of Public Instruction				
Total all funds	\$2,843,997,119	\$3,026,570,646	\$7,091,143	\$3,033,661,789
Less estimated income	1,115,246,674	1,292,082,342	(90,665,000)	1,201,417,342
General fund	\$1,728,750,445	\$1,734,488,304	\$97,756,143	\$1,832,244,447
FTE	86.25	86.25	0.00	86.25
Center for Distance Education				
Total all funds	\$11,613,483	\$14,941,021	(\$157,905)	\$14,783,116
Less estimated income	4,550,000	6,524,000	0	6,524,000
General fund	\$7,063,483	\$8,417,021	(\$157,905)	\$8,259,116
FTE	30.80	32.00	(1.00)	31.00
State Library				
Total all funds	\$9,181,557	\$10,497,006	\$0	\$10,497,006
Less estimated income	2,499,073	2,804,212	0	2,804,212
General fund	\$6,682,484	\$7,692,794	\$0	\$7,692,794
FTE	26.75	26.75	0.00	26.75
School for the Deaf				
Total all funds	\$11,147,863	\$12,903,298	\$0	\$12,903,298
Less estimated income	2,811,557	3,171,743	0	3,171,743
General fund	\$8,336,306	\$9,731,555	\$0	\$9,731,555
FTE	45.36	46.86	0.00	46.86
Vision Services - School for the Blind				
Total all funds	\$6,447,696	\$7,448,138	\$137,451	\$7,585,589
Less estimated income	1,206,705	1,740,944	0	1,740,944
General fund	\$5,240,991	\$5,707,194	\$137,451	\$5,844,645
FTE	27.75	27.75	1.00	28.75
Bill total				
Total all funds	\$2,882,387,718	\$3,072,360,109	\$7,070,689	\$3,079,430,798
Less estimated income	1,126,314,009	1,306,323,241	(90,665,000)	1,215,658,241
General fund	\$1,756,073,709	\$1,766,036,868	\$97,735,689	\$1,863,772,557
FTE	216.91	219.61	0.00	219.61

House Bill No. 1013 - Department of Public Instruction - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$19,964,765	\$21,086,368		\$21,086,368
New and vacant FTE pool		695,495		695,495
Operating expenses	32,793,320	42,511,524		42,511,524
Integrated formula payments	2,299,674,851	2,416,330,340	\$20,791,143	2,437,121,483
Grants - Special education contracts	24,000,000	24,000,000		24,000,000
Grants - Transportation	58,100,000	63,500,000	(3,400,000)	60,100,000
Grants - Other grants	382,738,893	412,444,602		412,444,602
Grants - Program grants	17,205,000	24,216,027	800,000	25,016,027
Grants - Passthrough grants	3,569,000	15,835,000	(11,100,000)	4,735,000
PowerSchool	5,775,000			
Student information systems		5,775,000		5,775,000
National board certification	176,290	176,290		176,290
Total all funds	\$2,843,997,119	\$3,026,570,646	\$7,091,143	\$3,033,661,789
Less estimated income	1,115,246,674	1,292,082,342	(90,665,000)	1,201,417,342
General fund	\$1,728,750,445	\$1,734,488,304	\$97,756,143	\$1,832,244,447
FTE	86.25	86.25	0.00	86.25

Department 201 - Department of Public Instruction - Detail of Senate Changes

	Adjusts Funding Source of Integrated Formula Payments ¹	Increases Funding for Integrated Formula Payments ²	Decreases Funding for Transportation Grants ³	Increases Funding for the Free Meal Program ⁴	Adjusts Funding for Ongoing Program Grants ⁵	Adjusts Funding for Ongoing Passthrough Grants ⁶
Salaries and wages						
New and vacant FTE pool						
Operating expenses						
Integrated formula payments		\$20,791,143				
Grants - Special education contracts						
Grants - Transportation			(\$3,400,000)			
Grants - Other grants						
Grants - Program grants				\$2,800,000	(\$2,000,000)	
Grants - Passthrough grants						(\$850,000)
PowerSchool						
Student information systems						
National board certification						
Total all funds	\$0	\$20,791,143	(\$3,400,000)	\$2,800,000	(\$2,000,000)	(\$850,000)
Less estimated income	(70,000,000)	0	0	0	(8,080,000)	(3,085,000)
General fund	\$70,000,000	\$20,791,143	(\$3,400,000)	\$2,800,000	\$6,080,000	\$2,235,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for One-time Program Grants ¹	Removes One- time Funding for Assistive Technology and Curriculum ²	Removes One- time Funding for Science Center Grants ³	Adjusts Funding for a Native American Program and Textbook ¹⁰	Total Senate Changes
Salaries and wages					
New and vacant FTE pool					
Operating expenses					
Integrated formula payments					\$20,791,143
Grants - Special education contracts					
Grants - Transportation					(3,400,000)
Grants - Other grants					
Grants - Program grants					800,000
Grants - Passthrough grants		(\$250,000)	(\$10,000,000)		(11,100,000)
PowerSchool					
Student information systems					
National board certification					
Total all funds	\$0	(\$250,000)	(\$10,000,000)	\$0	\$7,091,143
Less estimated income	500,000	0	(10,000,000)	0	(90,665,000)
General fund	(\$500,000)	(\$250,000)	\$0	\$0	\$97,756,143
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for integrated formula payments from the foundation aid stabilization fund is reduced by \$81 million to provide a total of \$133 million from the foundation aid stabilization fund for integrated formula payments. The reduction is offset by increases in funding from the general fund of \$70 million and from special funds from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, of \$11 million.

² Funding for integrated formula payments is adjusted as follows:

	General Fund
Adjusts savings related to cost to continue integrated formula payments	(\$1,900,000)
Increases the integrated formula payment rate 3 percent each year of the 2025-27 biennium. The House provided increases of 2 percent each year of the biennium. (House Bill No. 1369)	46,291,143
Removes the rolling 3-year average for the determination of average daily membership included by the House. (House Bill No. 1369)	(8,000,000)
Adjusts the increase in local revenue exempted from deduction in the state school aid formula. (House Bill No. 1130)	(2,000,000)
Removes the fiscal impact of a reduction in the percentage of local revenue contributed to the state school aid formula from 75 to 65 percent. (House Bill No. 1381 was not approved by the Senate)	(13,500,000)
Decreases funding for annual grants to regional education association due to reduction in the number of regional education associations in the state	(100,000)
Total increase in integrated formula payments	\$20,791,143

³ Funding is decreased for transportation grants pursuant to Senate amendments to the transportation grant formula in House Bill No. 1214.

⁴ Funding for the free meal program is increased to provide a total of \$7.3 million from the general fund and to expand eligibility to all students enrolled in public or nonpublic school at or below 225 percent of the federal poverty guideline, an increase from 200 percent of the federal poverty guideline and the same federal poverty guideline as the House version.

⁵ Funding of \$2,000,000 from the general fund, added by the House for a centers of excellence program, is removed. Funding for ongoing program grants totaling \$8,080,000 is adjusted from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, to the general fund.

Total funding for ongoing program grants is provided as follows:

Ongoing Program Grants	General Fund
Adult education matching grants	\$5,500,000
School food service matching grants	1,380,000
Free meal program	7,300,000
Leveraging the senior year	1,536,027
Building tomorrow's leaders program	50,000
Family engagement program	150,000
Paraprofessional-to-teacher program	3,000,000
Science of reading and literacy training program	1,000,000
Indians into STEM program	<u>300,000</u>
Total general fund	\$20,216,027

⁶ Funding for ongoing passthrough grants from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, added by the House for national writing projects (\$30,000) and TeenPact (\$20,000) is removed. In addition, remaining funding for ongoing passthrough grants of \$3,035,000 is adjusted from carryover funds, continued from the 2023-25 biennium and deposited in the department's operating fund, to the general fund. Funding from the general fund, increased for teacher mentoring (ND Rise) by the House, is reduced \$800,000 to provide an increase of \$1.2 million from the base budget.

Total funding for ongoing passthrough grants is provided as follows:

Ongoing Passthrough Grants	General Fund
National writing projects	\$40,000
Rural art outreach	425,000
ND RISE teacher mentoring program	3,700,000
Governor's School	500,000
"We the People" program	<u>70,000</u>
Total general fund	\$4,735,000

⁷ One-time funding of \$500,000 from the general fund for the Amira statewide reading tool is adjusted to provide one-time funding the strategic investment and improvements fund (SIIF). In addition, one-time funding from the foundation aid stabilization fund for dyslexia identification training (\$300,000), a statewide teacher retention program (\$2.5 million), and school board training (\$1.5 million) is adjusted to provide funding from SIIF.

Total funding for one-time program grants is provided as follows:

One-time Program Grants	Strategic Investment and Improvements Fund
Statewide reading tool	\$500,000
Dyslexia identification training	300,000
Statewide teacher retention program	2,500,000
School board training	<u>1,500,000</u>
Total SIIF	\$4,800,000

⁸ One-time funding for a passthrough grant for a RoboKind pilot project related to assistive technology and curriculum, added by the House, is removed.

⁹ One-time funding of \$10 million from SIIF, added for science center grants by the House, is removed.

¹⁰ One-time funding for operating expenses related to North Dakota Native American Essential Understandings contracts and workgroup costs (\$300,000) and for the production of a book series regarding the history and culture of indigenous people (\$650,000) from the foundation aid stabilization fund is adjusted to provide funding from SIIF.

This amendment also adjusts sections to:

- Identify funding from the foundation aid stabilization fund of \$133 million for integrated formula payments;
- Identify funding from SIIF of \$5.75 million for various one-time program grants and one-time funding for a Native American program and textbook;
- Reduce funding for annual grants to regional education associations (REAs), due to a reduction in the number

of REAs in the state, to provide a total of \$600,000 for annual grants of \$50,000 to each of the six remaining REAs;

- Provide \$7.3 million for the free meals program; and
- Require the Superintendent of Public Instruction continue the lesser of \$11,000,000, or the funding remaining in the integrated formula payments line item at the end of the 2023-25 biennium, into the 2025-27 biennium. The Office of Management and Budget must transfer this amount into the public instruction fund for the purpose of providing integrated formula payments. This change will reduce the estimated July 1, 2025, general fund balance by \$11,000,000. The House version reduced the July 1, 2025, general fund balance by \$11,165,000.

House Bill No. 1013 - Center for Distance Education - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
New and vacant FTE pool Center for Distance Education	\$11,613,483	\$361,061 14,579,960	(\$157,905)	\$203,156 14,579,960
Total all funds	\$11,613,483	\$14,941,021	(\$157,905)	\$14,783,116
Less estimated income	4,550,000	6,524,000	0	6,524,000
General fund	\$7,063,483	\$8,417,021	(\$157,905)	\$8,259,116
FTE	30.80	32.00	(1.00)	31.00

Department 204 - Center for Distance Education - Detail of Senate Changes

	Removes 1 FTE Support Specialist Position ¹	Total Senate Changes
New and vacant FTE pool Center for Distance Education	(\$157,905)	(\$157,905)
Total all funds	(\$157,905)	(\$157,905)
Less estimated income	0	0
General fund	(\$157,905)	(\$157,905)
FTE	(1.00)	(1.00)

¹ Funding for 1 FTE enrollment and office support specialist position is removed (\$175,450) and estimated savings in the new and vacant FTE pool is adjusted by \$17,545.

House Bill No. 1013 - State Library - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,615,731	\$5,115,851		\$5,115,851
New and vacant FTE pool		107,552		107,552
Operating expenses	2,282,298	2,990,075		2,990,075
Grants	2,283,528	2,283,528		2,283,528
Total all funds	\$9,181,557	\$10,497,006	\$0	\$10,497,006
Less estimated income	2,499,073	2,804,212	0	2,804,212
General fund	\$6,682,484	\$7,692,794	\$0	\$7,692,794
FTE	26.75	26.75	0.00	26.75

House Bill No. 1013 - School for the Deaf - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,283,599	\$10,018,824		\$10,018,824
New and vacant FTE pool		415,571		415,571
Operating expenses	1,705,586	2,026,425		2,026,425
Capital assets	158,678	442,478		442,478
Total all funds	\$11,147,863	\$12,903,298	\$0	\$12,903,298
Less estimated income	2,811,557	3,171,743	0	3,171,743
General fund	\$8,336,306	\$9,731,555	\$0	\$9,731,555
FTE	45.36	46.86	0.00	46.86

House Bill No. 1013 - Vision Services - School for the Blind - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,538,818	\$5,779,896		\$5,779,896
New and vacant FTE pool		121,985	\$137,451	259,436
Operating expenses	869,686	1,276,257		1,276,257
Capital assets	39,192	270,000		270,000
Total all funds	\$6,447,696	\$7,448,138	\$137,451	\$7,585,589
Less estimated income	1,206,705	1,740,944	0	1,740,944
General fund	\$5,240,991	\$5,707,194	\$137,451	\$5,844,645
FTE	27.75	27.75	1.00	28.75

Department 253 - Vision Services - School for the Blind - Detail of Senate Changes

	Adds 1 FTE Assistive Technology Position¹	Total Senate Changes
Salaries and wages		
New and vacant FTE pool	\$137,451	\$137,451
Operating expenses		
Capital assets		
Total all funds	\$137,451	\$137,451
Less estimated income	0	0
General fund	\$137,451	\$137,451
FTE	1.00	1.00

¹ Funding of \$152,723 is added for 1 FTE assistive technology position in the 2nd year of the biennium and funding for the new and vacant FTE pool is adjusted for estimated savings (\$15,272).

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