FISCAL NOTE Requested by Legislative Council 01/08/2015

Bill/Resolution No.: HB 1171

1 A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2013-2015 Biennium		2015-2017	Biennium	2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1 B. County, city, school district and township fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

2 A. **Bill and fiscal impact summary:** Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

This bill would redirect fees collected for noncriminal disposition of traffic offenses from the common schools trust fund to the state highway tax distribution fund.

B. **Fiscal impact sections:** Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

The fiscal impact for the 2015-17 biennium would be a reduction of \$6.3 million to the common schools trust fund and an increase of \$6.3 million to the state highway tax distribution fund.

- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

There is no net effect on total revenues.

B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

N/A

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

N/A

Name: Don Wolf

Agency: ND Court System

Telephone: 328-3509

Date Prepared: 01/12/2015

2015 HOUSE TRANSPORTATION

HB 1171

2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee

Fort Totten Room, State Capitol

HB 1171 1/22/2015 #22363

☐ Subcommittee
Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A bill relating to certain fees to state highway tax distribution fund; and to provide an effective date.

Minutes:

Attachment #1 and #2

Vice Chairman Lisa Meier opened the hearing on HB 1171.

Chairman Dan Ruby introduced HB 1171. He provided written testimony. See attachment #1 and #2.

Vice Chairman Lisa Meier: Any questions?

Representative Marvin Nelson: Do you know of other exceptions that are specific under law, like the cities, that keep their own traffic fees?

Chairman Dan Ruby: When state highways run through towns, that fine money goes to the city. County fines generally go to the state. This won't really change that, but as it gets into the distribution fund it is indirectly shared.

Vice Chairman Lisa Meier: Has the committee ever looked at where the bulk of fines come from?

Chairman Dan Ruby: You mean a breakdown of where they come from, like speeding, failure to yield, etc.?

Vice Chairman Lisa Meier: Yes.

Chairman Dan Ruby: No, not to that level that I remember.

Representative Marvin Nelson: In the first part of the paragraph it talks about fines, and then on the part you are adding it says fees. What are they called?

Chairman Dan Ruby: Technically it is a fee. It is a non-criminal violation, so it is a fee.

House Transportation Committee HB 1171 01-22-15 Page 2

Representative Lois Delmore: Do you know if it says fee or fine on the ticket when you go to pay the ticket?

Chairman Dan Ruby: I'm not sure; it might use the term fine.

Aaron Burst, Association of Counties, spoke to support HB 1171. He stated that traffic fines were all collected by the county before State Court Unification. Once the State Court went to the Unification, the state took over the judges, and they took the fines away from the counties. We have never actively pursued trying to get that back, mostly because we have come to the conclusion that the fines have to go to the schools. We haven't asked for an Attorney General's opinion. If there is legal support that the fines could go to the county, we would certainly support that. The distinction is that if the Supreme Court says it is a penalty, that is a fine, and the fines go to the Common Schools Trust Fund. A fee for a transaction of service, that is not a penalty, therefore that can go anywhere.

Arik Spenser, North Dakota Motor Carriers, spoke to support HB 1171. His group thinks this policy makes sense and is a good concept.

There was no further support for HB 1171. There was no opposition to HB 1171.

The hearing was closed on HB 1171.

Representative Mike Schatz moved a DO PASS on HB 1171. Representative Ben Hanson seconded the motion.

Representative Robin Weisz: For the record, a speeding ticket says, "Statutory Bond Fee".

A roll call vote was taken: Aye 13 Nay 0 Absent 1 The motion carried.

Representative Mike Schatz will carry HB 1171.

Date: 1/22/2015 Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. HB 1171

House	Transpo	ortation				Com	mittee
			□ Sı	ubcomn	nittee		
Amendm	ent LC# o	Description:					
Recomm Other Ac	endation: tions:	□ Adopt Amenda☑ Do Pass□ As Amended□ Place on Cons□ Reconsider	Do No		□ Without Committee Re□ Rerefer to Appropriation□		dation
Motion N	Made By	Representative M Schatz	ike	Se	econded By Representativ	∕e Ben Ha ———	nson ———
	Ponros	ontativos	Yes	No	Poprosontativos	Yes	No
Chairm	an Ruby	entatives	X	NO	Representatives Rep. Delmore	X	NO
	hairman N	/eier	X		Rep. Hanson	X	
-	ick Becke		X		Rep. Nelson	X	
	rantzvog	:I	X		Rep. Neison		
Rep. H			A				
Rep. C			X				
Rep. O			X				
Rep. P			X	_			
Rep. S			X	_			
Rep. S			X				
Rep. W			X				
Total	(Yes)	13		No	0		
Absent							
Floor As	signment	Representative	Mike S	chatz			
If the vo	te is on a	n amendment, brief	ly indica	ate inter	nt:		

Com Standing Committee Report January 22, 2015 1:11pm

Module ID: h_stcomrep_13_009 Carrier: Schatz

REPORT OF STANDING COMMITTEE

HB 1171: Transportation Committee (Rep. Ruby, Chairman) recommends DO PASS (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1171 was placed on the Eleventh order on the calendar.

2015 SENATE TRANSPORTATION

HB 1171

2015 SENATE STANDING COMMITTEE MINUTES

Transportation Committee

Lewis and Clark Room, State Capitol

HB 1171 3/5/2015 Recording job number 24348

☐ Subcommittee ☐ Conference Committee

	ommittee 🗀 comerence committee
Committee Clerk Signature	Doris & Perez
	roduction of bill/resolution: 29-27-02.1 of the North Dakota Century Code, relating to ax distribution fund; and to provide an effective date
Minutes:	Attachments: 44

<u>Chairman Oehlke</u> opened the hearing on HB 1171, all committee members, except Senator Campbell were present.

Representative Dan Ruby, District 38, sponsor of this bill, see attached testimony #1, This bill directs funds raised through fees related to speeding and other moving violations from the Common Schools Trust Fund to the State Highway distribution Fund. Funds that are related to roads and transportation should go toward road related costs. Mentioned copy of section 9 from the ND constitution attachment #2 (segment 1:52 - 5:11)

<u>Senator Rust</u> pointed out that on page 1 lines 10 -12 underlined segment says "noncriminal disposition of traffic offenses".

<u>Aaron Birst</u>, North Dakota Association of Counties, in support of this bill, fines by the constitution have to go to the schools trust fund fees do not. Legislative Council opinion makes the distinction between fees and fines. In addition to the fines, there are also court administrative fees that go to the court system. The essential difference between criminal and non-criminal means you can get arrested for criminal acts. (segment 11:58 -14:17)

<u>Arik Spencer</u>, ND Motor Carriers Association, in favor of this bill it will we think these fees should go back to the maintenance of infrastructure.

<u>Jerry Coleman</u>, Director of School Finance for Department of Public Instruction in opposition, attachment #3, these fees that have placed in the state tuition fund would mean a \$6.3M reduction to the state tuition fund. Amounts displaced from the state tuition fund will need to be replaced with general funds to avoid underfunding the formula. He distributed pages 55-56 from the Legislative Council's "Analysis of Major Special Funds for the 2013-15 and 2015-17 Bienniums Including Proposed Changes as of January 27, 2015 attachment #4(17:56- 19:47)

Senate Transportation Committee **HB 1171** 3/05/ 2015 Page 2

No additional testimony in favor, against or neutral. Hearing closed.

<u>Senator Rust</u> opposes this bill since it means taking from one fund to give to another and the state would need to make up for that.

At the request of the committee members **Mr. Coleman** explained the different sources of funds used to support K-12 education.

<u>Senator Rust</u> asked where the rents, royalties and leases from 16 and 36 go, how are they distributed.

<u>Lance Gaebe</u>, Commissioner, ND Dept. of Trust Lands, explained the origin of the fund money, by whom it is managed, how it is managed and distributed. (28:40-33:57)

<u>Chairman Oehlke</u>, <u>Senator Rust</u> and <u>Senator Axness</u> expressed concern that this would be taking money from education to fund roads, and then needing an additional source to fund education.

Meeting adjourned.

2015 SENATE STANDING COMMITTEE MINUTES

Transportation Committee

Lewis and Clark Room, State Capitol

HB 1171 3/13/2015 Recording job number 24821

☐ Subcommittee ☐ Conference Committee
Committee Clerk Signature WWW & Pures
Explanation or reason for introduction of bill/resolution: To amend and reenact section 29-27-02.1 of the North Dakota Century Code, relating to certain fees to state highway tax distribution fund; and to provide an effective date.
Minutes: Attachments: 0
<u>Chairman Oehlke</u> opened the discussion on SB 1171, all committee members were present. No discussion.
Senator Rust moved do not pass
Senator Axness seconded
Roll call vote was taken: Yes 5 No 1 Absent 0
Carrier Senator Rust
Meeting adjourned

Date: 3/13/2015 Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE ROLL CALL VOTES HB BILL NO. 1171

Senate	TI	RANSP	ORTAT	ION		Comr	nittee
		□ St	ubcomn	nittee			
Amendment LC# or	Description:						
Recommendation:	□ Adopt Amenda□ Do Pass□ As Amended□ Place on Cons	Do No		☐ Without Committe☐ Rerefer to Approp		mend	ation
Other Actions:	☐ Reconsider						
				conded By Senator			
IL.	ators	Yes	No	Senators		Yes	No
Chairman Oehlk		X		Senator Axness		X	
Vice Chairman C		X		Senator Sinner	= -		Х
Senator Campbe Senator Rust	311	X					
Seriator Rust							
Total (Yes)	5		No)	1		
Absent				0			
Floor Assignment							
Tioor Assignment	Schatol Rust						

If the vote is on an amendment, briefly indicate intent:

Com Standing Committee Report March 13, 2015 12:32pm

Module ID: s_stcomrep_46_010 Carrier: Rust

REPORT OF STANDING COMMITTEE

HB 1171: Transportation Committee (Sen. Oehlke, Chairman) recommends DO NOT PASS (5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1171 was placed on the Fourteenth order on the calendar.

2015 TESTIMONY

HB 1171

1 of 2

HB 1171 1-22-15 #1

2015 House Bill 1171

House Transportation Committee

January 22, 2015

Vice Chairman Meier and members of the committee I am Dan Ruby, Representative from District 38

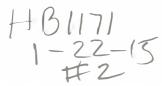
House Bill 1171 makes a fairly simple change that directs funds raised through fees, related to speeding and other moving violations, from the Common Schools Trust Fund to be placed in the State Highway Distribution Fund.

It has long been the understanding that since moving violations are called fines, they needed to go to the Common School Trust Fund when actually they are considered non-criminal traffic offenses and are considered more of a civil penalty. As you can see in the handout I provided, the opinion of at least one attorney in Legislative Council is that there is good legal support for what this bill does. He also stated in a separate correspondence that the phrase "fines for violation of state laws" referred to in ND Constitution (Art. IX) does not encompass civil penalties such as overweight vehicle charges and these fines do not go to the Common Schools Trust Fund.

Please understand that I have no problem with the Common Schools Trust Fund. I simply think the funds that are more related to roads and transportation should go toward road related costs and by placing these funds in the Highway Distribution Fund they will be shared by the State, Counties, Cities, Townships and Transit. As I understand it, two years ago the Common Schools Trust Fund was at about 1.2 to 1.4 billion and now is expected to be around 3 billion dollars. With oil taxes and tobacco settlement dollars going into the fund these fees haven't been that substantial to that growth. They may not be that substantial to the Highway Distribution Fund either but, as I said above, this puts them toward road related uses. The numbers I have been given put the biannual amount of the moving violations to be slightly more than 11 million per biennium.

One of the reasons, I believe, is that speeding and other related fines were diverted to the School Trust Fund to provide a separation from law enforcement and the fines because of the perception that they would aggressively pull people over to supplement their budgets. Although, most people I talk to about this don't know that the fees are going to the Trust Fund and so have that perception now. So evidently it didn't work. This change will also not be directed to the budget of the Highway Patrol but become a part of the necessary road projects this state so desperately needs.

Thank you Madam Vice-Chairman Meier and members of the committee, I would be happy to answer any questions you may have.



The following is from the constitution of North Dakota.

Article IX Section 2. [Fund income apportioned among schools]

Distributions from the common schools trust fund, together with the net proceeds of all fines for violation of state laws and all other sums which may be added by law, must be faithfully used and applied each year for the benefit of the common schools of the state and no part of the fund must ever be diverted, even temporarily, from this purpose or used for any purpose other than the maintenance of common schools as provided by law. Distributions from an educational or charitable institution's trust fund must be faithfully used and applied each year for the benefit of the institution and no part of the fund may ever be diverted, even temporarily, from this purpose or used for any purpose other than the maintenance of the institution, as provided by law.

For the biennium during which this amendment takes effect, distributions from the perpetual trust funds must be the greater of the amount distributed in the preceding biennium or ten percent of the five-year average value of trust assets, excluding the value of lands and minerals. Thereafter, biennial distributions from the perpetual trust funds must be ten percent of the five-year average value of trust assets, excluding the value of lands and minerals. The average value of trust assets is determined by using the assets' ending value for the fiscal year that ends one year before the beginning of the biennium and the assets' ending value for the four preceding fiscal years. Equal amounts must be distributed during each year of the biennium.

State law provides:

29-27-02.1. Disposition of statutory fees, fines, forfeitures, pecuniary penalties, and bond forfeitures.

Except as otherwise provided by law, all statutory fees, fines, forfeitures, and pecuniary penalties prescribed for a violation of state laws, when collected, must be paid into the treasury of the proper county to be added to the state school fund. When any bail bond or other property or money deposited as bail is forfeited to the state, the proceeds collected therefrom must be paid over to the proper state official and credited to the state general fund.

According to the AG, the forfeit of a bond for a traffic fee goes to the state school fund. Bail bond is for the release from custody for a crime.

To answer your question, fees and noncriminal bonds go to the state school fund by statute. The constitution only mentions fines. Fines are generally considered for crimes, not noncriminal traffic offenses. However, practically and historically the noncriminal fees and bonds have gone to the school fund. There has not been a case on point, but there was a case that said civil penalties are not fines. So, unless the ND Supreme Court decides a case on point, there is good legal support for the case that noncriminal fees and bonds may go anywhere.

#1-1 3/05/15

2015 House Bill 1171

Senate Transportation Committee

January 22, 2015

Chairman Oehlke and members of the committee I am Dan Ruby, Representative from District 38

House Bill 1171 makes a fairly simple change that directs funds raised through fees, related to speeding and other moving violations, from the Common Schools Trust Fund to be placed in the State Highway Distribution Fund.

It has long been the understanding that since moving violations are called fines, they needed to go to the Common School Trust Fund when actually they are considered non-criminal traffic offenses and are considered more of a civil penalty. As you can see in the handout I provided, the opinion of at least one attorney in Legislative Council is that there is good legal support for what this bill does. He also stated in a separate correspondence that the phrase "fines for violation of state laws" referred to in ND Constitution (Art. IX) does not encompass civil penalties such as overweight vehicle charges and these fines do not go to the Common Schools Trust Fund.

Please understand that I have no problem with the Common Schools Trust Fund. I simply think the funds that are more related to roads and transportation should go toward road related costs and by placing these funds in the Highway Distribution Fund they will be shared by the State, Counties, Cities, Townships and Transit. As I understand it, two years ago the Common Schools Trust Fund was at about 1.2 to 1.4 billion and now is expected to be around 3 billion dollars. With oil taxes and tobacco settlement dollars going into the fund these fees haven't been that substantial to that growth. They may not be that substantial to the Highway Distribution Fund either but, as I said above, this puts them toward road related uses. The fiscal note estimates the amount of the moving violations to be about 6.3 million per biennium.

One of the reasons, I believe, is that speeding and other related fines were diverted to the School Trust Fund to provide a separation from law enforcement and the fines because of the perception that they would aggressively pull people over to supplement their budgets. Although, most people don't know that the fees are going to the Trust Fund and so have that perception now. So evidently, if that was the intent of placing the funds in the Trust Fund, it hasn't work. This change does not mean the funds will be directed to the budget of the Highway Patrol but will become a part of the necessary road projects this state so desperately needs.

Thank you Chairman Oehlke and members of the committee, I would be happy to answer any questions you may have.

#2 HB1171 3-05-15 2-1

The following is from the constitution of North Dakota.

Article IX Section 2. [Fund income apportioned among schools]

Distributions from the common schools trust fund, together with the net proceeds of all fines for violation of state laws and all other sums which may be added by law, must be faithfully used and applied each year for the benefit of the common schools of the state and no part of the fund must ever be diverted, even temporarily, from this purpose or used for any purpose other than the maintenance of common schools as provided by law. Distributions from an educational or charitable institution's trust fund must be faithfully used and applied each year for the benefit of the institution and no part of the fund may ever be diverted, even temporarily, from this purpose or used for any purpose other than the maintenance of the institution, as provided by law.

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According to the AG, the forfeit of a bond for a traffic fee goes to the state school fund. Bail bond is for the release from custody for a crime.

To answer your question, fees and noncriminal bonds go to the state school fund by statute. The constitution only mentions fines. Fines are generally considered for crimes, not noncriminal traffic offenses. However, practically and historically the noncriminal fees and bonds have gone to the school fund. There has not been a case on point, but there was a case that said civil penalties are not fines. So, unless the ND Supreme Court decides a case on point, there is good legal support for the case that noncriminal fees and bonds may go anywhere.

#3

TESTIMONY ON **#B** 1171 SENATE TRANSPORTATION COMMITTEE

March 5, 2015
Jerry Coleman, Director School - Finance
701-328-4051
Department of Public Instruction

Mr. Chairman and members of the committee:

My name is Jerry Coleman and I am the Director of School Finance for the Department of Public Instruction. I am here to speak in opposition to HB 1171.

This bill provides that fees considered noncriminal disposition of traffic offenses that have been placed in the state tuition fund be instead added to the state highway tax distribution fund.

The estimated revenue from this source has been included as special funds in the appropriation for the state school aid formula (SB 2013 Section 3). The fiscal note estimates a \$6.3 million reduction to the state tuition fund. Any amounts displaced from the state tuition fund will need to be replaced with general funds to avoid underfunding the formula.

It has been long standing practice that fees from this source be used to support K-12 education and the Department supports maintaining that practice.

I have attached pages 55-56 from the Legislative Council's "Analysis of Major Special Funds for the 2013-15 and 2015-17 Bienniums Including Proposed Changes as of January 27, 2015" to provide more information on the state tuition fund.

ANALYSIS OF THE STATE TUITION FUND FOR THE 2013-15 AND 2015-17 BIENNIUMS (INCLUDING PROPOSED CHANGES AS OF JANUARY 27, 2015)

	2013-15 Biennium		2015-17 Biennium	
Beginning balance		\$1,852,546 ¹		\$5,471,683 ¹
Add estimated revenues Fines for violation of state laws Transfers from the common schools trust fund	\$13,619,137 ² 130,326,000		\$10,800,000 ² 206,134,000	
Total estimated revenues		143,945,137	1	216,934,000
Total available		\$145,797,683		\$222,405,683
Less estimated expenditures and transfers State aid to schools	\$140,326,000 ³	1	\$219,134,000	
Total estimated expenditures and transfers	1	140,326,000	1	219,134,000
Estimated ending balance		\$5,471,683 ¹		\$3,271,683 ¹

¹Beginning/ending balance - North Dakota Century Code Section 15.1-28-03 provides for the distribution of money in the state tuition fund in August, September, October, November, December, January, February, March, and April of each fiscal year. Fine proceeds deposited in the tuition fund during May and June of each fiscal year are carried forward for distribution in August of the subsequent year.

²Fines for violation of state laws - Fine proceeds estimated to be deposited in the state tuition fund during the 2013-15 biennium are based on actual fines deposited into the fund through December 2014 and estimated fine proceeds for the remainder of the 2013-15 biennium based on the December 2014 revenue forecast. Fine proceeds estimated to be deposited in the state tuition fund during the 2015-17 biennium are based on the December 2014 revenue forecast. The amount of state tuition fund distributions from fine proceeds is shown below.

Fiscal Year	Revenue From Fines	Percentage Increase (Decrease) From Previous Year		
1998	\$3,384,890 (actual)			
1999	\$3,818,890 (actual)	12.8%		
2000	\$4,866,644 (actual)	27.4%		
2001	\$4,241,256 (actual)	(12.9%)		
2002	\$4,778,756 (actual)	12.7%		
2003	\$4,607,423 (actual)	(3.6%)		
2004	\$4,721,407 (actual)	2.5%		
2005	\$4,507,137 (actual)	(4.5%)		
2006	\$4,506,316 (actual)	(0.01%)		
2007	\$4,590,395 (actual)	1.9%		
2008	\$4,692,048 (actual)	2.2%		
2009	\$4,452,118 (actual)	(5.1%)		
2010	\$4,593,325 (actual)	3.2%		
2011	\$4,963,691 (actual)	8.1%		
2012	\$5,769,861 (actual)	16.2%		
2013	\$6,158,750 (actual)	6.7%		
2014	\$6,844,632 (actual)	11.1%		
2015	\$6,774,505 (estimate)	(1.0%)		
2016	\$5,400,000 (estimate)	(20.3%)		
2017	\$5,400,000 (estimate)	0.0%		

3/05/15

³The Legislative Assembly in 2013 provided \$140,326,000 from the state tuition fund for state school aid payments during the 2013-15 biennium. In addition, Section 4 of 2013 House Bill No. 1013 provides that any money available in the state tuition fund in excess of the \$140,326,000 is appropriated to the Department of Public Instruction for distribution to school districts.

NOTE

The following bill under consideration by the Legislative Assembly may affect the state tuition fund:

House Bill No. 1171 changes the deposit of fees collected for noncriminal disposition of traffic offenses from the state tuition fund to the highway tax distribution fund. A fiscal note prepared by the judicial branch estimates the fiscal impact of the bill during the 2015-17 biennium would be a reduction of \$6.3 million to the state tuition fund and an increase of \$6.3 million to the state highway tax distribution fund. House Bill No. 1171 has been approved by the House.

FUND HISTORY

The state tuition fund originated in 1889 with enactment of the Constitution of North Dakota. The original constitutional provisions have not changed significantly since enactment and are currently contained in Article IX, Section 2, of the Constitution of North Dakota, which provides that payments to the common schools trust fund of the state include:

- Interest and income from the common schools trust fund.
- · All fines for violation of state laws.
- · All other amounts provided by law.

Section 15.1-28-01 provides the state tuition fund consists of the net proceeds from all fines for violation of state laws and leasing of school lands (included in transfers from the common schools trust fund) and the interest income from the common schools trust fund. Section 15.1-28-03 directs the Office of Management and Budget, on or before the third Monday in January, February, March, April, August, September, October, November, and December of each year, to certify to the Superintendent of Public Instruction the amount of the state tuition fund. Prior to the 2007-09 biennium, the Superintendent apportioned the money in the state tuition fund among the school districts in the state based on the number of school-age children in the district. The Legislative Assembly in 2007 Senate Bill No. 2200 consolidated funding for the state school aid program, including per student payments, teacher compensation payments, special education average daily membership payments, revenue supplemental payments, and tuition apportionment payments, into a new state school aid funding formula with a new distribution methodology; therefore, beginning with the 2007-09 biennium, the Superintendent includes the money in the state tuition fund in state school aid payments to school districts as determined by Chapter 15.1-27.