

2021 HOUSE EDUCATION

HB 1388

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1388
2/3/2021

Relating to adjustments to school district size weighting factors and education foundation aid funding formula transition maximum and payment rates

Chairman Owens opened the hearing on HB 1388 at 9:00 AM. Present: Reps. Owens, Schreiber-Beck, Heinert, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Zubke, Hoverson, Guggisberg and Hager present.

Discussion Topics:

- Funding formula lacks funding resources on reservation
- Changes to Integrated Formula Payment
- Funding formula may cut weighting factors

Rep. Owens introduced HB 1388, #5153

Nathan Davis, Turtle Mountain Band of Chippewa, #5165

Adam Tescher, NDDPI, #5123

Duane Poitra, Business Manager, Belcourt School District, #5166

Brandt Dick, Underwood Public School District, Small Organized Schools, #5044

Aimee Copas, NDCEL, #5152

Alexis Baxley, executive director-ND School Boards Association, #5133

Additional written testimony:

#4893, #5116, #5160, #5162

Rep M Johnson moved to adopt amendment 21.0866.01001, seconded by Rep Schreiber-Beck. Voice vote. Motion carried.

Rep Zubke moved to adopt amendment on page 13 lines 20 and 21 to strike 2018 and replace it with 2020 and on page 20 on lines 20 and 21 strike 2018 and replace it with 2020. Seconded by Rep Heinert. Voice vote. Motion carried.

Rep Zubke moved a Do Pass as Amended and Rerefer to Appropriations, seconded by Rep M. Johnson.

Representatives	Vote
Representative Mark S. Owens	Y
Representative Cynthia Schreiber-Beck	Y
Representative Ron Guggisberg	Y
Representative LaurieBeth Hager	Y
Representative Pat D. Heinert	Y
Representative Jeff A. Hoverson	Y
Representative Dennis Johnson	Y

Representative Mary Johnson	Y
Representative Donald Longmuir	Y
Representative Andrew Marschall	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Luke Simons	Y
Representative Denton Zubke	Y

Motion carried 14-0-0 Rep. Owens is carrier.

Hearing closed at 9:38 AM.

Bev Monroe, Committee Clerk and Donna Whetham

February 2, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1388

Page 1, line 1, after "sections" insert "15.1-01-04,"

Page 1, line 1, after "15.1-27-03.2" insert a comma

Page 1, line 2, after the first "to" insert "membership of the kindergarten through grade twelve education coordination council,"

Page 1, line 2, after "factors" insert a comma

Page 1, line 3, after "rates" insert "; and to provide an appropriation"

Page 1, after line 4, insert:

"SECTION 1. AMENDMENT. Section 15.1-01-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-04. Kindergarten through grade twelve education coordination council.

1. The state board of public school education shall oversee the creation and ongoing operation of the kindergarten through grade twelve education coordination council.
2. The council consists of:
 - a. Three members of the legislative assembly, one member of the majority party from each chamber of the legislative assembly, selected by the respective majority leader of the chamber, and one member of the minority party selected through collaboration between the respective minority leaders of each chamber;
 - b. The governor or the governor's designee;
 - c. The superintendent of public instruction or the superintendent's designee;
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 - g. The president of the board of the North Dakota school boards association or the president's designee;
 - h. The president of the board of the North Dakota small organized schools or the president's designee;

- i. The president of the board of the North Dakota school counselor association or the president's designee; and
- j. The president of the North Dakota special education study council or the president's designee;
- k. The president of the North Dakota regional education association or the president's designee; and
- l. The following gubernatorial appointees:
 - (1) An individual representing the statewide longitudinal data system committee;
 - (2) An individual representing a tribal school; and
 - (3) ~~An individual employed as a public school administrator;~~
 - (4) ~~An individual employed as a public school principal;~~
 - (5) An individual employed as a public school teacher;
 - (6) ~~A director of a special education unit; and~~
 - (7) ~~A director of a regional education association.~~
- 3. The term of office for a member appointed by the governor is four years. The governor may stagger the initial appointments to the council so no more than three members' terms expire in any year.
- 4. The council shall select a presiding officer annually from among its members.
- 5. A member of the council who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the council and to reimbursement for travel and expenses as provided by law, to be paid by the legislative council. A member of the council who is not a state employee is entitled to receive as compensation sixty-two dollars and fifty cents per day and to reimbursement of expenses as provided by law for state officers while attending meetings of the council, to be paid by the state board of public school education. A state employee who is a member of the council is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses, to be paid by the employing agency.
- 6. The council may hire an executive director.
- 7. The council shall:
 - a. Assist in the implementation, dissemination, and communication of the statewide strategic vision and evaluate progress toward meeting the identified goals and strategies.
 - b. Perform a continuous review of the effectiveness and efficiency of access and delivery of education services and programs in the state.

- c. Identify opportunities for increased collaboration among state education entities and stakeholders.
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8. The council shall meet at least four times per calendar year.
9. The council shall prepare and present an annual report of council activities to the state board of public school education and to the legislative management."

Page 21, after line 7, insert:

"SECTION 4. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$260,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing funding for the operations of the kindergarten through grade twelve education coordination council, for the biennium beginning July 1, 2021, and ending June 30, 2023."

Renumber accordingly

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Page 13, line 20, overstrike "2018" and insert immediately thereafter "2020"

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Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1388: Education Committee (Rep. Owens, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1388 was placed on the Sixth order on the calendar.

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21.0866.01001
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Prepared by the Legislative Council staff for
Senator Schaible

February 2, 2021

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Renumber accordingly

February 3, 2021

Representative Mark Owens,
House of Representatives Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

Subject: Testimony on North Dakota Education Funding Formula – HB1388
By Nathan Davis, Turtle Mountain Band of Chippewa Tribal Council Representative

Greetings Representative Mark Owens and Education Committee Members,

My name is Nathan Davis. I am a Tribal Council Representative of the Turtle Mountain Band of Chippewa. I would like to first point out, I find it essential that Federal, State and Tribal governments work together to continuously help improve the lives of Native American students with quality educational opportunities. It is paramount that we work together to provide Native American children a quality education.

The future and very existence of our tribes depends on the education. So today, when we talk about education, we need to think about our continuous effort to elevate our educational system to meet the needs of 21st century Native American students and provide resources to achieve this undertaking.

It is common for our Native students to deal with misperceptions and stereotypes of Native Americans that reinforce the notion of how we lived in the past rather than as a diverse and resilient part of the world today with untapped potential. I am certain we agree the primary effort in tapping that potential is through education.

High levels of socio-economic conditions our students are subject to when living on or near Native American reservations create obstacles to educational success. It is common for many of our students to worry about family issues at a young age. Our students heavily rely on teachers and schools for more than teaching. Our students rely heavily on school lunch programs. Our teachers and staff must develop an understanding of the student's family life dynamics and our tribal culture to optimize student learning.

It is essential for our schools to attract and retain dedicated teachers and school administrators who work hard to overcome the challenging situations and conditions faced by Native American students. Our schools also face issues with hard-to-fill teaching positions; in addition, if a hard to fill position is filled with a non-local resident, we face the issue of finding housing for the individual. To attract and retain quality educators, we must offer competitive compensation and fringe benefits.

Despite the many obstacles that stand in the way of Native American students, their resiliency and determination to create better lives for themselves is nothing short of inspiring. They understand the importance of a quality education and the opportunities it will afford them.

I wish to direct testimony today on House Bill 1388 which relates to the North Dakota Education funding formula. My testimony will specifically be on the "Transition Maximum" portion of HB1388. Transition Maximum primarily pertains to school districts receiving less funding than calculated by the funding formula.

Transition Maximum was established in the North Dakota Education funding formula back in the 2013 biennium as a funding formula mechanism to allow school districts that were "under formula", based on actual formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years.

In the 2013 biennium, there were 41 Districts that were affected by Transition Maximum. As of the 2020-21 school year, there are 11 Transition Maximum Districts remaining, of which 10 primarily serve a high Native American population. As a Tribal leader, these figures immediately caught my attention.

Three of the aforementioned Transition Maximum Districts primarily serve students of the Turtle Mountain Band of Chippewa; they are the Belcourt, St. John and Dunseith School Districts. These three school districts account for \$7,481,749.37 of the State wide grand total transition maximum amount of \$9.8 million.

I recognize the language by the Interim Education Funding Formula Review Committee in HB1388 to continue to maintain current baseline funding rates and to continue to increase the (transition) maximum percentage by only 5% as understandable due to declining State tax revenues caused in part by the corona virus pandemic.

I am also very pleased the interim committee recognized the length of time it is taking to get the Transition Maximum Districts on formula as being far stretched as there is language in HB1388 to include a revenue add-on calculation component which reduces the transition maximum deduction by 15%. This is a great start in addressing the transition maximum adjustment effects for the Tribal School Districts.

In closing, I wish to be clear that my testimony today supports this "add-on" language as it allows a mechanism in the formula for the Transition Maximum Districts to gain revenue that is not provided in the formula due to Transition Maximum.

I thank you for your time and consideration on this important matter.

Chi Miigwech,

Nathan Davis,
Tribal Council Representative
Turtle Mountain Band of Chippewa

TESTIMONY ON (HB 1388)
HOUSE EDUCATION COMMITTEE

2/3/2021

By: Adam Tescher, School Finance Officer

701-328-3291

North Dakota Department of Public Instruction

Chairman and Members of the Committee:

My name is Adam Tescher and I am the School Finance Officer with the Department of Public Instruction. I am here to provide a summary of HB 1388 and the changes to the Integrated Formula Payments.

Section 1 of HB 1388 establishes a new scale for the small school weighting factors. The changes effect school districts that have average daily membership (ADM) less than 245. The new weighting factors are shown on pages 4 and 5. These new weighting factors will be increased proportionally over the next seven year which aligns with the reduction of the transition minimum adjustments. This section also imputes an average daily membership for elementary districts by dividing their ADM by .60. This will put the elementary districts on the same scale as the high school districts. The weighting factor for elementary districts will then be reduced to 92 percent. This is to consider that elementary students on average cost less to educate than high school students.

Section 2 of this bill increases the per pupil payment rate one percent each year of the biennium. The new per pupil amounts are \$10,136 for 2021-22 and 10,237 for

the 2022-23 school year. The transition maximum rate is increased from 110% to 115% in 2021-22 and 120% in 2022-23. The difference of the transition maximum calculation and the per pupil formula calculation will be reduced 15% each year until all schools are, “On the Formula.” This mirrors the timeframe for the transition minimum adjustments that were passed during the 2019 legislative session.

During the 2019 Legislature, SB 2265 was passed that included several delayed changes to the funding formula. The transition minimum adjustments are to be phased out beginning in the 2021-22 school year at 15% each year. On the seventh year, all school districts will be “On the Formula.” The on time weighting factor will increase to .6 for 2021-22 and .7 for 2022-23. The current school year uses a .5 weighting factor for on time weighted student units. There is also an acceleration of the deduction of property taxes in the funding formula greater than 12% if a district is deducted at less than 60 mills. The first increase occurred during the 2020-21 payment year and will continue to increase until it is gone over the next five years.

On page 13 lines 20 and 21, the bill references the 2018 tax year. This is regarding school districts that have a sinking and interest levy. The deduction of in lieu of property taxes is reduced by a percentage of sinking and interest mills to total mills levied before the 75% deduction from the funding formula. I believe the intent of this bill was to update to the 2020 tax year to adjust for school districts that have passed a bond referendum since 2018 as well as for districts who have paid off their

bonded debt and no longer levy sinking and interest mills. This change would also need to be implemented on page 20 lines 20 and 21.

Chairman and Members of the Committee that concludes my prepared testimony and I will stand for any questions that you may have.



TURTLE MOUNTAIN COMMUNITY SCHOOL BELCOURT SCHOOL DISTRICT NO. 7

PO Box 440

Belcourt, ND 58316-440

Phone: (701) 477-6471

Fax: (701) 477-6470

We Are An Equal Opportunity Employer

February 3, 2021

Representative Mark Owens,
House of Representatives Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

**Subject: Testimony on North Dakota Education Funding Formula – HB1388 Transition Maximum
By Duane Poitra, Belcourt School District #7 Business Manager**

Greetings Representative Mark Owens and Education Committee Members,

I wish provide testimony today in support of HB1388 as it relates to the North Dakota Education funding formula, specifically on the "Transition Maximum" portion of the formula with "add-on" revenue that decreases the transition maximum deduction in revenue as specified in the bill's draft language. Transition Maximum pertains to School Districts receiving less funding than calculated by the current funding formula.

Transition Maximum was established in the North Dakota Education funding formula back in the 2013 biennium as a funding formula mechanism to allow school districts that were "under formula", based on actual formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years.

A baseline per pupil amount was determined in the 2013 biennium for each District affected by Transition Maximum that would be multiplied by a per pupil waiting factor of 110% to which the resulting weighted baseline per pupil amount would be multiplied by the weighted average daily membership (ADM) of the District to determine a maximum District payment amount.

If a district had a baseline per pupil payment rate less than the established per pupil payment rate for 2013-14, the district received a transition maximum adjustment to their formula calculation to prevent significant swings in district budgets due to a funding formula change.

The education funding formula would also determine a "normal" formula payment for Districts. The difference between the "normal" formula payment calculation and the maximum payment calculation is called the Transition Maximum Adjustment, which in the calculation is a deduction from the "normal" formula payment.

In the 2013 biennium, there were 41 Districts that were affected by Transition Maximum. The goal of a Transition Maximum Districts is to get on "normal" formula. As of the 2020-21 school year, there are 11 Transition Maximum Districts, of which 10 of the School Districts primarily serve a Native American population.

The aforementioned per pupil weighting factor is a very important factor in the formula; it was intended to increase each year by 10%; this has not been the case as the history of the weighting factor has been as follows:

110% for 2013-14;	120% for 2014-15;	130% for 2015-16;	140% for 2016-17;
140% for 2017-18;	140% for 2018-19;	105% for 2019-20;	110% for 2020-21.

I recognize the diligent effort of the Interim Education Funding Review Committee through a pandemic, especially Representative Mark Owens and Senator Don Schaible in drafting some complex language that addresses and lessens the negative impact that transition maximum has on property poor Tribal School Districts.

I find the Interim Education Funding Formula Review Committee in HB1388 desire to continue to maintain current baseline funding rates and to continue to increase the (transition) maximum percentage by only 5% as understandable due to declining State tax revenues likely caused in part by the corona virus pandemic.

The interim committee recognized the issue in length of time it is taking to get the Transition Maximum Districts on formula as being much longer than expected as there is the language in HB1388 to include a revenue add-on calculation component to reduce the transition maximum deduction by 15%. This is a huge step in the right direction for the Transition Maximum Districts.

In closing, I wish to be clear that my testimony today supports this "add-on" language in HB1388 as it allows a mechanism in the formula for the Transition Maximum Districts to gain revenue that lessens the effect of the Transition Maximum deduction in the state education funding formula. I am certain, all other 11 Transition Maximum Districts would also be in support of this language also.

I thank you for your time and consideration on this important matter.

Chi Miigwech!

Duane Poitra,
Business Manager
Belcourt School District #7

HB 1388 Testimony

Chairman Owens and members of the committee, for the record my name is Brandt Dick, Superintendent of Underwood School District, North Dakota Small Organized Schools' Board President, and North Dakota Association of School Administrators Legislative Focus Group finance chair. I am here to speak in support of HB 1388.

This bill adjusts weighting factors for the smallest schools in North Dakota. This was needed as 94 school districts in the state are transition minimum school districts. These 94 school districts collectively received \$49.2 million dollars in additional revenue this school year then if these schools were on the formula. This is due to hold harmless clauses, baseline funding levels set, going back to the new formula that was put into place. The 66th Legislative Assembly adjusted this for these school districts so that beginning in 2021-22, these districts would see an annual 15% cut in the amount of excess dollars they are currently receiving from the state. On page 9, lines 7-18 shows how these cuts are to be implemented over the next 7 years, with an additional 15% cut each year until these schools are on the formula. This is shown again on page 17, lines 14-19. That is why on page 3 and the top of page 4 it implements the new weighting factors by 14.29% (1/7).

Underwood is a transition minimum school district in that we receive an additional \$345,536 than if we were on the formula. This next school year, that amount will be cut by 15%, then an additional 15% until we are on the formula in seven years. Presently in law, this would be a 15% cut for the first 6 years, with year 7 being a 10% cut to get these school districts onto the formula. One tweak that would be appreciated by these 94 school districts would be if we could have the 10% cut in year one, then an additional 15% each of the next 6 years to get onto the formula. This last session, these cuts were put into place and we were given a 2 year pause before these cuts were implemented. The money the state saves from these cuts is what is being used to fund these additional weighting factors. After much study, weighting factors adjustments seems to be the best idea to help these smallest school districts get onto the formula and stay on the formula.

This bill also has a formula found on page 6 lines 18-26 to put K-6 and K-8 schools onto the formula by utilizing the same weighting factors as K-12 schools. This section may need to be looked at as there are a couple of schools that this formula would cut their weighting factors. For the largest K-6, K-8 school districts, or if K-6 or K-8 schools see an increase in student population, their kids could generate less than 1.00 weighting factor if this section is not adjusted.

This bill has a 1% increase on the per pupil payment for those schools that are already on the formula, which is good. It also provides a path for having transition maximum schools to become fully paid in 7 years. While this bill will mean some budgetary pain for the transition minimum schools, it does provide some help for the smallest rural school districts that have been helped by these transition payments, yet I do understand that transition is a word meaning there will come a time when that will go away, which would be 7 years. I will stand for questions.



HB 1388 – Funding Formula

NDCEL Testimony in Support

Chairman Owens, members of the House Education Committee, for the record, my name is Dr. Aimee Copas. I serve as the Executive Director for the ND Council of Educational Leaders representing all our K12 school administrators, directors and school leaders.

HB 1388 is the result of much work done over the past 4 years with the K12 funding formula to ensure the bill is supporting schools appropriately and also getting to legislative intent in getting all schools on the formula and support in a common way on the formula. 4 district superintendents and 1 business manager from the NDCEL Legislative Focus Group were invited to assist the interim committee in their study this past session.

This bill continues to acknowledge challenges within our school funding model upholding last session's work on getting schools to on-time funding while caring for our declining enrollment districts, an attempt at increasing the per-pupil payment, and it does also encapsulates the work done during the interim on the K12 weighting factors.

Ensuring that there is the per-pupil increase at least in the amount proposed in this bill is critically important. Each year, experienced a myriad of challenges along with that, including for example, increasing staffing costs by honoring contracts already in place, increased costs due to behavioral and mental health challenges, many districts with increasing enrollment and still experiencing a funding mechanism that doesn't yet completely recognize those students until the next year.

While the 1% per pupil payment increase each year doesn't solve all the problems it is a much-needed shot in the arm of school district funding.

It is worth emphasizing that this bill continues to move in the modality agreed upon last session to move the 94 transition minimum districts to be on the formula. I hope we can all continue to recognize that this will be very challenging for these districts. The weighting factor work has been a heavy lift but an important one. As mentioned, if you look at pages 4-5 – it shows us the 7-year

NDCEL is the strongest unifying voice representing and supporting administrators and educational leaders in pursuit of quality education for all students in North Dakota.

Executive Director: Aimee Copas-----Assistant Director: Russ Ziegler



- 1 goal with the weighting factors showing an increase for districts with fewer than 260 students.
- 2 This has the most dramatic impact on the transition minimum districts. This is taking no new
- 3 money as the 15% reduction in budget is the funds used to fuel the weighting factor adjustments.
- 4 Furthermore, the work done in this bill to support the transition maximum districts is helpful to
- 5 them as well and carves for them a pathway to being fully on the formula.
- 6 We strongly recommend a Do-Pass on HB 1388.

*NDCEL is the strongest unifying voice representing and supporting administrators and educational leaders in pursuit of quality education
for all students in North Dakota.*

Executive Director: Aimee Copas-----Assistant Director: Russ Ziegler



NDSBA
NORTH DAKOTA SCHOOL
BOARDS ASSOCIATION

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HB 1388
House Education Committee
February 3, 2021
Testimony of Alexis Baxley

Good afternoon Chairman Owens and members of the House Education Committee. My name is Alexis Baxley, and I serve as the executive director of the North Dakota School Boards Association. NDSBA represents the elected school boards of all 175 public school districts and several special education units in North Dakota.

The North Dakota School Boards Association stands in support of HB 1388. We appreciate all of the input, research, and work that went into the drafting of this bill. While the adjustments to the funding formula in section one of the bill will mean slightly lower weighting factors for some of our districts and higher for others, we believe these changes will help bring more districts onto the formula and create a more equitable, adequate formula for all.

We also support and are appreciative of the one percent cost-inflation increase to the per pupil payment in each year of the biennium included in Section 2.

Finally we believe seven-year transition period for transition minimum and maximum schools will give districts time to prepare and adjust their budgets incrementally, again, creating a more equitable, adequate formula for all.

NDSBA supports HB 1388 for these reasons, and requests that the committee to give the bill a do pass recommendation. I would be happy to answer any questions.

Manvel Public School

Inspiring 21st Century Learners to Influence 22nd Century Successes



Feb. 3rd, 2021

Good morning,

Thank you for the incredibly difficult task you are undertaking with the funding of K-12 education. I can't imagine how difficult the idea of finances and equity can be for all of you.

In HB 1388 it appears that Manvel Public School, as a transition maximum school, could see their weighting factors decrease if this legislation is approved as it is currently written. On page 6, part 3, starting on line 18 states, "The superintendent of public instruction shall impute an average daily membership for each school district that does not include a high school and ensure the imputed average daily membership to determine the school district size weighting factor under this section. To determine the imputed average daily membership, the superintendent of public instruction shall divide the school district's average daily membership by .60. The superintendent of public instruction shall adjust the school district size weighting factor for each school district that does not include a high school by multiplying the school district size weighting factor determined under subsection 2 by ninety-two percent."

In the 2020-21 school year our average ADM was 171.21, line 7 of our worksheet, and if divided by .6 that would give us an imputed average daily membership of 285.35. Our weighting factor would then be 1.15 according to line 17 on page 5 of this bill. The legislation continues on page 6, line 23, to state that, "the superintendent of public instruction shall adjust the school district weighting factor for each school that does not include a high school by multiplying the school district size weighting factor determined under subsection 2 by ninety-two percent." With that direction our weighting factor would then be 1.058, considerably less than the 1.17 weighting factor we have been working with since 2015-16.

Assuming our deductions for being a transition maximum school as well as the deductions for contributions from property tax and other local revenue had stayed the same, we would have had \$221,494.52 less revenue in state aid had our district had to work with this formula in 2020-21.

I would appreciate a review of part 3, lines 18 through 26 of HB 1388.

Dave Wheeler
Superintendent
Manvel Public Schools

Certification Central

ND's 1st Alternative Educator Preparation Program

Box 322, McVille, ND 58254

701.322.4429

www.certificationcentral.education



Written Testimony in Support of SB 1388

Chairman Schaible and Senate Education Committee,

For the record, my name is Dr. Katherine Terras, and I represent Certification Central. We testify in support of SB 1388. However, we live in a small rural school district and have concerns regarding how the proposed education foundation aid funding formula may determine whether some small schools will close or remain open. It is our hope that the committee members would remain cognizant of the unique challenges of small schools, especially for rural schools that are 60 miles or further from a major North Dakota city. The decisions whether a school closes or remains open should be left to local control and not determined by a funding formula that has limited ability to account for the vast variables and unique challenges. We support SB 1388 if local control has the final say concerning their own schools.

February 3, 2021
Representative Mark Owens,
House of Representatives Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

Subject: Testimony on North Dakota Education Funding Formula – HB1388
David Sjol, Superintendent Dunseith Public School District
Paul Frydenlund, Superintendent St. John Public School District

Representative Mark Owens and Education Committee Members,

This letter is testimony for St. John and Dunseith School Districts. My name is David Sjol Superintendent at Dunseith Public. Paul Frydenlund Superintendent of St. John Public School District also represented in this letter. It is most efficient when Federal, State and Tribal governments work together to improve the lives of all students with quality educational opportunities.

Education is the vehicle that equals the playing field for all students. Therefore, it is imperative that the opportunity for quality education also is leveled for students being educated on Indian Lands. Research has shown socio-economic conditions are the number one factor in determining student success in education ventures, regardless of race. Socio-economic conditions are also a strong determination in student attendance rates. That is the reason it is so important to have students who want to attend school opposed to have to attend. Adverse socio-economic conditions are a hindrance to educational success for all students who experience them. Students who are educated in low-income areas face adversities, more frequently, than students in high-income areas. Many of our students are dependent on teachers and schools for more than teaching. Our students rely heavily on school lunch programs. This is why Dunseith and other districts in the same economic environment delivered meals all summer to all children in our area, and continue to do so to this day. The appreciation for this effort is huge. Teachers and staff have stepped up to make this undertaking happen. We have also solicited several community members in this effort creating a sense of purpose for some individuals.

This is just one reason why it is essential for our schools to attract and retain dedicated teachers, staff members, and school administrators who work hard to overcome the challenging situations and conditions faced by economically disadvantaged school districts. It is very difficult to attract teachers to our type of district it is even more difficult to fill positions such as English, Math, SPED, and Music.

Housing is another issue faced by District Administration and new incoming teachers. To attract and retain quality educators, we must offer competitive compensation and fringe benefits, a rewarding job experience, adequate housing, safe and opportunistic communities, and avenues for personal growth. Our students face many obstacles yet their desire to succeed is undeniable. Our Native American students have a strong determination to succeed, that is

inspiring. Helping them to navigate the obstacles that reduce the chances for success is our mission. Teaching students to remove, navigate, perceive through roadblocks, hurdles, and other life circumstance's takes resources.

Specifically, concerning House Bill 1388 which relates to the North Dakota Education funding formula. Our testimony will be on the "Transition Maximum" portion of HB1388. Transition Maximum primarily pertains to school districts receiving less funding than calculated by the funding formula.

Transition Maximum was established in the North Dakota Education funding formula in the 2013 biennium as a funding formula a mechanism to allow school districts that were not on formula, based on formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years. In the 2013 biennium, Transition Maximum affected forty-one Districts. As of the 2020-21 school year, there are 11 Transition Maximum Districts remaining, of which 10 primarily Indian Land Districts, the system worked for thirty districts which is great. Eleven districts are still below formula. These districts receive a considerable amount per pupil less than the on formula districts. For example Dunseith receive \$7,613 per pupil, the State Funding Formula delivers \$10,036 per pupil to districts on the formula. This is a total difference of approx. \$1,400,000 in 2010-2021. This reduction in per pupil allocation has been taking place since 2013. These are funds sorely needed for opportunities to expand and accommodate increased enrollment. Districts on or near Indian Land have a severely reduced the ability to increase revenue through taxation because much the district land is not taxable. Without being on the state funding formula these districts have no way of raising money for expansion.

Three of the aforementioned Transition Maximum Districts primarily serve students of the Turtle Mountain Band of Chippewa; they are the Belcourt, St. John and Dunseith School Districts. These three school districts account for \$7,481,749.37 of the State wide grand total transition maximum amount of \$9.8 million.

We are pleased that interim committee recognized the length of time it is taking to get the Transition Maximum Districts to get on formula. There is language in HB1388 to include a revenue addendum on them calculation component specifically for the Transition Maximum Districts. This is much needed funding.

In closing, my testimony supports this "add-on" language as it allows a mechanism in the formula for the Transition Maximum Districts to gain revenue not provided in the formula due to Transition Maximum.

Thank you very much for you time and service.

David Sjol, Superintendent Dunseith Public School District
Paul Frydenlund, Superintendent St. John Public School District



TURTLE MOUNTAIN COMMUNITY SCHOOL BELCOURT SCHOOL DISTRICT NO. 7

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February 3, 2021

Representative Mark Owens,
House of Representatives Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

**Subject: Testimony on North Dakota Education Funding Formula – HB1388
By Dr. Michelle Thomas, Superintendent, Belcourt School District #7**

Greetings Representative Mark Owens and Education Committee Members,

Please let me introduce myself. My name is Dr. Michelle Thomas. I am the Superintendent of the Belcourt School District, which is located on the Turtle Mountain Reservation. I am an enrolled member of the Turtle Mountain Band of Chippewa. I am a proud Anishinaabe woman who truly wants to be part of an achieving an educational system that provides best education opportunities for the students we all serve.

In my culture, a great honor is to serve, protect and educate our children. At Turtle Mountain, we find it essential we all work together on the Federal, State and Tribal government levels to continuously help improve the lives of Native American students with quality educational opportunities. Education is the foundation of success in life for our Native American children. Our very existence as a Tribe depends on education.

Today as North Dakotans, we need to think about our continuous effort to elevate our educational system to meet the needs of Native American students and provide resources to achieve this undertaking. High levels of socio-economic conditions our students are subject to when living on or near Native American reservations create obstacles to educational success.

Our students heavily rely on our schools for more than teaching. Our teachers and staff must develop an understanding of the student's family life dynamics and our tribal culture to optimize student learning. So, our Districts must attract and retain quality dedicated teachers who possess empathy. To attract and retain quality educators, we must offer competitive compensation and fringe benefits.

My testimony today is on House Bill 1388 which relates to the North Dakota Education funding formula. My testimony will specifically support language of an "add-on" funding component which reduces the Transition Maximum Adjustment by 15% as provided in the current draft of HB1388. Transition Maximum primarily pertains to school districts receiving less funding than calculated by the funding formula.

Transition Maximum was established in the North Dakota Education funding formula back in the 2013 biennium as a funding formula mechanism to allow school districts that were "under formula", based on actual formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years.

In the 2013 biennium, there were 41 Districts that were affected by Transition Maximum. As of the 2020-21 school year, there are 11 Transition Maximum Districts remaining, of which 10 primarily serve a high Native American population. As a Tribal leader, these figures immediately caught my attention.

The draft language by the Interim Education Funding Formula Review Committee in HB1388 is to continue to maintain current baseline funding rates and to continue to increase the (transition) maximum percentage by only 5% as understandable due to declining State tax revenues caused in part by the corona virus pandemic.

The Interim Education Funding Formula Review committee recognized the length of time it is taking to get the Transition Maximum Districts on formula as being longer than originally thought in 2013 as in HB1388 there is draft language to include a revenue add-on calculation component which reduces the transition maximum deduction by 15%.

In closing, I want convey that I support the "add-on" revenue language as it reduces the adverse effect of transition maximum in formula for my and other school's revenue allocations by decreasing the transition maximum adjustment (deduction) by 15%. We are moving in the right direction with this language.

I thank you for your time and consideration on this important matter.

Chi Miigwech,

Dr. Michelle Thomas, Superintendent
Belcourt School District #7

2021 HOUSE APPROPRIATIONS

HB 1388

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

HB 1388
2/12/2021

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates

10:22 Chairman Delzer Opened the meeting for HB 1388

Attendance	P/A
Representative Jeff Delzer	P
Representative Keith Kempenich	A
Representative Bert Anderson	P
Representative Larry Bellew	P
Representative Tracy Boe	A
Representative Mike Brandenburg	P
Representative Michael Howe	P
Representative Gary Kreidt	A
Representative Bob Martinson	P
Representative Lisa Meier	P
Representative Alisa Mitskog	P
Representative Corey Mock	P
Representative David Monson	P
Representative Mike Nathe	P
Representative Jon O. Nelson	P
Representative Mark Sanford	P
Representative Mike Schatz	P
Representative Jim Schmidt	P
Representative Randy A. Schobinger	P
Representative Michelle Strinden	P
Representative Don Vigesaa	P

Discussion Topics:

- New formula for K-6 and K-12
- Coordinating Council
- Per Pupil Payment

10:23 Representative Owens- Introduces HB 1388 and testifies in favor

Additional written testimony: No Written testimony

10:30 Chairman Delzer Closes the meeting for HB 1388

Risa Berube, House Appropriations Committee Clerk

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

HB 1388
2/16/2021

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates; and to provide an appropriation.

5:15 Chairman Delzer- Opens the meeting for HB 1388;

Attendance	P/A
Representative Jeff Delzer	P
Representative Keith Kempenich	P
Representative Bert Anderson	P
Representative Larry Bellew	P
Representative Tracy Boe	P
Representative Mike Brandenburg	P
Representative Michael Howe	P
Representative Gary Kreidt	P
Representative Bob Martinson	A
Representative Lisa Meier	P
Representative Alisa Mitskog	P
Representative Corey Mock	P
Representative David Monson	P
Representative Mike Nathe	P
Representative Jon O. Nelson	P
Representative Mark Sanford	A
Representative Mike Schatz	P
Representative Jim Schmidt	P
Representative Randy A. Schobinger	P
Representative Michelle Strinden	P
Representative Don Vigesaa	P

Discussion Topics:

- Amendment changes
- State aid per pupil

5:16 Representative Monson- Reviews the bill and recommends amendments to go back from 1-1 to 0-0 per pupil payment. #21.0866.02001.

5:20 Representative Vigesaa Second the motion

Further discussion

Voice Vote- Motion carries

5:22 Representative Monson- Make a motion for a Do Not Pass as amended

Representative Schatz -Second

Further discussion

5:24 Roll call vote was taken;

Representatives	Vote
Representative Jeff Delzer	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Larry Bellew	Y
Representative Tracy Boe	Y
Representative Mike Brandenburg	Y
Representative Michael Howe	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	A
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Mark Sanford	A
Representative Mike Schatz	Y
Representative Jim Schmidt	Y
Representative Randy A. Schobinger	Y
Representative Michelle Strinden	Y
Representative Don Vigasaa	Y

Motion carries 19-2-0 Representative Monson will carry

Additional written testimony: No written testimony

Chairman Delzer- Closes the meeting for HB 1388

Risa Berube,

House Appropriations Committee Clerk

Reconsidered HB 1388 on 02/18/2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1388

- Page 12, line 10, remove "one hundred"
 - Page 12, line 16, remove "one hundred"
 - Page 12, line 22, remove the overstrike over "~~thirty-six~~"
 - Page 12, line 22, remove "two"
 - Page 12, line 23, remove "hundred thirty-seven"
 - Page 12, line 29, remove the overstrike over "~~thirty-six~~"
 - Page 12, line 29, remove "two hundred thirty-seven"
 - Page 19, line 12, remove "one hundred"
 - Page 19, line 18, remove "one hundred"
 - Page 19, line 24, remove the overstrike over "~~thirty-six~~"
 - Page 19, line 24, remove "two"
 - Page 19, line 25, remove "hundred thirty-seven"
 - Page 19, line 31, remove the overstrike over "~~thirty-six~~"
 - Page 19, line 31, remove "two hundred thirty-seven"
- Renumber accordingly

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

HB 1388
2/18/2021

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates; and to provide an appropriation.

10:11 Chairman Delzer- Opened the meeting for HB 1388.

Attendance	P/A
Representative Jeff Delzer	P
Representative Keith Kempenich	P
Representative Bert Anderson	P
Representative Larry Bellew	P
Representative Tracy Boe	P
Representative Mike Brandenburg	P
Representative Michael Howe	P
Representative Gary Kreidt	P
Representative Bob Martinson	P
Representative Lisa Meier	P
Representative Alisa Mitskog	P
Representative Corey Mock	P
Representative David Monson	P
Representative Mike Nathe	P
Representative Jon O. Nelson	A
Representative Mark Sanford	P
Representative Mike Schatz	P
Representative Jim Schmidt	P
Representative Randy A. Schobinger	P
Representative Michelle Strinden	P
Representative Don Vigasaa	P

Discussion Topics:

- Reconsider actions

10:11 Representative Schmidt- Makes a motion to reconsider HB 1388 as amended with 21.0866.02001.

Representative Monson Seconded.

Further discussion

Voice Vote; Roll Call Vote was requested

10:13 Roll call vote on motion to reconsider:

Representatives	Vote
Representative Jeff Delzer	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Larry Bellew	Y
Representative Tracy Boe	N
Representative Mike Brandenburg	Y
Representative Michael Howe	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	A
Representative Mark Sanford	Y
Representative Mike Schatz	N
Representative Jim Schmidt	Y
Representative Randy A. Schobinger	Y
Representative Michelle Strinden	Y
Representative Don Vigesaa	Y

Motion carried. 17-3-1.

Representative Schmidt Make a motion to move as Do Pass as amended with 21.0866.02001.

Representative Monson Seconded.

Further discussion

10:16 Roll call vote was taken;

Representatives	Vote
Representative Jeff Delzer	N
Representative Keith Kempenich	N
Representative Bert Anderson	Y
Representative Larry Bellew	N
Representative Tracy Boe	N
Representative Mike Brandenburg	N
Representative Michael Howe	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	A
Representative Mark Sanford	Y
Representative Mike Schatz	N
Representative Jim Schmidt	Y
Representative Randy A. Schobinger	Y
Representative Michelle Strinden	Y
Representative Don Vigesaa	Y

Motion carried. 14- 6 – 1 Representative Monson will carry the bill

10:17 Chairman Delzer- Closes the meeting 10:17.

Risa Berube,

House Appropriations Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1388, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (14 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1388
was placed on the Sixth order on the calendar.

Page 12, line 10, remove "one hundred"

Page 12, line 16, remove "one hundred"

Page 12, line 22, remove the overstrike over "~~thirty-six~~"

Page 12, line 22, remove "two"

Page 12, line 23, remove "hundred thirty-seven"

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Page 19, line 24, remove "two"

Page 19, line 25, remove "hundred thirty-seven"

Page 19, line 31, remove the overstrike over "~~thirty-six~~"

Page 19, line 31, remove "two hundred thirty-seven"

Renumber accordingly

2021 SENATE EDUCATION

HB 1388

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1388
3/15/2021

A BILL relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates; and to provide an appropriation.

Chair Schaible opened the hearing at 2:30 PM.

Discussion Topics:

- Large/small school equity
- Amendments
- Student driven formula
- Closing learning gap

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P Via Teams
Senator Oban	P
Senator Wobbema	P

Rep Owens, Dist 17 – introduced the bill

Sen Schaible – testified in support #9170

Dr. Aimee Copas – EX Dir NDCEL – testified in support #9204

Nick Archulta – ND United – testified in support with amendments #9273

Michael Heilman – Ex Dir Small Organized Schools – testified via Zoom in support #9251

Alexis Baxley – Ex Dir ND School Boards Association – testified in support #9174

Brian Wolf – Supt N. Border School Dist – testified in support #8937

Marc Ritteman – Supt Lewis & Clark School, Berthold – testified in support #9037

Daniel Ludvigson – Supt New Leipzig/Elgin School – testified via Zoom in support #9195

Erik Sveet – Supt TGU School Dist, Towner – testified in support #9197

Brandt Dick – Supt Underwood School – testified in support #9125

Nathan Davis – Turtle Mountain Tribal Council – testified in support #9281

Duane Poitra – Business Mgr – Belcourt School Dist - testified in support #9287

Kirstin Baesler – Supt Dept of Public Instruction – testified in support #9324

Adam Tescher – DPI – testified neutral

Additional written testimony:

Michelle Thomas – Belcourt – support #9286

David Sjol – Dunseth – support #9282

Dave Wheeler – Manvel Schools – opposed #9198

Adjourned at 3:57 PM.

Lynn Wolf, Committee Clerk

Good afternoon Senate Education Committee, for the record, I am Senator Don Schaible representing District 31 and I am here to introduce House Bill 1388.

The background rationale of this bill resonates from last session. This is the second session of a multi-year effort to slightly modify the K12 funding formula to assure all districts are brought onto the formula in a reasonable time, while providing equity, and reasonable support for the schools. Last session, the bill passed (SB 2265) indicated a 7-year transition to get all schools on the formula. This included the transition minimum school districts as well as those districts who are unable to currently get to the 60-mill deduct.

In doing so, this meant that transition minimum districts would be taking on a transition that results in budget cuts. The legislature went into that transition with full knowledge of the continued work this past biennium and also with the understanding that we'd be conducting work on the weighting factors to provide better equity, support for small schools, support for growing schools and support for our transition maximum schools. The deductions established in SB 2265 in 2019 using the dollars saved by these transitions, a study on the weighting factors and an appropriate adjustment and alignment of those factors was studied during the interim so that the weighting factors are more appropriately funding the schools and providing an environment that schools are appropriately funded and are staying on the formula without hold-harmless provisions. You'll see this executed in this bill.

Furthermore, in the interim, we studied ways to bring K6/K8 schools onto the formula. This was done with the intention to do no harm. In the first iteration of this bill, what was instituted, does have some districts that the implemented formula impacted was negative in nature. We are currently running numbers to correct that issue as K6/K8 schools will then more fairly come onto the same formula with a calculation to make this appropriate.

Section 1

Section 1 of the bill adjusts the membership to the K12 Coordination Council. This change came at the request of Director of the Coordination Council which allows special education study council and regional education association to pick their own designees rather than Governor Appointees. Members of public school administrators and school principal are also removed from membership for the are already represented by other membership and seem to be duplication.

Section 2

During the interim, the Education Funding Formula Committee reviewed several proposals regarding how the current school size weighting factors impacted school district of varying sizes. After review, the general consensus was that the factors for the smallest schools needed to be increased to reflect the inefficiencies that are inherent in smaller schools.

Pages 3 to 5 of the bill use the current weighting factors to create a baseline from which changes can be made to the factors over time.

Page 6, lines 16 on, contain special provisions that specify how DPI will move the factors from the current to the new in equal installments over 7 years. This will complement the 7 year timeframe mentioned earlier with regard to the budget reductions to transition minimum districts.

Pages 9, lines 6 to 14 provide the methodology for establishing the proper school size weighting factor category for Graded Elementary Districts. Again – this methodology will need to be modestly adjusted to ensure our intent of bringing them into the formula while doing no harm is honored. Since their enrollments do not include high school students, DPI will create an imputed K-12 count by dividing their actual count by 0.60. In the bill at this moment, there is also an adjustment to the school size factor that reflects the lower cost of providing elementary instruction only. The school size factor established for each district will be reduced to 92% to reflect the absence of secondary instructional costs. This may need to be amended and remove the 92% so graded elementary schools do not take a budget cut.

No new dollars were utilized in this process, rather the dollars from the transition minimum adjustments were utilized to better distribute the weighting factor.

Section 3

- Transition **minimum** districts are addressed in this section. They receive no increase in per-pupil funding. Their budget transition minimum payment (not their full payment but the transition portion) is reduced by 15% in 2021-22 and then by 30% in 2022-23. That reduction increases by 15% each year until the difference between what the district should get on the formula and what they get with the additional transition minimum payment is reduced to zero and they are fully on the K12 funding formula.
- Transition maximum districts are concurrently addressed in this section however, in the inverse. Because they receive less of a payment, the per pupil payment difference (between full payment and what they've been reduced) will be adjusted by 15% each year (reducing their maximum deduct by 15%) until they are fully on the formula.
- Pages 13-15 and 19-22 outlines the process by which the transition maximum schools work toward getting to the same per pupil funding amount as their counterparts. Just as the minimums and deduct districts have 7 years to make this transition, the maximum schools are set with the same timeline. This effort, in tandem with modifications to the rules on Ending Fund Balanced if passed by both houses, will establish a healthy modality for the transition maximum districts to be fairly honored by the formula as well.

Section 4

Adds \$260,000 for the K12 Coordination Council operations. This was handled through DPI budget last session, which included operational expenses and shared services through the department. This appropriation would allow for independent operations. The K-12 Coordination Council is still a new entity with growing pains, but a very relevant council which may have to be addressed next session for an ongoing appropriation for its existence.

I will now go over several amendments that I will be introduction to the committee doing committee work and we could wait to talk about them then, but I think it would be appropriate to talk about them now so the experts after me would have an opportunity to comment on them also.

Amendment 1

This bill in its original form included a 1% and a 1% increase that would provide the much-needed cost inflationary increase in the per-pupil payment. Without this increase, schools are unable to manage increased district costs and salary increases for staff. Without this, districts may be tasked with asking more from their locals in taxes which this helps us to avoid in many instances. One amendment that I will introduce would provide a 1% increase in the base student payment for the 2021-22 school year – raising that per pupil amount from \$10,036 to \$10,136 and a 1% for the 2022-23 school year – that new per pupil amount would become \$10,236 for that school year.

Amendment 2

Remove the 92% which would be lines 11-14 on page 9.

Amendment 3

SECTION ____. **LEGISLATIVE MANAGEMENT STUDY.** During the 2021-22 interim, the

legislative management shall consider a k12 school funding study which includes transition minimum reduction impacts to reorganized and/or consolidated districts with a focus to include those districts that have two k-12 buildings within the district and those who have built a new building without traditional bonding as a result of a multi-district reorganization. This study shall also include an analysis of high costs students including special education students, high cost due to medical reasons, agency placement and other reasons that increase the cost of the student beyond the state threshold. An ongoing review of impacts of schools off the formula as they move through the transition to the formula shall also be studied.

The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly.

Amendment 4

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

Section 15.1-20-01, 15.1-06-04 (Subsection 4) and 15.1-31-07 Regarding Attendance and Enrollment of Students, of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure that the child is in attendance ~~at~~ with a public school for the duration of each school year.

15.1-06-04. School calendar - Length.

4. For purposes of this section, a full day of instruction consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to engage in learning as determined by the local school board ~~be in attendance for the purpose of receiving curricular instruction~~; and
 - b. At least six hours for high school students, during which time the students are required to engage in learning as determined by the local school board ~~be in attendance for the purpose of receiving curricular instruction~~.
5. If a school district intends to operate under a school calendar that consists of four days of instruction per week, the school district shall apply and be approved for a waiver by the superintendent of public instruction.

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.

2. A student enrolled in remote instruction unless a tuition agreement is established between the district of residence and the receiving district.

Amendment 5

*requirement of current teachers' PD

READING INSTRUCTION COMPETENCY FOR KINDERGARTEN THROUGH THIRD GRADE.

A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

CURRICULUM AND TESTING 15.1-21-01. Elementary and middle schools - Required instruction.

Each school district shall:

(1) provide for the use of a reading curriculum that is scientifically-based; focuses on phonemic awareness, phonics, fluency, vocabulary, comprehension, and uses systematic direct instruction in kindergarten through third grade to ensure all students obtain necessary early literacy skills;

(2) ensure that:

(A) not later than the 2022-2023 school year, each classroom teacher in kindergarten or first, second, or third grade and each principal at a school with kindergarten or first, second, or third grade has attended teacher literacy achievement professional development training meeting the criteria in Paragraph (1) and approved by the Superintendent of Public Instruction;

(B) each classroom teacher and each principal initially employed in a grade level or at a school described by Paragraph (A) for the 2022-2023 school year or a subsequent school year has attended a teacher literacy achievement professional development training approved by the Superintendent of Public Instruction before the teacher's or principal's first year of placement in that grade level or school; and

(3) certify to the department that the district or school:

(A) prioritizes placement of highly effective teachers in kindergarten through third grade; and (B) has integrated reading instruments used to diagnose reading development and comprehension to support each student in prekindergarten through third grade.

(b) The department shall provide assistance to school districts in complying with the requirements under this section.

(c) The department shall:

(1) monitor the implementation of this section; and

(2) periodically report to the legislature on the implementation of this section and the effectiveness of this section in improving educational outcomes.

(d) the Superintendent of Public Instruction shall collaborate with the K12 Coordination Council to assist the department in fulfilling the department's duties under this section.

(e) The superintendent of public instruction may adopt rules to implement this section.

*addresses teacher preparation (college requirements) for new teachers getting teaching license.

A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teacher licensure requirement – reading instruction competency.

1. The board shall ensure a candidate for licensure demonstrates competencies in the acquisition of knowledge of essential components of beginning reading instruction based on the science of reading.
2. Competencies must include these essential components of reading:
 - a. phonemic awareness
 - b. phonics
 - c. fluency
 - d. vocabulary,
 - e. comprehension; as well as
 - f. how to assess students' reading ability; and
 - g. how to identify and correct reading difficulties
3. Each elementary education candidate for licensure must complete a minimum of nine credit hours of reading, which includes a focus on the components of Paragraph (2)
4. Each secondary education candidate for licensure must complete a minimum of three hours of reading in the content area which include a focus on vocabulary, comprehension, and writing.
5. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program. The board may issue a provisional license for up to two years to a teacher licensure candidate that does not meet the requirements of this section.

Mr. Chairman and Committee the concludes my testimony and I will try to answer your questions.



1 HB 1388 – Funding Formula

2 NDCEL Testimony in Support

3 Chairman Schaible, members of the Senate Education Committee, for the record, my name is Dr.
4 Aimee Copas. I serve as the Executive Director for the ND Council of Educational Leaders
5 representing all our K12 school administrators, directors and school leaders.

6 HB 1388 is the result of much work done over the past 4 years with the K12 funding formula to
7 ensure the bill is supporting schools appropriately and also getting to legislative intent in getting
8 all schools on the formula and support in a common way on the formula. 4 district superintendents
9 and 1 business manager from the NDCEL Legislative Focus Group were invited to assist the
10 interim committee in their study this past session.

11 This bill continues to acknowledge challenges within our school funding model upholding last
12 session's work on getting schools to on-time funding while caring for our declining enrollment
13 districts, an attempt at increasing the per-pupil payment, and it does also encapsulates the work
14 done during the interim on the K12 weighting factors.

15 Ensuring that there is the per-pupil increase at least in the amount proposed in the original version
16 of this bill is critically important. Each year, experienced a myriad of challenges along with that,
17 including for example, increasing staffing costs by honoring contracts already in place, increased
18 costs due to behavioral and mental health challenges, many districts with increasing enrollment
19 and still experiencing a funding mechanism that doesn't yet completely recognize those students
20 until the next year.

21 While the 1% per pupil payment increase each year doesn't solve all the problems it is a much-
22 needed shot in the arm of school district funding. Furthermore, with the discussions surrounding
23 the ESSER funds, it is important that all legislators remain cognoscente that the ESSER funds are
24 one-time federal dollars. It is the intention of our school leaders to target that money directly
25 toward acceleration of learning, property tax relief and debt reduction through infrastructure and

*NDCEL is the strongest unifying voice representing and supporting administrators and educational leaders in pursuit of quality education
for all students in North Dakota.*

Executive Director: Aimee Copas-----Assistant Director: Russ Ziegler



1 completion of deferred maintenance projects to the extent that it can positively impact a
2 community. However, as with other one-time funding, school districts should not negotiate or give
3 raises with those dollars. Once these funds are gone, they are gone. Hence, the 1%/1% per pupil
4 increase is the mechanism by which school boards will be able to provide the well-deserved pay
5 increases to their teachers. Furthermore, to appropriately continue to walk transition minimum
6 districts to the formula, it is critical that the per-pupil amount continues to grow as was the intent
7 back in 2013. The projected inflationary increase for the United States for 2021 is 2.24%, hence
8 the 1%, 1% will be vital to the ongoing operations of our schools.

9 As I just mentioned, this bill continues to move in the modality agreed upon last session to move
10 the 94 transition minimum districts to be on the formula. I hope we can all continue to recognize
11 that this will be very challenging for these districts. The weighting factor work has been a heavy
12 lift but an important one. As mentioned, the bill reflects the 7-year goal with the weighting factors
13 showing an increase for districts with fewer than 245 students. This has the most dramatic impact
14 on the transition minimum districts. This is taking no new money for the state as the 15% reduction
15 in transition minimum line represents the funds used to fuel the weighting factor adjustments.
16 Furthermore, the work done in this bill to support the transition maximum districts is helpful to
17 them as well and carves for them a pathway to being fully on the formula.

18 One final point is that this bill does address membership on the K12 coordination council. One of
19 the member types removed was a person who is a principal. We'd highly recommend that
20 principals still be included and perhaps could be reflected as the president of either the North
21 Dakota Association of Secondary School Principals (certified for grades 5-12) or North Dakota
22 Association of Elementary School Principals (certified for grades K-5).



Testimony on HB 1388
Senate Education Committee
March 15, 2021

Chairman Schaible and members of the Committee, for the record I am Nick Archuleta, and I am the president of North Dakota United. I am appearing before you today to respectfully ask that you amend and then give a DO PASS recommendation to HB 1388.

Chairman Schaible, funding public education in the state of North Dakota is among the most important functions of the legislature. The members of North Dakota United are extremely appreciative of the efforts made by the legislature to ensure that teachers and educational support professionals have the resources they need to educate the students in our care. We are equally appreciative of the support that teachers and learners have received from parents and communities across the state as we worked hard to overcome the effects of interrupted face to face instruction as a result of the COVID-19 pandemic.

Now more than ever, Mr. Chairman and members of the Committee, North Dakota's schools need our investment. Soon, school districts will be analyzing data to determine the impact of interrupted learning on students in their communities. Based on that data, teachers and administrators will be implementing protocols to close learning gaps in hopes of getting our students to where they need to be on their academic continuum. This extra work to catch kids up, while making schools as safe as possible, will be difficult but will be well worth the effort if we improve educational outcomes and our school buildings.

The work ahead will be expensive, and our members are concerned that HB 1388 left the House of Representatives with the per pupil payment frozen at \$10,036. While it is true that the American Rescue Plan will make over \$300M available to North Dakota's K-12 schools, all indications are that none of it will be put into the salary schedule. We understand the reason: once the Elementary and Secondary School Emergency Relief Fund (ESSER) monies are depleted, there will not be enough to sustain even modest increases to



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salary schedules. Without sustained funding, school districts will be forced to RIF teachers, increase class sizes, and offer fewer courses.

For that reason, Chairman Schaible and Senate Education Committee members, ND United would like you to consider a pair of amendments to HB 1388 that would allow school districts to negotiate modest salary increases with the teachers in their employ. The first amendment would include language to increase the per pupil payment by 2% each year of the biennium. We estimate that a 2% increase each year of the biennium would raise the per pupil rate to \$10,237 the first year and to \$10,442 the second year. The approximate cost of this proposal is \$71M.

The second amendment, Mr. Chairman, would dedicate 70% of the increase to teacher salaries. This is not a new idea, of course. Governor John Hoeven signed HB 1400 with the same stipulation at the end of the 2009 legislative session. That legislation was much appreciated by teachers and administrators alike.

Mr. Chairman and members of the Committee, North Dakota's teachers have worked tirelessly to make sure their students continued to thrive under very difficult circumstances. When schools were closed to students a year ago, teachers worked with administrators and education support professionals to create and implement distance learning protocols so that kids could keep learning at a high level. They struggled to maintain a sense of community for their students so that their kids knew that they were valued, important, and loved. All of us involved in education-teachers, administrators, and school board members- agree that our teachers have repeatedly gone the extra mile to support student learning. Passing HB 1388, with the amendments I suggested, would go a very long way to let teachers know their work is valued, and that they are valued, too. Please amend and recommend a DO PASS recommendation for HB 1388. I am happy to stand for any questions.



North Dakota Small Organized Schools

#9251

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701-527-4621

Mr. Brandt Dick
President
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Mr. Steven Heim
Vice-President
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HB 1388 – K-12 Funding Formula

Testimony in Support

Michael Heilman – Executive Director North Dakota Small Organized School

March 15, 2021

Chairman Schaible and members of the Senate Education Committee, my name is Michael Heilman. I am the Executive Director of the North Dakota Small Organized Schools (NDSOS). I represent 154 member school districts of the North Dakota Small Organized Schools. I will keep my testimony brief as NDSOS's position is much the same as NDCEL's.

NDSOS stands in support of HB 1388. HB 1388 is the result of the work of the interim legislative committee to resolve the large number of school districts not on the funding formula, both the transition minimum and transition maximum school districts. HB 1388 may not be perfect, but it lays a framework that allows all schools to be on the formula while addressing the needs of most of our schools. Over a period of seven years the transition minimum schools will be moved onto the formula as will the transition maximum schools. HB 1388 recognized the different funding needs of a small school compared to a large school. The weighted pupil unit for varying size schools provides for these differences. There is an area of concern for a small number of consolidated school districts that maintain two K-12 building. NDSOS is willing to work with and offer possible solutions for the districts affected by the proposed formula.

As you have heard from other testimony NDSOS also supports the removal of the 92% calculation for K-6 and K-8 school districts. Some of these districts that are over 245 ADM could see their weighted student unit fall below 1.0. NDSOS and its member schools supports the 1% -1% increase in each year of the biennium. The dollars in the form of the 1%-1% increase will soften the blow of the reductions many of our transition minimum schools will see and provides funding for all schools to use for increased salaries and reoccurring operation and maintenance costs. We understand that schools are receiving significant dollars due to Federal COVID relief funding but using one-time impact aid dollars to support ongoing expenditures like salaries would be irresponsible. We are hopeful that the federal impact dollars can be used to provide tax relief to our local taxpayer through addressing deferred maintenance, paying down of sinking and interest, callable bonds and any other costs that are funded by local taxpayers.

NDSOS support HB 1388. Thank you Chairman Schaible and members of the committee.

Board of Directors

Region 1

Mr. Tim Holte, Supt. Stanley
Mr. John Gruenberg, Supt. Powers Lake

Region 2

Mr. Jeff Hagler, Supt. North Star
Mr. Steven Heim, Anamoose & Drake

Region 3

Dr. Frank Schill, Supt. Edmore
Mr. Dean Ralston, Supt. Drayton

Region 4

Mr. Kelly Koppinger, Supt. New England
Mr. Justin Fryer, Supt. Solen

Region 5

Mr. Joel Lemer, Bd. Member Carrington
Mr. Brandt Dick, Supt. Underwood

Region 6

Mr. Mitch Carlson, Supt. LaMoure
Dr. Steven Johnson, Supt. Lisbon

The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.

Mr. Michael Heilman – Executive Director
North Dakota Small Organized Schools
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NDSBA
NORTH DAKOTA SCHOOL
BOARDS ASSOCIATION

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HB 1388
Senate Education Committee
March 15, 2021
Testimony of Alexis Baxley

Good afternoon Chairman Schaible and members of the Senate Education Committee. My name is Alexis Baxley, and I serve as the executive director of the North Dakota School Boards Association. NDSBA represents the elected school boards of all 175 public school districts and several special education units in North Dakota.

The North Dakota School Boards Association stands in support of HB 1388. We appreciate all of the input, research, and work that went into the drafting of this bill. We recognize that the bill will make winners of some of our members and losers of others, we believe these changes will help bring more districts onto the formula and are necessary to create a more equitable, adequate formula for all in the long-term.

We believe the transition period for transition minimum and maximum schools will give districts time to prepare and adjust their budgets incrementally, again, creating a more equitable, adequate formula for all.

However, we would like to see the one percent increase to the per pupil payment that was included in the original bill, but removed by the House, restored. The per-pupil increase is absolutely essential to successfully moving districts on to the formula. We recognize that it is tempting to remove that increase due to the influx of federal impact funds, but it is important to note that these funds are one-time funds that will run out. If we use these funds to supplement the per-pupil payment and employee pay, it will create significant issues down the road.

Restoring the per pupil increase will allow districts to direct these impact funds towards items that can have a long-term impact on the district and reduce local taxpayer burden.

NDSBA supports HB 1388, appreciates any consideration you may give to reinstating the per pupil increase, and requests that the committee to give the bill a do pass recommendation. I would be happy to answer any questions.

NORTH BORDER SCHOOL DISTRICT #100

Neche-Pembina-Walhalla

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Pembina, ND 58271
701-825-6261
Fax: 701-825-6645

Walhalla Office
605 10th Street
Walhalla, ND 58282
701-549-3751
Fax 701-549-3753

Chairman Schaible and members of the Senate Education Committee,

For the record my name is Brian Wolf, Superintendent of the North Border School District. I would like to thank you for all of your work and support for education in North Dakota. I am here today to testify on HB 1388. We are in favor of coming on the school funding formula. However, I would like to explain our unique situation at the North Border School District.

The communities of Neche, Pembina, and Walhalla consolidated and formed the North Border School District in 2005. We operate two PK-12 school districts, one in Pembina and one in Walhalla. These two schools are about 35 miles apart. North Border is one of the 94 transition minimum districts. Under the funding formula in HB 1388 North Border is projected to lose \$2.1 million of state funding over the next seven years. We still have two small, but necessary schools in our district. We are also bordered by Canada on the north and Minnesota on the east. We provide education opportunities for students in the northeast corner of the state with land that covers just under 600 square miles.

I believe our current funding model in HB 1388 has the unintended consequence of hurting schools in our situation.

Possible Solution:

With the current size of our school district, our school has a weighting factor of 1.1. As I previously stated, we operate two full PK-12 buildings. Most small districts have one PK-12 staff or a building with a K-6 format and a 7-12 format. We are one of three rural districts in the state that have two complete PK-12 teaching staffs. If an amendment could be made to the weighted formula, where we could be paid at the current rate other schools are being paid by their weighted units, it would absorb some of the costs. We could absorb about one third of the transition funding loss. A loss of state funding beyond that would put our school district in a financial position that may make it difficult to stay open in the future. Adjustments to the weighted formula, raising local taxes, and making cuts where possible would allow us to get on the formula and still provide great educational opportunities for our students.

To put this into perspective, it would take an additional 72 mills locally to offset the transition minimum loss we are scheduled to lose. I ask that you consider the weighted factor solution I am proposing.

I thank you for your time.

Sincerely,

Brian J. Wolf

Brian Wolf, Superintendent

AN EQUAL OPPORTUNITY EMPLOYER

The North Border Public School District does not discriminate on the basis of race, color, national origin, sex, age, religion, or handicap in its educational programs/activities and employment policies/practices.

LEWIS & CLARK SCHOOL DISTRICT #161

Lewis & Clark—Berthold
Berthold Elem. and High School
P.O. Box 185
Berthold, ND 58718
453-3484

Berthold, North Shore and Plaza Schools
Marc Ritteman, Superintendent
401 4th Avenue NE
Berthold, ND 58718

Lewis & Clark—North Shore Plaza
NSP Elem. And High School
P.O. Box 38
Plaza, ND 58771
497-3734

3/15/21

Chairman Schaible and Members of the Senate Education Committee,

For the record my name is Marc Ritteman. I am the superintendent of the Lewis and Clark School District, which is comprised of two K-12 schools located 30 miles apart: one in Berthold and one in Plaza. I am here today to speak in favor of an amendment to House Bill 1388 that would fund districts with separate and distant schools based on the enrollment of each facility, rather than the enrollment of the district.

The current funding formula is designed to ensure all students in North Dakota receive an adequate and equitable education regardless of the circumstances of their district. It shouldn't matter whether a district is rich or poor, large or small, all students in North Dakota should have access to an adequate and equitable education.

One the most important components of the formula that ensures adequacy and equity is the district size weighting factor adjustment. The legislature has recognized that "smaller school districts do not benefit from the [same] economies of scale [as] larger school districts" and are less efficient. District size weighting factors exist to account for this inefficiency and ensure small and large districts are funded at a level that leads to an adequate and equitable education for all students.

We strongly support the district size weighting factor adjustment, but unfortunately we also believe there is a flaw in the formula. It does not account for districts like ours that operate separate schools a great distance apart. Our district has about 400 students with about 200 at each school. The formula assumes we can operate as efficiently as a district with 400 students in the same facility and does not take into account the *30 miles* that separates our two halves. Although, we *do* share some staff and resources, the distance makes it impossible to create the same efficiencies we would see if we were in the same building.

If we were funded based on the individual enrollment of our separate and distant schools, about \$800,000 would be generated. This isn't "extra money". It's what the formula deems necessary for two districts of 200 to provide an adequate and equitable education. Up until this point, our transition minimum payment and increased local taxes have filled that void. Once transition minimum payments are eliminated completely, we will be left with a funding gap that cannot be filled to a level that is adequate and equitable.

We understand that transition minimums do not factor into the adequacy and equity equation, but their elimination has revealed a flaw in the *district size weighting factor* adjustment that hurts districts with separate and distant schools. That concludes my testimony. I will stand for questions.

Marc Ritteman, Supt.
Lewis and Clark School District

ELGIN/NEW LEIPZIG PUBLIC SCHOOL DISTRICT #49

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Daniel R Ludvigson, Superintendent, Ele. Principal



Home of the Coyotes

Terry T. Bentz, Secondary Principal

Board of Education
Saul Maier, President
Beth Roth, Vice President
Directors:
Sadie Brackel
Lamont Gaugler
Clarence Laub, Jr.
Amanda Petrick
Phil Larson
Wanda Kirsch, Business Manager

HB 1388 Testimony

Chairman Owens and members of the committee, for the record my name is Daniel Ludvigson, Superintendent of Elgin/New Leipzig Public School and North Dakota Association of School Administrators Legislative Focus Group finance committee member. I am here to speak in support of HB 1388.

The Elgin/New Leipzig Public School district levies for 70 general fund mils, 12 miscellaneous mils, and the 15 building fund mils which is the maximum we have the authority to levy in each of these categories. We are a transition minimum school with a declining enrollment. Even with the changes this bill makes to the funding formula we are still projecting roughly a \$100,000 drop in our state per pupil aid. Our baseline rate is \$11,122.76. Going into this year we had roughly 166 students but are now down to around 157 students. We have lost families to homeschooling and at least six of those students have indicated they do not intend to return in the next school year. We have made cuts but increasing costs means that reductions in overall spending have been difficult.

Bill HB 1388 softens the blow we would receive from losing the transition minimum payment. Despite our declining enrollment we still need our staff. Our elementary grades with 8 students still need a teacher the same as those classes with 16. Districts the size I serve have limitations in the efficiencies they can achieve. I presently serve as the elementary principal, 504 coordinator, and MTSS coordinator in addition to my duties as a superintendent. Several of my staff have multiple hats and are often asked constantly to do more with less.

I would like the legislature to consider still including a per pupil payment increase. I know that right now schools are receiving significant amount of federal aid. We have been using that aid to address deferred maintenance that qualifies under ESSER. We have slated roughly \$160,000 in improvements in indoor air quality. We are looking at another \$440,000 in addition to this. We presently have \$618,504.15 in callable debt for a boiler project we undertook over five years ago. ESSER dollars are a one-time influx of money which we will look at one-time expenses to use it towards. With the decreases in our pupil count due to natural decline and families leaving us during the pandemic our regular operating revenue is declining. This would give my board serious qualms about providing raises to staff, as this isn't revenue we can count on in the future.

I thank the legislature for taking a look at how to help those transition minimum schools that stand to lose a substantial amount of funding. Without consideration for pupil weights we'd stand to lose even more funding.

Data

Transition Minimum Decrease 19-20 to 20-21 - \$131, 034.95

Weight Per Pupil Increase – 1.2744 to 1.3 – adds 4.654 students or \$46,710.91 value

The mission of the Elgin/New Leipzig Public School District is to provide a positive and safe environment that promotes lifelong learning to all individuals.



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(701)537-5414

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TGU GRANVILLE SCHOOL
210 6TH ST SW
GRANVILLE, ND 58745
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March 15, 2021

Chairman Schaible and members of the Senate Education Committee,

My name is Erik Sveet, and I am the Superintendent of TGU School District. Thank you for all of the work you do to support education within our great state, and for the opportunity to offer my testimony today. I am here to express my support for HB1388, while also explaining how this bill will impact my school district and several others like it.

Twenty years ago the communities of Towner, Granville, and Upham consolidated to form the TGU School District. Today, TGU operates two K-12 facilities for our students; one in Towner, the other in Granville. These two sites are located 23 miles apart. Under the funding formula of HB1388, our schools are projected to lose \$763,528.89 in annual state aid as the transition payment is phased out over the next 7 years. This is equivalent to approximately 40 mills worth of tax revenue for our stakeholders. I am concerned that this reduction in funding will put an incredible tax strain on our community. The future operation of our two schools will become increasingly difficult.

I would humbly offer a possible solution that would not only benefit TGU, but also two other districts in a similar situation. TGU School District currently has a student weighting factor of 1.09. An amendment to this bill could base our student weighting factor upon the size of the schools we operate. This would increase our state aid and help offset the loss of transition funding. It would also offer consolidated school districts like TGU similar funding to other facilities their size.

Thank you for your time and consideration.

Sincerely,

Erik Sveet
Superintendent
TGU School District

HB 1388 Testimony

Chairman Schaible and members of the committee, for the record my name is Brandt Dick, Superintendent of Underwood School District, North Dakota Small Organized Schools's Board President, and North Dakota Association of School Administrators Legislative Focus Group finance chair. I am here to speak in support of HB 1388.

HB 1388 was adjusted to have no increase in the per pupil payment. I would ask that the original form of the bill, which included a 1% increase on the per pupil payment be reinstated. This will be needed for school districts to be able to negotiate with teachers, as a 1% would be a long-term increase, not one-time revenue. This would also help decrease the amount of cuts that transition minimum schools will be dealing with in the next 7 years.

Underwood is a transition minimum school district in that we receive an additional \$345,536 than if we were on the formula. As presently written, this amount will be cut by 15% cut for the first 6 years, with year 7 being a 10% cut to get these school districts onto the formula. One amendment that would be appreciated by these 94 school districts would be if we could have the 10% cut in year one, then an additional 15% each of the next 6 years to get onto the formula. This could be accomplished by changing the word "fifteen" to "ten" in line 31 of page 11. Also, line 18 of page 12 would have to be adjusted from "fifteen" to "ten" as well as page 19, line 20 would need to adjust to "ten" percent. Line 31 on page 12 would have to be adjusted from "thirty" to "twenty-five", also on page 20, line 2 would require the same adjustment. This last session, these cuts were put into place and we were given a 2 year pause before these cuts were implemented. The money the state saves from these cuts is what is being used to fund additional weighting factors. After much study, weighting factors adjustments are the best idea to help smaller school districts get onto the formula and stay on the formula.

This bill also has a formula found on page 9 lines 6-14 to put K-6 and K-8 schools onto the formula by utilizing the same weighting factors as K-12 schools. This section may need to be amended as there are a few schools that this formula would cut their weighting factors. If these elementary districts grow in number of students, their kids could generate less than 1.00 weighting factor. This could be accomplished by striking lines 11-14, which would assure no student would generate less than a 1.00 weighting factor.

While this bill will mean budgetary pain for the transition minimum schools for the next 7 years, it does provide help for the smallest rural school districts that have been helped by these transition payments, yet I do understand that transition is a word meaning there will come a time when that will go away, which would be 7 years. I hope this committee will strongly consider the amendments proposed at these will help the transition minimum schools as well as the K-6 and K-8 schools. I will stand for questions.

March 15, 2021

Senator Don Schaible
Senate Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

Subject: Testimony on North Dakota Education Funding Formula – HB1388
By Nathan Davis, Turtle Mountain Band of Chippewa Tribal Council Representative

Greetings Senator Don Schaible and Education Committee Members,

My name is Nathan Davis. I am a Tribal Council Representative of the Turtle Mountain Band of Chippewa. I would like to first point out, I find it essential that Federal, State and Tribal governments work together to continuously help improve the lives of Native American students with quality educational opportunities. It is paramount that we work together to provide Native American children a quality education.

The future and very existence of our tribes depends on the education. So today, when we talk about education, we need to think about our continuous effort to elevate our educational system to meet the needs of 21st century Native American students and provide resources to achieve this undertaking.

It is common for our Native students to deal with misperceptions and stereotypes of Native Americans that reinforce the notion of how we lived in the past rather than as a diverse and resilient part of the world today with untapped potential. I am certain we agree the primary effort in tapping that potential is through education.

High levels of socio-economic conditions our students are subject to when living on or near Native American reservations create obstacles to educational success. It is common for many of our students to worry about family issues at a young age. Our students heavily rely on teachers and schools for more than teaching. Our students rely heavily on school lunch programs. Our teachers and staff must develop an understanding of the student's family life dynamics and our tribal culture to optimize student learning.

It is essential for our schools to attract and retain dedicated teachers and school administrators who work hard to overcome the challenging situations and conditions faced by Native American students. Our schools also face issues with hard-to-fill teaching positions; in addition, if a hard to fill position is filled with a non-local resident, we face the issue of finding housing for the individual. To attract and retain quality educators, we must offer competitive compensation and fringe benefits.

Despite the many obstacles that stand in the way of Native American students, their resiliency and determination to create better lives for themselves is nothing short of inspiring. They understand the importance of a quality education and the opportunities it will afford them.

I wish to direct testimony today on House Bill 1388 which relates to the North Dakota Education funding formula. My testimony will specifically be on the "Transition Maximum" portion of HB1388. Transition Maximum primarily pertains to school districts receiving less funding than calculated by the funding formula.

Transition Maximum was established in the North Dakota Education funding formula back in the 2013 biennium as a funding formula mechanism to allow school districts that were "under formula", based on actual formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years.

In the 2013 biennium, there were 41 Districts that were affected by Transition Maximum. As of the 2020-21 school year, there are 11 Transition Maximum Districts remaining, of which 10 primarily serve a high Native American population. As a Tribal leader, these figures immediately caught my attention.

Three of the aforementioned Transition Maximum Districts primarily serve students of the Turtle Mountain Band of Chippewa; they are the Belcourt, St. John and Dunseith School Districts. These three school districts account for \$7,481,749.37 of the State wide grand total transition maximum amount of \$9.8 million.

I recognize the language by the Interim Education Funding Formula Review Committee in HB1388 to continue to maintain current baseline funding rates and to continue to increase the (transition) maximum percentage by only 5% as understandable due to declining State tax revenues caused in part by the corona virus pandemic.

I am also very pleased the interim committee recognized the length of time it is taking to get the Transition Maximum Districts on formula as being far stretched as there is language in HB1388 to include a revenue add-on calculation component which reduces the transition maximum deduction by 15%. This is a great start in addressing the transition maximum adjustment effects for the Tribal School Districts.

In closing, I wish to be clear that my testimony today supports this "add-on" language as it allows a mechanism in the formula for the Transition Maximum Districts to gain revenue that is not provided in the formula due to Transition Maximum.

In addition, I would like to mention HB 1388 was adjusted in the House of Representatives prior to "crossover"; in the adjustment, HB1388 is to have no increase in the per pupil payment. I ask for consideration that the original form of the bill, which included a 1% increase on the per pupil payment be reinstated. The increase is necessary for school districts to be able to negotiate with teachers in offering sustainable salary and benefits.

I thank you for your time and consideration on this important matter.

Chi Miigwech,

Nathan Davis,
Tribal Council Representative
Turtle Mountain Band of Chippewa



TURTLE MOUNTAIN COMMUNITY SCHOOL

BELCOURT SCHOOL DISTRICT NO. 7

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March 15, 2021

Senator Don Schaible
Senate Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

**Subject: Testimony on North Dakota Education Funding Formula – HB1388 Transition Maximum
By Duane Poitra, Belcourt School District #7 Business Manager**

Greetings Senator Don Schaible and Education Committee Members,

I wish provide testimony today in support of HB1388 as it relates to the North Dakota Education funding formula, specifically on the "Transition Maximum" portion of the formula with "add-on" revenue that decreases the transition maximum deduction in revenue as specified in the bill's draft language. Transition Maximum pertains to School Districts receiving less funding than calculated by the current funding formula.

In addition, I would like to mention HB 1388 was adjusted in the House of Representatives prior to "crossover"; in the adjustment, HB1388 is to have no increase in the per pupil payment. I ask for consideration that the original form of the bill, which included a 1% increase on the per pupil payment be reinstated. The increase is necessary for school districts to be able to negotiate with teachers in offering sustainable salary and benefits.

Transition Maximum was established in the North Dakota Education funding formula back in the 2013 biennium as a funding formula mechanism to allow school districts that were "under formula", based on actual formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years.

A baseline per pupil amount was determined in the 2013 biennium for each District affected by Transition Maximum that would be multiplied by a per pupil waiting factor of 110% to which the resulting weighted baseline per pupil amount would be multiplied by the weighted average daily membership (ADM) of the District to determine a maximum District payment amount.

If a district had a baseline per pupil payment rate less than the established per pupil payment rate for 2013-14, the district received a transition maximum adjustment to their formula calculation to prevent significant swings in district budgets due to a funding formula change.

The education funding formula would also determine a "normal" formula payment for Districts. The difference between the "normal" formula payment calculation and the maximum payment calculation is called the Transition Maximum Adjustment, which in the calculation is a deduction from the "normal" formula payment.

In the 2013 biennium, there were 41 Districts that were affected by Transition Maximum. The goal of a Transition Maximum Districts is to get on "normal" formula. As of the 2020-21 school year, there are 11 Transition Maximum Districts, of which 10 of the School Districts primarily serve a Native American population.

The aforementioned per pupil weighting factor is a very important factor in the formula; it was intended to increase each year by 10%; this has not been the case as the history of the weighting factor has been as follows:

110% for 2013-14;	120% for 2014-15;	130% for 2015-16;	140% for 2016-17;
140% for 2017-18;	140% for 2018-19;	105% for 2019-20;	110% for 2020-21.

I recognize the diligent effort of the Interim Education Funding Review Committee through a pandemic, especially Representative Mark Owens and Senator Don Schaible in drafting some complex language that addresses and lessens the negative impact that transition maximum has on property poor Tribal School Districts.

I find the Interim Education Funding Formula Review Committee in HB1388 desire to continue to maintain current baseline funding rates and to continue to increase the (transition) maximum percentage by only 5% as understandable due to declining State tax revenues likely caused in part by the corona virus pandemic.

The interim committee recognized the issue in length of time it is taking to get the Transition Maximum Districts on formula as being much longer than expected as there is the language in HB1388 to include a revenue add-on calculation component to reduce the transition maximum deduction by 15%. This is a huge step in the right direction for the Transition Maximum Districts.

In closing, I wish to be clear that my testimony today supports this "add-on" language in HB1388 as it allows a mechanism in the formula for the Transition Maximum Districts to gain revenue that lessens the effect of the Transition Maximum deduction in the state education funding formula. I am certain, all other 11 Transition Maximum Districts would also be in support of this language also.

I thank you for your time and consideration on this important matter.

Chi Miigwech!

Duane Poitra,
Business Manager
Belcourt School District #7

Century Code Regarding Distance Learning/Virtual Schools

15.1-06-04. School Calendar – Length.

- This part of code cites the 962.5 hours and 1,050 hours minimum a school must be in session. The Governor cited this in his Distance Learning Executive Order (EO). Language may have to be adjusted to ensure distance learning or virtual academies.

15.1-20-01. Compulsory Attendance.

- In this section it reads, “1. Any person having responsibility for a child between the ages of seven and sixteen shall ensure the is in attendance at a public school for the duration of the school year.
- NDCEL’s amendment to 1232 reads “...ensure that the child is attendance **with** a public school...” This would make distance learning legal.

15.1-21 Curriculum and Testing.

- This was also cited in the EO.
- This section cites required instruction for elementary, middle and high schools; graduation; scholarships
- Student Engagement (meaning hours of student engagement to receive credit).
- Assessments.
- I don’t believe anything must be adjusted here, but legislative council should review this section thoroughly.

15.1-27-35 Average Daily Membership – Calculation

- Amendment seemed to count time offline or home work time. Who is responsible to track?
 - Currently we use a school calendar to calculate ADM and not and individual students time
 - 962.5 and 1050 is the minimum amount of instruction time, weather in person or online. No allowance for competency based payments on completion
- Century Code seems to use both engagement and instruction. Is there a difference? Should this be clarified?
- Will districts be obligated to provide in person learning? Could the entire district elect to go virtual and not operate a plant, forcing students to open enroll to other districts if they want in person learning?

15.1-31 Open Enrollment

- Will anyone be allowed to attend anywhere? (I know amendment tried to address, but seemed to be too restrictive on open enrollment in any sort of virtual education)
- Special education costs are the responsibility of the resident district
 - Can Special Education be done virtually? Does this need to be addressed by SpEd?

12.1-29 Tuition

- Will the cost of tuition remain the same for in person and virtual learning?
- Students placed in another district, would they be allowed to enroll virtually back in the district that is financially responsible? Who makes this determination? Placing Agency? School District? Family/foster family?
- Cross border attendance with South Dakota? Other bordering states? Non bordering states?

15.109.1-02 REAs

- Does this have any effects on REA memberships and being contiguous?

15.1-21-03. High school unit - Instructional time.

1. Except as provided in subsection 2, each unit must consist of at least one hundred twenty hours of student engagement per school calendar.
2. The following units must consist of at least one hundred fifty hours of student engagement per school calendar: natural sciences, agriculture, business and office technology, marketing, diversified occupations, trade and industrial education, technology education, and health careers.
3. The hour requirements of this section are subject to reductions resulting from the holidays and nonstudent contact days provided for in section 15.1-06-04.
4. This section does not apply to schools or school districts having block schedules approved by the superintendent of public instruction.

Commented [PAJ1]: I think this is already implied in your bullet above, but thought we might want to have this in here for direct reference. I think it gives flexibility.

15.1-27-23. Weather or other emergency conditions - Closure of schools - State aid payments to school districts.

1. The board of each school district shall establish the length of a period, day, and week in accordance with the requirements of section 15.1-06-04. If a public school or school district is closed or provides less than a full day of instruction, the public school or school district shall reschedule those hours to ensure students receive at least the minimum number of instructional hours required by subdivision a of subsection 1 of section 15.1-06-04.
2. Any public school or school district for which the rescheduling of classes would create undue hardship may request that, for purposes of calculating state aid payments to the school district, the governor waive the rescheduling in whole or in part.

Commented [PAJ2]: This implies that school is located in a building, as they mention being "closed"...I can see it complicating things.

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

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

15.1-06-04. School calendar - Length.



TURTLE MOUNTAIN COMMUNITY SCHOOL BELCOURT SCHOOL DISTRICT NO. 7

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March 15, 2021

Senator Don Schaible,
Senate Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

**Subject: Testimony on North Dakota Education Funding Formula – HB1388
By Dr. Michelle Thomas, Superintendent, Belcourt School District #7**

Greetings Senator Don Schaible and Education Committee Members,

Please let me introduce myself. My name is Dr. Michelle Thomas. I am the Superintendent of the Belcourt School District, which is located on the Turtle Mountain Reservation. I am an enrolled member of the Turtle Mountain Band of Chippewa. I am a proud Anishinaabe woman who truly wants to be part of achieving an educational system that provides best education opportunities for the students we all serve.

In my culture, a great honor is to serve, protect and educate our children. At Turtle Mountain, we find it essential we all work together on the Federal, State and Tribal government levels to continuously help improve the lives of Native American students with quality educational opportunities. Education is the foundation of success in life for our Native American children. Our very existence as a Tribe depends on education.

Today as North Dakotans, we need to think about our continuous effort to elevate our educational system to meet the needs of Native American students and provide resources to achieve this undertaking. High levels of socio-economic conditions our students are subject to when living on or near Native American reservations create obstacles to educational success.

Our students heavily rely on our schools for more than teaching. Our teachers and staff must develop an understanding of the student's family life dynamics and our tribal culture to optimize student learning. So, our Districts must attract and retain quality dedicated teachers who possess empathy. To attract and retain quality educators, we must offer competitive compensation and fringe benefits.

My testimony today is on House Bill 1388 which relates to the North Dakota Education funding formula. My testimony will specifically support language of an "add-on" funding component which reduces the Transition Maximum Adjustment by 15% as provided in the current draft of HB1388. Transition Maximum primarily pertains to school districts receiving less funding than calculated by the funding formula.

Transition Maximum was established in the North Dakota Education funding formula back in the 2013 biennium as a funding formula mechanism to allow school districts that were "under formula", based on actual formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years.

In the 2013 biennium, there were 41 Districts that were affected by Transition Maximum. As of the 2020-21 school year, there are 11 Transition Maximum Districts remaining, of which 10 primarily serve a high Native American population. As a Tribal leader, these figures immediately caught my attention.

The draft language by the Interim Education Funding Formula Review Committee in HB1388 is to continue to maintain current baseline funding rates and to continue to increase the (transition) maximum percentage by only 5% as understandable due to declining State tax revenues caused in part by the corona virus pandemic.

The Interim Education Funding Formula Review committee recognized the length of time it is taking to get the Transition Maximum Districts on formula as being longer than originally thought in 2013 as in HB1388 there is draft language to include a revenue add-on calculation component which reduces the transition maximum deduction by 15%.

In closing, I want convey that I support the "add-on" revenue language as it reduces the adverse effect of transition maximum in formula for my and other school's revenue allocations by decreasing the transition maximum adjustment (deduction) by 15%. We are moving in the right direction with this language.

In addition, I would like to mention HB 1388 was adjusted in the House of Representatives prior to "crossover"; in the adjustment, HB1388 is to have no increase in the per pupil payment. I ask for consideration that the original form of the bill, which included a 1% increase on the per pupil payment be reinstated. The increase is necessary for school districts to be able to negotiate with teachers in offering sustainable salary and benefits.

I thank you for your time and consideration on this important matter.

Chi Miigwech,

Dr. Michelle Thomas, Superintendent
Belcourt School District #7

March 15, 2021
Senator Don Schaible
Senate Education Committee
600 East Boulevard Avenue
Bismarck ND, 58505-0001

**Subject: Testimony on North Dakota Education Funding Formula – HB1388
David Sjol, Superintendent Dunseith Public School District
Paul Frydenlund, Superintendent St. John Public School District**

Senator Schaible and Education Committee Members,

This letter is testimony for St. John and Dunseith School Districts. My name is David Sjol Superintendent at Dunseith Public. Paul Frydenlund Superintendent of St. John Public School District also represented in this letter. It is most efficient when Federal, State and Tribal governments work together to improve the lives of all students with quality educational opportunities.

Education is the vehicle that equals the playing field for all students. Therefore, it is imperative that the opportunity for quality education also is leveled for students being educated on Indian Lands. Research has shown socio-economic conditions are the number one factor in determining student success in education ventures, regardless of race. Socio-economic conditions are also a strong determination in student attendance rates. That is the reason it is so important to have students who want to attend school opposed to have to attend. Adverse socio-economic conditions are a hindrance to educational success for all students who experience them. Students who are educated in low-income areas face adversities, more frequently, than students in high-income areas. Many of our students are dependent on teachers and schools for more than teaching. Our students rely heavily on school lunch programs. This is why Dunseith, St. John and other districts in the same economic environment delivered meals all summer to all children in our area, and continue to do so to this day. The appreciation for this effort is huge. Teachers and staff have stepped up to make this undertaking happen. We have also solicited several community members in this effort creating a sense of purpose for some individuals.

This is just one reason why it is essential for our schools to attract and retain dedicated teachers, staff members, and school administrators who work hard to overcome the challenging situations and conditions faced by economically disadvantaged school districts. It is very difficult to attract teachers to our type of district it is even more difficult to fill positions such as English, Math, SPED, and Music.

Housing is another issue faced by District Administration and new incoming teachers. To attract and retain quality educators, we must offer competitive compensation and fringe benefits, a rewarding job experience, adequate housing, safe and opportunistic communities, and avenues for personal growth. Our students face many obstacles yet their desire to succeed is undeniable. Our Native American students have a strong determination to succeed, that is inspiring. Helping them to navigate the obstacles that reduce the chances for success is our mission. Teaching students to remove, navigate, perceive through roadblocks, hurdles, and other life circumstances takes resources.

Specifically, concerning House Bill 1388 which relates to the North Dakota Education funding formula. Our testimony will be on the "Transition Maximum" portion of HB1388. Transition Maximum primarily pertains to school districts receiving less funding than calculated by the funding formula.

Transition Maximum was established in the North Dakota Education funding formula in the 2013 biennium as a funding formula a mechanism to allow school districts that were not on formula, based on formula calculation, to "get on formula" at a reasonable pace; which was anticipated then to be no more than 6 - 8 years. In the 2013 biennium, Transition Maximum affected forty-one Districts. As of the 2020-21 school year, there are 11 Transition Maximum Districts remaining, of which 10 primarily Indian Land Districts, the system worked for thirty districts which is great. Eleven districts are still below formula. These districts receive a considerable amount per pupil less than the on formula districts. For example Dunseith receive \$7,613 per pupil, the State Funding Formula delivers \$10,036 per pupil to districts on the formula. This is a total difference of approx. \$1,400,000 in 2010-2021. This reduction in per pupil allocation has been taking place since 2013. These are funds sorely needed for opportunities to expand and accommodate increased enrollment. Districts on or near Indian Land have a severely reduced the ability to increase revenue through taxation because much the district land is not taxable. Without being on the state funding formula these districts have no way of raising money for expansion.

Three of the aforementioned Transition Maximum Districts primarily serve students of the Turtle Mountain Band of Chippewa; they are the Belcourt, St. John and Dunseith School Districts. These three school districts account for \$7,481,749.37 of the State wide grand total transition maximum amount of \$9.8 million.

We are pleased that interim committee recognized the length of time it is taking to get the Transition Maximum Districts to get on formula. There is language in HB1388 to include a revenue addendum on them calculation component specifically for the Transition Maximum Districts. This is much needed funding.

In closing, our testimony supports this "add-on" language as it allows a mechanism in the formula for the Transition Maximum Districts to gain revenue not provided in the formula due to Transition Maximum.

In addition, we would like to mention HB 1388 was adjusted in the House of Representatives prior to "crossover"; in the adjustment, HB1388 is to have no increase in the per pupil payment. We ask for consideration that the original form of the bill, which included a 1% increase on the per pupil payment be reinstated. The increase is necessary for school districts to be able to negotiate with teachers in offering sustainable salary and benefits.

Thank you very much for you time and service.

David Sjol, Superintendent Dunseith Public School District
Paul Frydenlund, Superintendent St. John Public School District

Manvel Public School

Inspiring 21st Century Learners to Influence 22nd Century Successes



March 15, 2021

Chairman Schaible and members of the education committee,
For the record, my name is Dave Wheeler and I am the Superintendent for Manvel Public Schools. I want to start by thanking you all for the incredibly difficult task you are undertaking with the funding of K-12 education. I can't imagine how difficult the theme of finances and equity can be for all of you.

In HB 1388 it appears that Manvel Public School, as a K-8 district could see their weighting factors decrease if this legislation is approved as it is currently written. On page 9, part 3, starting on line 13 states, *"The superintendent of public instruction shall impute an average daily membership for each school district that does not include a high school and ensure the imputed average daily membership to determine the school district size weighting factor under this section. To determine the imputed average daily membership, the superintendent of public instruction shall divide the school district's average daily membership by .60. The superintendent of public instruction shall adjust the school district size weighting factor for each school district that does not include a high school by multiplying the school district size weighting factor determined under subsection 2 by ninety-two percent."*

In AB 1388 as it is currently written we would see a our weighting factor decrease from 1.17 to 1.15 (p. 5 line 15) As I read the bill further it looks like our weighting factor would continue at 1.15 after the 2027-28 provided our enrollment stays in the same range as it is in 2021-22. (p. 8 line 5) That is a weighting factor we accept and understand. However, with the adjustment as it is written in the current bill our weighting factor would then be 1.058, considerably less than the 1.17 weighting factor we have been working with since 2013-14 and also quite a bit less than the 1.15 we would be working with starting next fall and well past 2027-28.

Had this bill been in place this past school year and assuming our deductions for being a transition maximum school as well as the deductions for contributions from property tax and other local revenue had stayed the same, we would have had \$221,494.52 less revenue in state aid had our district had to work with this formula in 2020-21.

I am testifying in person today because I would like the committee to understand that K-6/K-8 districts do not stop supporting students from their districts once they are enrolled in high school. We currently have a tuition levy of our constituents of 30.60 mills to create revenue for our students as they attend Grand Forks Public Schools. That mill levy created \$220,396.81 for this current school year. For the 2020-21 school year we will pay \$285,334.92 in tuition, \$5283.98

per student for 54 students. General fund money has been used in the past to offset the difference in the past in our district, this year that will amount to \$64,938.11. As of this testimony we have 62 students who will be enrolled in Grand Forks public schools in the fall of 2021.

With what could amount to \$221,000.00 plus reduction in our funding and next year projecting to pay tuition on 62 students, 8 more than this year, our general fund would be hit very hard with reducing our weighting factor to 1.058. Please reconsider the 92% piece of the weighting factor for K-6/K-8 schools in HB 1388.

Thank you,

Dave Wheeler
Superintendent
Manvel Public Schools

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1388
3/23/2021

A BILL relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates; and to provide an appropriation.

Chair Schaible called to order at 2:48 PM

Discussion Topics:

- Committee Work
- Amendment 21.0866.03004

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P
Senator Oban	P
Senator Wobbema	P

Chairman Schaible sent out Amendment 21.0866.03004 and asked for comment from several stakeholders #11412

Kirstin Baesler-Supt Public Instruction- reviewed amendment

Rebecca Pitkin – Standards and Practices –clarified amendment

Dr Aimee Copas – NDCEL – further clarified amendment

Mike Heilman – ND Small Schools – support amendment

Nick Archuleta – ND United – supported amendment

Additional written testimony:

Stacy Duffield – Pres. ND Association of Colleges for Teacher Education – neutral - #10194

Adjourned at 4:05 pm

Lynn Wolf, Committee Clerk

21.0866.03004
Title.

Prepared by the Legislative Council staff for
Senator Schaible
March 23, 2021

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide a legislative management report"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

- 1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on the reading science. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;

- b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. An elementary education teacher licensure candidate must complete:
- a. At least nine semester hours of reading which include a focus on the components under subsection 1; and
 - b. At least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
3. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrated proficiency in competencies related to reading instruction. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

- 1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~ attends a public school for the duration of each school year.
- 2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.
- 3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
- 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early literacy skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher literacy achievement professional development training that:
 - a. Includes training in the topics provided under subsection 1; and
 - b. Is approved by the superintendent of public instruction.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and
 - c. Has integrated evidence-based resources to support reading development and comprehension.
5. The superintendent of public instruction shall provide assistance to school districts and nonpublic schools to be in and maintain compliance with this section.

6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, after line 24, insert:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or
 - b. One thousand fifty hours for middle and high school students.
2. For purposes of calculating average daily membership:
 - a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

- b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

- 1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
- 2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. TRANSITION MINIMUM REDUCTION - LEGISLATIVE MANAGEMENT STUDY.

- 1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have two kindergarten through grade twelve buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;
 - d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and mental health; and

- e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly."

Page 23, after line 29, insert:

"SECTION 17. APPROPRIATION. There is appropriated out of any moneys in the foundation aid stabilization fund in the state treasury, not otherwise appropriated, the sum of \$34,300,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of increasing the per student payment rate one percent each year of the biennium, for the biennium beginning July 1, 2021, and ending June 30, 2023."

Renumber accordingly

Testimony for HB1388

Presented by Stacy Duffield, Ph.D., President, North Dakota Association of Colleges for Teacher Education (NDACTE)

I am testifying in regard to HB1388 to bring two recommendations for consideration by the Education Committee.

First, NDACTE requests membership on the kindergarten through grade twelve education coordination council. NDACTE is a formal organization with membership by all 13 teacher preparation programs in North Dakota, including public, private, and tribal institutions. Teacher preparation is an essential part of K-12 education in the state. The educational experience of teachers and K-12 students will benefit from input and awareness of a teacher preparation representative on the council.

Second, we recommend adjustment of the language in Amendment 5 to be more inclusive and to ensure longevity of the bill. Currently, the teacher licensure, item 1 includes the following sentence, “The board shall ensure a candidate for licensure demonstrates competencies in the acquisition of knowledge of essential components of beginning reading instruction based on the *science of reading*.” We request the sentence be revised to say, “The board shall ensure a candidate for licensure demonstrates competencies in the acquisition of knowledge of essential components of beginning reading instruction based on *research-based best practices*.” Removing the “science of reading,” ensures the bill will stand the test of time and not need to be amended as research evolves understanding of best practice but encompasses the current movement titled the “science of reading.”

We appreciate your consideration of these recommendations.

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1388
3/24/2021
AM

A BILL relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates; and to provide an appropriation.
--

Chair Schaible called to order at 10:46 AM

Discussion Topics:

- 21.0866.03005
- K12 coordination council
- Best practices
- Semester hours for teachers
- Literacy/Reading
- Professional development
- Behavioral health
- Effective date

Sen Oban explained amendment 21.0866.03005 #11680

Dr Aimee Copas – NDCEL – explained whole bill

Adam Tescher – financial DPI – information on funding formula

Kristin Beasler – ND Supt of Education – opinion on amendments #10657

Amanda Peterson – DPI – answered a question and explained program

Rebecca Pitkin – Standards and Practices – Comment on growth

Adjourned at 11:53 AM

Lynn Wolf, Committee Clerk

21.0866.03005
Title.

Prepared by the Legislative Council staff for
Senator Oban

March 23, 2021

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide a legislative management report"

Page 1, line 4, remove the second "and"

Page 1, line 5, after "appropriation" insert "; and to provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "An individual employed as a public school principal;" and insert immediately thereafter "and"

Page 2, line 17, after "5-" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the schoolsphysical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services to ~~its member districts~~.

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. An elementary education teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
3. A secondary education teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrated proficiency in competencies related to reading instruction. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure that the child ~~is in attendance at~~ attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure that the child ~~is in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.
3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.

4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and
 - c. Has integrated evidence-based resources to support reading development and comprehension.

5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, after line 24, insert:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or
 - b. One thousand fifty hours for middle and high school students.
2. For purposes of calculating average daily membership:

- a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. TRANSITION MINIMUM REDUCTION - LEGISLATIVE MANAGEMENT STUDY.

1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have two kindergarten through grade twelve buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;

- d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly."

Page 23, after line 29, insert:

"SECTION 17. APPROPRIATION. There is appropriated out of any moneys in the foundation aid stabilization fund in the state treasury, not otherwise appropriated, the sum of \$34,300,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of increasing the per student payment rate one percent each year of the biennium, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 18. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency .

1. Beginning the 2022-2023 school year, the board shall ensure a candidate for teacher licensure demonstrates

competencies in beginning reading instruction based on the reading science. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:

- a. Phonemic awareness;
- b. Phonics;
- c. Fluency;
- d. Vocabulary;
- e. Comprehension;
- f. How to assess student reading ability; and
- g. How to identify and correct reading difficulties.

2. A prekindergarten, kindergarten, elementary and special education initial teacher licensure candidate must complete:

- a. At least nine semester hours of reading which include a focus on the components under subsection 1; and

3. A secondary and prekindergarten-twelfth grade education initial teacher licensure candidate must complete:

- a. At least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.

3. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1.

~~proficiency in competencies related to~~
~~reading instruction.~~ The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1388
3/24/2021
PM

A BILL relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates; and to provide an appropriation.

Chair Schaible called to order at 3:00 PM.

Discussion Topics:

- Committee Work
- Amendment 21.0866.03006

Sen Wobbema moved amendment 21.0866.03006

Sen Elkin seconded

Roll Call Vote: 6 Yea; 0 Nay; 0 AB Motion Passed

Sen Wobbema moved a **Do Pass as Amended and refer to Approps**

Sen Elkin seconded

Roll Call Vote: 6 Yea; 0 Nay; 0 AB Motion Passed

Sen Schailbe will carry the bill

Adjourned at 3:10 PM

Lynn Wolf, Committee Clerk

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P
Senator Oban	P
Senator Wobbema	P

Amend 21.0866.03006	Vote
Chairman Schaible	Y
Senator Elkin	Y
Senator Conley	Y
Senator Lemm	Y
Senator Oban	Y
Senator Wobbema	Y

SB 1388	Vote
Chairman Schaible	Y
Senator Elkin	Y
Senator Conley	Y
Senator Lemm	Y
Senator Oban	Y
Senator Wobbema	Y

March 24, 2021

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide a legislative management report"

Page 1, line 4, remove the second "and"

Page 1, line 5, after "appropriation" insert "; and to provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "~~An individual employed as a public school principal;~~" and insert immediately thereafter "and"

Page 2, line 17, after "~~(5)~~" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

26x

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the schoolsphysical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure that the child ~~is in attendance at~~ attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure that the child ~~is in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.

3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and

- 6 or
- c. Has integrated evidence-based resources to support reading development and comprehension.
 5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
 6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
 7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, after line 24, insert:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or
 - b. One thousand fifty hours for middle and high school students.

- 6^{0x}
2. For purposes of calculating average daily membership:
 - a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.


SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. TRANSITION MINIMUM REDUCTION - LEGISLATIVE MANAGEMENT STUDY.

1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have two kindergarten through grade twelve buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;

- 
- d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly."

Page 23, after line 29, insert:

"SECTION 17. APPROPRIATION. There is appropriated out of any moneys in the foundation aid stabilization fund in the state treasury, not otherwise appropriated, the sum of \$34,300,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of increasing the per student payment rate one percent each year of the biennium, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 18. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1388, as reengrossed: Education Committee (Sen. Schaible, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1388 was placed on the Sixth order on the calendar.

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide a legislative management report"

Page 1, line 4, remove the second "and"

Page 1, line 5, after "appropriation" insert "; and to provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "~~An individual employed as a public school principal;~~" and insert immediately thereafter "and"

Page 2, line 17, after "~~(5)~~" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

- 1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the

acquisition of knowledge of the essential components of beginning reading instruction, including:

- a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
 3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
 4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~ attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.
3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and
 - c. Has integrated evidence-based resources to support reading development and comprehension.
5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.

7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

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Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, after line 24, insert:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

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

membership may be prorated for a student who is enrolled less than full time.

- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. TRANSITION MINIMUM REDUCTION - LEGISLATIVE MANAGEMENT STUDY.

1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have two kindergarten through grade twelve buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;
 - d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly."

Page 23, after line 29, insert:

"SECTION 17. APPROPRIATION. There is appropriated out of any moneys in the foundation aid stabilization fund in the state treasury, not otherwise appropriated, the sum of \$34,300,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of increasing the per student

payment rate one percent each year of the biennium, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 18. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

2021 SENATE APPROPRIATIONS

HB 1388

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1388
3/30/2021
Senate Appropriations Committee

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates.

Senator Holmberg opened the hearing at 9:03 a.m.

Senators present: **Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.**

Discussion Topics:

- ESSER Funds
- Debt Relief

Donald Schaible, Senator, District 31, introduced the bill, and submitted testimony #10999.

Aimee Copas, Executive Director, NDCEL, testified in favor and submitted testimony #11006

Kirsten Baesler, State Superintendent, testified in favor

Additional written testimony: #10979

Senator Holmberg closed the hearing at 9:37 a.m.

Skyler Strand, Committee Clerk

Senator Don Schaible 3-30-21 Senate Appropriations HB 1388 – (3006 version) Section by Section

Section 1 (pgs. 1-4)–

This section of the bill is in reference to the K12 coordination council. This amendment removes some of the gubernatorial appointments to the council and adjusts them to being representatives of their representative organizations. This is to include the REA's as well as the Special Education Directors. It furthermore removes a duplicative appointment of a school administrator as an individual from the role of the superintendent will be serving as a representative of the ND Small Organized Schools as well as the traditional president of the CTE board.

This section on page 3, lines 29-30 also clarify one of the duties of the council with regard to how they will coordinate and communicate.

Section 2 (pg. 4)–

This section of the bill begins to outline how the state and the state superintendent will be able to direct a student payment to a student who may be instructed virtually. There is no prohibition of students participating in the virtual environment. What does not currently exist is a mechanism for the NDDPI to calculate for a payment. That was the reason for the Governor making an executive order. This and the subsequent amendments for this purpose alleviate this issue.

Page 4 line 11 outlines the amount of time a “physical school plant” must be providing instruction to be considered a qualified day of instruction.

Section 3 (pg. 4) –

This section is also in relation to the virtual student - it provides a new definition on how a district and NDDPI will be determining attendance for a virtual student. This will be done with academic pacing guides developed by a local school district in compliance with administrative rules adopted by the superintendent of public instruction.

Section 4 (pgs. 4-5)

This section brings in a clear differentiation of a “physical school plant” vs simply using school to provide clarity on when it is a “physical school plant” or a “virtual school”. This section handles school calendar and clarifies that regardless of the modality of instruction the schools will follow the same calendar.

Section 5 (pg. 5)

Similarly, to section 4, this is also in the school approval section with regard to a “physical school plant” abiding by all health, safety and sanitation requirements.

Section 6 (pg. 5)

This section introduces a new section of chapter 15.1-07 of century code giving school boards or governing boards of a non-public school with a physical school plant in ND to adopt a policy to allow students to engage in virtual instruction. This allows those public-school students to qualify for Average Daily Membership (ADM) in the school funding formula. This section also requires a legislative report of student academic performance metrics of participating virtual students to legislative management.

Section 7 (pg. 5)

This codifies current REA practice into law whereby regional education associations can offer services to schools outside of its REA boundary.

Section 8 – (pgs. 5-6)

This section outlines new teacher license requirements. This adjustment may require an adjustment in higher education to respond to such requirements. This ensures adequate instruction in research-based best practices in reading instruction. This also requires that elementary education teacher licenses include at least 9 semester hours focused on particular components of reading instruction, and that secondary teachers have at least 3 semester hours.

Section 9 – (pgs. 6-7)

This section clarifies compulsory attendance of students at our schools. The former language seemed to indicate that those students had to be in physical attendance at a school – this adjustment recognizes that the child attends the school (even if that attendance might be virtual as with the center for distance education or in a virtual course offered by that district).

Section 10 – (pgs. 7-8)

This section adds requirements on current and future teachers and principals for K-3 to be trained on a particular criterion ensuring a process and progression of instruction to move the needle on reading performance with our students in grades K-3. This PD needs to be completed or mastery in those competencies certified by the end of the 2022-23 school year.

Section 11 (pgs. 8-14)

This section is a result of the work on weighting factors completed during the interim. This section sets the baseline for the weighted student unit. The adjustments to the weighted student unit are impacting districts with an ADM of 245 and lower. The cost is neutral as the reductions in funds to the transition minimum districts cover this cost. The weighting factors are adjusted slowly over a 6 year period by an increase of fourteen and twenty-nine hundredths percent each year. **Cost of \$7.6 million**

This section also removes the 92% portion of the factor bringing K6/K8 districts on the formula (leaving the .60 calculation) leaving their entrance onto the formula as a “no-harm” move onto the formula. (Lines 29-30 on page 13)

Section 12 (pgs. 14-28)

This section addresses the transition maximum districts and their 6 year walk onto the formula. The transition maximum districts are generally our airbase schools and our Native American schools. (Areas with low property tax valuation). There is a larger movement onto the formula in the first two years of the integration which will bring most of the transition maximum districts onto the formula in just a couple years. (through page 21). 5% increase in transition maximum which was already in statue is a cost of \$5.7 million. The 15% increase to get transition maximum school on the formula in 6 years \$3.4 million

Pages 21-28 then establish the new baseline funding for those districts after June 30, 2025. (after all transitions have taken place)

Section 13

This section clarifies the Average Daily Management calculation. It outlines that at both a “physical school plant” following the hours requirement as well as the virtual student who would follow the pacing guide definition for attendance both qualify for no more than a 1.00 average daily membership. That membership can also be prorated for a student enrolled less than full time.

Section 14

This section is the open-enrollment section of code and the adjustment is specific to the virtual student. These students are NOT permitted top open enroll outside of their resident district UNLESS the reside district and receiving district can arrive at a cost-sharing agreement for that student.

Section 15 –

This is the section of the bill relative to the ongoing study of school funding during the interim with a focus on:

- Review of districts that have two k12 buildings within their district, or may have used untraditional bonding methods to build a school building
- An analysis of high cost students
- Human resource allocations within our schools,
- Data relevant to students participating in virtual learning.

Section 16 includes the appropriation for the K12 Coordination Council \$260,000 to run the K-12 Coordination Council for the next biennium.

Section 17 – includes the appropriation for the 1% / 1% per pupil increase.

Which increases the per pupil payment from \$10,036 to \$10,136 for the 21-22 school year and \$10,236 for the 22-23 school year with a total cost of \$34.56 million. This amount would come out of the Foundation Aid Stabilization Fund.

Section 18 – includes a delayed implementation date of section 8 (higher education implementation of reading instruction) to July 1, 2022 to take into consideration students

moving into their senior year. They will be covered with PD offered by school districts if hired as a K-3 teacher.



1 HB 1388 – Funding Formula

2 NDCEL Testimony in Support

3 Chairman Holmberg, and members of the Senate Appropriations Committee, for the record, my
4 name is Dr. Aimee Copas. I serve as the Executive Director for the ND Council of Educational
5 Leaders representing all our K12 school administrators, directors and school leaders.

6 HB 1388 is the result of much work done over the past 4 years with the K12 funding formula to
7 ensure the bill is supporting schools appropriately and also getting to legislative intent in getting
8 all schools on the formula and support in a common way on the formula. 4 district superintendents
9 and 1 business manager from the NDCEL Legislative Focus Group were invited to assist the
10 interim committee in their study this past session.

11 This bill continues to acknowledge challenges within our school funding model upholding last
12 session's work on getting schools to on-time funding while caring for our declining enrollment
13 districts, an attempt at increasing the per-pupil payment, and it does also encapsulates the work
14 done during the interim on the K12 weighting factors.

15 Ensuring that there is the per-pupil increase at least in the amount proposed in the original version
16 of this bill as well as in this amended version before you is critically important. Each year,
17 experienced a myriad of challenges along with that, including for example, increasing staffing
18 costs by honoring contracts already in place, increased costs due to behavioral and mental health
19 challenges, many districts with increasing enrollment and still experiencing a funding mechanism
20 that doesn't yet completely recognize those students until the next year.

21 While the 1% per pupil payment increase each year doesn't solve all the problems it is a much-
22 needed shot in the arm of school district funding especially as it relates to staffing. With the
23 discussions surrounding the ESSER funds, it is important that all legislators remain cognoscente
24 that the ESSER funds are one-time federal dollars. It is the intention of our school leaders to target
25 that money directly toward acceleration of learning, property tax relief and debt reduction through

*NDCEL is the strongest unifying voice representing and supporting administrators and educational leaders in pursuit of quality education
for all students in North Dakota.*

Executive Director: Aimee Copas-----Assistant Director: Russ Ziegler



1 infrastructure and completion of deferred maintenance projects to the extent that it can positively
2 impact a community. However, as with other one-time funding, school districts should not
3 negotiate or give raises with those dollars. Once these funds are gone, they are gone. Hence, the
4 1%/1% per pupil increase is the mechanism by which school boards will be able to provide the
5 well-deserved pay increases to their teachers. Furthermore, to appropriately continue to walk
6 transition minimum districts to the formula, it is critical that the per-pupil amount continues to
7 grow as was the intent back in 2013. The projected inflationary increase for the United States for
8 2021 is 2.24%, hence the 1%, 1% will be vital to the ongoing operations of our schools.

9 As I just mentioned, this bill continues to move in the modality agreed upon last session to move
10 the 94 transition minimum districts to be on the formula. I hope we can all continue to recognize
11 that this will be very challenging for these districts. The weighting factor work has been a heavy
12 lift but an important one. As mentioned, the bill reflects the 7-year goal with the weighting factors
13 showing an increase for districts with fewer than 245 students. This has the most dramatic impact
14 on the transition minimum districts. This is taking no new money for the state as the 15% reduction
15 in transition minimum line represents the funds used to fuel the weighting factor adjustments.
16 Furthermore, the work done in this bill to support the transition maximum districts is helpful to
17 them as well and carves for them a pathway to being fully on the formula. Furthermore, as Senator
18 Schaible stated, the \$34M to fund the 1%/1% increase comes from the Foundation Aid
19 Stabilization Fund this session.

20 We ask that this committee strongly support this bill and the per pupil increase for the upcoming
21 biennium.

Consideration for School Finance Bill 1388

Put forward by Midkota Public School District #7

In 1992, the communities of Binford, Glenfield, Grace City, McHenry, and Sutton came together to form Midkota Public School District #07. The communities took on this blending of school districts to provide a stronger, more effective school district intent on offering the best possible education for their students. Although there have been challenges, the communities have become unified in their support of Midkota. The love of their students and their school is unparalleled.

I have worked in many school districts over the course of my 19 years in North Dakota Public Education. I believe with my whole heart that Midkota is beyond a doubt, the best school in the state of North Dakota. The community of Midkota invests in relationships, they advocate for the hurting, they celebrate each other, and the result is unmatched. We would love to host anyone who would be interested in seeing how this community comes together to provide amazing opportunities for every student.

Inevitably, the cost to run two school plants is higher than one. Midkota works to cut down on costs, but too many cost cutting measures impede student opportunities. The community has not hesitated to support the school when needed and has raised local contributions in order to continue providing vital educational opportunities for all students.

However, the way the funding formula stands, the school district will be forced to find additional cost cutting measures that have the potential to restrict student opportunities. I would ask that the increased costs of small school districts required to operate out of two school plants be taken into consideration for HB 1388.

Elementary Building: Binford, North Dakota: current enrollment for grades PK-6 is 99
High School Building: Glenfield, North Dakota: current enrollment for grades 7-12 is 77
Neither building is large enough to house both the high school and the elementary.
Distance between the two buildings= 20.4 miles

Efforts to be cost efficient include:

- 60% Superintendent
- Consolidation of athletics with neighboring school district.
- Sharing a counselor with neighboring district.
- Sharing staff when possible between buildings.
- Bus route exchange points between buildings.

In 2018 Midkota added on to the existing building in Glenfield in order to remove an older part of the structure that was becoming hazardous. With the addition of four classrooms, a media center, two itv rooms, a staff work room and the counselors office, the community invested in the future of their students. The community continues to support innovative initiatives and plan for the future. The school board invited Dr. Jeff Schatz in 2019 to lead the school and stakeholders in a strategic planning process that continues to guide district goals and progress. Midkota Public School is an innovative and progressive school district with incredible involvement and support from its community. We would humbly ask that you would consider adding a weighting factor to the formula in SB1388 that will help schools like ours who operate out of two plants out of necessity. Thank you for your time.

Sincerely,

Sara Bilden
Superintendent Midkota Public School

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1388
4/1/2021
Senate Appropriations Committee

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates.

Chairman Holmberg opened the hearing 8:02 a.m.

Senators present: **Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.**

Discussion Topics:

- **Update on Bills and Sub-Committees**

Senator Poolman – gave an update on HB 1388.

Senator Erbele - gave an update Historical Society (HB 1018).

Senator Sorvaag – Game and Fish (HB 1017) update; Water Commission (HB 1020) update

Senator Hogue – gave update on WSI (HB 1021) sub-committee.

Senator Bekkedahl – gave update on RIO (HB 1022)

Senator Hogue updated the committee on (HB 1035) Uniform Juvenile Court Act.

HB 1233 – waiting for recommended amendment

HB 1246 – **Senator Rust** is waiting for an amendment – attaching the Air Force base to the bill.

Chairman Holmberg closed the hearing at 8:29 a.m.

Skyler Strand, Committee Clerk

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1013 and 1388

4/5/2021

Senate Appropriations Department of Public Instruction Sub-Committee

HB 1013: A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the state library, the school for the deaf, and the North Dakota vision services - school for the blind; to amend and reenact sections 15.1-02-02, 15.1-02-16, 15.1-06-19, and 15.1-27-16 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction, credentialing, school counselors, and administrative cost-sharing for cooperating districts; to provide for a transfer; to provide an exemption; to provide for a legislative management study; to provide for reports; and to provide an expiration date.

HB 1388: A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Senator Poolman opened the hearing at 10:30 a.m.

Senators present: **Holmberg, Poolman, and Heckaman.**

Discussion Topics:

- Companion Bills Impact
- ESSER Funds
- Amendment Considerations

Sheila Sandness, Fiscal Analyst, Legislative Council, goes over impact of HB 1388

Kirsten Baesler, State Superintendent, answers questions of the sub-committee

Senator Poolman closed the hearing at 11:17 a.m.

Rose Laning, Committee Clerk

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1388 (& HB 1013)
4/7/2021
Dept. of Public Instruction Sub-committee

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, the education foundation aid funding formula transition maximum and payment rates, student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars.

Senator Poolman opened the hearing at 3:05 PM.

Senators present: **Poolman, Holmberg and Heckaman.**

Discussion Topics:

- Amendment

HB 1388 –

Senator Poolman presented and explained amendment LC 21.0866.03007 - #11436.

Senator Holmberg moved to Do Pass as Amended on HB 1388.

Senator Heckaman second.

Voice vote –

Senator Poolman – Y

Senator Holmberg – Y

Senator Heckaman – Y

Motion passed.

Senator Poolman closed the hearing at 3:31 PM.

Rose Laning, Committee Clerk

April 6, 2021

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

In lieu of the amendments adopted by the Senate as printed on pages 1060 through 1066 of the Senate Journal, Reengrossed House Bill No. 1388 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide a legislative management report"

Page 1, line 5, replace "provide an appropriation" with "provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "~~An individual employed as a public school principal;~~" and insert immediately thereafter "and"

Page 2, line 17, after "~~(5)~~" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection

does not apply if the reason for the withdrawal is the child's relocation to another school district.

3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;

- b. Has integrated reading instruments used to diagnose reading development and comprehension; and
- c. Has integrated evidence-based resources to support reading development and comprehension.
- 5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
- 6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
- 7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, after line 24, insert:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or

- b. One thousand fifty hours for middle and high school students.
- 2. For purposes of calculating average daily membership:
 - a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

- 1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
- 2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

- 1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;

- d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly."

Page 23, replace lines 25 through 29 with:

"SECTION 16. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1388

4/8/2021

Senate Appropriations Committee

Relating to membership of the kindergarten through grade twelve education coordination council, adjustments to school district size weighting factors, and the education foundation aid funding formula transition maximum and payment rates.

Senator Holmberg opened the committee work at 8:07 a.m.

Senators present: **Holmberg, Krebsbach, Wanzek, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.** **Senator Bekkedahl** was absent.

Discussion Topics:

- Review Amendments
- Vote

Senator Poolman moved to adopt amendment LC 21.0866.03007; testimony #11449

Senator Heckaman seconded the motion

Senators		Senators	
Senator Holmberg	Y	Senator Hogue	Y
Senator Krebsbach	Y	Senator Oehlke	Y
Senator Wanzek	Y	Senator Poolman	Y
Senator Bekkedahl	A	Senator Rust	Y
Senator Davison	Y	Senator Sorvaag	Y
Senator Dever	Y	Senator Heckaman	Y
Senator Erbele	Y	Senator Mathern	Y

Motion Passed – 13-0-1

Senator Poolman moved to DO PASS AS AMENDED

Senator Heckaman seconded the motion

Senators		Senators	
Senator Holmberg	Y	Senator Hogue	Y
Senator Krebsbach	Y	Senator Oehlke	Y
Senator Wanzek	Y	Senator Poolman	Y
Senator Bekkedahl	A	Senator Rust	Y
Senator Davison	Y	Senator Sorvaag	Y
Senator Dever	Y	Senator Heckaman	Y
Senator Erbele	Y	Senator Mathern	Y

Motion Passed – 13-0-1

Senator Holmberg closed the committee work at 8:10 a.m.

Senate Appropriations Committee
HB 1388
04/08/2021
Page 2

Skyler Strand, Committee Clerk

April 6, 2021

21.0866.03007

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

In lieu of the amendments adopted by the Senate as printed on pages 1060 through 1066 of the Senate Journal, Reengrossed House Bill No. 1388 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07" .

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide for a legislative management report"

Page 1, line 5, replace "provide an appropriation" with "provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "~~An individual employed as a public school principal;~~" and insert immediately thereafter "and"

Page 2, line 17, after "(5)" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

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SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

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SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure that the child is ~~in attendance at~~ attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure that the child is ~~in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection

does not apply if the reason for the withdrawal is the child's relocation to another school district.

3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;

- 5 of 10
- b. Has integrated reading instruments used to diagnose reading development and comprehension; and
 - c. Has integrated evidence-based resources to support reading development and comprehension.
5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, replace lines 25 through 29 with:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or

- 6 of 8
- b. One thousand fifty hours for middle and high school students.
2. For purposes of calculating average daily membership:
- a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.


SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

- 1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
- 2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

- 1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;

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- d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly.

SECTION 16. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1388, as reengrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Reengrossed HB 1388, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the Senate as printed on pages 1060 through 1066 of the Senate Journal, Reengrossed House Bill No. 1388 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide for a legislative management report"

Page 1, line 5, replace "provide an appropriation" with "provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "~~An individual employed as a public school principal;~~" and insert immediately thereafter "and"

Page 2, line 17, after "~~(5)~~" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 8. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

- 1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the

- acquisition of knowledge of the essential components of beginning reading instruction, including:
- a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
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2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
 3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
 4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~ attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.
3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and
 - c. Has integrated evidence-based resources to support reading development and comprehension.
5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.

7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

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Page 23, replace lines 25 through 29 with:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

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

membership may be prorated for a student who is enrolled less than full time.

- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;
 - d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly.

SECTION 16. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

21.0866.03007
Title.

Prepared by the Legislative Council staff for
Senator Poolman

April 6, 2021

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

In lieu of the amendments adopted by the Senate as printed on pages 1060 through 1066 of the Senate Journal, Reengrossed House Bill No. 1388 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, after the first comma insert "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide a legislative management report"

Page 1, line 5, replace "provide an appropriation" with "provide an effective date"

Page 2, line 14, remove "and"

Page 2, line 16, remove the overstrike over "~~An individual employed as a public school principal;~~" and insert immediately thereafter "and"

Page 2, line 17, after "~~(5)~~" insert "(4)"

Page 3, after line 29, insert:

"SECTION 2. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 3. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 4. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 5. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 6. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 7. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

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1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
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 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must complete at least nine semester hours of reading which include a focus on the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must complete at least three semester hours of reading in the content area to be taught which includes a focus on vocabulary, comprehension, and writing.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection

does not apply if the reason for the withdrawal is the child's relocation to another school district.

3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 10. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;

- b. Has integrated reading instruments used to diagnose reading development and comprehension; and
- c. Has integrated evidence-based resources to support reading development and comprehension.
- 5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
- 6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
- 7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 23, after line 24, insert:

"SECTION 13. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

- 1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or

- b. One thousand fifty hours for middle and high school students.
- 2. For purposes of calculating average daily membership:
 - a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 14. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

- 1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
- 2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

- 1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;

- d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly."

Page 23, replace lines 25 through 29 with:

"SECTION 16. EFFECTIVE DATE. Section 8 of this Act becomes effective on July 1, 2022."

Renumber accordingly

2021 CONFERENCE COMMITTEE

HB 1388

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/20/2021
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 9:30 a.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes
- Esser funding

Chairman David Monson adjourned the meeting at 10:00 a.m.

Klarissa Pudwill, Committee Clerk

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/21/2021
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 2:30 p.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes
- Coordination Council
- Virtual school

Additional written testimony: #11599, #11603

Chairman David Monson adjourned the meeting at 3:27 p.m.

Klarissa Pudwill, Committee Clerk

Department of Public Instruction - Budget No. 201
House Bill No. 1013
Base Level Funding Changes

	House Version				Senate Version				Senate Changes to House Version Increase (Decrease) - House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	89.25	\$1,721,161,137	\$812,553,743	\$2,533,714,880	89.25	\$1,721,161,137	\$812,553,743	\$2,533,714,880	0.00	\$0	\$0	\$0
2021-23 Ongoing Funding Changes												
Base payroll changes			\$2,878	\$2,878			\$2,878	\$2,878				\$0
Salary increase		\$125,879	278,342	404,221		132,550	287,955	420,505		6,671	9,613	16,284
Retirement contribution increase				0				0				0
Health insurance increase		1,387	2,942	4,329		1,387	2,942	4,329				0
Transfers 3 FTE positions and related salaries of \$600,000 and operating expenses of \$100,000 to the Department of Human Services pursuant to House Bill No. 1416	(3.00)	(300,000)	(400,000)	(700,000)	(3.00)	(300,000)	(400,000)	(700,000)				0
Adjusts funding for professional fees related to school approval		(1,112,000)	1,112,000	0		(1,012,000)	1,012,000	0		100,000	(100,000)	0
Reduces funding for other professional fees		(83,293)		(83,293)		(83,293)		(83,293)				0
Increases funding for information technology fees		288,000		288,000		288,000		288,000				0
Adds funding for Microsoft Office 365 licensing expenses		2,495		2,495		2,495		2,495				0
Adds funding for proposed Capitol building rent model				0				0				0
Removes funding for ACT testing fees		(780,000)		(780,000)		(780,000)		(780,000)				0
Adjusts funding for the cost to continue integrated formula payments		(16,868,441)		(16,868,441)		(16,868,441)		(16,868,441)				0
Adjusts funding for state school aid formula changes pursuant to House Bill No. 1388		12,036,512		12,036,512		16,716,012	34,300,000	51,016,012		4,679,500	34,300,000	38,979,500
Adds funding related to the fiscal impact of increased participation in summer school related to House Bill No. 1436		1,300,000		1,300,000		1,300,000		1,300,000				0
Adds funding related to the fiscal impact of House Bill No. 1246 related to eliminating the deduction of tuition paid with federal impact aid		3,700,000		3,700,000		3,700,000		3,700,000				0
Adjusts the funding source for integrated formula payments to increase funding from the state tuition fund/common schools trust fund to provide a total of \$433 million		(55,256,000)	55,256,000	0		(55,256,000)	55,256,000	0				0
Increases funding for special education contract grants to provide a total of \$27 million from the general fund		3,000,000		3,000,000		3,000,000		3,000,000				0

Increases funding for transportation aid grants pursuant to House Bill No. 1027				0		1,600,000		1,600,000		1,600,000		1,600,000	
Increases funding from federal funds related to a comprehensive literacy development grant		25,676,188		25,676,188			25,676,188	25,676,188				0	
Removes funding for the program grant pool. The House adjusted funding for the program grant pool to provide a total of \$900,000	(600,000)			(600,000)		(600,000)		(600,000)				0	
Increases funding for adult education matching grants to provide a total of \$5 million	600,000			600,000		600,000		600,000				0	
Adds funding for advanced placement testing previously included in the program grant pool				0				0				0	
Adds funding for family engagement previously included in the program grant pool				0				0				0	
Increases funding for leadership professional development to provide a total of \$325,000 from the general fund				0				0				0	
Removes funding for leadership professional development	(200,000)			(200,000)		(200,000)		(200,000)				0	
Reduces funding for teacher mentoring grants to provide ongoing funding of \$1,806,899 from the general fund				0				0				0	
Adjusts funding for other passthrough grants	(110,700)			(110,700)		(110,700)	154,000	43,300		154,000		154,000	
Adjusts funding for combined program grants and passthrough grants and provides funding from special funds available from carryover	(10,233,064)	10,233,064		0		(10,233,064)	10,233,064	0				0	
Reduces funding for PowerSchool to provide a total of \$5,250,000 from the general fund	(250,000)			(250,000)		(250,000)		(250,000)				0	
Increases funding for national board certification to provide a total of \$176,290	68,290			68,290		68,290		68,290				0	
Total ongoing funding changes	(3.00)	(\$64,670,935)	\$92,161,414	\$27,490,479		(3.00)	(\$58,284,764)	\$126,525,027	\$68,240,263	0.00	\$6,386,171	\$34,363,613	\$40,749,784
One-time funding items													
Adds one-time funding from the foundation aid stabilization fund to increase teacher mentoring support to provide a total of \$4,806,899, of which \$1,806,899 is ongoing funding				\$0				\$0				\$0	
Increases federal funding authority for elementary and secondary school emergency relief (ESSER) funds provided through the federal CARES Act and continued to the 2021-23 biennium, including operating expenses (\$2.5 million) and grants (\$25 million)				0				0				0	

Adjusts the funding source for integrated formula payments to provide additional one-time funding from the foundation aid stabilization fund for integrated formula payments, for a total of \$193 million from the foundation aid stabilization fund				0			0				0
Adds one-time funding from special funds available from carryover for a science experiment development grant			\$13,500,000	13,500,000			13,500,000	13,500,000			0
Adds one-time funding for STARS maintenance				0		200,000		200,000		200,000	200,000
Adds one-time funding from federal funds provided through the American Rescue Plan Act of 2021				0			305,266,879	305,266,879		305,266,879	305,266,879
Total one-time funding changes	0.00	\$0	\$13,500,000	\$13,500,000	0.00	\$200,000	\$318,766,879	\$318,966,879	0.00	\$200,000	\$305,266,879
Total Changes to Base Level Funding	(3.00)	(\$64,670,935)	\$105,661,414	\$40,990,479	(3.00)	(\$58,084,764)	\$445,291,906	\$387,207,142	0.00	\$6,586,171	\$339,630,492
2021-23 Total Funding	86.25	\$1,656,490,202	\$918,215,157	\$2,574,705,359	86.25	\$1,663,076,373	\$1,257,845,649	\$2,920,922,022	0.00	\$6,586,171	\$339,630,492
<i>Total ongoing changes as a percentage of base level</i>	(3.4%)	(3.8%)	11.3%	1.1%	(3.4%)	(3.4%)	15.6%	2.7%			
<i>Total changes as a percentage of base level</i>	(3.4%)	(3.8%)	13.0%	1.6%	(3.4%)	(3.4%)	54.8%	15.3%			

Other Sections in Department of Public Instruction - Budget No. 201

	House Version	Senate Version
Tuition apportionment	Section 3 provides that any money available in the state tuition fund in excess of the \$433,020,000 appropriated in Section 1 of the bill is appropriated to DPI for distribution to school districts. (This section was part of the base budget.)	Section 3 provides that any money available in the state tuition fund in excess of the \$433,020,000 appropriated in Section 1 of the bill is appropriated to DPI for distribution to school districts.
Foundation aid stabilization fund	Section 4 identifies \$110 million included in the estimated income line item of Section 1 is provided from the foundation aid stabilization fund for integrated formula payments. (This section was part of the base budget.)	Section 4 is amended to identify \$144.3 million included in the estimated income line item of Section 1 is provided from the foundation aid stabilization fund for integrated formula payments.
Payments for 2019-21 biennium special education services	Section 5 provides that DPI may use money appropriated for integrated formula payments and special education contracts for the 2021-23 biennium to pay claims due during the 2019-21 biennium, but not filed with the department until the 2021-23 biennium. Claims related to the 2019-21 biennium must be filed by June 30, 2022. (This section was part of the base budget.)	Section 5 provides that DPI may use money appropriated for integrated formula payments and special education contracts for the 2021-23 biennium to pay claims due during the 2019-21 biennium, but not filed with the department until the 2021-23 biennium. Claims related to the 2019-21 biennium must be filed by June 30, 2022.

Other Sections in Department of Public Instruction - Budget No. 201

	House Version	Senate Version
Gifted and talented program funding and Medicaid matching grants	Section 6 provides that DPI use \$800,000 of the 2021-23 legislative appropriation for integrated formula payments for reimbursing school districts or special education units for gifted and talented programs. The department is to encourage cooperative efforts for gifted and talented programs among school districts and special education units. The section also provides state school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the Medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by DPI to the Department of Human Services on behalf of the school district or unit. (This section was part of the base budget.)	Section 6 provides that DPI use \$800,000 of the 2021-23 legislative appropriation for integrated formula payments for reimbursing school districts or special education units for gifted and talented programs. The department is to encourage cooperative efforts for gifted and talented programs among school districts and special education units. The part of the section that provides state school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the Medicaid program is moved to Section 7.
Medicaid matching funding - School approval - Withholding and distribution		Section 7 is added to provide state school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the Medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by DPI to the Department of Human Services on behalf of the school district or unit. This language was moved from Section 6. In addition, this section authorizes the department to withhold funds required to be paid by school districts for school approval.
Transportation grants - Distribution	Section 7 provides guidelines for the distribution of transportation grants. (This section was part of the base budget.) The House also approved House Bill No. 1027 which codifies the distribution of student transportation aid payments.	Section 8 provides guidelines for the distribution of transportation grants. The House and Senate also approved House Bill No. 1027 which codifies the distribution of student transportation aid payments.
Condition on appropriation - Program and passthrough grants line item	Section 8 precludes federal funds from being used for adult education matching grants, school food services matching grants, program grant pool initiatives, and the mentoring program.	Section 9 precludes federal funds from being used for adult education matching grants, school food services matching grants, program grant pool initiatives, and the mentoring program.
Regional education association grants	Section 9 provides for the distribution of up to \$500,000 from the integrated formula payments line item for the purpose of providing annual grants to regional education associations during the 2021-23 biennium. (This section was part of the base budget.)	Section 10 provides for the distribution of up to \$500,000 from the integrated formula payments line item for the purpose of providing annual grants to regional education associations during the 2021-23 biennium.
Postsecondary transitional grant program funding		Section 11 is added to authorize the Superintendent of Public Instruction to provide funding from the integrated formula payments line item for postsecondary transitional programs.
Use of new money - Non-Administrative personnel compensation - Report to Legislative Management		Section 12 is added to require school districts to use 70 percent of increased funding for integrated formula payment for compensation increases for non-administrative personnel.
K-12 Education Coordination Council funding restriction		Section 13 is added to provide \$260,000 provided from the general fund may only be used for the operations of the K-12 Education Coordination Council.

Other Sections in Department of Public Instruction - Budget No. 201

	House Version	Senate Version
Indirect cost allocation	Section 10 provides that, notwithstanding Section 54-44.1-15, DPI may deposit indirect cost recoveries in its operating account. Section 54-4.1-15 otherwise provides that indirect cost recoveries be deposited in the general fund. (This section was part of the base budget.)	The section related to indirect cost recoveries is removed and language is added to Section 13 regarding general educational development (GED) fees and displaced homemaker deposits into the public instruction fund.
Fees deposited into the public instruction fund	Section 11 provides any money collected for GED fees and displaced homemakers deposits, must be deposited in the public instruction fund in the state treasury and may be spent subject to appropriation by the Legislative Assembly.	Section 14 is amended to provide that in addition to indirect cost recoveries, any money collected for GED fees and displaced homemakers deposits, must be deposited in the public instruction fund in the state treasury and may be spent subject to appropriation by the Legislative Assembly.
Exemption - Transfer - Public instruction fund	Section 12 provides if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item in subdivision 1 of Section 1 of Chapter 38 of the 2019 Session Laws, the Office of Management and Budget must continue \$23,733,064 and transfer the funding to the public instruction fund for the purpose of providing program and passthrough grants during the 2021-23 biennium.	Section 15 provides if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item in subdivision 1 of Section 1 of Chapter 38 of the 2019 Session Laws, the Office of Management and Budget must continue \$23,887,064 and transfer the funding to the public instruction fund for the purpose of providing program and passthrough grants during the 2021-23 biennium.
Exemption - Dyslexia screening pilot program	Section 13 provides if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item in subdivision 1 of Section 1 of Chapter 38 of the 2019 Session Laws, up to \$250,000 must be continued into the 2021-23 biennium to continue a dyslexia screening pilot program.	Section 16 provides if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item in subdivision 1 of Section 1 of Chapter 38 of the 2019 Session Laws, up to \$250,000 must be continued into the 2021-23 biennium to continue a dyslexia screening pilot program.
Exemption - State automated reporting system rewrite		Section 17 is added to provide up to \$600,000 of the unexpended amount remaining from the one-time appropriation from the foundation aid stabilization fund for the state automated reporting system (STARS) rewrite, as authorized in subdivision 1 of section 1 of chapter 38 of the 2019 Session Laws, is not subject to the provisions of section 54-44.1-11 at the end of the 2019-21 biennium, and may be continued into the 2021-23 biennium for the purpose of continuing the STARS rewrite.
Salary of the Superintendent of Public Instruction	Section 16 amends Section 15.1-02-02 to provide the statutory changes to increase the Superintendent of Public Instruction's salary. The Superintendent's annual salary would increase from the current level of \$125,880 to \$127,768, effective July 1, 2021, and to \$129,685, effective July 1, 2022, to reflect a a 1.5 percent salary increase each year of the biennium.	Section 20 amends Section 15.1-02-02 to provide the statutory changes to increase the Superintendent of Public Instruction's salary. The Superintendent's annual salary would increase from the current level of \$125,880 to \$127,768, effective July 1, 2021, and to \$130,323, effective July 1, 2022, to reflect a 1.5 percent salary increase in the 1st year of the biennium and a 2 percent salary increase in the 2nd year of the biennium.
School health technician certificate	Section 17 amends Section 15.1-02-16 to allow the Superintendent of Public Instruction to develop a certificate for school health technicians.	Section 21 amends Section 15.1-02-16 to allow the Superintendent of Public Instruction to develop a certificate for school health technicians.

Other Sections in Department of Public Instruction - Budget No. 201

	House Version	Senate Version
Elementary school counselors	Section 18 amends Section 15.1-06-19 related to school counselors to require each school district have one school counselor for every 300 students in kindergarten through grade 6.	A section amending Section 15.1-06-19 related to school counselors to require each school district have one school counselor for every 300 students in kindergarten through grade 6 is removed.
Reimbursement for administrative cost-sharing	Section 19 amends Section 15.1-27-16 to provide reimbursement for administrative cost-sharing.	Section 22, which amends Section 15.1-27-16 to provide reimbursement for administrative cost-sharing, is amended to allow administrative cost-sharing reimbursement for special education units.
Legislative Management study - School construction funding	Section 20 provides for a Legislative Management study of the feasibility and desirability of using up to 1 percent of common schools trust fund assets annually to be used for school construction grants.	Section 23 provides for a Legislative Management study of the feasibility and desirability of using up to 1 percent of common schools trust fund assets annually to be used for school construction grants.
Learning loss, accelerated learning recovery, ESSER funds - Report to Legislative Management	Section 21 requires the Superintendent of Public Instruction to collect school district reports regarding learning loss and gaps, school district plans to accelerate learning recovery, and uses of ESSER funding and to report to the Legislative Management.	Section 24 requires the Superintendent of Public Instruction to collect school district reports regarding learning loss and gaps, school district plans to accelerate learning recovery, and uses of ESSER funding and to report to the Legislative Management.
Expiration - Administrative cost-sharing	Section 22 provides administrative cost-sharing reimbursment is effective through June 30, 2024.	Section 25 provides administrative cost-sharing reimbursment is effective through June 30, 2024.
Emergency clause		Section 26 is added to provide federal funding provided through the American Rescue Plan Act of 2021, totaling \$305,266,879, and appropriated in subdivision 1 of section 1 of the Act is declared to be an emergency measure.
State school aid program		
Grants - Passthrough grants distribution		
Foundation aid stabilization fund transfer		
State school aid formula changes		

HB1388

**SECTION 1. KINDERGARTEN THROUGH GRADE TWELVE COORDINATION COUNCIL STUDY-
COMPOSITION, DUTIES, AND TERM LIMITS- REPORT TO LEGISLATIVE MANAGEMENT.**

During the 2021-23 interim, the kindergarten through grade twelve coordination council shall study its membership composition, duties, and term limits. The kindergarten through grade twelve coordination council shall report the findings and recommendations of the study, including any proposed legislation necessary to implement the recommendations, to the legislative management.

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/22/2021
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 3:05 p.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes
- Virtual school
- Per pupil payments
- Adding a study

Adam Tescher, School Finance Officer for DPI (3:17 p.m.) testified neutrally.

Kirsten Baesler, State Superintendent (3:33 p.m.) testified neutrally.

Chairman David Monson adjourned the meeting at 4:01 p.m.

Klarissa Pudwill, Committee Clerk

**2021 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. 1388 as engrossed

House Conference Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☐ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Representatives	4/20	4/21	4/22	Yes	No		Senators	4/20	4/21	4/22	Yes	No
Chairman Monson	P	P	P				Chairman Schaible	P	P	P		
Representative Sanford	P	P	P				Senator Elkin	P	P	P		
Representative Owens	P	P	P				Senator Oban	P	P	P		
Total Rep. Vote							Total Senate Vote					

Vote Count Yes: _____ No: _____ Absent: _____

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/23/2021
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 9:32 a.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes
- Reorganizing 4 school districts
- Adding a sunset
- K-12 Coordination Council study
- School conventions

Adam Tescher, School Finance Officer for DPI (9:35 a.m.) testified neutrally.

Senator Schaible (9:56 a.m.) explained proposed amendments. Testimony #11626

Representative Mark Sanford (10:16 a.m.) explained a proposed amendment. Testimony #11627

Chairman David Monson adjourned the meeting at 10:30 a.m.

Klarissa Pudwill, Committee Clerk

3010V

#11626

Sixty-seventh
Legislative Assembly

1 ~~school district size weighting factor determined under subsection 2 by ninety-two~~
2 ~~percent.~~

3 4. The school district size weighting factor determined under this section and multiplied
4 by a school district's weighted average daily membership equals the district's weighted
5 student units. For school districts that operate multiple kindergarten through grade
6 twelve buildings at least twenty miles [32.19 kilometers] apart, or multiple buildings at
7 least twenty miles [32.19 kilometers] apart with no replicated grades, the
8 superintendent of public instruction shall determine the school size weighting factor for
9 each building separately. The superintendent of public instruction shall multiply the
10 school size weighting factor for each building by the school district's weighted average
11 daily membership to determine each building's weighted student units. The
12 superintendent of public instruction shall combine the weighted student units of all
13 buildings in the school district to determine the school district's weighted student units.

14 4.5. Notwithstanding the provisions of this section, the school district size weighting factor
15 assigned to a district may not be less than the factor arrived at when the highest
16 number of students possible in average daily membership is multiplied by the school
17 district size weighting factor for the subdivision immediately preceding the district's
18 actual subdivision and then divided by the district's average daily membership.

19 **SECTION 12. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid. (Effective**
22 **through June 30, 2025)**

- 23 1. To determine the amount of state aid payable to each district, the superintendent of
24 public instruction shall establish each district's baseline funding. A district's baseline
25 funding consists of:
- 26 a. All state aid received by the district in accordance with chapter 15.1-27 during the
27 2018-19 school year;
 - 28 b. An amount equal to the property tax deducted by the superintendent of public
29 instruction to determine the 2018-19 state aid payment;
 - 30 c. An amount equal to seventy-five percent of the revenue received by the school
31 district during the 2017-18 school year for the following revenue types:

3008 ✓

Sixty-seventh
Legislative Assembly

- 1 b. Phonics;
- 2 c. Fluency;
- 3 d. Vocabulary;
- 4 e. Comprehension;
- 5 f. How to assess student reading ability; and
- 6 g. How to identify and correct reading difficulties.
- 7 2. A prekindergarten, kindergarten, elementary, and special education initial teacher
- 8 licensure candidate must provide evidence that the candidate meets the competency
- 9 standards of the components under subsection 1.
- 10 3. A prekindergarten through grade twelve and a secondary education initial teacher
- 11 licensure candidate must provide evidence that the candidate meets the competency
- 12 standards of the components under subsection 1.
- 13 4. A teacher licensure candidate satisfies the requirements of this section if the candidate
- 14 demonstrates the candidate has received training in competencies related to reading
- 15 instruction from an accredited or approved program, or demonstrates mastery of the
- 16 topics provided under subsection 1. The board may issue a provisional license for up
- 17 to two years to a teacher licensure candidate who does not meet the requirements of
- 18 this section.

19 **SECTION 9. AMENDMENT.** Section 15.1-20-01 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **15.1-20-01. Compulsory attendance.**

- 22 1. Any person having responsibility for a child between the ages of seven and sixteen
- 23 years shall ensure ~~that the child is in attendance at~~ attends a public school for the
- 24 duration of each school year.
- 25 2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the~~
- 26 ~~child is in attendance at~~ attends the public school for the duration of each school year.
- 27 The person may withdraw a child of age six from the public school. However, once the
- 28 child is withdrawn, the person may not re-enroll the child until the following school
- 29 year. This subsection does not apply if the reason for the withdrawal is the child's
- 30 relocation to another school district.

- 1 a. A review of school districts that have multiple buildings in the district and districts
- 2 that have built a new building without using traditional bonding methods as a
- 3 result of a multidistrict reorganization;
- 4 b. An analysis of high-cost students, including students who are high cost due to
- 5 special education needs, medical reasons, agency placements, or any other
- 6 reasons that increase the cost to educate the students beyond the state
- 7 threshold;
- 8 c. An ongoing review of the impacts of school districts that are off of the funding
- 9 formula as they transition onto the formula;
- 10 d. An analysis of human resource allocation and the duties and needs in elementary
- 11 and secondary school buildings with a targeted focus on student academic
- 12 health, behavioral health, and social and emotional health; and
- 13 e. A review of student performance data relevant to students participating in virtual
- 14 learning.
- 15 2. The legislative management shall report its findings and recommendations, together
- 16 with any legislation required to implement the recommendations to the sixty-eighth
- 17 legislative assembly.

18 **SECTION 16. EFFECTIVE DATE.** Section 8 of this Act becomes effective on July 1, 2022.

19 **SECTION 17. EMERGENCY.** Section 13 of this Act is declared to be an emergency

20 measure.

2009 ✓

Sixty-seventh
Legislative Assembly

1 parties with seamless access to state entities that deliver education services and
2 programs.

3 h. Develop and utilize subcommittees as needed.

4 i. Seek advice and input from interested parties not appointed to the council as
5 needed.

6 8. The council shall meet at least four times per calendar year.

7 9. The council shall prepare and present an annual report of council activities to the state
8 board of public school education and to the legislative management.

9 **SECTION 2. AMENDMENT.** Subsection 4 of section 15.1-06-04 of the North Dakota
10 Century Code is amended and reenacted as follows:

11 4. For purposes of this section, a full day of instruction at a physical school plant consists
12 of:

13 a. At least five and one-half hours for kindergarten and elementary students, during
14 which time the students are required to be in attendance for the purpose of
15 receiving curricular instruction; and

16 b. At least six hours for high school students, during which time the students are
17 required to be in attendance for the purpose of receiving curricular instruction.

18 **SECTION 3.** A new subsection to section 15.1-06-04 of the North Dakota Century Code is
19 created and enacted as follows:

20 If a school district intends to provide virtual instruction, the instruction must comply
21 with the requirements under subsection 4. The attendance of students participating in
22 virtual instruction must be verified by monitoring the student's progress on academic
23 pacing guides developed by the school district to ensure students are in attendance
24 and receiving sufficient curricular instruction, as defined in rules adopted by the
25 superintendent of public instruction.

26 **SECTION 4.** A new subsection to section 15.1-06-04 of the North Dakota Century Code is
27 created and enacted as follows:

28 A school district may not schedule student instructional time during the third Thursday
29 or third Friday in October of each school year, both of which are reserved for an
30 elective professional development conference and to aid in the completion of

statewide professional development requirements for teachers, administrators, and other school personnel in the state.

SECTION 5. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:

- (1) Has no unremedied deficiency; or
- (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 6. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~ physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 7. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 8. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

2. Subsection 1 does not preclude a regional education association from offering additional services to its member districts.

HB1388**SECTION 1. KINDERGARTEN THROUGH GRADE TWELVE COORDINATION COUNCIL STUDY-
COMPOSITION, DUTIES, AND TERM LIMITS- REPORT TO LEGISLATIVE MANAGEMENT.**

During the 2021-23 interim, the kindergarten through grade twelve coordination council shall study its membership composition, duties, and term limits. The kindergarten through grade twelve coordination council shall report the findings and recommendations of the study, including any proposed legislation necessary to implement the recommendations, to the legislative management.

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/26/2021
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 9:35 a.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes
- Teacher raises and benefits
- Esser funding
- K-12 Coordinating Council
- Summer school
- Teacher bonuses

Laurie Matzke, Assistant Superintendent Division of Student Support & Innovation (9:51 a.m.) testified neutrally.

Chairman David Monson adjourned the meeting at 10:16 a.m.

Klarissa Pudwill, Committee Clerk

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/27/2021 am
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 9:00 a.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes
- Esser funding

Chairman David Monson adjourned the meeting at 9:17 a.m.

Klarissa Pudwill, Committee Clerk

**2021 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. 1388 as engrossed

House Conference Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☐ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Representatives	4/23	4/26	4/27a	Yes	No		Senators	4/23	4/26	4/27a	Yes	No
Chairman Monson	P	P	P				Chairman Schaible	P	P	P		
Representative Sanford	P	P	P				Senator Elkin	P	P	P		
Representative Owens	P	P	P				Senator Oban	P	P	P		
Total Rep. Vote							Total Senate Vote					

Vote Count Yes: _____ No: _____ Absent: _____

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/27/2021 pm
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 4:00 p.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Base level funding changes

Chairman David Monson adjourned the meeting at 4:04 p.m.

Klarissa Pudwill, Committee Clerk

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1388
4/28/2021
Conference Committee

A BILL for an Act to amend and reenact sections 15.1-27-03.2 and 15.1-27-04.1 of the North Dakota Century Code, relating to adjustments to school district size weighting factors and the education foundation aid funding formula transition maximum and payment rates.

Chairman David Monson called the meeting to order at 3:30 p.m.

Representative	Present	Absent
Chairman Monson	P	
Representative Sanford	P	
Representative Owens	P	
Chairman Schaible	P	
Senator Elkin	P	
Senator Oban	P	

Discussion Topics:

- Esser funding
- Transition maximum

Sheila Sandness (3:32 p.m.) explained a proposed amendment. Testimony #11681

Representative Mark Sanford made a motion for the Senate to recede from the Senate amendments and further amend to remove the increases in the transition maximum.
21.0866.03014

Representative Owens seconded

Roll Call Vote taken:

Motion Carried: 6-0-0

Representative Monson and Senator Schaible will carry the bill.

Chairman David Monson adjourned the meeting at 3:52 p.m.

Klarissa Pudwill, Committee Clerk

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

That the Senate recede from its amendments as printed on pages 1599-1605 of the House Journal and pages 1334-1339 of the Senate Journal and that Reengrossed House Bill No. 1388 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections 15.1-01-04," with "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide for a kindergarten through grade twelve education coordination council study; to provide for a legislative management report"

Page 1, line 4, remove the second "and"

Page 1, line 5, replace "provide an appropriation;" with "provide an effective date; and to declare an emergency"

Page 1, remove lines 7 through 23

Page 2, remove lines 1 through 31

Page 3, replace lines 1 through 29 with:

"SECTION 1. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 2. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 3. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 4. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the schoolsphysical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 5. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 6. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services to ~~its member districts~~.

SECTION 7. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must provide evidence that the candidate meets the competency standards of the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must provide evidence that the candidate meets the competency standards of the components under subsection 1.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 8. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~ attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~ attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.

3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 9. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and

- c. Has integrated evidence-based resources to support reading development and comprehension.
- 5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
- 6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
- 7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 9, line 17, after the period insert "For the 2022-23 school year, for school districts that operate multiple kindergarten through grade twelve buildings at least nineteen miles [30.58 kilometers] apart, or multiple buildings at least nineteen miles [30.58 kilometers] apart with no replicated grades, the superintendent of public instruction shall determine the school size weighting factor for each building separately. The superintendent of public instruction shall multiply the school size weighting factor for each building by the school district's weighted average daily membership to determine each building's weighted student units. The superintendent of public instruction shall combine the weighted student units of all buildings in the school district to determine the school district's weighted student units."

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 13, line 8, replace "fifteen" with "ten"

Page 13, line 10, remove the overstrike over "multiplied"

Page 13, line 10, remove "plus fifteen percent of the difference between the"

Page 13, remove lines 11 through 14

Page 13, line 15, remove "subdivision a of this subsection."

Page 13, line 19, remove the overstrike over "ten"

Page 13, line 19, remove "twenty"

Page 13, line 20, remove the overstrike over "multiplied"

Page 13, line 20, remove "plus thirty percent of"

Page 13, remove lines 21 through 24

Page 13, line 25, remove "under paragraph 1 of subdivision b of this subsection."

Page 13, line 28, replace "twenty" with "ten"

Page 13, line 29, replace "forty-five" with "twenty"

Page 13, line 31, replace "twenty" with "ten"

Page 14, line 6, replace "twenty" with "ten"

Page 14, line 7, replace "sixty" with "forty"

Page 14, line 9, replace "twenty" with "ten"

Page 14, line 15, replace "twenty" with "ten"

Page 14, line 16, replace "seventy-five" with "sixty"

Page 14, line 18, replace "twenty" with "ten"

Page 14, line 24, replace "twenty" with "ten"

Page 14, line 25, replace "ninety" with "eighty"

Page 14, line 27, replace "twenty" with "ten"

Page 15, remove lines 1 through 8

Page 15, line 9, remove "school year"

Page 15, line 9, overstrike the period

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 20, line 10, replace "fifteen" with "ten"

Page 20, line 12, remove the overstrike over "multiplied"

Page 20, line 12, remove "plus fifteen percent of the difference between the"

Page 20, remove lines 13 through 16

Page 20, line 17, remove "subdivision a of this subsection."

Page 20, line 21, remove the overstrike over "ten"

Page 20, line 21, remove "twenty"

Page 20, line 22, remove the overstrike over "multiplied"

Page 20, line 22, remove "plus thirty percent of"

Page 20, remove lines 23 through 26

Page 20, line 27, remove "under paragraph 1 of subdivision b of this subsection."

Page 20, line 30, replace "twenty" with "ten"

Page 20, line 31, replace "forty-five" with "twenty"

Page 21, line 2, replace "twenty" with "ten"

Page 21, line 8, replace "twenty" with "ten"

Page 21, line 9, replace "sixty" with "forty"

Page 21, line 11, replace "twenty" with "ten"

Page 21, line 17, replace "twenty" with "ten"

Page 21, line 18, replace "seventy-five" with "sixty"

Page 21, line 20, replace "twenty" with "ten"

Page 21, line 26, replace "twenty" with "ten"

Page 21, line 27, replace "ninety" with "eighty"

Page 21, line 29, replace "twenty" with "ten"

Page 22, remove lines 3 through 11

Page 23, replace lines 25 through 29 with:

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

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

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

membership may be prorated for a student who is enrolled less than full time.

- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 13. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;
 - d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly.

SECTION 15. KINDERGARTEN THROUGH GRADE TWELVE EDUCATION COORDINATION COUNCIL STUDY - COMPOSITION - DUTIES - TERM LIMITS - REPORT TO LEGISLATIVE MANAGEMENT. During the 2021-22 interim, the

kindergarten through grade twelve education coordination council shall study the membership, duties, and term limits of the council. Before June 1, 2022, the kindergarten through grade twelve education coordination council shall report the findings and recommendations of the study, including any proposed legislation necessary to implement the recommendations, to the legislative management.

SECTION 16. EFFECTIVE DATE. Section 7 of this Act becomes effective on July 1, 2022.

SECTION 17. EMERGENCY. Section 12 of this Act is declared to be an emergency measure."

Renumber accordingly

**2021 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. 1388 as engrossed

House Conference Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☒ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Sanford Seconded by: Representative Owens

Representatives	4/27p	4/28		Yes	No		Senators	4/27p	4/28		Yes	No
Chairman Monson	P	P		X			Chairman Schaible	P	P		X	
Representative Sanford	P	P		X			Senator Elkin	P	P		X	
Representative Owens	P	P		X			Senator Oban	P	P		X	
Total Rep. Vote				3	0		Total Senate Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Representative Monson Senate Carrier Senator Schaible

LC Number 21.0866 . 03014 of amendment

LC Number 21.0866 . 06000 of engrossment

Emergency clause added

Statement of purpose of amendment

Insert LC: 21.0866.03014
House Carrier: Monson
Senate Carrier: Schaible

REPORT OF CONFERENCE COMMITTEE

HB 1388, as reengrossed: Your conference committee (Sens. Schaible, Elkin, Oban and Reps. Monson, Sanford, Owens) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1599-1605, adopt amendments as follows, and place HB 1388 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1599-1605 of the House Journal and pages 1334-1339 of the Senate Journal and that Reengrossed House Bill No. 1388 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections 15.1-01-04," with "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide for a kindergarten through grade twelve education coordination council study; to provide for a legislative management report"

Page 1, line 4, remove the second "and"

Page 1, line 5, replace "provide an appropriation;" with "provide an effective date; and to declare an emergency"

Page 1, remove lines 7 through 23

Page 2, remove lines 1 through 31

Page 3, replace lines 1 through 29 with:

"SECTION 1. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 2. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

Insert LC: 21.0866.03014
House Carrier: Monson
Senate Carrier: Schaible

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 3. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 4. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 5. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 6. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 7. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must provide evidence that the candidate meets the competency standards of the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must provide evidence that the candidate meets the competency standards of the components under subsection 1.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 8. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure ~~that the child is in attendance at~~attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure ~~that the child is in attendance at~~attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.
3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.

Insert LC: 21.0866.03014
House Carrier: Monson
Senate Carrier: Schaible

4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 9. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and
 - c. Has integrated evidence-based resources to support reading development and comprehension.

5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 9, line 17, after the period insert "For the 2022-23 school year, for school districts that operate multiple kindergarten through grade twelve buildings at least nineteen miles [30.58 kilometers] apart, or multiple buildings at least nineteen miles [30.58 kilometers] apart with no replicated grades, the superintendent of public instruction shall determine the school size weighting factor for each building separately. The superintendent of public instruction shall multiply the school size weighting factor for each building by the school district's weighted average daily membership to determine each building's weighted student units. The superintendent of public instruction shall combine the weighted student units of all buildings in the school district to determine the school district's weighted student units."

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 13, line 8, replace "fifteen" with "ten"

Page 13, line 10, remove the overstrike over "multiplied"

Page 13, line 10, remove "plus fifteen percent of the difference between the"

Page 13, remove lines 11 through 14

Page 13, line 15, remove "subdivision a of this subsection."

Page 13, line 19, remove the overstrike over "ten"

Page 13, line 19, remove "twenty"

Page 13, line 20, remove the overstrike over "multiplied"

Page 13, line 20, remove "plus thirty percent of"

Page 13, remove lines 21 through 24

Page 13, line 25, remove "under paragraph 1 of subdivision b of this subsection."

Page 13, line 28, replace "twenty" with "ten"

Page 13, line 29, replace "forty-five" with "twenty"

Page 13, line 31, replace "twenty" with "ten"

Page 14, line 6, replace "twenty" with "ten"

Page 14, line 7, replace "sixty" with "forty"

Page 14, line 9, replace "twenty" with "ten"

Page 14, line 15, replace "twenty" with "ten"

Page 14, line 16, replace "seventy-five" with "sixty"

Page 14, line 18, replace "twenty" with "ten"

Page 14, line 24, replace "twenty" with "ten"

Page 14, line 25, replace "ninety" with "eighty"

Page 14, line 27, replace "twenty" with "ten"

Page 15, remove lines 1 through 8

Page 15, line 9, remove "school year"

Page 15, line 9, overstrike the period

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred
thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred
thirty-seven"

Page 20, line 10, replace "fifteen" with "ten"

Page 20, line 12, remove the overstrike over "multiplied"

Page 20, line 12, remove "plus fifteen percent of the difference between the"

Page 20, remove lines 13 through 16

Page 20, line 17, remove "subdivision a of this subsection."

Page 20, line 21, remove the overstrike over "ten"

Page 20, line 21, remove "twenty"

Page 20, line 22, remove the overstrike over "multiplied"

Page 20, line 22, remove "plus thirty percent of"

Page 20, remove lines 23 through 26

Page 20, line 27, remove "under paragraph 1 of subdivision b of this subsection."

Page 20, line 30, replace "twenty" with "ten"

Page 20, line 31, replace "forty-five" with "twenty"

Page 21, line 2, replace "twenty" with "ten"

Page 21, line 8, replace "twenty" with "ten"

Page 21, line 9, replace "sixty" with "forty"

Page 21, line 11, replace "twenty" with "ten"

Page 21, line 17, replace "twenty" with "ten"

Page 21, line 18, replace "seventy-five" with "sixty"

Page 21, line 20, replace "twenty" with "ten"

Page 21, line 26, replace "twenty" with "ten"

Page 21, line 27, replace "ninety" with "eighty"

Page 21, line 29, replace "twenty" with "ten"

Page 22, remove lines 3 through 11

Page 23, replace lines 25 through 29 with:

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

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of hours that each student in a given grade, school, or school district is in attendance at the school's physical plant during a school calendar and the total number of hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by:
 - a. Nine hundred sixty-two and one-half hours for elementary school students; or
 - b. One thousand fifty hours for middle and high school students.
2. For purposes of calculating average daily membership:
 - a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

Insert LC: 21.0866.03014
House Carrier: Monson
Senate Carrier: Schaible

- c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 13. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

- 1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
- 2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

- 1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;
 - d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
- 2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly.

SECTION 15. KINDERGARTEN THROUGH GRADE TWELVE EDUCATION COORDINATION COUNCIL STUDY - COMPOSITION - DUTIES -

Insert LC: 21.0866.03014
House Carrier: Monson
Senate Carrier: Schaible

TERM LIMITS - REPORT TO LEGISLATIVE MANAGEMENT. During the 2021-22 interim, the kindergarten through grade twelve education coordination council shall study the membership, duties, and term limits of the council. Before June 1, 2022, the kindergarten through grade twelve education coordination council shall report the findings and recommendations of the study, including any proposed legislation necessary to implement the recommendations, to the legislative management.

SECTION 16. EFFECTIVE DATE. Section 7 of this Act becomes effective on July 1, 2022.

SECTION 17. EMERGENCY. Section 12 of this Act is declared to be an emergency measure."

Renumber accordingly

Reengrossed HB 1388 was placed on the Seventh order of business on the calendar.

21.0866.03013
Title.

Prepared by the Legislative Council staff for
Representative Monson
April 28, 2021

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1388

That the Senate recede from its amendments as printed on pages 1599-1605 of the House Journal and pages 1334-1339 of the Senate Journal and that Reengrossed House Bill No. 1388 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 15.1-06-04, a new section to chapter 15.1-07, a new section to chapter 15.1-13, and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to virtual learning, school calendar length, reading competency requirements, and teacher professional development and licensure; to"

Page 1, line 1, replace "sections 15.1-01-04," with "subsection 4 of section 15.1-06-04, subdivision e of subsection 1 of section 15.1-06-06, section 15.1-06-13, subsection 2 of section 15.1-09.1-02.1, and sections 15.1-20-01,"

Page 1, line 1, remove the second "and"

Page 1, line 1, after "15.1-27-04.1" insert ", 15.1-27-35, and 15.1-31-07"

Page 1, line 3, remove "and"

Page 1, line 4, after "rates" insert ", student attendance and enrollment, school approval, school compliance, regional education association services, average daily membership, and school calendars; to provide for a legislative management study; to provide for a kindergarten through grade twelve education coordination council study; to provide for a legislative management report"

Page 1, line 4, remove the second "and"

Page 1, line 5, replace "provide an appropriation;" with "provide an effective date; and to declare an emergency"

Page 1, remove lines 7 through 23

Page 2, remove lines 1 through 31

Page 3, replace lines 1 through 29 with:

"SECTION 1. AMENDMENT. Subsection 4 of section 15.1-06-04 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, a full day of instruction at a physical school plant consists of:
 - a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 2. A new subsection to section 15.1-06-04 of the North Dakota Century Code is created and enacted as follows:

If a school district intends to provide virtual instruction, the instruction must comply with the requirements under subsection 4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 3. AMENDMENT. Subdivision e of subsection 1 of section 15.1-06-06 of the North Dakota Century Code is amended and reenacted as follows:

- e. The physical school plant has been inspected by the state fire marshal or the state fire marshal's designee in accordance with section 15.1-06-09 and:
 - (1) Has no unremedied deficiency; or
 - (2) Has deficiencies that have been addressed in a plan of correction which was submitted to and approved by the state fire marshal or the state fire marshal's designee;

SECTION 4. AMENDMENT. Section 15.1-06-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-13. Schools - Compliance with health, safety, and sanitation requirements.

The superintendent of each school district shall ensure that the ~~schools~~physical school plants in the district comply with all health, safety, and sanitation requirements.

SECTION 5. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School districts - Policy - Virtual learning - Report to legislative management.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide biennial reports to the legislative management regarding the academic performance metrics of students participating in virtual instruction under this section.

SECTION 6. AMENDMENT. Subsection 2 of section 15.1-09.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Subsection 1 does not preclude a regional education association from offering additional services ~~to its member districts.~~

SECTION 7. A new section to chapter 15.1-13 of the North Dakota Century Code is created and enacted as follows:

Teaching license - Reading instruction competency.

1. The board shall ensure a candidate for teacher licensure demonstrates competencies in beginning reading instruction based on scientifically and research-based best practices. Competencies must include the acquisition of knowledge of the essential components of beginning reading instruction, including:
 - a. Phonemic awareness;
 - b. Phonics;
 - c. Fluency;
 - d. Vocabulary;
 - e. Comprehension;
 - f. How to assess student reading ability; and
 - g. How to identify and correct reading difficulties.
2. A prekindergarten, kindergarten, elementary, and special education initial teacher licensure candidate must provide evidence that the candidate meets the competency standards of the components under subsection 1.
3. A prekindergarten through grade twelve and a secondary education initial teacher licensure candidate must provide evidence that the candidate meets the competency standards of the components under subsection 1.
4. A teacher licensure candidate satisfies the requirements of this section if the candidate demonstrates the candidate has received training in competencies related to reading instruction from an accredited or approved program, or demonstrates mastery of the topics provided under subsection 1. The board may issue a provisional license for up to two years to a teacher licensure candidate who does not meet the requirements of this section.

SECTION 8. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-20-01. Compulsory attendance.

1. Any person having responsibility for a child between the ages of seven and sixteen years shall ensure that the child ~~is in attendance at~~attends a public school for the duration of each school year.
2. If a person enrolls a child of age six in a public school, the person shall ensure that the child ~~is in attendance at~~attends the public school for the duration of each school year. The person may withdraw a child of age six from the public school. However, once the child is withdrawn, the person may not re-enroll the child until the following school year. This subsection does not apply if the reason for the withdrawal is the child's relocation to another school district.

3. This section does not apply if a child is exempted under the provisions of section 15.1-20-02.
4. The attendance of students participating in virtual instruction must be verified by monitoring the student's progress on academic pacing guides developed by the school district to ensure students are in attendance and receiving sufficient curricular instruction, as defined in rules adopted by the superintendent of public instruction.

SECTION 9. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Reading curriculum - Content - Professional development - Reports to legislative management.

1. Beginning July 1, 2022, each school district and nonpublic school shall ensure the portion of its curriculum which is related to reading:
 - a. Is scientifically based, evidence based, and research based;
 - b. Focuses on:
 - (1) Phonemic awareness;
 - (2) Phonics;
 - (3) Fluency;
 - (4) Vocabulary; and
 - (5) Comprehension; and
 - c. Uses systematic direct instruction for students in kindergarten through grade three to ensure all students obtain necessary early reading skills.
2. Before the 2022-23 school year, each teacher who teaches kindergarten through grade three at a school district or nonpublic school, and each principal of a public or nonpublic school with kindergarten through grade three, shall attend teacher-approved, professional development training that includes training in the topics provided under subsection 1.
3. Each teacher or principal hired by a school district or nonpublic school that provides instruction in kindergarten through grade three shall complete the training under subsection 2, or demonstrate mastery of the topics provided under subsection 1, within one year of the teacher's or principal's first year of placement in the grade level or at the school.
4. To be approved by the superintendent of public instruction, each public and nonpublic school shall certify to the superintendent of public instruction that the district or school:
 - a. Ensures the placement of highly effective teachers in kindergarten through grade three;
 - b. Has integrated reading instruments used to diagnose reading development and comprehension; and

- c. Has integrated evidence-based resources to support reading development and comprehension.
5. The superintendent of public instruction shall provide ongoing assistance to school districts and nonpublic schools to be in and maintain compliance with this section.
6. The superintendent of public instruction, in collaboration with the kindergarten through grade twelve education coordination council, shall adopt rules to implement this section, including rules to monitor implementation and compliance with this section.
7. The superintendent of public instruction shall provide periodic reports to the legislative management on the implementation and effectiveness of this section in improving educational outcomes and reading competency of students."

Page 9, remove lines 11 through 14

Page 9, line 17, after the period insert "For the 2022-23 school year, for school districts that operate multiple kindergarten through grade twelve buildings at least nineteen miles [30.58 kilometers] apart, or multiple buildings at least nineteen miles [30.58 kilometers] apart with no replicated grades, the superintendent of public instruction shall determine the school size weighting factor for each building separately. The superintendent of public instruction shall multiply the school size weighting factor for each building by the school district's weighted average daily membership to determine each building's weighted student units. The superintendent of public instruction shall combine the weighted student units of all buildings in the school district to determine the school district's weighted student units."

Page 12, line 10, after "thousand" insert "one hundred"

Page 12, line 16, after "thousand" insert "one hundred"

Page 12, line 22, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 12, line 29, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 13, line 8, replace "fifteen" with "twelve"

Page 13, line 10, remove the overstrike over "multiplied"

Page 13, line 10, remove "plus fifteen percent of the difference between the"

Page 13, remove lines 11 through 14

Page 13, line 15, remove "subdivision a of this subsection."

Page 13, line 19, replace "twenty" with "fourteen"

Page 13, line 20, remove the overstrike over "multiplied"

Page 13, line 20, remove "plus thirty percent of"

Page 13, remove lines 21 through 24

Page 13, line 25, remove "under paragraph 1 of subdivision b of this subsection."

Page 13, line 28, replace "twenty" with "fourteen"

Page 13, line 29, replace "forty-five" with "twenty"

Page 13, line 31, replace "twenty" with "fourteen"

Page 14, line 6, replace "twenty" with "fourteen"

Page 14, line 7, replace "sixty" with "forty"

Page 14, line 9, replace "twenty" with "fourteen"

Page 14, line 15, replace "twenty" with "fourteen"

Page 14, line 16, replace "seventy-five" with "sixty"

Page 14, line 18, replace "twenty" with "fourteen"

Page 14, line 24, replace "twenty" with "fourteen"

Page 14, line 25, replace "ninety" with "eighty"

Page 14, line 26, replace "twenty" with "fourteen"

Page 15, remove lines 1 through 8

Page 15, line 9, remove "school year"

Page 15, line 9, overstrike the period

Page 19, line 12, after "thousand" insert "one hundred"

Page 19, line 18, after "thousand" insert "one hundred"

Page 19, line 24, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 19, line 31, overstrike "thirty-six" and insert immediately thereafter "two hundred thirty-seven"

Page 20, line 10, replace "fifteen" with "twelve"

Page 20, line 12, remove the overstrike over "multiplied"

Page 20, line 12, remove "plus fifteen percent of the difference between the"

Page 20, remove lines 13 through 16

Page 20, line 17, remove "subdivision a of this subsection."

Page 20, line 21, replace "twenty" with "fourteen"

Page 20, line 22, remove the overstrike over "multiplied"

Page 20, line 22, remove "plus thirty percent of"

Page 20, remove lines 23 through 26

Page 20, line 27, remove "under paragraph 1 of subdivision b of this subsection."

Page 20, line 30, replace "twenty" with "fourteen"

Page 20, line 31, replace "forty-five" with "twenty"

Page 21, line 2, replace "twenty" with "fourteen"

Page 21, line 8, replace "twenty" with "fourteen"

Page 21, line 9, replace "sixty" with "forty"

Page 21, line 11, replace "twenty" with "fourteen"

Page 21, line 17, replace "twenty" with "fourteen"

Page 21, line 18, replace "seventy-five" with "sixty"

Page 21, line 20, replace "twenty" with "fourteen"

Page 21, line 26, replace "twenty" with "fourteen"

Page 21, line 27, replace "ninety" with "eighty"

Page 21, line 29, replace "twenty" with "fourteen"

Page 22, remove lines 3 through 11

Page 23, replace lines 25 through 29 with:

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

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

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

- d. A student enrolled full time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

SECTION 13. AMENDMENT. Section 15.1-31-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-07. Students not subject to this chapter.

1. If a student, as a result of a school district dissolution or reorganization, resides in a district other than the one the student chooses to attend at the time of the dissolution or reorganization, the student is not subject to this chapter and may attend school in the chosen school district.
2. If a student resides in a district other than the one the student is enrolled in for purposes of receiving virtual instruction, the student is not subject to this chapter unless a cost-sharing agreement is established between the school district of residence and the receiving district.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - TRANSITION MINIMUM REDUCTION.

1. During the 2021-22 interim, the legislative management shall consider studying kindergarten through grade twelve school funding, including transition minimum reduction impacts to reorganized and consolidated school districts. The study must include:
 - a. A review of school districts that have multiple buildings in the district and districts that have built a new building without using traditional bonding methods as a result of a multidistrict reorganization;
 - b. An analysis of high-cost students, including students who are high cost due to special education needs, medical reasons, agency placements, or any other reasons that increase the cost to educate the students beyond the state threshold;
 - c. An ongoing review of the impacts of school districts that are off of the funding formula as they transition onto the formula;
 - d. An analysis of human resource allocation and the duties and needs in elementary and secondary school buildings with a targeted focus on student academic health, behavioral health, and social and emotional health; and
 - e. A review of student performance data relevant to students participating in virtual learning.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eighth legislative assembly.

SECTION 15. KINDERGARTEN THROUGH GRADE TWELVE EDUCATION COORDINATION COUNCIL STUDY - COMPOSITION - DUTIES - TERM LIMITS - REPORT TO LEGISLATIVE MANAGEMENT. During the 2021-22 interim, the kindergarten through grade twelve education coordination council shall study the membership, duties, and term limits of the council. Before June 1, 2022, the

kindergarten through grade twelve education coordination council shall report the findings and recommendations of the study, including any proposed legislation necessary to implement the recommendations, to the legislative management.

SECTION 16. EFFECTIVE DATE. Section 7 of this Act becomes effective on July 1, 2022.

SECTION 17. EMERGENCY. Section 12 of this Act is declared to be an emergency measure."

Renumber accordingly