

Introduced by

1 **VERSION III - REGIONAL SERVICE AGENCIES (CHANGES SECTIONS**
2 **OUTSIDE CHAPTERS 15-21 THROUGH 15-27.7 ARE LIMITED TO SUBSTANTIVE**
3 **CHANGES TO COUNTY SUPERINTENDENT OF SCHOOLS REFERENCES AND CHANGES**
4 **TO OBSOLETE REFERENCES.)**

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

6 **SECTION 1. AMENDMENT.** Section 11-10-10 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **11-10-10. Salaries of county officers.**

- 9 1. The salary of the county auditor, county treasurer, ~~county superintendent of~~
10 ~~schools~~, register of deeds, clerk of district court, and sheriff must be regulated by
11 the population in the respective counties according to the last preceding official
12 federal census from and after the date when the official report of such census has
13 been published by the director of the census or such other official as may be
14 charged with the duty of making such official publication. Notwithstanding any
15 decreases in population, the salaries paid county officers as of July 1, 1981,
16 reduced by any discretionary salary increase authorized by the county
17 commissioners pursuant to this section, must be at least the minimum amount
18 payable for that office when filled on a full-time basis in the future.
- 19 2. The county treasurer, ~~county superintendent of schools~~, register of deeds, county
20 auditor, and clerk of district court each shall receive the following annual salary,
21 payable monthly, for official services rendered:
- 22 a. Seventeen thousand dollars in counties having a population of less than eight
23 thousand.

1 b. Seventeen thousand five hundred dollars in counties having a population of or
2 exceeding eight thousand plus additional compensation of one hundred
3 dollars per year for each one thousand additional population or major fraction
4 thereof over eight thousand. However, in counties where the population
5 consists of more than twenty-five percent Indians who have not severed tribal
6 relations, the county commissioners may adjust the salaries provided for
7 herein within the limitations contained in this subdivision.

8 The compensation for the clerk of a district court which is funded by the state
9 pursuant to section 11-17-11 must be set by the supreme court as a part of the
10 judicial branch personnel system.

11 3. ~~Repealed by S.L. 1975, ch. 87, § 2.~~

12 4. ~~The county superintendent of schools is entitled to receive for any trips necessarily~~
13 ~~made within the county in the performance of school district reorganization duties~~
14 ~~the same mileage received under section 11-10-15.~~ The board of county
15 commissioners of any county ~~may~~, by resolution, may increase the salary of any
16 full-time county official provided in this section, if, in the judgment of such board, by
17 reason of duties performed, the official merits the increase. The salary of a county
18 official may not be reduced during the official's term of office. Any county official
19 performing duties on less than a full-time basis may be paid a reduced salary set
20 by the board of county commissioners. ~~In the event~~ If the county has for its
21 employees; a group insurance program for hospital benefits, medical benefits, or
22 life insurance; or a group retirement program, financed in part or entirely by the
23 county, such benefits may be in addition to the salaries payable to county officials.

24 ~~5.~~ 4. Each county commissioner may receive an annual salary or per diem as provided
25 by resolution of the board, with a maximum of ten thousand dollars in counties with
26 a population in excess of ten thousand and a maximum of nine thousand three
27 hundred dollars in counties with a population of ten thousand or less. In addition,
28 there must be an allowance for meals and lodging expenses at the same rate and
29 under the same conditions as provided for state officials and employees. The
30 allowance for travel expenses must be at the same rate as provided by section
31 11-10-15, and must be evidenced by a subvoucher or receipt as provided by

1 section 21-05-01. As used in this section, ~~the words~~ "official business" ~~include~~
2 includes statewide meetings of the North Dakota county commissioners
3 association.

4 If a board ~~shall resolve~~ resolves to pay an annual salary pursuant to this
5 subsection, it must be paid in monthly installments.

6 ~~6- 5. Sheriffs shall~~ A sheriff is entitled to receive the following annual salary, payable
7 monthly, for official services rendered:

8 a. Nineteen thousand nine hundred dollars in ~~counties~~ a county having a
9 population ~~with less than~~ of eight thousand or fewer.

10 b. Twenty thousand nine hundred dollars in ~~counties~~ a county having a
11 population exceeding eight thousand plus additional compensation of one
12 hundred dollars per year for each one thousand additional population or major
13 fraction thereof over eight thousand. However, in ~~counties~~ a county where
14 the population consists of more than twenty-five percent Indians who have not
15 severed tribal relations, the board of county commissioners may adjust the
16 salaries provided for herein within the limitations contained in this subdivision.

17 ~~7- 6. State's attorneys~~ A state's attorney in ~~counties~~ a county having a population
18 exceeding thirty-five thousand, or in ~~other counties~~ any county where the board of
19 county commissioners has determined by resolution that the state's attorney shall
20 be full time and ~~shall~~ may not be an attorney or counsel for any party except the
21 state or county, ~~shall~~ is entitled to receive forty-five thousand dollars, but the
22 county may increase that amount up to the same salary as a ~~county~~ district court
23 judge. ~~State's attorneys~~ A state's attorney not considered full time ~~shall~~ is entitled
24 to receive an annual salary of at least forty-five percent of the minimum salary paid
25 to a full-time state's attorney.

NOTE: County court judges become district court judges on January 2, 1995.

26 **SECTION 2. AMENDMENT.** Section 11-10-20 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **11-10-20. Board of county commissioners to provide offices, courtroom, jail -**
29 **Where public records kept - Authorization for central filing of documents of register of**
30 **deeds and clerk of district court.** The board of county commissioners shall provide a

1 courtroom and jail, and shall provide offices in the courthouse of the county for the sheriff,
2 county treasurer, register of deeds, auditor, clerk of the district court, state's attorney, ~~county~~
3 ~~superintendent of schools~~, and any other officer who has charge of public records. If there is no
4 courthouse in the county or if the courthouse erected has insufficient capacity, such offices
5 must be furnished by the county in a suitable building at the county seat for all elected officials,
6 and at any place within the county for appointive or administrative officials, at the lowest rent to
7 be obtained, provided that this section does not apply where county officials may serve more
8 than one county as may be otherwise authorized by law. The board of county commissioners
9 may provide by resolution for the filing in a single location of documents maintained by the
10 register of deeds and the clerk of the district court. The resolution must state in which office the
11 filing is to be done, the persons who are to have custody of and access to the central files, and
12 must list the documents which are to be centrally filed.

13 **SECTION 3. AMENDMENT.** Subsection 1 of section 11-14-13 of the North Dakota
14 Century Code is amended and reenacted as follows:

15 1. The county treasurer shall keep a regular account with each school district in the
16 county. The treasurer shall credit and transfer to such account the amount
17 collected on taxes levied by the governing body of the school district, all sums
18 apportioned to the district by ~~the county superintendent of schools or other~~ any
19 authority, and all sums received from the district. The treasurer shall credit the
20 county with all payments made to the business manager of the district and shall
21 distinguish between items paid by apportionment, from county taxes, and from
22 other sources; all payments for redemption of or endorsement upon school district
23 warrants in the collection of taxes; and all items of legal fees for collection and
24 other duties performed.

25 **SECTION 4. AMENDMENT.** Section 11-14-14 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **11-14-14. Reports of disbursements of funds to school districts.** Annually, on the
28 first day of July, the county treasurer shall:

29 1. File with the ~~county~~ superintendent of ~~schools~~ public instruction an itemized
30 statement of all funds remitted by the treasurer during the preceding school year to
31 the business manager of each school district in the county.

1 2. Send to the business manager of each school district in the county an itemized
2 statement of all payments made by the county treasurer to such school district
3 business manager during the preceding school year.

4 Such statement ~~shall~~ must be made in substantial conformity with the forms prepared by the
5 superintendent of public instruction for the annual report of school district business managers.

6 **SECTION 5. AMENDMENT.** Section 15-06-02 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-06-02. County board of appraisers - How composed.** ~~The county superintendent~~
9 ~~of schools, the~~ chairman of the board of county commissioners, the county treasurer, and the
10 county auditor of each county constitutes the county board of appraisers of the original grant
11 lands of the state in their respective counties. The county director of tax equalization shall
12 serve as an assistant in making the appraisals.

13 **SECTION 6. AMENDMENT.** Section 15-08-03 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **15-08-03. Compensation of board of appraisers.** For performing any duties as
16 members of the county board of appraisers, the county auditor and the county superintendent
17 ~~of schools shall~~ treasurer are entitled to receive only their necessary traveling expenses, and
18 the chairman of the board of county commissioners ~~shall~~ is entitled to receive the same
19 mileage and per diem as when serving on the board of county commissioners.

20 **SECTION 7. AMENDMENT.** Section 15-19-03 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15-19-03. Duties of superintendents of schools - Authorization of enrollments.** All
23 applications for enrollment of persons under the age of sixteen years must be approved by the
24 superintendent or an administrator of a school ~~in the~~ district prior to acceptance of enrollment
25 by the division of independent study. ~~All applications for enrollment of persons under the age of~~
26 ~~sixteen not residing in a high school district must be approved by the county superintendent of~~
27 ~~schools prior to the acceptance of such enrollment.~~

28 **SECTION 8. AMENDMENT.** Subsection 3 of section 15-20.4-03 of the North Dakota
29 Century Code is amended and reenacted as follows:

30 3. Maintain a list of postsecondary educational institutions and agents authorized to
31 operate in this state under the provisions of this chapter. The list must be available

1 for the information of the public, and must be sent to the ~~superintendents of all~~
2 superintendent or administrator of each school districts, to county superintendents
3 ~~of schools, district~~ and to guidance counselors certified by the ~~department~~
4 superintendent of public instruction.

5 **SECTION 9. AMENDMENT.** Section 15-21-01 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-21-01. Superintendent of public instruction** ~~—Qualifications—Term of office.~~

8 ~~There must be elected by the~~ The qualified electors of the state, ~~at the time of choosing~~
9 ~~members of the legislative assembly,~~ shall elect a superintendent of public instruction ~~who must~~
10 ~~have attained the age of~~ at the appropriate general election. The superintendent must be at
11 least twenty-five years of age on the day of the election, ~~who must~~ have the qualifications of an
12 elector for that office, and ~~who must be the holder of a~~ hold a valid North Dakota teacher's
13 ~~certificate of the highest grade issued in this state. He shall have his office at the seat of~~
14 ~~government, and his term of office is four years~~ on the day of the election and at all times
15 during the superintendent's term of office.

NOTE: This section reiterates the requirements found in Article V of the state
Constitution. As directed by the committee, the language regarding the superintendent
has been modernized. The section does not repeat the constitutional provisions
regarding the location and term of the office.

16 **SECTION 10. AMENDMENT.** Section 15-21-01.1 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **15-21-01.1. Establish office of department** Department of public instruction. The
19 ~~office of the superintendent of public instruction, a nonprofit education agency, must be known~~
20 ~~as the department of public instruction. The~~ is the chief administrative officer ~~is the~~
21 ~~superintendent of public instruction as provided by section 13 of article V of the Constitution of~~
22 ~~North Dakota~~ of the department of public instruction.

NOTE: The committee determined that there was no purpose in referring to the office
of the superintendent of public instruction as a "nonprofit education agency" otherwise
"known as the department of public instruction". The committee's goal was to make
clear that the superintendent of public instruction is the chief administrative officer of the
department. The reference to Section 13 of Article V of the Constitution of North Dakota
was removed because that section was repealed in June 1996.

23 **SECTION 11. AMENDMENT.** Section 15-21-03 of the North Dakota Century Code is
24 amended and reenacted as follows:

1 **15-21-03. Appointment of deputy - Assistant –Clerks.** The superintendent of public
2 instruction may appoint a deputy ~~for whose official acts he is responsible, superintendent and~~
3 an assistant ~~whose duty it is to assist the superintendent of public instruction in visiting schools~~
4 ~~and institutes, to attend school officers' meetings, and to perform such other duties as may be~~
5 ~~required of him.~~ The superintendent also may employ such clerks as are necessary in carrying
6 ~~on~~ also hire personnel or contract with other persons to perform the work of the department.

NOTE: The committee considered it inappropriate to include specific job descriptions in statute and directed that they be eliminated, together with the outdated references to "clerks". The committee was also concerned about the technical differences between employing, hiring, and contracting with persons.

7 **SECTION 12 AMENDMENT.** Section 15-21-04 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-21-04. Supervision of schools – Member of board of university and school**

10 **lands Superintendent of public instruction - Duties.** The superintendent of public
11 instruction ~~has the general supervision of the common and secondary schools of the state and~~
12 ~~is ex officio a member of the board of university and school lands.~~ shall:

- 13 1. Supervise the provision of elementary and secondary education to the students of
14 this state.
- 15 2. Supervise the establishment and maintenance of schools and provide advice and
16 guidance regarding the welfare of the schools.
- 17 3. Supervise the development of course content standards.
- 18 4. Supervise the assessment of students.
- 19 5. Serve as an ex officio member of the board of university and school lands.
- 20 6. Determine, as appropriate, the outcome of appeals regarding education matters.

NOTE: The committee determined that the duties of the superintendent should be consolidated and that references should be updated. The committee specifically asked that the language reflect a responsibility for the education of all students (public and private).

21 **SECTION 13. AMENDMENT.** Section 15-21-05 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15-21-05. Custodian Preservation of documents.** The superintendent of public
24 instruction shall ~~preserve in his office all books, maps, charts, works on education, school~~
25 ~~reports and school laws of other states and of cities, plans for school buildings, and other~~
26 ~~articles of~~ provide for the preservation of all property that the superintendent acquires in an

1 ~~official capacity and which has educational interest and value which may come into his~~
2 ~~possession as such officer, and at or which records official acts by the superintendent. At the~~
3 ~~expiration of his~~ conclusion of the superintendent's term, he of office, the superintendent shall
4 ~~deliver them, together with the reports, statements, records, and archives of his office, the~~
5 property to his the superintendent's successor.

NOTE: The committee determined that the superintendent should provide for the preservation of items, rather than being required to actually preserve such himself.

6 **SECTION 14. AMENDMENT.** Section 15-21-07.1 of the 1997 Supplement to the North
7 Dakota Century Code is amended and reenacted as follows:

8 **15-21-07.1. Agreements with federal agencies and school districts.** The
9 superintendent of public instruction ~~in order to carry out the purposes of any federal statutes~~
10 ~~pertaining to public education may enter into agreements~~ contract with any agency of the
11 federal government ~~and with the school board of any school district in the state, may make~~
12 ~~agreements with the federal government~~ for and on behalf of the public school districts of the
13 state ~~and may adopt rules to ensure the proper and efficient operation of the agreements and to~~
14 ~~obtain the full benefits of the federal statutes. Provided, however, that such contracts,~~
15 ~~agreements, or arrangements shall in no way.~~ Any contract may not impair the rights, powers,
16 duties, or authority of ~~local school districts and school boards in the management to manage~~
17 and control of their local schools.

NOTE: The committee determined that this section contained a non sequitur. It authorized the superintendent to enter contracts for and on behalf of the public school districts and then it provided that any contracts entered into by the superintendent may not impair the rights, powers, duties, or authority of local districts and boards. While ideally one concept or the other should be selected, the committee was not certain which direction should be taken. Therefore, this section, as drafted maintains the original concept. This rewording eliminates the reference to rulemaking because the superintendent otherwise has rulemaking authority.

18 **SECTION 15. AMENDMENT.** Section 15-21-13.1 of the 1997 Supplement to the North
19 Dakota Century Code is amended and reenacted as follows:

20 **15-21-13.1. Uniform accounting and reporting system.** The superintendent of public
21 instruction shall implement a uniform system for the accounting, budgeting, and reporting of
22 ~~fi~~ seal data for all school districts in the state. The superintendent of public instruction shall
23 ~~recommend accounting~~ designate the software programs to be used by school districts in their
24 accounting, budgeting, and reporting functions.

NOTE: At the direction of the committee, this section was amended to include the concept of section 15-21-13, which required the superintendent to furnish school districts with appropriate reporting forms.

1 **SECTION 16. AMENDMENT.** Section 15-21-14 of the 1997 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **15-21-14. Biennial report - Contents.** The superintendent of public instruction shall
4 submit a biennial report to the governor and the secretary of state in accordance with section
5 54-06-04. The report must ~~show~~ include:

- 6 1. The number of school districts in the state ~~and the number of teachers employed,~~
7 ~~and pupils taught therein, the attendance of pupils, and the studies pursued by~~
8 ~~them.~~
- 9 2. The financial condition of ~~the various public schools, their~~ each school district,
10 including its receipts and expenditures, ~~the value of schoolhouses and property,~~
11 ~~the costs of tuition, and the salaries of teachers.~~
- 12 3. ~~The condition, educational and financial, as far as it can be ascertained, of the~~
13 ~~private schools and academies of the state~~ The value of all property owned or
14 controlled by each school district.
- 15 4. ~~Such general matters, information, and recommendations relating to the~~
16 ~~educational interests of the state deemed important~~ The cost of education in each
17 school district.
- 18 5. The number of teachers employed by each school district and their salaries.
- 19 6. The number of students in average daily membership and average daily
20 attendance in each school district, the grades in which they are enrolled and,
21 where applicable, the courses in which they are enrolled.
- 22 7. Information regarding the educational and financial condition of the state's private
23 schools.

NOTE: The committee directed that this section be modernized and clarified. The major change reflected in this draft is the removal of subsection 4, which states that "the report must show ... [s]uch general matters, information, and recommendations relating to the educational interests of the state deemed important". A statutory section that requires "general matter" is not particularly helpful. Neither is the addition of the phrase "deemed important", unless it is accompanied by parameters, including who is to do the deeming. The rewrite sets forth the information that must be included in the report. The list is not, however, exclusive.

1 **SECTION 17. AMENDMENT.** Section 15-21-15 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 ~~15-21-15. Report to be printed and distributed~~ **Biennial - Distribution.** ~~Such~~
4 ~~number of copies of the report of the~~ The superintendent of public instruction as may be
5 ~~required by the superintendent must be printed biennially in the month of December preceding~~
6 ~~the session of the legislative assembly. One copy must be furnished~~ shall distribute the
7 biennial report to each member of the legislative assembly, ~~five copies to each state~~
8 ~~educational institution, one copy to each county superintendent of schools, one to each state~~
9 ~~officer, and one to the state superintendent of schools of~~ principal education official in each
10 ~~state and territory. Twenty copies must be filed in the office of the~~ The superintendent of public
11 ~~instruction, and shall provide ten copies in~~ of the report to the state library. Copies may be
12 ~~distributed among colleges, universities, and libraries in the United States~~ and five copies to
13 each public institution of higher education in this state.

NOTE: As directed by the committee, this rewrite removes some of the verbiage already articulated in NDCC section 54-06-04. It also removes references to printed copies, in recognition of other available communication tools (e-mail, internet, diskettes, etc.).

The rewrite also removes the requirement that county superintendents be provided with copies, in large part because there is no mandate to share the report with school district superintendents. This does not preclude the superintendent from providing copies to any other person.

14 **SECTION 18.** A new chapter to title 15 of the North Dakota Century Code is created
15 and enacted as follows:

16 **State board of public school education - Composition.**

- 17 1. The state board of public school education consists of the superintendent of public
18 instruction, and these members:
- 19 a. One person representing Barnes, Cass, Grand Forks, Griggs, Nelson, Steele,
20 and Traill counties.
 - 21 b. One person representing Benson, Bottineau, Cavalier, McHenry, Pembina,
22 Pierce, Ramsey, Renville, Rolette, Towner, and Walsh counties.
 - 23 c. One person of Dickey, Emmons, LaMoure, Logan, McIntosh, Ransom,
24 Richland, and Sargent counties.
 - 25 d. On person representing Burleigh, Eddy, Foster, Kidder, McLean, Sheridan,
26 Stutsman, and Wells counties.

- 1 e. One person representing Burke, Divide, McKenzie, Mountrail, Ward, and
2 Williams counties.
- 3 f. One person representing Adams, Billings, Bowman, Dunn, Golden Valley,
4 Grant, Hettinger, Mercer, Morton, Oliver, Sioux, Slope, and Stark counties.
- 5 2. An appointed board member must be a qualified elector and must reside in one of
6 the counties the member represents.
- 7 3. A committee consisting of the president of the North Dakota education association,
8 the president of the North Dakota council of educational leaders, and the president
9 of the North Dakota school boards association shall select the board members
10 from a list of three nominees offered by the governor for each open seat. Two of
11 the state board members must also be members of the North Dakota school
12 boards association. Appointees serve for six year terms, staggered so that the
13 terms of two members expire on June thirtieth of each even-numbered year. If a
14 vacancy occurs, the governor shall appoint an individual to serve for the duration of
15 the unexpired term.
- 16 4. Board members are entitled to receive compensation at the rate of fifty dollars per
17 day and to reimbursement for expenses, as provided by law for state officers, from
18 the biennial appropriation for the superintendent of public instruction for attending
19 board meetings or performing duties directed by the board. No compensation may
20 be paid under this section to any member who receives compensation or a salary
21 as a state employee or official.
- 22 5. The superintendent of public instruction shall serve as the executive director and
23 secretary of the board. The superintendent shall call meetings as necessary, carry
24 out the policies of the board, and employ personnel necessary to perform the
25 board's duties. The board annually shall elect one member to serve as the
26 chairman.

27 **Board of higher education and state board of public school education - Joint**
28 **meetings.** The state board of higher education and the state board of public school education
29 shall meet jointly at least once each year at the joint call of the commissioner of higher
30 education, the superintendent of public instruction, and the director of vocational and technical
31 education for the purposes of:

- 1 1. Coordinating elementary and secondary education programs, vocational and
- 2 technical education programs, and higher education programs.
- 3 2. Cooperating in professional growth and development opportunities for elementary
- 4 and secondary teachers and administrators.
- 5 3. Ensuring cooperation in any other jointly beneficial project or programs.

NOTE: As directed by the committee, a new section pertaining to the state board for public school education is created. The first part parallels the provisions of section 15-21-17 (which is to be repealed) and describes the membership of the state board of public school education and the process by which members are selected. As also directed by the committee, this new section recognizes that the state board is an entity that stands on its own and should not be combined with sections related to the superintendent of public instruction. It also recognizes the awkwardness in referring to the same board by two different names -- i.e. the state board for public school education and the state board for vocational and technical education -- especially when "both" boards are to participate in a meeting. Therefore, in this rewrite, reference is to one board only. This section has eliminated the reference to the "members of the state board for vocational and technical education in their capacity as both the state board for vocational and technical education and the state board of public school education." The committee might want to consider this clarification in the vocational education sections as well.

6 **SECTION 19. AMENDMENT.** Section 15-21.1-03 of the 1997 Supplement to the North
7 Dakota Century Code is amended and reenacted as follows:

8 **15-21.1-03. ~~Grants--Design--Coordination~~ Chemical abuse prevention programs**
9 **- Implementation.**

- 10 1. The ~~state superintendent or designated staff~~ of public instruction shall adopt rules
11 for ~~school districts to implement a~~ the implementation of chemical abuse
12 prevention ~~program~~ programs in North Dakota schools. The rules ~~may include the~~
13 ~~following~~ shall require:
- 14 4- a. Community involvement through a citizens' advisory committee ~~already in~~
15 ~~place or appointed by the school board.~~
- 16 2- b. ~~Assessment of the current level~~ An assessment of services and resources
17 available ~~within a community~~ locally.
- 18 3- c. ~~Assessment~~ An assessment of student and staff needs.
- 19 4- d. ~~Coordination~~ The coordination of activities with public and private ~~agencies~~
20 ~~whenever possible~~ entities.
- 21 5- e. ~~Development~~ The development of an ~~appropriate~~ implementation plan for
22 ~~implementation based upon assessed needs.~~

- 1 6. ~~f. Evaluation of programs~~ An evaluation mechanism.
2 7. ~~g. The development of a budget to support implementation.~~
3 ~~Based upon the criteria developed by the department of public instruction and when the~~
4 program.
- 5 2. ~~If funds have been~~ are appropriated or otherwise ~~made~~ become available to
6 ~~implement the program,~~ the superintendent shall request and review ~~proposals and~~
7 ~~grant~~ school district applications for the funds to the school districts. ~~The school,~~
8 School districts may apply for funds independently or ~~form a consortium for a more~~
9 ~~cost-effective program. The funding must be based upon the criteria and~~ jointly.
10 The superintendent shall award the funds according to the merit of each program
11 ~~proposal~~ application.
- 12 3. ~~The department superintendent shall develop a comprehensive plan to address for~~
13 ~~the coordination of services with existing other agencies. These agencies may~~
14 ~~include, including~~ the department of human services, the state department of
15 health, the department of transportation, and law enforcement agencies. ~~The~~
16 ~~purpose of coordination is to develop rules and identify resources.~~

NOTE: As directed by the committee, this section underwent extensive cleanup. References to designated staff were removed because all of the superintendent's duties may be delegated. The reference to what "rules may include" was also removed because suggestions are not laws. Suggestions belong in testimony. For purposes of review, the suggestions were made mandatory. If this is not desired, the language should then be eliminated. The same goes for the language directing coordination with existing (as opposed to "nonexisting") agencies.

17 **SECTION 20. AMENDMENT.** Section 15-21.1-04 of the 1997 Supplement to the North
18 Dakota Century Code is amended and reenacted as follows:

19 **15-21.1-04. Staff Program coordinator.** The superintendent ~~shall~~ of public instruction
20 may employ one permanent professional staff person for the purpose of coordinating this
21 ~~program. The project as a program coordinator. The coordinator shall:~~

- 22 1. ~~Develop~~ Assist in the development of rules, in consultation with other private and
23 public agencies entities.
- 24 2. Disseminate the rules ~~to local communities~~ adopted to implement this chapter.
- 25 3. Provide to communities, through their schools, technical assistance ~~to communities~~
26 ~~through schools~~ in the planning and implementation of a chemical abuse and
27 prevention program.

- 1 4. Collect ~~pertinent~~ data for reporting and program evaluation.
- 2 5. Facilitate coordination of this program with prevention and educational programs
- 3 ~~presently being~~ conducted by other state agencies.
- 4 6. Provide the superintendent with a written program evaluation ~~to the superintendent~~
- 5 ~~for a report to the legislative assembly.~~
- 6 7. Serve as a resource specialist ~~to schools in the areas of policy,~~ regarding the
- 7 ~~development, instructional~~ and implementation, by schools, of chemical abuse
- 8 prevention programs, and identifying model program.

NOTE: The committee was not certain whether a full-time person should statutorily be required to perform these duties. Theoretically, the superintendent could perform these duties. An attempt was made to clarify the specific duties associated with the position.

9 **SECTION 21. AMENDMENT.** Section 15-21.1-05 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **15-21.1-05. Chemical abuse preassessment team - ~~Building level support~~**

12 **Support team.** ~~Any~~ The principal of each school may establish shall appoint a chemical abuse
13 preassessment team ~~composed~~ consisting of a school counselor, a social worker, and other
14 appropriately trained ~~persons~~ individuals, or ~~utilize a building level~~ designate a support team ~~for~~
15 ~~purposes of sections 15-21.1-05 through 15-21.1-09.~~ The team shall address review and act
16 upon law enforcement reports of chemical abuse violations by students. Within fourteen days
17 of receiving a ~~reported case~~ report, the team shall determine whether to provide to the student,
18 ~~and in the case of~~ or if the student is a minor, to the student's parents, ~~with~~ information ~~about~~
19 regarding chemical abuse and school and community services in connection with available to
20 assist persons who engage in chemical abuse.

NOTE: The committee determined that there was an awkwardness in providing that a team may be established and then mandating the team's activities. Efforts were made to clarify this section.

21 **SECTION 22. AMENDMENT.** Section 15-21.1-06 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15-21.1-06. Handling of Student records - Release** Any record of a student's
24 medical treatment ~~or,~~ use of a ~~student~~ chemical abuse assistance program, or other individual
25 student record generated under this chapter, is not ~~to become~~ part of the student's educational
26 record. ~~Such~~ This information is confidential and may not be released without the written

1 consent of the student, or if the student is ~~less than fourteen years of age~~ a minor, without the
2 written consent of the student's parent or guardian.

NOTE: The committee found it curious that section 15-21.1-05 references minor students while this section allows a child of 14 to give consent for the release of records. This version reflects an attempt at consistency.

3 **SECTION 23. AMENDMENT.** Section 15-21.1-07 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15-21.1-07. Law enforcement agencies - ~~Duty to inform team~~ Notice of incident.**

6 ~~Notwithstanding any other provision of law, a~~

7 1. ~~A law enforcement agency shall provide notice of any incident occurring within the~~
8 ~~agency's jurisdiction in which~~ notify a school principal in writing if the agency has
9 probable cause to believe that a student enrolled in the school has violated section
10 5-01-08, 19-03.1-23, 39-08-01, or 39-08-18; ~~except when there is a prolonged~~
11 ~~criminal investigation and revealing information would jeopardize a successful~~
12 ~~conclusion to the case.~~ The law enforcement agency shall provide the notice must
13 ~~be in writing and must be provided~~ within two weeks after of an incident ~~occurs, to~~
14 ~~the principal of the school where the student is enrolled.~~

15 2. The principal shall forward the ~~reports~~ notice to the school's chemical abuse
16 preassessment team or ~~building level~~ support team designated under section
17 15-21.1-05.

18 3. Subsection 1 does not apply if, in the opinion of the law enforcement agency,
19 providing the notice would jeopardize a criminal investigation.

NOTE: The committee directed that this section be clarified. The sections referenced in 15-21.1-07 are as follows:

5-01-08. Persons under twenty-one years of age prohibited from manufacturing, purchasing, consuming, or possessing alcoholic beverages or entering licensed premises - Penalty - Exceptions - Referrals to addiction facilities.

19-03.1-23. Except as authorized by this chapter, it is unlawful for any person to willfully, as defined in section 12.1-02-02, manufacture, deliver, or possess with intent to manufacture or deliver, a controlled substance.

39-08-01. Persons under the influence of intoxicating liquor or any other drugs or substances not to operate vehicle - Penalty.

39-08-18. Open container law - Penalty.

1 **SECTION 24. AMENDMENT.** Section 15-21.1-08 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-21.1-08. Teacher - Duty to notify principal.** ~~Any~~ A teacher who shall notify the
4 school principal if the teacher knows or has reason to believe that a student enrolled in the
5 school is using, possessing, or transferring alcohol or a controlled substance while on ~~the~~
6 school premises or while involved in school-related activities ~~shall immediately notify the~~
7 ~~school's principal.~~ Nothing in this section prevents a teacher or any other school employee
8 from reporting to a law enforcement agency any violation of law occurring on school premises
9 or at ~~school-sponsored events~~ a school-related activity.

NOTE: The Committee directed that the phrases "school-related activity" and
"school-sponsored event" be reconciled.

10 **SECTION 25. AMENDMENT.** Section 15-21.2-03 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **15-21.2-03. ~~Guidelines for implementing career~~ Career guidance and**
13 **development programs.** The superintendent may adopt rules ~~under chapter 28-32 for the~~
14 ~~implementation of~~ to assist schools in implementing career guidance and development
15 programs ~~by local educational agencies. In adopting the rules, the superintendent shall review~~
16 ~~and consider guidelines formulated by the North Dakota occupational information coordinating~~
17 ~~committee established pursuant to the Carl D. Perkins Vocational Education Act [Pub. L.~~
18 ~~98-524; 98 Stat. 2435; 20 U.S.C. 2301 et seq.].~~ The rules adopted by the superintendent shall
19 ~~require the.~~ Rules to implement this section must:

- 20 1. ~~Involvement of the~~ Require a community through an advisory committee.
- 21 2. ~~Assessment of the extent to which existing~~ Require an assessment of other career
22 guidance and development programs and services available in the community
23 ~~meet current anticipated needs.~~
- 24 3. ~~Coordination of career guidance and development programs, services, and related~~
25 ~~activities provided by local educational institutions with local level and state level~~
26 Require coordination with other public and ~~nonpublic agencies and organizations~~
27 private sector entities.
- 28 4. ~~Evaluation~~ Require the periodic evaluation of career guidance and development
29 programs developed under this section.

- 1 5. ~~Formulation of monetary budgets for support of career guidance and development~~
2 ~~programs.~~

NOTE: This section, as suggested by department staff, allows the superintendent to adopt rules for the implementation of career guidance and development programs. The section does not restrict the implementation of programs falling within that generic title.

3 **SECTION 26. AMENDMENT.** Section 15-21.2-04 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15-21.2-04. Program coordinator and support staff.** The superintendent may
6 employ ~~one full-time professional staff person for the purpose of coordinating the~~ an individual
7 to coordinate career guidance and development programs implemented ~~pursuant~~ under to this
8 chapter. ~~The superintendent and~~ and may employ support staff ~~as may be required~~ to assist the
9 ~~program~~ coordinator. ~~The superintendent may~~ coordinator shall:

- 10 1. ~~Review and revise periodically the rules adopted pursuant to section 15-21.2-03.~~
11 2. Provide technical assistance to ~~local educational agencies in preparing program~~
12 ~~proposals, and~~ schools implementing career guidance and development programs.
13 3. ~~Collect and evaluate information to determine~~
14 2. Evaluate the effectiveness of career guidance and development programs.
15 4. ~~Provide periodic written evaluations of career guidance and development~~
16 ~~programs.~~
17 5. 3. Serve schools as a resource specialist ~~to local educational agencies~~ in the area of
18 career guidance and development ~~policies and instruction.~~
19 6. ~~Identify career guidance and development programs implemented by local~~
20 ~~educational agencies which may serve as model programs.~~

21 **SECTION 27. AMENDMENT.** Section 15-22-14 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15-22-14. Records - Seal Preservation.** The board of county ~~superintendent of~~
24 ~~schools~~ commissioners shall ~~keep a record of all of his~~ deliver to the state historical society all
25 property acquired in an official capacity by a county superintendent or by a an individual
26 assigned the statutory duties of a county superintendent and all records of official acts and shall
27 ~~preserve all books, maps, charts, and apparatus sent to him as a school officer or belonging to~~
28 ~~his office. He shall file all reports and statements from teachers and school boards and deliver~~
29 ~~them to his successor in office. He shall have a seal by which his official acts may be~~

1 ~~authenticated by a county superintendent or by an individual assigned the statutory duties of a~~
2 ~~county superintendent.~~

NOTE: If the office of county superintendent is abolished, there is still the need to preserve items that have educational or historical significance. In this instance, we placed the duty to deliver the items was placed on the board of county commissioners. Decisions regarding what is historically or educationally relevant, and consequently worthy of preservation are left with the state historical society.

3 **SECTION 28. AMENDMENT.** Section 15-27.1-01 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15-27.1-01. Definitions applicable to chapters ~~15-27.1 through 15-27.4, 15-27.6,~~**
6 **~~and 15-27.7.~~** In this chapter and chapters 15-27.2, 15-27.3, and 15-27.4, ~~15-27.6, and 15-27.7~~
7 unless the context or subject matter otherwise requires:

- 8 1. "Annexation" means ~~an~~ the alteration of ~~the~~ a school district's boundaries of school
9 districts through the attachment of territory from one existing school district to
10 another existing operating school district or removal of real property.
- 11 2. "Committee" means the regional reorganization committee.
- 12 ~~3.~~ "Contiguous" means two or more ~~tracts of land which are in actual contact with~~
13 ~~each other at~~ properties sharing a common point.
- 14 ~~3.~~ "County committee" means the county committee for the reorganization of school
15 districts.
- 16 ~~4.~~ "County superintendent" means the county superintendent of schools.
- 17 ~~5.~~ 4. "Dissolution of school districts" means the process through which ~~an existing a~~
18 school district ceases ~~its active functions in its present organizational form to~~
19 function and the district's territory is attached to one or more adjoining existing
20 operating subsequent attachment of its real property to other school districts.
- 21 ~~6.~~ "Elector" means a person who possesses the qualifications of an elector as
22 provided in section ~~16.1-01-04.~~
- 23 ~~7.~~ 5. "Reorganization of school districts" means the formation of a new school district by
24 either through the unification combination of two or more existing operating
25 districts ~~into one larger district or separation of territory, in whole or in part, or~~
26 through the removal of real property from one or more operating districts to create
27 ~~one or more new operating districts.~~
- 28 ~~8.~~ "State board" means the state board of public school education.

1 9. ~~"Territory" means all or any portion of an organized school district.~~

2 **SECTION 29. AMENDMENT.** Section 15-27.1-03 of the North Dakota Century Code is
3 amended and reenacted as follows:

4 **15-27.1-03. County Regional committee - Appointment - Size and compensation.**

5 1. ~~Each county in this state shall have a county~~ The superintendent of public
6 instruction shall divide the counties of the state into the following regions:

7 a. Region 1: Divide, McKenzie, and Williams counties.

8 b. Region 2: Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward
9 counties.

10 c. Region 3: Benson, Cavalier, Eddy, Ramsey, Rolette, and Towner counties.

11 d. Region 4: Grand Forks, Nelson, Pembina, and Walsh counties.

12 e. Region 5: Cass, Ransom, Richland, Sargent, Steele, and Traill counties.

13 f. Region 6: Barnes, Dickey, Foster, Griggs, LaMoure, Logan, McIntosh,
14 Stutsman, and Wells counties.

15 g. Region 7: Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver,
16 Sheridan, and Sioux counties.

17 h. Region 8: Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope,
18 and Stark counties.

19 2. Except as provided in this subsection, each region must be represented by a
20 regional reorganization committee formed by the selection consisting of one
21 resident from each of the county commissioner districts within the county. Each
22 member is entitled to receive the actual and necessary expenses incurred in the
23 performance of official duties in the amounts provided by law for state officers and
24 employees appointed by the board of county commissioners from each county in
25 the region. In a region having four or fewer counties, each board of county
26 commissioners shall appoint two resident.

27 3. The terms of committee members are three-year terms, except that the terms of
28 initial board members must be staggered by lot, so that approximately one-third of
29 the terms expire each year. Each member is entitled to receive compensation at
30 the rate of twenty-five dollars as compensation for each meeting of the committee
31 actually attended by the member. The office of management and budget shall pay

1 ~~by warrant the compensation and expenses as directed by~~ per day and to
2 reimbursement for expenses, from the biennial appropriation of the superintendent
3 of public instruction from moneys appropriated for that purpose, as provided by law
4 for state officers.

5 2. ~~The term of each member is three years, staggered so that one term expires each~~
6 ~~year. The county superintendent with the approval of the~~

7 4. If a vacancy occurs in the representation of any county, the board of county
8 commissioners for that county shall appoint the members of the county committee.
9 ~~Vacancies must be filled in the same manner for~~ a resident to serve the unexpired
10 portion of the term. If a regional committee member fails, refuses, or is unable to
11 perform the required duties, the ~~county superintendent~~ appointing board of county
12 commissioners, upon petition of being petitioned by a majority of the school ~~boards~~
13 board presidents representing districts having territory wholly or partially their
14 administrative headquarters within the ~~district which the member was appointed to~~
15 ~~represent~~ county, shall declare the position of the member vacant; and shall
16 immediately appoint a new member to the committee from that ~~district~~ county.

17 3. ~~If the county is redistricted and as a consequence members of the county~~
18 ~~committee are placed in the same county commissioner district, a new member~~
19 ~~must be appointed who is a resident of the new unrepresented district or districts,~~
20 ~~and as between the members currently serving on the county committee who are~~
21 ~~residents in the same district, the member whose term expires latest in point of~~
22 ~~time shall serve. If all the terms expire at the same time, the affected members~~
23 ~~shall decide who shall serve by lot. If the county, through redistricting, thereafter~~
24 ~~elects its county commissioners at large, members of the county committee must~~
25 ~~continue to be selected from those commissioner districts established by the~~
26 ~~districting plan in effect at the time the county is districted at large.~~

NOTE: The committee requested that the department staff work with Legislative Council staff to conceptualize a regional reorganization committee and suggest a structure within which such a committee could operate.

27 **SECTION 30.** A new section to chapter 15-27.1 of the North Dakota Century Code is
28 created and enacted as follows:

1 **Regional coordinator - Duties.** The superintendent of public instruction shall employ
2 and assign a coordinator to each region. The superintendent shall provide each regional
3 coordinator with suitable office space, furnishings, and equipment. The regional coordinator
4 shall serve as an administrative assistant to the regional reorganization committee and shall
5 perform other duties as directed by the superintendent of public instruction.

NOTE: At the suggestion of department staff, each region is administered by a coordinator who takes over many of the duties currently performed by county superintendents or their designees, in relation to school district annexations, reorganizations, and dissolutions. It was suggested by department staff that in time, the regional coordinators might also become involved in planning and coordinating local and state efforts to educate children in areas experiencing significant population declines. Because the possibilities have not been addressed by the committee, the section makes reference only to "other duties as directed by the superintendent".

6 **SECTION 31.** A new section to chapter 15-27.1 of the North Dakota Century Code is
7 created and enacted as follows:

8 **Regional coordinator - Qualifications.** Each regional coordinator must hold a
9 baccalaureate degree from an accredited college or university approved for teacher education,
10 hold a valid North Dakota teaching certificate, and have teaching experience at the elementary
11 or secondary school level.

NOTE: The qualifications of the regional coordinator are those of county superintendents, as set forth in section 15-22-02. Unlike section 15-22-02, however, this section does not require that the individuals have "successful" teaching experience. This adjective was omitted because the committee could not determine what constituted a successful teaching experience.

12 **SECTION 32. AMENDMENT.** Section 15-27.1-04 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-27.1-04. County Regional committee - Meetings.** The members of the county
15 committee shall ~~select~~ elect one member to serve as chairman ~~who must be the presiding~~
16 ~~officer~~ for one year and until a successor is chosen. ~~The county superintendent is the secretary~~
17 ~~of the committee, but has no vote.~~ Meetings of the committee must be held upon call of the
18 chairman or a majority of the committee members. ~~The county superintendent is entitled to~~
19 ~~compensation for actual and necessary expenses incurred while in the performance of required~~
20 ~~duties. Additional expenses are chargeable and payable as an expense of the county.~~

21 **SECTION 33. AMENDMENT.** Section 15-27.1-05 of the North Dakota Century Code is
22 amended and reenacted as follows:

1 **15-27.1-05. ~~State's attorney to represent Regional committee - Legal counsel.~~** The
2 ~~state's attorney of any county within which a school district is located in whole or in part shall,~~
3 ~~upon request of the county committee, act as legal advisor of and render written opinions to the~~
4 ~~committee or its officers. The state's attorney may obtain the services of a licensed attorney~~
5 ~~who shall also advise the committee and defend the committee or any of its officers in any legal~~
6 ~~proceedings arising out of relating to the conduct of the or business of the committee. If the~~
7 ~~defense in the proceedings would result in a conflict with the duties of the state's attorney in~~
8 ~~regard to other public officials or under any law, the board of county commissioners shall~~
9 ~~employ a special counsel to represent the committee or defend against the proceedings.~~
10 ~~Compensation of the special counsel, in the amount as may be agreed to by the county~~
11 ~~commissioners, must be paid out of the county general fund.~~

NOTE: In this version, the last three sentences are omitted. Staff support for the regional reorganization committee is addressed in sections 30 and 31 of this Act.

12 **SECTION 34. AMENDMENT.** Section 15-27.1-10 of the 1997 Supplement to the North
13 Dakota Century Code is amended and reenacted as follows:

14 **15-27.1-10. Transfer of ~~land~~ real property upon annexation, reorganization, or**
15 **dissolution.** The legal title to all ~~land owned by an original school district which~~ real property
16 that has been annexed to another school district, included in a reorganized district, or ~~dissolved~~
17 subject to dissolution, and which is not subject to a possibility of reverter or right of reentry if
18 title is held by other than the original district, vests in the school board of the reorganized school
19 district or the district to which the property is annexed or attached upon approval of the
20 reorganization proposal by the electors or upon orders of the ~~county superintendent of schools~~
21 ~~or the reorganization committee, as the case may be.~~ If the reorganized district or district to
22 which the property is annexed or attached includes less than the whole of the former district,
23 legal title to the ~~land~~ real property of the former district vests in the school board of the district in
24 which the ~~land~~ property is situated after reorganization, ~~chapter 15-27.2~~ annexation, or ~~chapter~~
25 ~~15-27.4~~ dissolution. A certificate prepared by the ~~county superintendent of schools of the~~
26 ~~county wherein the land in question is located~~ a licensed attorney, stating the legal description
27 of the ~~land involved~~ property, and the fact that the school district formerly owning the ~~land~~
28 property has become either annexed, attached, or reorganized with another school district, may
29 be recorded in the office of the register of deeds of the county in which the ~~land~~ property is
30 ~~located~~ situated.

NOTE: This version assigns the duty to prepare a certificate containing the legal description of property in question to an attorney, rather than to the county superintendent.

1 **SECTION 35. AMENDMENT.** Section 15-27.1-11 of the 1997 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **15-27.1-11. Reorganization or dissolution of school district not operating a**
4 **school - Transportation.** Any A school district that, ~~for a period of one year, does not~~ ceases
5 to operate either an elementary or high school, must become by the end of that, within one
6 year, through the process of reorganization or dissolution, part of a high school district
7 operating an approved elementary or high school. The students residing within a school district
8 that is reorganized with another district or districts pursuant to this section, or dissolved
9 pursuant to this section and section 15-27.4-01 must be provided transportation in the same
10 manner transportation is provided to students in the school district the nonoperating district is
11 attached to. If a school district affected by this section has not been reorganized or dissolved
12 become part of a high school district within the prescribed time limit prescribed in this section,
13 the school district shall must be dissolved and attached to an operating school district in
14 accordance with chapter 15-27.4. This section does not apply to military installation school
15 districts established pursuant to chapter 15-27.5.

NOTE: The committee was not certain whether it should require all nonoperating school districts to be attached to "operating" districts or "high school" districts. Because as drafted this section provides for attachment to high school districts only, this language needs to be reviewed carefully. The committee did believe that the section needed to be cleaned up and this was attempted.

16 **SECTION 36. AMENDMENT.** Section 15-27.1-12 of the 1997 Supplement to the North
17 Dakota Century Code is amended and reenacted as follows:

18 **15-27.1-12. Payment of school district levies after annexation or dissolution.**
19 When Upon approval of an annexation of territory under chapter 15-27.2 or an attachment of
20 territory by or a dissolution under chapter 15-27.4 has been approved by the state board of
21 public school education:

22 1. The ~~territory~~ property annexed or attached to the receiving school district is subject
23 to ~~all of~~ the receiving school district's levies, except those to retire bonded debt
24 existing before the annexation or attachment, unless determined otherwise in the
25 state board's findings made when the board approved the annexation or
26 dissolution; and

- 1 2. The ~~territory~~ property annexed to the receiving school district is not subject to any
2 of the levies of the school district from which it was detached from, except those to
3 retire bonded debt existing before the annexation, unless determined otherwise in
4 the state board's findings made when the board approved the annexation.

NOTE: The committee directed that this section be cleaned up and its references to "territory" made consistent with other references to "property".

- 5 **SECTION 37. AMENDMENT.** Section 15-27.2-01 of the 1997 Supplement to the North
6 Dakota Century Code is amended and reenacted as follows:

7 **15-27.2-01. Annexation of ~~contiguous territory~~ property to school district -**
8 **Petition—Exception Eligibility.**

- 9 4. ~~Territory contiguous~~ Real property may be annexed to a public school district,
10 ~~whether in the same county or in another, may be annexed to the school district by~~
11 ~~the county committee after a public hearing upon written~~ provided:
12 1. The property to be annexed is contiguous to the school district;
13 2. An annexation petition signed by two-thirds of the residents of the contiguous
14 ~~territory who are qualified electors. The county committee shall determine the~~
15 ~~sufficiency of the petition and the required number of electors necessary to~~
16 ~~constitute a two-thirds majority.~~ is duly signed and filed with the coordinator of the
17 ~~region in which a majority of the property to be annexed lies;~~
18 2. ~~The annexation petition must:~~
19 a. ~~Be obtained from the county superintendent;~~
20 b. ~~Identify all of the territory to be annexed before it is circulated. The territory~~
21 ~~must constitute one land area, with no territory identified in the petition~~
22 ~~separate from other territory identified in the petition;~~
23 c. ~~Identify one student who lives in the area to be annexed and who will attend a~~
24 ~~public school in the receiving school district during the school year following~~
25 ~~the effective date of the annexation if it is approved by the state board;~~
26 d. ~~Be signed in the presence of the carrier of the petition; and~~
27 e. ~~Be submitted to the county superintendent of the county in which the majority~~
28 ~~of land identified in the petition is located.~~
29 3. ~~After the annexation petition is submitted to the county superintendent, names may~~
30 ~~be added to or removed from the petition until five p.m. on the day before the~~

- 1 ~~hearing before the county committee. A person who requests that person's name~~
2 ~~to be added to or removed from the petition must do so in person before the county~~
3 ~~superintendent. A public hearing is held by the committee representing the county~~
4 ~~in which a majority of the property to be annexed lies;~~
5 4. ~~This section does not apply to annexations involving an exchange of property~~
6 ~~pursuant to section 15-27.2-02. The annexation is approved by the committee;~~
7 ~~and~~
8 5. The annexation petition is approved by the state board.

NOTE: See note after section 38.

9 **SECTION 38.** A new section to chapter 15-27.2 of the North Dakota Century Code is
10 created and enacted as follows:

11 **Annexation of property to school district - Petition requirements.**

- 12 1. A petition to request the annexation of property by a school district must:
13 a. Be obtained from the regional coordinator.
14 b. Identify all property to be annexed.
15 c. Identify one student who resides on the property to be annexed and who is
16 eligible to attend a public school in the annexing school district during the
17 school year following the proposed effective date of the annexation.
18 d. Be signed in the presence of the petition carrier.
19 e. Be submitted to the coordinator of the region in which all or most of the
20 property to be annexed is located.
21 2. Any person who wishes to add or remove that person's name from the annexation
22 petition may do so until five p.m. of the last business day before the public hearing
23 by the committee, provided the person meets the requirements of this section and
24 appears before the regional coordinator to request the action.

NOTE: Sections 37 and 38 are derived from NDCC Section 15-27.2-01. The rewrite separates annexation concepts of that section into two parts. One now deals with the type of property that can be annexed and the second deals with the requirements for a valid annexation petition. Duties undertaken by county superintendents in Section 15-27.2-01 are assigned to the regional coordinator.

25 **SECTION 39. AMENDMENT.** Section 15-27.2-02 of the North Dakota Century Code is
26 amended and reenacted as follows:

1 **15-27.2-02. ~~Restricted changes in boundaries~~ Exchange of property - Petition -**
2 **Requirements - Appeal.**

3 1. ~~A resident or residents of a school district~~ An individual may ~~request annexation of~~
4 ~~petition to have the property upon which his or their~~ the individual's residence is
5 ~~situated to an adjacent~~ exchanged with property in a contiguous school district ~~by~~
6 ~~a petition for an exchange of property between the district of residence and the~~
7 ~~adjacent district under the following conditions.~~ In order to be approved:

8 4. ~~a.~~ a. ~~The signer of the petition~~ petitioner must reside upon the property ~~which is~~
9 ~~requested to be annexed to the adjacent district. If there are other residences~~
10 ~~in the area sought to be annexed, a resident representing each of those~~
11 ~~residences must also approve the exchange of property and sign the petition.~~

12 2. ~~There is an agreement~~ to be exchanged;

13 b. The petitioner must obtain the written approval of one representative from
14 each residence within the boundaries of the property to be exchanged;

15 c. The petitioner must obtain written authorization for the exchange of property
16 ~~between the petitioners and~~ from the owner of the property to be exchanged
17 ~~in the adjacent district which property is to be exchanged for the property~~
18 ~~identified in the petition and the owner of the property in the adjoining district~~
19 ~~need not reside on the property exchanged in order to enter into the~~
20 ~~agreement.;~~

21 3. ~~The school boards of the districts involved approve the exchange of property.~~

22 4. ~~d.~~ d. The difference in the taxable valuation of the property involved in the
23 ~~exchange~~ does may not exceed one thousand dollars.;

24 5. ~~e.~~ e. ~~The properties~~ Each property involved in the exchange ~~must be~~ is
25 ~~contiguous to the~~ its annexing school district ~~to which each is sought to be~~
26 ~~annexed.~~

27 ~~Except as provided in this section, the proceedings in this section are subject to the other~~
28 ~~provisions of this chapter applicable to annexation proceedings generally. Approval of the~~
29 ~~annexation petition by the county; and~~

30 f. The committee and the state board ~~must contain a finding of public school~~
31 ~~education find~~ that the requirements in of this section have been met. ~~Any~~

- 1 2. ~~If a school board is aggrieved by the decision refusal of another school board not~~
2 to approve the exchange of property, the aggrieved board may appeal the other's
3 decision to the ~~county~~ committee and, if ~~aggrieved by the decision of the county~~
4 ~~committee necessary~~, may appeal the decision of the ~~county~~ committee to the
5 state board.

NOTE: The committee directed that the concepts of annexation and petition be clarified.

6 **SECTION 40. AMENDMENT.** Section 15-27.2-04 of the 1997 Supplement to the North
7 Dakota Century Code is amended and reenacted as follows:

8 **15-27.2-04. Annexation hearings—Equalization—Notice of hearings of property**
9 **to school district - Hearing.**

- 10 1. ~~Before detaching territory from one school district or annexing territory to another~~
11 ~~school district, the committee shall hold a hearing on the annexation. Upon~~
12 receiving a petition for the annexation of property by a school district, the
13 committee shall schedule and give notice of a public hearing regarding the
14 annexation.
15 2. ~~At least fourteen days prior to the time the hearing is to be held, the committee~~
16 ~~shall cause notice of such hearing to be published~~ The committee shall publish the
17 notice in the official newspaper of the county in which the annexing school district
18 is located, ~~or if, at least fourteen days before the date of the hearing. If no~~
19 newspaper is published in the county, the committee shall publish the notice shall
20 ~~be published~~ in a newspaper in an adjoining county in this state.
21 3. At ~~such the~~ hearing the committee shall ~~consider~~ accept testimony and
22 documentary evidence ~~with respect to any of the following factors regarding:~~
23 a. The value and amount of ~~all school property and all bonded and other~~
24 ~~indebtedness of each school district affected by a change in boundaries. held~~
25 by each affected school district;
26 b. The amount of all ~~outstanding~~ bonded and other indebtedness of each
27 affected district and ~~that which would constitute an~~ proposals for the equitable
28 adjustment of all property, assets, debts, and liabilities among the districts
29 involved-;

- 1 c. The taxable valuation of ~~existing districts~~ each affected district and the
2 ~~differences in such projected~~ valuation ~~which would accrue~~ under the
3 proposed annexation-;
- 4 d. The size, geographical features, and boundaries of ~~the districts:~~ each affected
5 district;
- 6 e. The number of ~~pupils attending~~ students in average daily membership in each
7 affected school and the general population of the districts-;
- 8 f. The location ~~and,~~ condition, and accessibility of the districts' ~~school buildings~~
9 ~~and their accessibility to affected pupils:~~ schools;
- 10 g. The location and condition of roads, highways, and natural barriers within the
11 ~~respective affected~~ districts-;
- 12 h. The ~~school centers where children~~ high schools attended by students residing
13 in the districts ~~attend high school~~;
- 14 i. Conditions affecting the welfare of the ~~pupils~~ students in the ~~land area that is~~
15 ~~the subject of the annexation petition:~~ proposed to be annexed;
- 16 j. The boundaries of other governmental ~~units and the location of private~~
17 ~~organizations in the territories of the respective districts:~~ entities;
- 18 k. The educational needs of ~~local~~ communities in the ~~involved~~ affected districts-;
- 19 l. ~~An objective in~~ The potential for economizing in the use of school district
20 transportation and administrative services;
- 21 m. ~~Projected~~ The anticipated future use of ~~existing satisfactory school~~ the
22 districts' buildings, sites, and playfields in the involved districts;
- 23 n. ~~A~~ The potential for a reduction in ~~disparities in~~ per student valuation
24 disparities between ~~school~~ the affected districts and the ~~objective of~~
25 equalization of potential to equalize or increase the educational opportunities
26 for pupils: students in each district; and
- 27 o. ~~Any~~ All other relevant factors ~~which, in the judgment of the committee, are of~~
28 importance.
- 29 4. Following ~~the committee's~~ consideration of the testimony and documentary
30 evidence ~~with respect to any of the factors listed in subsection 3~~ presented at the
31 hearing, the committee shall make specific findings with reference to every one of

- 1 ~~these factors to which testimony or documentary evidence was directed, and~~
2 ~~approve or disapprove the petition for annexation. If the petition is approved, the~~
3 ~~committee shall forward its decision to the state board of public school education~~
4 ~~along with its proposed equalization of assets and liabilities.~~
- 5 5. a. Except as provided in this subsection, ~~all proposed annexations must be~~
6 ~~given final approval by the state board following~~ shall conduct a hearing
7 ~~conducted by the board at which, accept and consider testimony and~~
8 ~~documentary evidence shall be considered with respect to any of the factors~~
9 ~~listed in subsection 3. The state board shall~~ regarding the proposed
10 annexation, make specific findings ~~with reference to every one of these~~
11 ~~factors to which testimony or documentary evidence was directed, and concur~~
12 ~~or refuse to concur with the decision of the committee.~~
- 13 b. If no opposition is presented to the ~~county~~ committee approves an annexation
14 ~~after receiving no opposition at the hearing and the committee approves the~~
15 petition for annexation, the state board may review the record of the ~~county~~
16 hearing committee and give final approval to the annexation without holding a
17 its own hearing.
- 18 6. If the school districts involved in the proposed annexation are situated in more than
19 one ~~county, the county~~ region, the committee of the ~~county~~ region encompassing
20 the ~~major portion of each school~~ administrative headquarters of the annexing
21 district shall consider ~~and jointly effect the annexation if a majority of the members~~
22 ~~of each of such county committees approves the annexation. If the annexation is~~
23 ~~approved by a majority of the members of one of the two county committees, the~~
24 ~~county superintendent of the county in which the annexing district is located shall~~
25 ~~submit the annexation to the state board for approval or disapproval, and in such~~
26 ~~instance approval of the annexation shall have the same effect as approval by all~~
27 ~~county committees~~ petition.
- 28 7. ~~Whenever~~ If a committee denies a petition for annexation ~~has failed to be~~
29 ~~approved by any county committee, a,~~ another petition involving any of the same
30 area property may not be submitted to the ~~county~~ committee for a period of three
31 months ~~after~~ from the filing of the original petition ~~with the county. The.~~ A

1 ~~committee may not consider a petition may not be considered by the county~~
2 ~~committee involving any of the same property cited in the original petition more~~
3 ~~than twice in a twelve consecutive months month period.~~

4 8. ~~Whenever~~ If the state board of public school education denies a petition for
5 annexation ~~has failed to be approved by the state board, a,~~ another petition
6 involving any of the same ~~area~~ property may not be submitted to the ~~county~~
7 committee for a period of three months after the state board's ~~determination not to~~
8 ~~approve the annexation.~~ The denial. The state board may not consider a petition
9 ~~may not be considered by the state board~~ involving any of the same property cited
10 in the original petition more than twice in a twelve consecutive months month
11 period.

12 9. ~~If the school districts are situated in more than one county but the major portions of~~
13 ~~both such school districts are situated in the same county, the county committee of~~
14 ~~such county shall consider the matter.~~

15 10. ~~Any determination made by a single county committee with respect to an~~
16 ~~annexation proposed~~

17 9. If a committee makes a decision under this section which affects land in another
18 region, the decision may be appealed to the state board. A decision of the state
19 board with respect to ~~a proposed~~ an annexation petition may ~~in turn~~ be appealed
20 to the district court of the judicial district in which the ~~territory proposed~~ land to be
21 annexed is located ~~in accordance with chapter 28-32.~~

NOTE: This section contained only one remaining reference to county
superintendents--that reference was found in subsection 6 and dealt with who would
submit paperwork to the state board.

22 **SECTION 41. AMENDMENT.** Section 15-27.2-05 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-27.2-05. Annexation of property to school district - Effective date of**
25 ~~attachment or detachment - Equalization - Voting places.~~ If territory is annexed to a school
26 ~~district or detached from it, An annexation~~ under this chapter, the change in boundaries
27 becomes effective the next July first after the immediately following final approval by the state
28 board and all the assets and liabilities of the district involved must be equalized at the time the
29 ~~annexation petition is approved by the county reorganization committee. If territory is attached~~

1 ~~to an existing school district, the electors in the attached territory shall vote on school matters at~~
2 ~~the nearest polling place in the district to which it is attached. Prior to the completion of the~~
3 ~~annexation of any school district under this chapter, the existing school board of any school~~
4 ~~district may not contract or place the district under any obligation, except upon the~~
5 ~~recommendation of the county committee of public school education.~~

NOTE: The committee determined that this section contains an amalgamation of thoughts, most of which are either unnecessary or addressed elsewhere, including Section 15-27.2-04. The committee directed that the section be cleaned up to reflect its main purpose, i.e., the effective date of annexations. The last sentence regarding the annexation of a school district was omitted because that is not permitted under Section 15-27.4-01(e).

6 **SECTION 42. AMENDMENT.** Section 15-27.3-01.1 of the 1997 Supplement to the
7 North Dakota Century Code is amended and reenacted as follows:

8 **15-27.3-01.1. School district reorganization - ~~How to initiate~~ Initiation of a**
9 **reorganization plan.** ~~School districts or parts of~~ In order for two or more school districts may
10 ~~reorganize under this chapter. A school district may~~ or contiguous portions of two or more
11 ~~school districts to become involved in a reorganization proposal by a majority vote of its school~~
12 ~~board members. A reorganization proposal must be prepared by the school districts that have~~
13 ~~voted to become involved in the reorganization proposal.~~ reorganized, the board of each
14 participating school district must:

- 15 1. Vote to pursue the reorganization;
- 16 2. Arrange for the preparation of a reorganization plan;
- 17 3. Approve the reorganization plan; and
- 18 4. Arrange for the submission of the plan to the committee.

NOTE: As directed by the committee, the rewrite attempted to clarify the basic steps in a reorganization procedure.

19 **SECTION 43. AMENDMENT.** Section 15-27.3-05 of the 1997 Supplement to the North
20 Dakota Century Code is amended and reenacted as follows:

21 **15-27.3-05. School district reorganization - Public hearing on proposals for**
22 **reorganization - Hearing testimony for adjusting Hearing - Testimony and evidence.** ~~The~~
23 ~~county committee shall hold a public hearing on the advisability of any~~

- 24 1. Upon receiving a reorganization proposal. Notice of hearings must be given by
25 publishing a plan, the committee shall schedule and give notice of a public hearing
26 regarding the plan.

- 1 2. The committee shall publish the notice in the official county newspaper of the
2 county at least fourteen days prior to before the date of each the hearing. If the
3 county committee fails to call a hearing or to give the required public notice, a
4 petition signed by twenty five percent of the qualified electors in the area proposed
5 to be included in the new school district and presented to the committee makes it
6 mandatory for a hearing to be called. Notice of the hearing must be published
7 within ten days after the petition has been filed, and must set forth the date
8 selected for the hearing, which may not be more than twenty days after the date of
9 publication. The county committee shall also hear at such time as may be fixed by
10 it, testimony offered by any person or school district interested in the reorganization
11 proposal. The
- 12 3. If no newspaper is published in the county, the committee shall publish the notice
13 in a newspaper in an adjoining county in this state.
- 14 4. At the hearing, the committee shall accept testimony and documentary evidence
15 considered by the county committee must include any information regarding the
16 following factors:
- 17 4- a. The value and amount of all school district property of whatever nature
18 involved in the proposed action: reorganization;
- 19 2- b. The nature, amount, and value of all bonded, warrant, and other
20 indebtedness of each school district affected by participating in the proposed
21 action, including all unexecuted obligations with separate consideration given
22 to the amount of outstanding indebtedness incurred for current expenses, the
23 amount incurred for permanent improvements, and the location of such
24 improvements in order that an equitable adjustment of all property, debts, and
25 liabilities among the districts involved be made: reorganization;
- 26 3- c. The taxable valuation of the existing districts each participating school district
27 and the differences in such estimated taxable valuation which would accrue
28 of each district under a the proposed reorganization: plan;
- 29 4- d. The size, geographical features, and boundaries of the districts: each
30 participating district;

1 ~~The county committee shall keep a record of the hearing on the reorganization of school~~
2 ~~districts and of all findings and terms of adjustment of property, debts, and liabilities among the~~
3 ~~districts involved, and approve or disapprove the reorganization plan.~~

4 6. If a committee approves the reorganization plan, the committee shall propose an
5 equitable adjustment of all property, assets, debts, and liabilities among the
6 participating districts and shall submit the same proposed adjustment together with
7 the reorganization plan to the state board at the time of submitting the
8 reorganization proposal of public school education for state board approval.

NOTE: As directed by the committee, this section underwent extensive clean up and organization. One substantive change is found in subsection 2 of the rewrite. The verbiage originally provided that if a county committee fails to schedule a hearing on a plan for reorganization, a petition process should be instituted mandating that the county committee proceed. A county committee is by law required to proceed when it receives a reorganization plan. If it refuses to, it would be appropriate for a mandamus action to be instituted in the courts. The process set forth herein merely provides that if a county committee chooses to ignore the law, the county committee may be petitioned and asked to observe the law. This concept was deemed to be inapplicable to county committees and equally inapplicable to regional reorganization committees.

9 **SECTION 44. AMENDMENT.** Section 15-27.3-06 of the 1997 Supplement to the North
10 Dakota Century Code is amended and reenacted as follows:

11 **15-27.3-06. Reorganized school districts - Determination of tax levy.** ~~Prior to the~~
12 ~~submission of a reorganization proposal, the county~~ The committee or committees shall
13 ~~determine the amount necessary~~ recommend a tax levy sufficient to meet the expenses of the
14 proposed reorganized district and ~~shall propose a tax levy sufficient to meet those expenses.~~
15 ~~The proposed~~ submit the recommended tax levy ~~must be submitted~~ to the state board of public
16 school education as a part of the reorganization proposal and, ~~if approved by the state board,~~
17 ~~must be included as a part of the proposal and submitted to the electors of the proposed new~~
18 ~~district as provided in this chapter.~~ Tax levies submitted to and approved by the state board as
19 a part of a reorganization proposal ~~which is approved as provided in this chapter~~ plan are not
20 subject to mill levy limitations provided by law.

NOTE: As directed by the committee, this section was cleaned up.

21 **SECTION 45. AMENDMENT.** Section 15-27.3-07.1 of the 1997 Supplement to the
22 North Dakota Century Code is amended and reenacted as follows:

23 **15-27.3-07.1. Vote on issuance of bonds when voting on reorganization proposal**
24 **plan.**

- 1 1. If the reorganization ~~proposal~~ contemplates plan proposes the issuance of bonds
2 pursuant to chapter 21-03, the question of the bond issuance ~~of the bonds~~ may be
3 voted on at the same election as that for which approval of the reorganization plan
4 is sought, provided:
- 5 a. Each of the school boards involved in the reorganization adopts, by a majority
6 vote, an identical initial resolution required by chapter 21-03; and
- 7 b. All of the terms of chapter 21-03 are complied with, except that if there is a
8 conflict with section 15-27.3-08 regarding how the election will proceed, the
9 terms of section 15-27.3-08 prevail.
- 10 2. If the reorganization is not approved, the result of the vote on the bond issuance ~~of~~
11 bonds is ~~ineffective~~ void.

NOTE: This section was addressed by the 1997 Legislative Assembly and as directed
by the committee, is revised very little.

12 **SECTION 46. AMENDMENT.** Section 15-27.3-08 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-27.3-08. Approved proposal received by ~~county superintendent~~ regional**
15 **coordinator - Duty ~~of superintendent~~ to call special election - Formation of new district.**

- 16 1. a. ~~Upon receipt from~~ If the state board of an ~~approved proposal for the public~~
17 school education approves a reorganization of school districts, and approved
18 terms of adjustment plan, together with the proposed adjustments of property,
19 debts, and liabilities among the participating districts involved, the county
20 superintendent shall call a special election of the voters residing within the
21 territory of state board shall notify the coordinator of each region having real
22 property in the proposed new district.
- 23 b. ~~The election must be held at the place or places in the territory which have~~
24 ~~been determined by the county superintendent to be convenient for the~~
25 ~~voters.~~
- 26 e. The regional coordinator shall call a special election in order that the electors
27 residing within the boundaries of the proposed new district may approve or
28 disapprove the reorganization plan. The special election must be held after
29 between July first and no later than December thirty-first of the year in which
30 the plan is approved proposal is received unless there are not sufficient

- 1 ~~business by the state board. If there are insufficient days left in that the year~~
2 ~~to accomplish the required publication of~~ meet the notice, in which event
3 ~~requirements of this section, the special election must be held the following~~
4 ~~year~~ as soon as practical after January first.
- 5 2. a. ~~Notice~~ The regional coordinator shall give notice of the election, stating by
6 publishing the time, date, and place of holding the election, must be published
7 ~~by the county superintendent in the official county newspaper of each county~~
8 having real property in the proposed new district, at least fourteen days before
9 the date of the election.
- 10 b. 3. ~~The election notices shall clearly state notice must:~~
- 11 a. State that the election has been called for the purpose of affording the voters
12 an opportunity to approve or reject a proposal for the formation of approving
13 or disapproving a plan to form a new school district and must also contain a
14 description of;
- 15 b. Describe the boundaries of the proposed new district; and
- 16 c. Include a statement, if any, of the terms of describing the adjustment of
17 property, debts, and liabilities applicable to the proposal, and proposed in the
18 plan, together with the proposed tax levy.
- 19 3. 4. ~~The county superintendent regional coordinator shall appoint judges and clerks of~~
20 ~~the elections and the election shall be held and. The election must be conducted~~
21 ~~in the same manner and the polls shall~~ must open and close at the same time as
22 ~~specified for school district elections in public school districts.~~
- 23 4. 5. ~~The result of the elections must be certified and delivered to the county~~
24 ~~superintendent regional coordinator within three days after the closing of the polls.~~
- 25 5. 6. ~~If a majority of electors residing within each school district vote in favor of the~~
26 ~~formation of the district to approve the reorganization plan, the county~~
27 ~~superintendent regional coordinator shall make the proper adjustment necessary~~
28 adjustments of the property, assets, debts, and liabilities as provided in the
29 ~~approved proposal and shall organize and establish such districts and in so doing~~
30 ~~shall and perform all other necessary duties that are required by law to be~~
31 ~~performed by the county superintendent in connection with the organization and~~

1 ~~establishment of~~ in order to establish and organize the new school districts of any
2 ~~kind or type~~ district.

NOTE: In this version, the various duties of the county superintendent are given to the regional coordinator.

3 **SECTION 47. AMENDMENT.** Section 15-27.3-11 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15-27.3-11. Proposal rejection - Revision - New election.**

6 1. ~~If a proposal for the formation of a new school district is rejected by the voters at~~
7 ~~the election provided for in section 15-27.3-08~~ the electors fail to approve the
8 ~~reorganization plan, the county committee may at any time, after a period of three~~
9 ~~months from the date of such~~ the special election, and after may:

10 a. ~~Hold a public hearing is held in the manner as~~ provided in section 15-27.3-05;
11 ~~make such revision as it deems advisable in the;~~

12 b. Revise the reorganization plan with respect to boundaries proposed for the
13 ~~new district, in the terms of, the~~ adjustment of the property, debts, and
14 ~~liabilities of the district, and the proposed tax levy, as the case may be,; and~~
15 ~~resubmit~~

16 c. Resubmit the same revised plan to the state board of public school education
17 for approval.

18 2. a. ~~If the boundaries of the proposed new district, the terms of adjustment, or the~~
19 ~~proposed mill levy, as the case may be, as revised, are approved by the state~~
20 ~~board, notice thereof must be transmitted to~~ approves the revised plan, the
21 ~~board shall notify the county superintendent~~ regional coordinator.

22 b. ~~Upon receipt of such notice the county superintendent~~ The coordinator shall
23 ~~call, in the manner and for the purpose specified in section 15-27.3-08, a~~
24 ~~special election of the voters residing within the revised boundaries of the~~
25 ~~proposed new district~~ follow the procedures set forth in this chapter for
26 effectuating reorganization plans.

27 3. ~~If a majority of electors residing within each school district vote in favor of the~~
28 ~~formation of the district, the county superintendent shall proceed to organize and~~
29 ~~establish the district and to perform the necessary duties related thereto in the~~
30 ~~same manner and to the same effect as is provided in section 15-27.3-08.~~

NOTE: This version assigns the duties to the board of regional coordinator. Former subsection 3 is omitted because it is already stated in Section 15-27.3-08(6).

1 **SECTION 48. AMENDMENT.** Section 15-27.3-12 of the 1997 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **15-27.3-12. School boards in reorganized and original districts.** After the
4 establishment of any new school district, the

5 1. Upon approval of a reorganization plan by the electors, a school board for the new
6 school reorganized district must be elected at the regular ~~annual~~ school district
7 election or at a special election called by the ~~county superintendent of schools~~
8 regional coordinator for that purpose. The first school board election ~~to elect a~~
9 ~~school board~~ in a newly reorganized district is governed by chapter 15-28.

10 2. Members of newly formed school boards ~~elected in the newly representing~~
11 reorganized districts ~~may not shall~~ enter upon the duties of office ~~until the time as~~
12 specified in ~~section 15-27.3-15~~ except as provided by sections 15-27.3-13 and,
13 15-27.3-13.1. ~~School boards in original school districts included within a~~
14 ~~reorganized district continue and remain in existence until the time specified in~~
15 ~~section, and 15-27.3-15 at which time the new school board elected for the newly~~
16 ~~reorganized district as provided in this section becomes the governing body of the~~
17 ~~school districts. Prior to.~~ Before the completion of the reorganization of any
18 school district under this chapter, the existing ~~school~~ board of any school an
19 existing district may not contract or ~~place~~ obligate the district ~~under any obligation,~~
20 except ~~upon the recommendation~~ with the approval of the ~~county~~ committee.
21 ~~Subsequent annual elections in the school district are governed by the laws~~
22 ~~pertaining to such elections.~~

NOTE: This version assigns the county superintendent's duties to the regional coordinator.

23 **SECTION 49. AMENDMENT.** Section 15-27.3-13 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15-27.3-13. Board may negotiate prior to assumption of duties—Termination of**
26 **teachers of reorganized district - Duties.**

27 1. ~~Notwithstanding any provision of this chapter, the school~~ The board for a new of a
28 reorganized school district established ~~pursuant to~~ under this chapter shall

- 1 negotiate ~~in the manner~~ with the districts' teachers, as provided by chapter 15-38.1
2 ~~with the teachers of the district in lieu of the old board or boards prior to~~ and may
3 contract with the teachers' representative organizations before the effective date of
4 ~~assumption of its other duties pursuant to section 15-27.3-15.~~ The school board
5 ~~may enter into agreements with representative organizations pursuant to chapter~~
6 ~~15-38.4~~ the reorganization. If on July first of the year the ~~newly~~ reorganized school
7 district begins operations; a negotiated agreement has not been entered ~~into~~
8 between the board and the teachers pursuant to chapter 15-38.1, ~~until the end of~~
9 ~~the negotiation process,~~ no teacher employed by the ~~newly~~ reorganized school
10 district board may receive less in salary and benefits than that teacher received for
11 the ~~previous~~ preceding school year. For purposes of this section, ~~salary and~~
12 ~~benefits include~~ "salary and benefits" means salary, insurance benefits, teachers'
13 fund for retirement contributions, personal leave, sick leave, accumulated sick
14 leave, extracurricular salary, reduction-in-force policy, grievance procedures, and
15 recall procedures.
- 16 2. ~~After the establishment of any new school district pursuant to this chapter, the~~
17 ~~school board for the new~~ Before February second of the year in which the
18 reorganization becomes effective, the board of the reorganized school district shall;
19 ~~on or before February first of the year in which the reorganization takes effect,~~ hold
20 a public hearing and to present at the hearing a detailed plan setting forth the
21 curriculum, class course offerings, and staffing staff positions which will be offered
22 by the new school district to be available during the coming school year. The
23 ~~school~~ board shall give publish notice of the hearing ~~by publication~~ in the official
24 county newspaper in of each county ~~affected by the proposed reorganization~~
25 having real property in the reorganized district, at least fourteen days ~~prior to~~
26 before the date of the hearing. ~~The school board for the new school district shall,~~
27 ~~on or before~~
- 28 3. Before April fifteenth sixteenth of the year in which the reorganization ~~takes effect,~~
29 ~~notify these~~ becomes effective, the board of the reorganized school district shall
30 inform the teachers of the districts ~~which are being reorganized whether, taking~~

1 ~~into account reductions in staff positions due to the reorganization,~~ they will be
2 offered contracts of employment with the ~~new~~ reorganized district.

NOTE: The committee directed that this section be cleaned up.

3 **SECTION 50. AMENDMENT.** Section 15-27.3-13.1 of the 1997 Supplement to the
4 North Dakota Century Code is amended and reenacted as follows:

5 **15-27.3-13.1. Board may proceed in accordance with chapter 21-03.** The ~~school~~
6 board ~~for a new~~ of a reorganized school district established ~~pursuant to~~ under this chapter may
7 proceed, before the effective date of the reorganization, ~~proceed~~ in accordance with chapter
8 21-03 for the issuance of bonds for purposes specified in that chapter if the issuance of the
9 bonds is contemplated by the approved reorganization proposal.

NOTE: As directed by the committee, this section evidences nonsubstantive changes designed to ensure compatibility of references.

10 **SECTION 51. AMENDMENT.** Section 15-27.3-14 of the 1997 Supplement to the North
11 Dakota Century Code is amended and reenacted as follows:

12 **15-27.3-14. Continuance of elementary schools in reorganized districts.** ~~Each~~ An
13 elementary school ~~included in reorganized school districts must be kept in session as provided~~
14 ~~by law, except that any school may be discontinued when the school~~ in existence at the time a
15 reorganization proposal becomes effective may be closed upon motion of the board in the
16 district where the school is located, by a four-fifths vote, approves its closing. The school board
17 may reopen such school at any time upon its own motion. The school. Unless otherwise
18 directed by the superintendent of public instruction, a school closed under this section may be
19 reopened only upon resolution of the school board and only at the beginning of the next regular
20 a school term which year that follows by at least ninety days the date of the school board's
21 action closure vote.

NOTE: The committee suggested that this section needed to be reworked. It provides that a board may reopen a school at any time and then proceeds to limit the times when a board may reopen a school. The committee did not, however, address the current requirement for a four-fifths vote. That provision is not problematic if there is a five member school board. If a district is governed by either a larger or a smaller board, the percentages are not accurate. Because of uncertainty about the wishes of the committee, the current draft reflects the requirement for a majority vote only.

22 **SECTION 52. AMENDMENT.** Section 15-27.3-15 of the North Dakota Century Code is
23 amended and reenacted as follows:

1 **15-27.3-15. Effective date of approved reorganization proposals - Transfer of all**
2 **property.** Except as provided by ~~in~~ section 15-27.3-13, any a reorganization ~~proposal voted~~
3 ~~upon and approved becomes operative and effective~~ plan takes effect on the first day of July
4 following its final approval. ~~Any officer of a~~ by the voters. Personnel from ~~school district~~
5 districts incorporated in whole or in part into a reorganized ~~school~~ district ~~shall,~~ within thirty
6 days from the date the reorganization is effective, shall turn over to the board of the
7 reorganized ~~school~~ district all of the property and other assets as ~~finally adjusted and~~
8 ~~determined~~ required by the ~~county committee~~ approved reorganization plan. Unless it is
9 ~~otherwise agreed and provided by the reorganization proposal~~ otherwise, debts, obligations,
10 and liabilities of the ~~several~~ districts or parts of districts incorporated into the reorganized district
11 become the ~~general debt, obligation, and liability~~ debts, obligations, and liabilities of the
12 reorganized district.

NOTE: The committee directed that the section be cleaned up.

13 **SECTION 53. AMENDMENT.** Section 15-27.3-17 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **15-27.3-17. Sale or removal of school buildings in reorganized districts.** ~~On~~
16 ~~motion of the school~~ The board, or on petition of a majority of the qualified electors in an
17 ~~original school district included in~~ of a reorganized district established in accordance with under
18 ~~this chapter, for the sale or removal of a schoolhouse in such district, the school board of the~~
19 ~~reorganized district may have the~~ may sell or move a school building moved or sold situated in
20 the district. If a petition calling for the sale of a school building is signed by a majority of the
21 qualified electors residing within the boundaries of a former school district now wholly situated
22 within the boundaries of the reorganized district and is submitted to the board, the school board
23 shall sell the building ~~must be moved to the place.~~ If the petition calls for the board to move the
24 building, the board shall move the building to the site designated in the petition, ~~or sold if the~~
25 ~~petition so provides.~~ The board shall deposit proceeds of the sale ~~must be placed~~ in either the
26 district's general fund or the building fund of the reorganized district, in the discretion of the
27 school board. If the ~~sale or removal is to~~ purchaser or recipient of the building is a political
28 subdivision of this state, it the board, upon a unanimous vote, may be made complete the
29 transaction for less than the fair market value of the ~~school~~ building ~~upon motion unanimously~~
30 ~~approved by the school board.~~

NOTE: The committee directed that this section be cleaned up and organized.

1 **SECTION 54. AMENDMENT.** Section 15-27.3-18 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-27.3-18. Costs of reorganization elections.** ~~Each of the districts affected by the~~
4 ~~proposal shall pay all~~ If the electors fail to approve a reorganization plan, each school district
5 that had real property included in the proposed district shall bear the costs of any the election
6 required in school district reorganization proceedings in the same proportion as the amount of
7 each district's territory relates to the amount of territory of the newly proposed school district,
8 should the reorganization proposal fail to be approved at the election. If the reorganization
9 proposal is approved at the election, the newly reorganized school district shall pay all the
10 ~~costs.~~ The percentage of the total cost for which each district is obligated is the same as the
11 percentage that the district's real property included in the proposed reorganized district bears to
12 the total amount of real property in the proposed reorganized district.

NOTE: The committee directed that this section be examined for inaccuracies in phraseology, including the requirement that "each" district pay "all" costs. It directed that these inaccuracies, together with any others be cleaned up.

13 **SECTION 55. AMENDMENT.** Section 15-27.3-19 of the 1997 Supplement to the North
14 Dakota Century Code is amended and reenacted as follows:

15 **15-27.3-19. Changes in reorganization proposal.** ~~At any time after the~~
16 1. All provisions of an approved reorganization proposal has become effective, any
17 provision of the reorganization proposal, including provisions affecting the
18 adjustment of assets and liabilities but excepting provisions defining the
19 boundaries of the district, plan, except those relating to boundaries may be
20 changed by upon the concurrence of a majority vote of the qualified electors voting
21 on the question ~~without approval of the state board or the county committee.~~ The
22 question may be placed before the voters at a regular or special election upon a
23 motion of the school board in the reorganized district may, upon its own motion, or
24 ~~shall,~~ and must be placed before the voters upon the filing with it receipt by the
25 board of a petition signed by at least:
26 a. Twenty-five percent of the qualified electors residing in the district, if the
27 population of the district, as determined by the county auditor, is less than
28 twenty-five qualified electors;

- 1 b. Except as provided in subdivision a, twenty percent of the qualified electors
2 equal in number to twenty percent or more of the persons enumerated in the
3 ~~most recent school district census, unless the census is~~ residing in the district,
4 if the population of the district is not more than four thousand; or
- 5 c. Fifteen percent of the qualified electors residing in the district, if the population
6 of the district is greater than four thousand, in which case only fifteen percent
7 or more of the number of persons enumerated in the school census is
8 required, submit the question of authorizing a change in the school district's
9 adopted reorganization proposal at the next regular or special election.
10 ~~However, not fewer than twenty five signatures of qualified electors is~~
11 ~~required unless the district has fewer than twenty five qualified electors, in~~
12 ~~which case the petition must be signed by not less than twenty five percent of~~
13 ~~the qualified electors of the district. In districts with fewer than twenty five~~
14 ~~qualified electors, the county superintendent for the county in which the~~
15 ~~school is located shall determine the number of qualified electors in the~~
16 ~~district. If a majority of all votes cast on the question by the electors residing~~
17 ~~in the district is in favor of the proposed change, then the proposed change is~~
18 ~~effected.~~
- 19 2. ~~If a reorganization plan has been in effect~~ school district has been reorganized for
20 at least ten years, ~~any proposed change to~~ the boundaries of geographic voting
21 ~~areas is effective~~ may be changed upon the concurrence of a majority ~~vote in~~
22 ~~an election at large by the~~ of qualified electors ~~of the district~~ voting on the
23 question. ~~A school~~
- 24 3. The board in a reorganized ~~school~~ district may change, by resolution, to ~~at large~~
25 at-large voting for school board ~~candidates~~ members, if there is a variance of more
26 than ten percent in the population between any of the district's established
27 geographic areas with resident candidates.

NOTE: The committee found this section to be incomprehensible and directed that it be organized. The county superintendent had been charged with determining how many people equal "twenty-five percent of qualified electors in districts having fewer than twenty-five qualified electors". This task is now assigned to the county auditor.

28 **SECTION 56. AMENDMENT.** Section 15-27.3-20 of the 1997 Supplement to the North
29 Dakota Century Code is amended and reenacted as follows:

- 1 **15-27.3-20. Powers of school board in reorganized district - Exceptions.** After
2 1. ~~Beginning five years from~~ after the effective date of the reorganization proposal,
3 the ~~school~~ board of a reorganized district may exercise ~~the all~~ powers granted to
4 a school board by ~~section 15-29-08 or any other provisions of law,~~ regardless of
5 limitations contained in the district's reorganization proposal. ~~However, this section~~
6 ~~does not authorize the school plan.~~
- 7 2. Notwithstanding subsection 1, the board of a reorganized district ~~to~~ may change
8 geographic voting areas ~~except only~~ in accordance with section 15-27.3-19 ~~nor~~
9 ~~does it authorize a change in transportation except in accordance with section~~
10 ~~15-27.3-10.~~

NOTE: The reference to changes in transportation provisions is eliminated because this is already covered in the rewrite of Section 15-27.3-19.

11 **SECTION 57. AMENDMENT.** Section 15-27.4-01 of the 1997 Supplement to the North
12 Dakota Century Code is amended and reenacted as follows:

13 **15-27.4-01. Dissolution of public school districts - Responsibility of county**
14 ~~committee~~ **Duty of county superintendent Grounds.**

- 15 1. ~~The county~~ A committee shall ~~schedule and provide notice of a public hearing to~~
16 ~~dissolve a school district~~ initiate proceedings to dissolve a school district and
17 ~~attach the territory~~ real property to other school districts ~~upon receipt by the county~~
18 ~~committee of notice from the county superintendent~~ when it is notified in writing by
19 the president of the school board or by a government official that:
- 20 a. ~~A school district can no longer levy sufficient taxes to carry on normal school~~
21 ~~operations~~ The district is financially unable to effectively and efficiently
22 educate its students;
- 23 b. ~~A school~~ The district ~~within the county~~ has not operated a school as is
24 required by section 15-27.1-11; or
- 25 c. ~~There exists territory not organized into a school district;~~
- 26 d. ~~Any portion of a school district within the county has been severed from the~~
27 ~~district by the expansion and growth of a city and the severed portion is not~~
28 ~~contiguous with the district; or~~
- 29 e. c. The school district board has determined ~~that it~~ dissolution is in the best
30 ~~interests~~ interest of its students ~~to dissolve and become attached to~~

1 surrounding school districts. The school district shall make this determination
2 whenever the objective is to liquidate the school district. The annexation
3 procedures under chapter 15-27.2 may not be used to annex, through one or
4 more annexation petitions, all of the territory in a school district to surrounding
5 school districts.

6 2. ~~When any portion of a school district has been left out of a school district~~
7 ~~reorganization, the county committee shall, within forty five days after voter~~
8 ~~approval of the school district reorganization proposal, order a hearing pursuant to~~
9 ~~section 15-27.4-02 for the purpose of determining to which school district or~~
10 ~~districts the remaining territory should be attached.~~

11 3. ~~The county committee shall provide for the attachment of the territory of the~~
12 ~~dissolved district to one or more adjoining school districts effective July first next~~
13 ~~following the approval unless another effective date is provided for by the county~~
14 ~~committee. Qualified electors residing in the attached territory are entitled to vote~~
15 ~~and hold office in the school district to the same extent as all other qualified~~
16 ~~electors residing in the district, and the territory is part of the school district as fully~~
17 ~~in every respect as if it had been included in the district when organized. This~~
18 ~~section does not prevent the district from providing for the education of the children~~
19 ~~to the extent that its current budget in the judgment of the school board will permit,~~
20 ~~or relieve the district from any existing responsibility for the education of children~~
21 ~~attending its schools before the effective date of the order. This section does not~~
22 ~~change the effect of any election held within the school district pursuant to chapter~~
23 ~~15-48 before the effective date of the order.~~

24 2. Except as otherwise provided in this section, a committee shall initiate a
25 proceeding under section 15-27.4-02 to attach property to an operating school
26 district when it is notified in writing by the president of the school board or by a
27 government official that:

28 a. Property has been severed from its school district by the expansion of a city
29 and the severed portion is not contiguous with its district; or

30 b. There is property that is not part of a school district.

- 1 3. If a school district reorganization plan, that does not include all property in a district
2 is approved by the electors, the committee, within forty-five days after the election,
3 shall hold a hearing under section 15-27.4-02 to attach the remaining property to
4 one or more operating districts.
- 5 4. Receipt of notice by ~~the county~~ a committee ~~from the county superintendent~~ under
6 ~~subsection 1 renders ineffective~~ this section:
- 7 a. Renders all annexation petitions involving any of the same territory that
8 property void, unless the petitions have not already been approved by the
9 state board as of the date the county committee received the notice. In
10 addition, no annexation petitions involving any of the same territory may be
11 filed with the county superintendent of public school education; and
- 12 b. Prohibits the acceptance of new annexation petitions involving such property
13 until all proceedings under this chapter have been completed.

NOTE: The duties of the county superintendent were given to the president of the local school board or any other government official. This option was chosen because the president might not be the person to know that certain property does not belong to a district. The section reorganizes concepts regarding the initiation of dissolution proceedings.

14 **SECTION 58. AMENDMENT.** Section 15-27.4-02 of the 1997 Supplement to the North
15 Dakota Century Code is amended and reenacted as follows:

16 **15-27.4-02. Notice of hearing - Order of attachment ~~Joint county action.~~**

- 17 1. ~~The county superintendent of the county in which the administrative headquarters~~
18 ~~of the dissolving school district is located, upon order of the county committee,~~
19 ~~shall notify the business manager of each school district adjoining any district~~
20 ~~which is to be dissolved pursuant to section 15-27.4-01, and any unorganized~~
21 ~~territory recommended for attachment as provided by that section, that a hearing~~
22 ~~will be held and the time and the place of the hearing by the county committee, for~~
23 ~~the purpose of determining to which school district or districts the dissolved or~~
24 ~~unorganized territory will be attached~~ committee shall schedule and give notice of
25 a public hearing regarding the dissolution of the district and the subsequent
26 attachment of the property to other districts. The committee shall publish the
27 notice in the official newspaper of each county that encompasses property of the

- 1 dissolving district or property of a district adjacent to the dissolving district, at least
2 fourteen days before the date of the hearing.
- 3 2. The ~~county~~ committee shall ~~receive~~ consider testimony ~~at the hearing for the~~
4 ~~purpose of determining and considering the factors listed in subsection 3 of section~~
5 ~~15-27.2-04 as they relate to the dissolution proceeding. At the hearing, the school~~
6 ~~district to be dissolved may propose a particular manner of dissolution and~~
7 documentary evidence regarding:
- 8 a. The value and amount of property held by the dissolving school district and
9 the amount of the district's bonded and other indebtedness;
- 10 b. An equitable distribution of property among adjacent districts;
- 11 c. The taxable valuation of the dissolving district and the projected valuation of
12 adjacent districts;
- 13 d. The size, geographical features, and boundaries of the dissolving district and
14 of adjacent districts;
- 15 e. The number of students in average daily membership in the dissolving district
16 and in adjacent districts;
- 17 f. The location, condition, and accessibility of schools in the dissolving district
18 and in adjacent districts;
- 19 g. The location and condition of roads, highways, and natural barriers in the
20 dissolving district and in adjacent districts;
- 21 h. The high schools attended by students residing in the dissolving district and in
22 adjacent districts;
- 23 i. Conditions affecting the welfare of the students in the dissolving district and in
24 adjacent districts;
- 25 j. The boundaries of other governmental entities;
- 26 k. The educational needs of communities in the dissolving district and in
27 adjacent districts;
- 28 l. The potential for economizing school district transportation and administrative
29 services;
- 30 m. The anticipated future use of the dissolving districts' buildings, sites, and
31 playfields;

- 1 n. The potential for a reduction in per student valuation disparities and the
2 potential for the equalization of or an increase in the educational opportunities
3 of students in the dissolving district and in adjacent districts; and
4 o. All other relevant factors.
- 5 3. After the hearing, the ~~county~~ committee ~~shall~~, by resolution, may order the district
6 dissolved and its ~~territory attached, or the unorganized territory property~~ property attached;
7 to one or more ~~adjoining~~ contiguous, operating school districts ~~in such manner as~~
8 will, in its judgment, ~~provide the best educational opportunities for students of the~~
9 public schools and the wisest use of public funds for the support of the public
10 school system in the school districts and attached territory. ~~The county committee~~
11 may not order the attachment of any territory unless a. Any property ordered
12 attached under this section must have at least one minor resides residing within
13 the its boundaries ~~of the territory to be attached.~~
- 14 4. ~~The district to be dissolved must be attached to a contiguous operating school~~
15 ~~district.~~
- 16 5. The committee shall forward a copy of its order to the state board of public school
17 education for final approval. Unless rejected by the state board or otherwise
18 provided for by the committee, the order of dissolution and the subsequent
19 attachment of property becomes effective July first following the date of the order
20 or resolution and ~~after approval by the state board, unless another effective date is~~
21 ~~provided for by the county committee, as provided in section 15-27.4-04.~~
- 22 6. ~~If that portion of the order providing for attachment of the dissolved or unorganized~~
23 ~~territory is rendered ineffective or suspended for any reason, the portion of the~~
24 ~~order providing for the dissolution is suspended until such time as the attachment~~
25 ~~becomes effective.~~
- 26 7. 5. If the dissolving school district ~~to be dissolved~~ is located in more than one ~~county~~
27 region, the ~~county committees of the counties in which twenty five percent or more~~
28 ~~of the taxable valuation~~ proceeding to dissolve the district must be conducted by
29 the committee of the region encompassing the greater portion of the dissolving
30 school district ~~is located, shall hear the dissolution. After the hearing, if a majority~~
31 ~~of the county committees hearing the dissolution cannot agree upon an order~~

1 ~~attaching the territory to adjoining districts, the county superintendent of the county~~
2 ~~in which the administrative headquarters of the dissolving school district is located,~~
3 ~~shall submit the dissolution and attachment to the state board, and in such~~
4 ~~instance the state board shall, after holding a hearing such as the one described in~~
5 ~~subsections 1 and 2, dissolve and attach the district to be dissolved, or the~~
6 ~~unorganized territory, in the manner as will, in its judgment, provide the best~~
7 ~~educational opportunities for students of the public school system in the school~~
8 ~~districts and attached territories.~~

NOTE: This section articulates the testimony and documentary evidence to be considered in a dissolution proceeding. This material is taken from Section 15-27.2-04. Because regional committees are referenced here, the section also deletes language regarding joint committee hearings.

9 **SECTION 59. AMENDMENT.** Section 15-27.4-02.1 of the 1997 Supplement to the
10 North Dakota Century Code is amended and reenacted as follows:

11 **15-27.4-02.1. Unobligated cash balance up to ten thousand dollars.** Any
12 unobligated cash balance ~~up to~~ not exceeding ten thousand dollars ~~which is not designated for~~
13 ~~indebtedness~~ must be held in a separate fund by the ~~county~~ auditor of the county ~~in which the~~
14 ~~majority of the territory having the greatest share of the dissolved school district is located~~
15 district's property. The county auditor shall hold the fund for one year after the effective date of
16 the dissolution. During that year, the county auditor shall accept assets and pay debts
17 attributable to the dissolved school district ~~which were not resolved before the effective date of~~
18 ~~the dissolution. At the end of the.~~ After one year, unless determined directed otherwise by the
19 ~~state board when the dissolution was approved~~ order of dissolution, the county auditor shall
20 distribute the remaining cash balance remaining in the fund must be divided and distributed to
21 among the school districts in to which the property of the dissolved district was attached. The
22 distribution to each must be the same proportion as percentage as the taxable valuation
23 ~~received by the school districts to which the territory of the dissolved school district was~~ of the
24 attached property bore to the total taxable valuation of the dissolved district at the time of the
25 attachment order.

NOTE: As directed by the committee, the section is cleaned up.

26 **SECTION 60. AMENDMENT.** Section 15-27.4-03 of the 1997 Supplement to the North
27 Dakota Century Code is amended and reenacted as follows:

1 **15-27.4-03. Unobligated cash balance in excess of ten thousand dollars - Tax**
2 **credits or refunds.**

- 3 1. Any unobligated cash balance in excess of ten thousand dollars ~~which is not~~
4 ~~designated for indebtedness of any school district dissolved after January 1, 1989,~~
5 is a credit for ~~those who own~~ property owners within the boundaries of the
6 dissolved school district against taxes levied by the ~~school district the dissolved~~
7 ~~school district is attached to in the year or years following the dissolution based on~~
8 ~~the previous~~ in which their property is now situated. The county auditor shall base
9 the credit on the five-year average of the total mills levied for education by the
10 dissolved district being dissolved, as calculated by the county auditor. ~~If a school~~
11 ~~district is.~~ If property from the dissolved and district is attached to more than one
12 school district, the credit that those who own eligible property within the attached
13 school district receive from the receiving school district owners receive must be in
14 the same proportion to percentage of the remaining unobligated cash balance as
15 the taxable valuation of the individual's property bears to the total taxable valuation
16 of the dissolved district's ~~property in the school district that existed prior to~~
17 ~~dissolution~~ at the time of the attachment order.
- 18 2. Upon approval of the board of county commissioners, any school district required
19 to provide a tax credit under subsection 1 may provide a cash refund in lieu of the
20 tax credit. At the request of the county auditor, the school district holding the
21 unobligated cash balance shall pay to the county treasurer the amount to be paid
22 to those who own property within the dissolved district. The treasurer shall issue
23 the refund to the owner of the property as shown on the county's assessment list at
24 the time of payment. If there is a lien for unpaid taxes against any property, the
25 treasurer shall first apply the tax credit toward any outstanding balance. Any
26 amount remaining may then be paid to the property owner. The cash refunds must
27 be calculated proportionately to the total taxable value of the dissolved district
28 during the last year taxes were levied.

NOTE: As directed by the committee, the section is cleaned up.

29 **SECTION 61. AMENDMENT.** Section 15-27.5-02 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15-27.5-02. School board members - Terms of office - Qualifications - Vacancies.**

2 The ~~school~~ board of a school district formed ~~pursuant to~~ under this chapter consists of five
3 members. The superintendent of public instruction shall adopt rules ~~under chapter 28-32~~
4 providing appointment procedures. The superintendent, after consultation with the base
5 commander, and with the approval of the state board of public school education, shall appoint
6 the board members in April of each year, ~~except that the initial appointments must be made~~
7 ~~within fifteen days after March 28, 1989.~~ The board members must reside on the military
8 installation. The school board members shall serve three-year terms except that the
9 superintendent of public instruction shall designate two of the members initially appointed to
10 serve two-year terms and two of the members initially appointed to serve one-year terms. If a
11 vacancy occurs, the ~~superintendent of public instruction, after consultation with the base~~
12 ~~commander, and with the approval of the state board of public school education,~~ board
13 members shall appoint ~~a member~~ an individual to serve for the remainder of the term.

NOTE: The committee, at the request of the Grand Forks Superintendent of Schools,
 directed that this section be revised to allow remaining board members to fill a vacancy.

14 **SECTION 62. AMENDMENT.** Section 15-29-06 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-29-06. Vacancies on school board - How filled.** The school board ~~has power to~~
17 may fill by appointment any vacancy ~~which~~ that may occur on the board. An appointee shall
18 hold office until the next annual election and until a successor is elected and qualifies. ~~When~~
19 ~~any such appointment is made, the~~ The business manager shall certify ~~the same~~ any
20 appointment to the ~~county superintendent of schools.~~ regional coordinator. If
21 the school board fails to fill ~~such~~ the vacancy within sixty days ~~after notice of a vacancy has~~
22 ~~been filed with the county superintendent of schools, the county superintendent, the regional~~
23 coordinator shall call a special election for the purpose of filling the vacancy. ~~Such~~ The election
24 must be conducted in the same manner as the annual school election. A vacancy occurs on
25 the school board by death, resignation, removal from the school district, or otherwise. Any
26 school officer may be removed from office by a court of competent jurisdiction as provided by
27 law, and in ~~such~~ this event a vacancy exists. If a school board vacancy ~~or vacancies occur that~~
28 ~~reduce~~ occurs and reduces the membership of the school board to less than a quorum, the
29 state board of public school education shall appoint ~~a person or persons~~ the necessary number

1 ~~of individuals~~ to serve on the school board until the ~~vacancy or vacancies~~ have been filled in
2 accordance with this section.

3 **SECTION 63. AMENDMENT.** Section 15-29-07 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15-29-07. Supervision of schools.** The schools of a public school district are under
6 the supervision of ~~the a school board which.~~ The board may appoint a school superintendent
7 to supervise the schools within the district. When no superintendent is appointed by the board,
8 the schools of the district are under the immediate supervision of the ~~county superintendent of~~
9 ~~schools~~ regional coordinator.

10 **SECTION 64. AMENDMENT.** Subsections 16 and 17 of section 15-29-08 of the 1997
11 Supplement to the North Dakota Century Code are amended and reenacted as follows:

12 16. To cause an enumeration to be made, between ~~the~~ May first and thirty-first ~~days of~~
13 ~~May~~ in each odd-numbered year, of all persons under eighteen years of age within
14 the school district, and to return the same to the ~~county superintendent of schools~~
15 public instruction.

16 17. To make a report on July first of each year, or as soon thereafter as practicable, of
17 the progress and financial and educational condition of all the schools under its
18 charge. A copy of such report, ~~together with such further information as shall be~~
19 ~~required by the superintendent of public instruction,~~ must be forwarded to the
20 ~~county superintendent of schools~~ public instruction. The report of financial
21 condition and such other portions as the school board shall consider advantageous
22 to the public, must be published in the official newspaper of the school district.

23 **SECTION 65. AMENDMENT.** Subsection 3 of section 15-29-09 of the North Dakota
24 Century Code is amended and reenacted as follows:

25 3. Prepare and submit to the board ~~and to the county superintendent of schools~~ an
26 annual report ~~which must contain such~~ containing items ~~as may be required by the~~
27 superintendent of public instruction.

28 **SECTION 66. AMENDMENT.** Section 15-34.1-03 of the 1997 Supplement to the North
29 Dakota Century Code is amended and reenacted as follows:

30 **15-34.1-03. Compulsory attendance - Exceptions.** The school board shall excuse a
31 parent, guardian, or other ~~person~~ individual having control of a child required to attend school

1 by ~~the provisions of~~ this chapter ~~shall be excused by the school board~~ from causing the child to
2 attend school ~~whenever it shall be~~ if it is shown to the satisfaction of the board, subject to
3 appeal as provided by law, that one of the following reasons exists:

- 4 1. That the child is in attendance for the same length of time at a an approved
5 parochial or private school ~~approved by the county superintendent of schools and~~
6 ~~the superintendent of public instruction~~. Except as provided in section 15-41-27,
7 no such school ~~shall~~ may be approved unless the teachers ~~therein~~ in that school
8 are legally certificated in the state of North Dakota in accordance with section
9 15-41-25 and chapter 15-36, the subjects offered are in accordance with sections
10 15-38-07, 15-41-06, and 15-41-24, and ~~such~~ the school is in compliance with all
11 municipal and state health, fire, and safety laws.
- 12 2. That the child has acquired the branches of learning taught in the public schools
13 and has completed high school.
- 14 3. That the child actually is necessary to the support of the child's family, which ~~shall~~
15 be is a question of fact to be determined by the governing board of the district ~~with~~
16 ~~the approval of the county superintendent of schools, and such determination shall~~
17 be and is subject to review by the superintendent of public instruction on appeal.
- 18 4. That the child has been identified as handicapped pursuant to the procedure used
19 by the superintendent of public instruction to identify a student as handicapped
20 under subsection 3 of section 15-59-01 and that the handicap renders attendance
21 or participation in the regular or special education program inexpedient or
22 impracticable. The determination that the handicap renders attendance or
23 participation inexpedient or impracticable must be shown by a declaration of a
24 multidisciplinary team ~~which~~ that includes the director of special education of the
25 special education unit of which the school district of residence is a member, the
26 school superintendent of the child's district of residence, the child's classroom
27 teacher, the child's physician, and the child's parent or guardian.
- 28 5. That the child, not including a child with developmental disabilities as defined by
29 subsection 1 of section 25-01.2-01, is receiving home education in accordance with
30 ~~the provisions of~~ this chapter.

1 **SECTION 67. AMENDMENT.** Section 15-34.1-04 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-34.1-04. Prosecution for violation of compulsory attendance law - Officers**
4 **charged with enforcement.** ~~Every~~ Each school board member, school superintendent,
5 principal, truant officer, and teacher in any school system in this state, ~~and every county~~
6 ~~superintendent of schools shall be charged with the enforcement of~~ enforce the provisions of
7 this chapter relating to compulsory school attendance. ~~Such enforcement shall~~ Enforcement
8 must extend to all children who are offered school facilities by the district, regardless of whether
9 ~~or not~~ they actually reside within the district. ~~Such persons~~ These individuals shall inquire into
10 all cases of alleged violation of such provisions and shall obtain from any parent, guardian, or
11 other person having custody of any child of school age not attending school in accordance with
12 the requirements of this chapter the reason, if any, for ~~such~~ the absence. In school districts not
13 having a school superintendent, the ~~county superintendent of schools shall~~ state's attorney
14 must be notified of any violation of the compulsory school attendance law, ~~and such county~~
15 ~~superintendent shall report the fact of the violation to the state's attorney of the county.~~ In
16 school districts ~~which have~~ having a school superintendent, the school superintendent or
17 principal shall report to the state's attorney of the county the facts in connection with any
18 violation of the compulsory attendance law. The state's attorney may petition a court, pursuant
19 to chapter 27-20, for a determination as to whether a child is educationally deprived. The
20 school board of any school district having more than five hundred inhabitants may employ a
21 truant officer to assist in the enforcement of the compulsory school attendance provisions.

22 **SECTION 68. AMENDMENT.** Section 15-34.1-06 of the 1997 Supplement to the North
23 Dakota Century Code is amended and reenacted as follows:

24 **15-34.1-06. Home education.**

- 25 1. Home education is an educational program for a child. It is based in the child's
26 home and supervised by the child's parent or parents.
- 27 2. a. A parent is qualified to supervise a program of home education if the parent is
28 certified to teach in ~~North Dakota~~ this state; has a baccalaureate degree; or
29 has met or exceeded the cut-off score of the national teacher exam given in
30 ~~North Dakota~~ this state, or in any other state if ~~North Dakota~~ this state does
31 not offer such a test.

- 1 b. A parent who has a high school diploma or a general education development
2 certificate is qualified to supervise home education but must be monitored by
3 a certificated teacher during the first two years the parent supervises home
4 education or until the child being instructed completes the third grade,
5 whichever is later. If the child being instructed receives a composite
6 standardized achievement test score below the fiftieth percentile nationally,
7 the monitoring required by this section must continue during the following
8 school year or longer if the child has not achieved the fiftieth percentile. If
9 testing is not required by section 15-34.1-07 in either of the first two years of
10 monitoring, the time of monitoring may not be extended except upon the
11 mutual consent of the parent and the monitor. Once a parent has completed
12 the monitoring requirements for one child, the parent may not be monitored
13 with respect to other children being educated at home.
- 14 3. Home education must include instruction in those subjects required to be taught in
15 accordance with sections 15-38-07, 15-41-06, and 15-41-24. Instruction must be
16 provided for at least four hours per day for a minimum of one hundred seventy-five
17 days per year.
- 18 4. Every parent supervising home education shall maintain an annual record of
19 courses taken by the child and the child's academic progress assessments,
20 including any standardized achievement test results. A parent shall furnish these
21 records to any school to which the child may transfer upon request of the
22 superintendent or other administrator of that public school district. A parent
23 intending to supervise home education for the parent's child shall file an annual
24 statement with the superintendent or administrator of the public school district in
25 which the child resides. ~~If the school district does not employ a local school~~
26 ~~superintendent, the statement must be filed with the county superintendent of~~
27 ~~schools for the county of the child's residence.~~ The statement must be filed at
28 least fourteen days prior to the beginning of home education or within fourteen
29 days of establishing the child's residency within the district. The statement must
30 include:

- 1 a. The names and addresses of the parent who will supervise and the child who
- 2 will receive home education;
- 3 b. The date of birth and grade level of each child receiving home education;
- 4 c. The intention of the parent to supervise home education;
- 5 d. The qualifications of the parent who will supervise home education;
- 6 e. A list of courses or extracurricular activities in which the child intends to
- 7 participate in the public school district;
- 8 f. Proof of an immunization record as it relates to section 23-07-16; and
- 9 g. Proof of identity as it relates to section 54-23.2-04.2

10 **SECTION 69. AMENDMENT.** Subsections 1 and 3 of section 15-34.1-07 of the 1997
11 Supplement to the North Dakota Century Code are amended and reenacted as follows:

- 12 1. A standardized achievement test used by the public school in the school district in
13 which the parent resides or, if requested by the parent, a nationally normed
14 standardized achievement test must be given to each child receiving home
15 education in grades three, four, six, eight, and eleven. The test must be given in
16 the child's learning environment or, at the option of the child's parent, in the public
17 school and must be administered by a certificated teacher. The cost of the test is
18 the responsibility of the local school district, if it is a test used by the district. The
19 cost of administering the test is the responsibility of the local school if it is district
20 administered by a certificated teacher employed by the district. The cost of the test
21 is the responsibility of the parent if the test requested is not used by the local
22 school district and the cost of having the test administered is the responsibility of
23 the parent if it is administered by a certificated teacher secured by the parent.
24 Results of such testing must be filed with the superintendent or the administrator
25 of the local public school superintendent district. ~~If the parent resides in a school~~
26 ~~district which does not employ a local school superintendent, the results must be~~
27 ~~filed with the county superintendent of schools for the county of the parent's~~
28 ~~residence.~~
- 29 3. Any certificated teacher monitoring home education shall spend, at a minimum, an
30 average of one hour per week in contact with the first student and in conjunction
31 with the parent. With two or more children under supervision, the teacher shall

1 spend, at a minimum, an additional one-half hour per month for each child under
2 the teacher's supervision who is receiving home education. The time may be
3 reduced proportionately if the child is in attendance in a public school or an
4 approved nonpublic school. The teacher shall evaluate the student's progress and
5 report the student's progress at least twice annually to the ~~local public school~~
6 ~~superintendent. If the school district does not employ a local school~~
7 ~~superintendent, the report must be filed with the county superintendent of schools~~
8 ~~for the county of the child's residence~~ superintendent or administrator of the school
9 district. If a monitor is required by section 15-34.1-06, the school district ~~shall~~, at
10 the request of the parent, shall provide the monitor at school district expense. A
11 monitor retained by the parent must be compensated by the parent.

12 **SECTION 70. AMENDMENT.** Section 15-34.1-10 of the 1997 Supplement to the North
13 Dakota Century Code is amended and reenacted as follows:

14 **15-34.1-10. Home education - Liability.** No state agency; or public school district; ~~or~~
15 ~~county superintendent~~ may be found liable for accepting as correct the information on the
16 statement of intent or for any damages resulting from the parent's failure to educate the child.

17 **SECTION 71. AMENDMENT.** Section 15-36-17 of the 1997 Supplement to the North
18 Dakota Century Code is amended and reenacted as follows:

19 **15-36-17. Notice to be given when teacher's certificate is revoked.** When a
20 teacher's certificate is revoked, the education standards and practices board or the
21 administrator's professional practices board shall notify the business manager of the school
22 district or the secretary of the board of education, as the case may be, of the district wherein the
23 teacher is employed, and shall notify the teacher of the revocation through the business
24 manager of the school district. ~~The appropriate board also shall notify each county~~
25 ~~superintendent of schools in the state and shall enter an action in the case upon the records of~~
26 ~~the superintendent's office.~~ Upon being notified that the teacher's certificate has been revoked,
27 the teacher or administrator shall return the certificate to the appropriate board, ~~and if~~ if the
28 teacher or administrator neglects ~~to~~ ~~to~~ return the certificate, ~~that~~ the board may issue notice
29 of the revocation by publication in the official newspaper of the county in which the teacher or
30 administrator last was employed.

1 **SECTION 72. AMENDMENT.** Subsection 11 of section 15-39.1-04 of the 1997
2 Supplement to the North Dakota Century Code is amended and reenacted as follows:

3 11. "Teacher" means:

- 4 a. All persons certified to teach in this state by the education standards and
5 practices board who are contractually employed in teaching, supervisory,
6 administrative, or extracurricular services in any state institution or by any
7 school board or other governing body of any school district of this state,
8 including superintendents, assistant superintendents, business managers,
9 principals, assistant principals, and special teachers employed in any state
10 institution or in the school system of any school district in this state.
- 11 b. The superintendent of public instruction, assistant superintendents of public
12 instruction, ~~county superintendents~~ regional coordinator, assistant
13 superintendents, supervisors of instruction, the professional staff of the state
14 board for vocational and technical education, the professional staff of the
15 division of independent study, the executive director and professional staff of
16 the North Dakota education association who are members of the fund on
17 July 1, 1995, the professional staff of an interim school district, and the
18 professional staff of the North Dakota high school activities association who
19 are members of the fund on July 1, 1995.
- 20 c. The executive director and professional staff of the North Dakota council of
21 school administrators who are members of the fund on July 1, 1995, and
22 certified staff of teachers centers, but only if the person was previously a
23 member of and has credits in the fund.
- 24 d. Employees of institutions under the control and administration of the state
25 board of higher education who are members of the fund on July 16, 1989.

26 **SECTION 73. AMENDMENT.** Section 15-40.1-09 of the 1997 Supplement to the North
27 Dakota Century Code is amended and reenacted as follows:

28 **15-40.1-09. Application for payments - Verification and determination of**
29 **payments for high school students** ~~—Report of county superintendent of schools—~~

30 **Appeal.** Immediately upon the completion of the registration of students at the beginning of
31 each school term and in no event later than September tenth of each year, the business

1 manager of each school district within or without this state which is claiming payments from
2 state funds under ~~the provisions of~~ this chapter shall file with the ~~county~~ superintendent of
3 ~~schools~~ public instruction a claim on a form prescribed by the superintendent of public
4 instruction stating the number of students registered in high school and elementary grades for
5 which payments are claimed, and such other information as may be reasonably requested by
6 the superintendent of public instruction. ~~Not~~ No later than December first, the superintendent of
7 public instruction shall certify to the office of management and budget a list of the school
8 districts and schools not operated by school districts entitled to payments from state funds,
9 together with the amounts to which the several districts and schools are entitled. Per student
10 aid as provided under sections 15-40.1-06, 15-40.1-07, and 15-40.1-08 must be computed on
11 the basis of the previous year's average daily membership less the number of students
12 attending school during the current school year in another district under the provisions of open
13 enrollment or the current year's fall enrollment, whichever provides the greatest payment, for all
14 current grade levels. Adjustments must be made in the subsequent year according to a
15 comparison between the average daily membership for the year for which the adjusted payment
16 is being made and the year preceding the year for which the adjusted payment is being made,
17 whichever is greater, for grade levels that existed in both years. The greater of the two
18 preceding years' average daily membership must be used in computing any adjustment in a
19 district's foundation aid payments. For purposes of this chapter, "average daily membership"
20 means the total days all students in a given school are in attendance, including two days set
21 aside for the North Dakota education association instructional conference, three holidays listed
22 in subsections 2 through 10 of section 15-38-04.1 which have been selected by the school
23 board in consultation with the teachers, and up to two full days during which parent-teacher
24 conferences are held, divided by one hundred eighty days. School districts educating children
25 of agricultural migratory workers or offering high school summer school programs during the
26 months of June, July, and August shall not be restricted to payments for a one hundred
27 eighty-day school term.

28 Immediately upon the termination of the school year, and in no event later than July
29 fifteenth of each year, the business manager of each school district within or without this state
30 which has received payments from state funds under the provisions of this chapter shall file with
31 the ~~county~~ superintendent of ~~schools~~ public instruction a verified statement of the name,

1 residence, and membership of elementary and high school students as provided for in this
2 section, and number of units of high school work taken by each high school student enrolled
3 during the previous school year. ~~The statement shall be attested to by the county~~
4 ~~superintendent of schools. The county superintendent shall investigate the validity of the~~
5 ~~statement and shall determine the residence and other qualifications of each student named in~~
6 ~~the statement. The county superintendent shall certify to the superintendent of public~~
7 ~~instruction on or before September first of each year the number of enrolled students in each~~
8 ~~district in the county for the previous school year upon which any adjustment may be based as~~
9 ~~provided in this section. If any statement is disallowed in whole or in part, notice of the~~
10 ~~disallowance and the names of students who are disallowed shall be reported to the~~
11 ~~superintendent of public instruction and to the district filing the statement. Any district may~~
12 ~~appeal to the superintendent of public instruction from the determination of the county~~
13 ~~superintendent of schools on or before September fifteenth in the year in which the~~
14 ~~determination is made. The superintendent of public instruction may change or modify the~~
15 ~~determination of the county superintendent if the evidence submitted by the district warrants a~~
16 ~~modification. The judgment of the superintendent of public instruction shall be final.~~

17 **SECTION 74. AMENDMENT.** Section 15-40.1-17 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15-40.1-17. Application for transportation payments.** ~~On or before~~

20 1. ~~Before July fifteenth~~ sixteenth of each year, the business manger of each school
21 district in this state providing schoolbus transportation shall certify to the ~~county~~
22 superintendent of ~~schools~~ public instruction the following information:

23 ~~4.~~ a. For schoolbuses transporting ~~pupils~~ students who live outside the
24 incorporated limits of the city in which the school is located, if applicable, the
25 number of schoolbuses operated on a contract basis or owned and operated
26 by the district, the manufacturer's rated ~~pupil~~ student capacity of each bus,
27 and the daily mileage each bus traveled on a schoolbus route during the
28 school year in transporting ~~pupils~~ students as provided for in sections
29 15-40.1-16 and 15-40.1-16.1.

30 ~~2.~~ b. For schoolbuses or commercial buses transporting ~~pupils~~ students who live
31 within the incorporated limits of the city in which the school is located, a city

1 plat ~~or plats~~ indicating each school building location, the routes traveled by
2 each bus, the manufacturer's rated capacity, and the number of one-way trips
3 either to or from school made by ~~pupils~~ students from within the city limits on
4 each bus during the school year.

5 2. Each business manager of the school district shall also certify the amount of
6 transportation payments claimed, and such other information as the superintendent
7 of public instruction may require. ~~On or before the first day of September in each~~
8 ~~year, the county superintendent of schools shall certify all claims for transportation~~
9 ~~payments submitted by school districts in the county to the state superintendent of~~
10 ~~public instruction. At the time the county superintendent of schools certifies such~~
11 ~~claims to the~~ The superintendent of public instruction, ~~he~~ shall also give notice to
12 any district of any disallowance that may have been made ~~by him~~ in the claim for
13 transportation payments. ~~Any district may appeal the decision of the county~~
14 ~~superintendent of schools to the superintendent of public instruction on or before~~
15 ~~the fifteenth day of September of any year in which the determination is made.~~
16 ~~The superintendent of public instruction may change or modify the determination of~~
17 ~~the county superintendent if the evidence submitted by the district warrants a~~
18 ~~modification.~~ The judgment of the superintendent of public instruction is final.

19 **SECTION 75. AMENDMENT.** Section 15-40.2-05 of the 1997 Supplement to the North
20 Dakota Century Code is amended and reenacted as follows:

21 **15-40.2-05. Application of parent or guardian for payment of tuition by district.**

22 1. The parent or guardian of any student who is a resident of a district may apply in
23 writing to the school board of the student's school district of residence for approval
24 of the payment of tuition charges to another school district for attendance of the
25 student in another school district. The school board ~~shall~~, within sixty days of its
26 receipt of the application, shall meet with the student's parent or guardian and
27 render a decision in regard to the payment of tuition charges. If the school board
28 has not rendered a decision within sixty days of receipt of the application, the
29 application is deemed approved. If the school board of the district of residence
30 approves the application, it shall pay the tuition charges. If the application is
31 disapproved, the student's parent or guardian may file an appeal with the ~~county~~

1 superintendent of schools. ~~A three member committee consisting of a member~~
2 ~~appointed by the board of county commissioner for a term of three years or~~
3 ~~appointed to fill the unexpired portion of a term at the time a vacancy occurs, the~~
4 ~~state's attorney, and the county superintendent of schools~~ regional coordinator.
5 Within fifteen days, the regional coordinator shall ~~within fifteen days~~ consult with
6 the school boards of the districts concerned and with the student's parent or
7 guardian, hold a hearing after giving advance notice to the parties directly involved,
8 and render a decision in regard to the payment of tuition charges. The hearing
9 must be conducted in a manner that allows the arguments and responses of all
10 parties to be presented. In making ~~its~~ a decision, the ~~committee~~ regional
11 coordinator shall determine whether the student is a high school student, which, for
12 purposes of this section, must be defined to mean grades nine through twelve,
13 whether the student is an elementary school student, which, for purposes of this
14 section, ~~must be~~ is defined to mean grades one through eight, or whether the
15 student is a kindergarten student, which, for purposes of this section, ~~must be~~ is
16 defined as a program established pursuant to chapter 15-45, and then proceed in
17 accordance with the following:

- 18 4. a. High school. If the student is a high school student and the ~~committee~~
19 regional coordinator finds that the attendance of the student is necessitated
20 by shorter distances, previous attendance in another high school, inadequacy
21 of curriculum considering the educational needs of the student, or extreme
22 family or student hardship, the ~~committee~~ regional coordinator may approve
23 the application. Upon approval, the ~~committee~~ regional coordinator shall
24 approve the payment of tuition by the student's district of residence, obligating
25 the district of residence to pay the same. The ~~committee's~~ approval for the
26 payment of tuition may be for any fixed number of school terms, up to the
27 completion of the student's high school education. The decision of the
28 ~~committee~~ regional coordinator may be appealed to the state board of public
29 school education and the decision of the board is final.
- 30 2. b. Elementary. If the student is an elementary student and the ~~committee~~
31 regional coordinator finds that the attendance of the student is necessitated

1 by shorter distances or extreme family or student hardship, the ~~committee~~
2 regional coordinator may approve the application. Upon approval, the
3 ~~committee~~ regional coordinator shall approve the payment of tuition by the
4 student's district of residence, and obligate the district of residence to pay the
5 same. The ~~committee's~~ regional coordinator approval for the payment of
6 tuition is limited to one school term, and subsequent applications for the
7 payment of tuition may be made annually. The decision of the ~~committee~~
8 regional coordinator is final.

9 ~~3.~~ c. Kindergarten. If the student is a kindergarten student, the school board of the
10 student's district of residence may pay tuition to the receiving district. The
11 ~~committee~~ regional coordinator may not hear an appeal from the parents or
12 guardian as provided for in this section if the school board of the district of
13 residence decides not to pay tuition to the admitting district. If the school
14 board of the district of residence does not pay the tuition to the admitting
15 district, the student's parent or guardian may pay the tuition to the admitting
16 district under ~~the provisions of~~ section 15-40.2-02.

17 ~~If twenty five percent or more of the taxable valuation of the school district of residence~~
18 ~~lies in another county, the joint committee must consist of a member appointed by the board of~~
19 ~~county commissioners for a term of three years or appointed to fill the unexpired portion of a~~
20 ~~term at the time a vacancy occurs, the state's attorney, and the county superintendent of~~
21 ~~schools from the county in which the school district headquarters is located, and any counties in~~
22 ~~which twenty five percent or more of the taxable valuation is located. The concurrence of a~~
23 ~~majority of the quorum of the joint committee is necessary to render a decision regarding the~~
24 ~~payment of tuition.~~

25 2. If the student's school district of residence and the admitting district are located in
26 more than one region, the coordinator of the region encompassing the
27 administrative headquarters of the student's school district of residence shall hear
28 any appeal provided for in this section. If the student's district of residence does
29 not comply with the decision requiring that tuition charges be paid, the admitting
30 district shall notify the ~~county superintendent of schools of the county of the~~
31 ~~student's residence~~ regional coordinator and the state superintendent of public

1 instruction. Upon verification by the ~~county superintendent of schools~~ regional
2 coordinator that tuition payments are due the admitting district and are unpaid, all
3 payments from the state for foundation aid to the student's district of residence
4 must be withheld until the tuition due has been fully paid.

5 3. A school district of residence may provide transportation to a student for whom
6 tuition is being paid under this section. If a school district of residence does not
7 provide transportation to the student, it may be provided by the admitting district
8 and the admitting district is then entitled to state payments for the transportation of
9 the student.

10 **SECTION 76. AMENDMENT.** Subsection 4 of section 15-40.2-08 of the 1997
11 Supplement to the North Dakota Century Code is amended and reenacted as follows:

12 4. In the event of a voluntary admission to any state-licensed child care home or
13 facility or state-operated institution, the determination of tuition may be subject to
14 an appeal filed with the ~~county superintendent of schools~~. ~~Within fifteen days, the~~
15 ~~three member committee~~ regional coordinator referred to in section 15-40.2-05.
16 The coordinator shall consult with the school boards of the districts concerned and
17 with the parent or guardian of the pupil concerned and render a decision in regard
18 to the tuition charges.

19 **SECTION 77. AMENDMENT.** Section 15-41-01 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **15-41-01. High schools - How constituted and designated - Number of teachers.**

22 1. High schools must be divided into the following classes and shall conform to the
23 following requirements:
24 4- a. Six-year high schools, which consist of grades from the seventh to the twelfth,
25 and shall employ a minimum of three full-time high school teachers.
26 2- b. Five-year high schools, which consist of grades from the eighth to the twelfth,
27 and shall employ a minimum of three full-time high school teachers.
28 3- c. Four-year high schools, which consist of grades from the ninth to the twelfth,
29 and shall employ a minimum of two full-time high school teachers.
30 4- d. Three-year high schools, which consist of grades from the tenth to the twelfth,
31 and shall employ a minimum of two full-time high school teachers.

1 2. A principal or superintendent who teaches at least four classes must be considered
2 a full-time high school teacher. All other schools with high school departments
3 must be considered as graded schools doing high school work, and the minimum
4 number of teachers required must be determined by the superintendent of public
5 instruction. No high school work may be taught in one-room rural schools in which
6 any of the grades from the first to the eighth are taught unless conditions are such
7 that the ~~county~~ district superintendent of schools or the school administrator
8 considers it proper for one or more years of high school work to be taught.

9 **SECTION 78. AMENDMENT.** Section 15-43-03 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **15-43-03. Breach of conditions in bond - Proceedings to collect on bond.** If any
12 person, ~~firm, corporation, or limited liability company~~ supplies to any district school board, or
13 any purchasing agent thereof, books at a higher price than in the published list price filed in the
14 office of the superintendent of public instruction or charged elsewhere in the United States, ~~the~~
15 ~~county superintendent of schools~~, on written complaint filed by the school board, ~~shall inform~~
16 ~~the superintendent of public instruction of the breach of the terms of the bond.~~ The
17 superintendent shall notify the person, ~~firm, corporation, or limited liability company~~ of the
18 complaint, and if the entity disregards the notice or fails to comply with the terms of the
19 agreement filed with the superintendent, the bond must be forfeited, and the attorney general,
20 on written request of the superintendent of public instruction, shall proceed to collect the full
21 amount thereof.

22 **SECTION 79. AMENDMENT.** Section 15-44-06 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-44-06. Enumeration in new district.** A district organized after the annual
25 enumeration has been taken shall proceed immediately to take the enumeration as provided by
26 law, ~~and after.~~ After the receipt of the enumeration by the superintendent of public instruction
27 ~~through the county superintendent of schools~~, the newly organized district ~~shall~~ is entitled to
28 receive its proportionate share of the funds to be apportioned.

29 **SECTION 80. AMENDMENT.** Section 15-47-02.1 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15-47-02.1. Discontinuance of schools by school board.** Any elementary or high
2 school may be discontinued by action of the school board when proper and convenient school
3 facilities for the pupils can be provided in some other public school. In determining what
4 constitutes proper and convenient school facilities, the board shall consider the distance of
5 each child from the nearest other school and all surrounding circumstances. The board may
6 furnish transportation to the nearest school, or may pay a reasonable sum as indicated in
7 section 15-34.2-03 for transportation provided by the family; or may furnish tuition or lodging at
8 some other public school in the equivalent of the payments received from the state as
9 determined under subsection 2 of section 15-40.1-16. In case of a dispute between a parent or
10 guardian of a pupil of the school district and the board as to whether the board has furnished or
11 arranged to furnish adequate facilities, the matter may be submitted by such parent or guardian
12 to the ~~board of arbitration consisting of the county superintendent of schools, one arbitrator~~
13 ~~named by the parent or guardian, and one arbitrator named by the board,~~ public instruction,
14 and the determination of the ~~arbitrators~~ superintendent, after hearing, ~~shall be~~ is binding.

15 **SECTION 81. AMENDMENT.** Section 15-47-07 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15-47-07. Certificate of election - Notice to county superintendent of schools.**

18 Within five days after any school district election, the business manager of the school district
19 shall notify each person elected to a school district office, by written notice, of ~~his~~ election and
20 of ~~his~~ the duty to take the oath of office as such officer. The business manager of the school
21 district, within ten days after the election, shall certify the persons so elected and the terms to
22 the county ~~superintendent of schools~~ regional coordinator.

23 **SECTION 82. AMENDMENT.** Section 15-47-13 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15-47-13. School census - Report.** The school board of each public school district
26 shall cause an enumeration to be made between ~~the~~ May first and thirty-first ~~days of May~~ of
27 each odd-numbered year, of all persons under eighteen years of age having their legal
28 residence in the district. The census must enumerate such persons by their ages as of the
29 thirty-first day of August. The census also must include the names of such persons and the
30 names and post-office addresses of parents or guardians having the care and custody of each.
31 The enumeration must be made upon and in accordance with forms ~~prescribed~~ furnished by

1 the superintendent of public instruction and ~~furnished by the county superintendent of schools,~~
2 ~~and~~ must be approved by the school board and returned to the ~~county superintendent prior to~~
3 ~~the before July fifteenth day of July~~ in the year in which it is made. ~~The county superintendent~~
4 ~~shall submit the enumeration to the superintendent of public instruction.~~

5 **SECTION 83. AMENDMENT.** Section 15-47-43 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-47-43. Public school districts - Corporate powers - Corporate name - Name**
8 **change.** All school districts in ~~the~~ this state of ~~North Dakota,~~ except the Fargo school district,
9 are public school districts and are governed by ~~the provisions of~~ this title. Every public school
10 district is a body corporate for school purposes and the name of ~~such~~ the school district must
11 be substantially as follows:

12 " _____ Public School District No. _____
13 of _____ County, State of North Dakota."

14 The school district ~~shall possess~~ possesses all the powers and shall perform all the duties
15 usual to corporations for public purposes or conferred upon it by law. Under its name it may
16 sue and be sued, enter ~~into~~ contracts, and convey ~~such real and personal property as come~~
17 that comes into its possession by will or otherwise. It may have a corporate seal by which its
18 official acts may be attested. Whenever ~~in the judgment of the school~~ a school board ~~of any~~
19 ~~public school district it is deemed desirable~~ decides to change the name of the school district,
20 or whenever one-third of the qualified electors of the school district ~~shall~~ submit a petition
21 requesting a change in the name of the school district, the school board shall submit the
22 proposed name change at the next school election. Upon ratification of the proposed change of
23 ~~such~~ name by a majority of the ballots cast on the question, the school district must be
24 renamed accordingly. The business manager of the school district shall notify the county
25 auditor, ~~the county superintendent of schools,~~ and the superintendent of public instruction of
26 any change in the name of the district.

27 **SECTION 84. AMENDMENT.** Section 15-49-09 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **15-49-09. School supplies - Penalty for receiving commission on purchase.** Any
30 ~~county superintendent of schools, deputy county superintendent of schools,~~ school board
31 member, business manager of the school district, superintendent of schools, principal of a

1 school, or teacher therein, who receives any commission, fee, or reward for or on account of
2 any schoolbooks, furniture, or other supplies purchased during ~~his~~ that individual's incumbency,
3 for the use of the school district or school under ~~his~~ the individual's supervision, is guilty of a
4 class B misdemeanor.

5 **SECTION 85. AMENDMENT.** Section 15-49-11 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-49-11. Offering or giving commission, fee, or reward to school purchasing**
8 **agent prohibited - Penalty.** It is unlawful for any person to give or offer to any ~~county~~
9 ~~superintendent of schools, deputy county superintendent of schools,~~ school board member,
10 business manager of the school district, superintendent of schools, principal of any school, or to
11 a teacher or employee therein, or for such persons to receive, any commission, fee, reward, or
12 remuneration for or on account of a purchase of schoolbooks, furniture, or other supplies for
13 use of the school district, school, their employees, or students. Any person who violates ~~the~~
14 ~~provisions of~~ this section is guilty of a class A misdemeanor.

15 **SECTION 86. AMENDMENT.** Section 21-04-19 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **21-04-19. Itemized statements.** Each depository shall:

- 18 1. Furnish on the first day of each month to the public corporation, the state, or state
19 institution, to the credit of which the deposit is held, an itemized statement of the
20 amount in such deposit subject to check. ~~Such~~ The statement must be verified
21 whenever required by the state treasurer as to funds of the state institutions, or by
22 the treasurer of any public corporation as to funds of ~~such~~ the corporation. All
23 sums of interest accruing on funds so deposited must be credited to ~~said~~ the
24 deposit on the first day of each month for the preceding month.
- 25 2. ~~On~~ Furnish, on July first of each year, ~~furnish~~ to the business manager of each
26 school district, ~~and to the county superintendent of schools of the county in which~~
27 ~~the school district is located,~~ a statement showing the amount of deposits to the
28 credit of each school district at the close of business on June thirtieth.

29 **SECTION 87. AMENDMENT.** Section 44-11-02 of the North Dakota Century Code is
30 amended and reenacted as follows:

31 **44-11-02. Charges - How made - By whom prosecuted.**

- 1 1. The complaint or charges against any official authorized to be removed by the
2 governor must be entitled in the name of this state and must be filed with the
3 governor.
- 4 2. The complaint or charges against any official, other than a school board member,
5 may be made upon the relation of fifty qualified electors of the county in which the
6 person charged is an officer, or upon the relation of ten percent of the qualified
7 electors voting at the preceding general election for the office of governor in that
8 political subdivision or district in which the person charged is an officer, whichever
9 is least, or by the state's attorney of such county.
- 10 3. The complaint or charges against a school board member must be made upon the
11 relation of a petition containing the signatures of qualified electors of the school
12 district equal in number to twenty percent of the number of persons enumerated in
13 the school census for that district for the most recent year such census was taken,
14 unless such census is greater than four thousand in which case only fifteen percent
15 of the number of persons enumerated in the school census are required. However,
16 not fewer than twenty-five signatures are required unless the district has fewer than
17 twenty-five qualified electors, in which case the petition must be signed by not less
18 than twenty-five percent of the qualified electors of the district. In those districts
19 with fewer than twenty-five qualified electors, the number of qualified electors in the
20 district must be determined by the ~~county superintendent for such~~ auditor of the
21 county in which ~~such~~ the school is located.
- 22 4. The complaint and charges must be filed by the attorney general when directed to
23 do so by the governor.
- 24 5. a. When the officer sought to be removed is other than the state's attorney, the
25 state's attorney or other competent attorney, upon request of the governor,
26 shall appear and prosecute.
- 27 b. When the proceedings are brought to remove the state's attorney, the
28 governor shall request the attorney general or other competent attorney to
29 appear on behalf of the state and prosecute such proceedings.

30 **SECTION 90. AMENDMENT.** Section 54-01-13.2 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **54-01-13.2. Appraisal.** The lands to be conveyed to the United States of America and
2 also the lands to be taken in exchange therefor, under ~~the provisions of~~ section 54-01-13.1,
3 must be appraised by the county ~~superintendent of schools~~ director of tax equalization, the
4 county auditor, and the chairman of the board of county commissioners in the county where the
5 land is situated, at its fair market value, but no state school lands may be appraised and valued
6 at less than ten dollars per acre [.40 hectare]. ~~The county director of tax equalization shall~~
7 ~~serve as an assistant in making the appraisals.~~

8 **SECTION 91. AMENDMENT.** Subsection 1 of section 54-07-01.2 of the 1997
9 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- 10 1. Notwithstanding sections 2-05-01, 4-18.1-04, 4-27-04, 6-01-03, 6-09-02.1,
11 12-55.1-02, and 12-59-01, ~~45-21-17~~, section 18 of this Act, and sections 15-38-17,
12 15-39.1-05.1, 15-65-02, 20.1-02-23, 23-01-02, 23-25-02, 36-01-01, 37-18.1-01,
13 50-06-05.6, 50-06.1-16, 54-34.3-10, 54-54-02, 55-01-01, 55-06-01, 61-02-04, and
14 61-28-03, all members of the following boards and commissions must, subject to
15 the limitations of this section, be considered to have resigned from such boards
16 and commissions effective January first of the first year of each four-year term of
17 the governor:
- 18 a. The aeronautics commission.
 - 19 b. The milk marketing board.
 - 20 c. The dairy promotion commission.
 - 21 d. The state banking board.
 - 22 e. The state credit union board.
 - 23 f. The advisory board of directors to the Bank of North Dakota.
 - 24 g. The pardon advisory board.
 - 25 h. The state parole board.
 - 26 i. The state board of public school education.
 - 27 j. The education standards and practices board and the administrator's
28 professional practices board.
 - 29 k. The board of trustees for the teachers' fund for retirement.
 - 30 l. The educational telecommunications council.
 - 31 m. The state game and fish advisory board.

- 1 n. The health council.
- 2 o. The air pollution control advisory council.
- 3 p. The board of animal health.
- 4 q. The administrative committee on veterans' affairs.
- 5 r. The committee on aging.
- 6 s. The committee on employment of people with disabilities.
- 7 t. The commission on the status of women.
- 8 u. The North Dakota council on the arts.
- 9 v. The state historical board.
- 10 w. The Yellowstone-Missouri-Fort Union commission.
- 11 x. The state water commission.
- 12 y. The state water pollution control board.

NOTE: This section deletes a reference to a section which is to be repealed and replaces it with a new reference to the state board of public school education.

13 **SECTION 92. AMENDMENT.** Section 57-15-14 of the 1997 Supplement to the North
14 Dakota Century Code is amended and reenacted as follows:

15 **57-15-14. Tax levy limitations in school districts.**

- 16 1. The aggregate amount levied each year for the purposes listed in section
17 57-15-14.2 by any school district, except the Fargo school district, may not exceed
18 the amount in dollars which the school district levied for the prior school year plus
19 eighteen percent up to a general fund levy of one hundred eighty-five mills on the
20 dollar of the taxable valuation of the district, except that:
- 21 ~~4.~~ a. In any school district having a total population in excess of four thousand
22 according to the last federal decennial census:
 - 23 ~~a.~~ (1) There may be levied any specific number of mills that upon resolution of
24 the school board has been submitted to and approved by a majority of
25 the qualified electors voting upon the question at any regular or special
26 school district election.
 - 27 ~~b.~~ (2) There is no limitation upon the taxes which may be levied if upon
28 resolution of the school board of any such district the removal of the mill
29 levy limitation has been submitted to and approved by a majority of the

1 qualified electors voting at any regular or special election upon such
2 question.

3 ~~2.~~ b. In any school district having a total population of less than four thousand,
4 there may be levied any specific number of mills that upon resolution of the
5 school board has been approved by fifty-five percent of the qualified electors
6 voting upon the question at any regular or special school election.

7 ~~3.~~ c. In any school district in which the total assessed valuation of property has
8 increased twenty percent or more over the prior year and in which as a result
9 of that increase the school district is entitled to less in state foundation aid
10 payments provided in sections 15-40.1-06 through 15-40.1-08 because of the
11 deduction required in subsection 3 of section 15-40.1-06, there may be levied
12 any specific number of mills more in dollars than was levied in the prior year
13 up to a general fund levy of one hundred eighty-five mills on the dollar of the
14 taxable valuation of the school district. The additional levy authorized by this
15 subsection may be levied for not more than two years because of any twenty
16 percent or greater annual increase in assessed valuation. The total amount of
17 revenue generated in excess of the eighteen percent increase which is
18 otherwise permitted by this section may not exceed the amount of state aid
19 payments lost as a result of applying the deduction provided in subsection 3
20 of section 15-40.1-06 to the increased assessed valuation of the school
21 district in a one-year period.

22 2. The question of authorizing or discontinuing such specific number of mills authority
23 or unlimited taxing authority in any school district must be submitted to the qualified
24 electors at the next regular election upon resolution of the school board or upon the
25 filing with the school board of a petition containing the signatures of qualified
26 electors of the district equal in number to twenty percent of the number of persons
27 enumerated in the school census for that district for the most recent year such
28 census was taken, unless such census is greater than four thousand in which case
29 only fifteen percent of the number of persons enumerated in the school census is
30 required. However, not fewer than twenty-five signatures are required unless the
31 district has fewer than twenty-five qualified electors, in which case the petition must

1 be signed by not less than twenty-five percent of the qualified electors of the
2 district. In those districts with fewer than twenty-five qualified electors, the number
3 of qualified electors in the district must be determined by the ~~county superintendent~~
4 ~~for such~~ auditor of the county in which such school is located. However, the
5 approval of discontinuing either such authority does not affect the tax levy in the
6 calendar year in which the election is held. The election must be held in the same
7 manner and subject to the same conditions as provided in this section for the first
8 election upon the question of authorizing the mill levy.

9 **SECTION 93. AMENDMENT.** Section 57-16-04 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **57-16-04. Increase may be for five years - Extension - Discontinuance.** The
12 governing board of the school district may submit the question of authorizing an excess levy for
13 the current year and not to exceed four succeeding years. The notice of election must give the
14 year or years for which authorization is sought for an excess levy as well as the percentage of
15 excess which is to be voted upon. ~~Prior to~~ Before the termination of the excess levy, ~~such the~~
16 levy may be extended for a term not to exceed the original term of the increase upon the
17 unanimous approval by the governing board of the school district, and further extensions may
18 be made for the same number of years prior to each termination date upon the unanimous
19 approval of the governing board of the school district. The question of discontinuing ~~such the~~
20 extended excess levy in any school district must be submitted to the qualified electors at the
21 next regular election upon the filing with the school board of a petition containing the signatures
22 of not less than ten percent of the qualified electors of the district as determined by the ~~county~~
23 ~~superintendent for such~~ auditor of the county in which such school is located; provided,
24 however, that the approval of discontinuing ~~such the~~ extended excess levy does not affect the
25 tax levy in the calendar year in which the election is held. The election must be held in the
26 same manner and subject to the same conditions as provided in section 15-27.3-08 for
27 elections for approval of school district reorganization proposals.

28 **SECTION 94. AMENDMENT.** Section 57-33.1-09 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **57-33.1-09. Duty of county treasurer - Allocation to political subdivisions.** Moneys
2 received by counties under ~~the provisions of~~ subsection 1 of section 57-33.1-08 must be
3 apportioned as follows:

- 4 1. Fifteen percent of all revenues allocated to any county must be paid by the county
5 treasurer to the incorporated cities of the county based upon the population of each
6 incorporated city according to the last official decennial federal census.
- 7 2. Forty percent of the revenues allocated to any county must be deposited by the
8 county treasurer in the county general fund to be used for general governmental
9 purposes.
- 10 3. Forty-five percent of all revenues allocated to any county must be apportioned by
11 the county treasurer to school districts within the county on the average daily
12 attendance distribution basis, as certified to him by the ~~county superintendent of~~
13 schools school board.

14 **SECTION 95. AMENDMENT.** Subsection 3 of section 57-51-15 of the North Dakota
15 Century Code is amended and reenacted as follows:

- 16 3. Forty-five percent of all revenues as may by the legislative assembly be allocated
17 to any county hereunder must be credited by the county treasurer to the county
18 general fund. Thirty-five percent of all revenues allocated to any county must be
19 apportioned by the county treasurer no less than quarterly to school districts within
20 the county on the average daily attendance distribution basis, as certified to him by
21 ~~the county superintendent of schools~~ each school board. However, no school
22 district may receive in any single academic year an amount under this subsection
23 greater than the county average per-pupil cost multiplied by seventy percent, then
24 multiplied by the number of pupils in average daily attendance or the number of
25 children of school age in the school census for the county, whichever is greater.
26 Provided, however, that in any county in which the average daily attendance or the
27 school census, whichever is greater, is fewer than four hundred, the county is
28 entitled to one hundred twenty percent of the county average per-pupil cost
29 multiplied by the number of pupils in average daily attendance or the number of
30 children of school age in the school census for the county, whichever is greater.
31 Once this level has been reached through distributions under this subsection, all

1 excess funds to which the school district would be entitled as part of its thirty-five
2 percent share must be deposited instead in the county general fund. The ~~county~~
3 ~~superintendent of schools of each~~ board of each school district in an oil-producing
4 county shall certify to the county treasurer by July first of each year the amount to
5 which each school district is limited pursuant to this subsection. As used in this
6 subsection, "average daily attendance" means the average daily attendance for the
7 school year immediately preceding the certification ~~by the county superintendent of~~
8 ~~schools~~ required by this subsection. Twenty percent of all revenues allocated to
9 any county hereunder must be paid no less than quarterly by the state treasurer to
10 the incorporated cities of the county based upon the population of each
11 incorporated city according to the last official decennial federal census. However,
12 no city may receive in any fiscal year an amount under this subsection greater than
13 five hundred dollars per capita. Once this level has been reached through
14 distributions under this subsection, all excess funds to which any city would be
15 entitled except for this limitation must be deposited instead in that county's general
16 fund. Provided, however, that in determining the population of any city in which
17 total employment increases by more than two hundred percent seasonally due to
18 tourism, the population of that city for purposes of determining the per capita
19 limitation in this section must be increased by adding to the population of the city
20 as determined by the last official decennial federal census a number to be
21 determined as follows:

- 22 a. Seasonal employees of state and federal tourist facilities within five miles
23 [8.05 kilometers] of the city must be included by adding the months all such
24 employees were employed during the prior year and dividing by twelve.
- 25 b. Seasonal employees of all private tourist facilities within the city and seasonal
26 employees employed by the city must be included by adding the months all
27 such employees were employed during the prior year and dividing by twelve.
- 28 c. The number of visitors to the tourist attraction within the city or within five
29 miles [8.05 kilometers] of the city which draws the largest number of visitors
30 annually must be included by taking the smaller of either of the following:

- 1 (1) The total number of visitors to that tourist attraction the prior year
2 divided by three hundred sixty-five; or
3 (2) Four hundred twenty.

4 **SECTION 96. AMENDMENT.** Section 57-60-15 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-60-15. Duty of state treasurer - Allocation to political subdivisions.** Moneys
7 allocated to counties under the provisions of section 57-60-14 must be apportioned as follows:

- 8 1. Thirty percent of all revenues allocated to any county must be paid by the state
9 treasurer to the incorporated cities of the county based upon the population of each
10 incorporated city according to the last official regular or special federal census or
11 the census taken in accordance with the provisions of chapter 40-02 in case of a
12 city incorporated subsequent to such census.
13 2. Forty percent of the revenues allocated to any county must be paid to the county
14 treasurer who shall deposit it in the county general fund to be used for general
15 governmental purposes.
16 3. Thirty percent of all revenues allocated to any county must be apportioned by the
17 state treasurer to school districts within the county on the average daily
18 membership basis, as certified to the state treasurer by ~~the county superintendent~~
19 of schools each school board.

20 **SECTION 97. AMENDMENT.** Section 57-62-02 of the 1997 Supplement to the North
21 Dakota Century Code is amended and reenacted as follows:

22 **57-62-02. Allocation of moneys in coal development fund.** Moneys deposited in the
23 coal development fund shall be apportioned monthly by the state treasurer as follows:

- 24 1. Fifteen percent must be deposited in a permanent trust fund in the state treasury,
25 to be known as the coal development trust fund, pursuant to section 21 of article X
26 of the Constitution of North Dakota. Those funds held in trust and administered by
27 the board of university and school lands on March 5, 1981, pursuant to section 12,
28 chapter 563, 1975 Session Laws; section 12, chapter 560, 1977 Session Laws; or
29 section 13, chapter 626, 1979 Session Laws must also be deposited in the trust
30 fund created pursuant to this subsection. The fund must be held in trust and
31 administered by the board of university and school lands for loans to coal impacted

1 counties, cities, and school districts as provided in section 57-62-03, and for loans
2 to school districts pursuant to chapter 15-60. The board of university and school
3 lands may invest such funds as are not loaned out as provided in this chapter and
4 may consult with the state investment board as provided by law. The income,
5 including interest payments on loans, from the trust must be used first to replace
6 uncollectible loans made from the fund and the balance must be deposited in the
7 state's general fund. Loan principal payments must be redeposited in the trust
8 fund. The trust fund must be perpetual and held in trust as a replacement for
9 depleted natural resources subject to the provisions of this chapter and chapter
10 15-60.

11 2. Thirty-five percent must be allocated to the coal-producing counties and must be
12 distributed among such counties in such proportion as the number of tons [metric
13 tons] of coal severed at each mining operation bears to the total number of tons
14 [metric tons] of coal severed in the state during such monthly period. Allocations
15 under subdivisions a and b must be apportioned by the state treasurer as follows:

16 a. If the tipple of the currently active coal mining operation in a county is not
17 within fifteen miles [24.14 kilometers] of another county in which no coal is
18 mined, the revenue apportioned according to this subdivision must be
19 allocated as follows:

20 (1) Thirty percent must be paid by the state treasurer to the incorporated
21 cities of the county based upon the population of each incorporated city
22 according to the last official regular or special federal census or the
23 census taken in accordance with the provisions of chapter 40-02 in
24 case of a city incorporated subsequent to such census.

25 (2) Forty percent must be paid to the county treasurer who shall deposit it
26 in the county general fund to be used for general governmental
27 purposes.

28 (3) Thirty percent must be apportioned by the state treasurer to school
29 districts within the county on the average daily membership basis, as
30 certified to the state treasurer by the ~~county superintendent of schools~~
31 board of each school district.

1 b. If the tipple of a currently active coal mining operation in a county is within
2 fifteen miles [24.14 kilometers] of another county in which no coal is mined,
3 the revenue from the production not exceeding the production limitation in a
4 calendar year which is apportioned from that coal mining operation according
5 to this subsection must be allocated, subject to the definitions of terms and
6 the requirements in paragraph 4, as provided in this subdivision. For
7 purposes of this subdivision, the production limitation is three million eight
8 hundred thousand tons [3447302.02 metric tons] through calendar year 1995,
9 three million six hundred thousand tons [3265865.07 metric tons] in calendar
10 years 1996 and 1997, and three million four hundred thousand tons
11 [3084428.12 metric tons] in calendar years after 1997. Revenue from
12 production exceeding the production limitation in a calendar year from that
13 coal mining operation must be allocated only within the coal-producing county
14 under subdivision a. Allocations under this subdivision must be made as
15 follows:

16 (1) Thirty percent must be paid by the state treasurer to the incorporated
17 cities of the coal-producing county and to any city of a
18 non-coal-producing county when any portion of the city lies within
19 fifteen miles [24.14 kilometers] of the tipple of the currently active coal
20 mining operation in the coal-producing county, based upon the
21 population of each incorporated city according to the last official regular
22 or special federal census or the census taken in accordance with the
23 provisions of chapter 40-02 in case of a city incorporated subsequent to
24 such census.

25 (2) Forty percent must be divided by the state treasurer between the
26 general fund of the coal-producing county and the general fund of any
27 non-coal-producing county when any portion of the latter county lies
28 within fifteen miles [24.14 kilometers] of the tipple of the currently active
29 coal mining operation in the coal-producing county. The
30 non-coal-producing county portion must be based upon the ratio which
31 the assessed valuation of all quarter sections of land in that county, any

1 portion of which lies within fifteen miles [24.14 kilometers] of the tipple
2 of the currently active coal mining operation, bears to the combined
3 assessed valuations of all land in the coal-producing county and the
4 quarter sections of land in the non-coal-producing county within fifteen
5 miles [24.14 kilometers] of the tipple of the currently active coal mining
6 operation. The county director of tax equalization of the coal-producing
7 county shall certify to the state treasurer the number of quarter sections
8 of land in the non-coal-producing counties which lie at least in part
9 within fifteen miles [24.14 kilometers] of the tipple of the currently active
10 coal mining operation and their assessed valuations.

11 (3) Thirty percent must be apportioned by the state treasurer to school
12 districts within the coal-producing county and to school districts in
13 adjoining non-coal-producing counties when a portion of those school
14 districts' land includes any of the quarter sections of land certified by
15 the director of tax equalization to the state treasurer to be eligible to
16 share county funds as provided for in paragraph 2. ~~The county~~
17 ~~superintendent of the~~ Each school board in non-coal-producing
18 counties shall certify to the state treasurer the number of students
19 actually residing on these quarter sections lying outside the
20 coal-producing county and each school district in non-coal-producing
21 counties shall receive a portion of the money under this paragraph
22 based upon the ratio of the number of children residing on quarter
23 sections of that school district within the fifteen-mile [24.14 kilometer]
24 radius of the tipple of a currently active coal mining operation to the
25 total number of schoolchildren from the coal-producing county
26 combined with all the schoolchildren certified to be living on quarter
27 sections within fifteen miles [24.14 kilometers] of the tipple of the
28 currently active coal mining operation in the coal-producing county.

29 (4) For the purposes of this subsection:
30 (a) The terms "currently active coal mining operation in a county",
31 "currently active coal mining operation in the coal-producing

1 county", and "currently active coal mining operation" mean a coal
2 mining operation that produced more than one hundred fifty
3 thousand tons [136077.71 metric tons] of coal in a coal-producing
4 county during the prior quarterly period.

5 (b) The term "coal-producing county" means a county in which more
6 than one hundred fifty thousand tons [136077.71 metric tons] of
7 coal were mined in the prior quarterly period.

8 (c) The term "another county in which no coal is mined" means a
9 county in which not more than seventy-five thousand tons
10 [68038.86 metric tons] of coal were mined in the prior quarterly
11 period.

12 (d) The terms "non-coal-producing county" and "non-coal-producing
13 counties" mean any county in which not more than seventy-five
14 thousand tons [68038.86 metric tons] of coal were mined in the
15 prior quarterly period.

16 (e) In computing each amount to be paid as provided in paragraph 1,
17 2, or 3 for coal severance tax revenue from coal mined during a
18 monthly period, the state treasurer shall deduct from the
19 allocation the amount of coal severance tax revenue, if any, that
20 the governmental body in the non-coal-producing county received
21 from the coal mined in the non-coal-producing county during the
22 same monthly period.

23 3. Fifty percent ~~shall~~ must be deposited in the state's general fund, except that after
24 June 30, 1997, the revenue allocated to the state general fund under this
25 subsection which is attributable to severance taxes on new coal production from
26 clean coal demonstration projects must be deposited in the lignite research fund for
27 partial funding of the state share of the clean coal demonstration project generating
28 the new coal production.

29 **SECTION 98. REPEAL.** Chapters 15-27.6 and 15-27.7 of the North Dakota Century
30 Code, sections 11-10-10.5, 15-21-04.2, 15-21-04.3, 15-21-04.4, 15-21-04.5, 15-21-06,
31 15-21-08, 15-21-09.1, 15-21-13, 15-21-13.3, 15-21-13.4, 15-21-17, 15-21-19, 15-21.1-01,

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1 15-21.1-02, 15-21.2-01, 15-21.2-02, 15-22-01, 15-22-04, 15-22-07, 15-22-09, 15-22-17,
2 15-22-18, 15-22-25, 15-27.1-02, 15-27.1-06, 15-27.1-07, 15-27.1-08, 15-27.1-09, 15-27.3-04,
3 and 15-27.3-16 of the North Dakota Century Code, and sections 15-21-04.1, 15-21-07,
4 15-21-09, 15-21-18, 15-22-01.1, 15-27.3-02, and 15-27.3-10 of the 1997 Supplement to the
5 North Dakota Century Code are repealed.