

**HOUSE BILL NO. 1344**

Introduced by

Representatives R. Kelsch, Brusegaard, Monson

Senators Krebsbach, Wardner

1 A BILL for an Act to create and enact four new sections to chapter 15-40.1 of the North Dakota  
2 Century Code or in the alternative to create and enact four new sections to chapter 15.1-27 of  
3 the North Dakota Century Code, relating to the reimbursement of school districts for increases  
4 in teacher compensation; and to amend and reenact subdivision a of subsection 2 of  
5 section 15-40.1-06 of the North Dakota Century Code or in the alternative to amend and  
6 reenact section 15.1-27-04 of the North Dakota Century Code, relating to per student  
7 payments.

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

9 **SECTION 1. AMENDMENT.** If House Bill No. 1045 does not become effective,  
10 subdivision a of subsection 2 of section 15-40.1-06 of the 1999 Supplement to the North Dakota  
11 Century Code is amended and reenacted as follows:

12 2. a. The educational support per student ~~during for~~ for the first year of the ~~1999-2001~~  
13 ~~2001-03~~ biennium ~~must be~~ is two thousand ~~one~~ two hundred ~~forty-five~~ forty  
14 dollars ~~and~~. The educational support per student for the second year of the  
15 ~~1999-2001~~ 2001-03 biennium ~~the educational support per student must be~~ is  
16 two thousand two hundred ~~thirty~~ thirty ~~forty~~ forty dollars ~~and~~. The educational support per  
17 student is the basis for calculating grants-in-aid on a per student basis as  
18 provided in sections 15-40.1-07 and 15-40.1-08.

19 **SECTION 2.** If House Bill No. 1045 does not become effective, a new section to  
20 chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

21 **Definitions.** For purposes of this Act:

22 1. "Compensation" includes all salaries, benefits, commissions, memberships, the  
23 provision of housing, the provision of vehicles, and any other payments, in lieu of

1           payments, or services, reportable as gross income under the Internal Revenue  
2           Code.

3           2. "Teacher" means any individual who is employed by the school district and is  
4           licensed to teach by the education standards and practices board or approved to  
5           teach by the education standards and practices board. The term does not include  
6           individuals employed as substitute teachers.

7           **SECTION 3.** If House Bill No. 1045 does not become effective, a new section to  
8 chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

9           **Compensation of teachers - Claim for reimbursement.**

- 10          1. On or before October first of each year or within thirty days after the conclusion of  
11          the negotiation process provided for in chapter 15-38.1, the board of a school  
12          district may file a claim with the superintendent of public instruction for the  
13          reimbursement of moneys to be expended by the district during the school year to  
14          increase the compensation of teachers employed by the district.
- 15          2. The claim must include the number of full-time equivalent teachers who received  
16          an increase in compensation and the total amount of the increase in compensation  
17          to be paid over the amount paid to the teachers for services performed during the  
18          previous school year.
- 19          3. For purposes of this section, the claim of a district may include proportionate  
20          expenditures made by the district to compensate individuals employed as teachers  
21          by the special education unit or the area vocational and technology center to which  
22          the district belongs.

23          **SECTION 4.** If House Bill No. 1045 does not become effective, a new section to  
24 chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

25          **Compensation of teachers - Amount of reimbursement.**

- 26          1. During the first year of the biennium, each school district is entitled to receive  
27          reimbursement in an amount equivalent to the lesser of the total increase in  
28          compensation to be paid to the teachers for services performed during the current  
29          school year over the amount paid to the teachers for services performed during the  
30          previous school year or the amount arrived at if the total number of full-time  
31          equivalent teachers employed by the district is multiplied by two thousand dollars.

1           2. During the second year of the biennium, each school district is entitled to receive  
2           reimbursement in an amount equivalent to the lesser of the total increase in  
3           compensation to be paid to the teachers for services performed during the current  
4           school year over the amount paid to the teachers for services performed during the  
5           previous school year or the amount arrived at if the total number of full-time  
6           equivalent teachers employed by the district is multiplied by one thousand five  
7           hundred dollars.

8           **SECTION 5.** If House Bill No. 1045 does not become effective, a new section to  
9 chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

10           **Compensation of teachers - Distribution of reimbursement.** The superintendent of  
11 public instruction shall distribute approximately one-sixth of the total amount to which each  
12 school district is entitled under this Act on or before the first day of each November, December,  
13 January, February, March, and June. Prior to distributing the final payment in June, the  
14 superintendent of public instruction shall reconcile the amount actually spent by each school  
15 district for increases in teacher compensation with the amount claimed by the district under  
16 section 3 of this Act and make any necessary adjustments to the June payment.

17           **SECTION 6. AMENDMENT.** Section 15.1-27-04 of the North Dakota Century Code as  
18 created by House Bill No. 1045, as approved by the fifty-seventh legislative assembly, is  
19 amended and reenacted as follows:

20           **15.1-27-04. Per student payment.** The per student payment to which each school  
21 district is entitled for the first year of the biennium is two thousand ~~one two~~ two hundred ~~forty five~~  
22 forty dollars. The per student payment to which each school district is entitled for the second  
23 year of the biennium is two thousand two hundred ~~thirty~~ thirty five dollars. The per student amount is  
24 the basis for calculating state payments to school districts, as provided in sections 15.1-27-06  
25 and 15.1-27-07.

26           **SECTION 7.** A new section to chapter 15.1-27 of the North Dakota Century Code is  
27 created and enacted as follows:

28           **Definitions.** For purposes of this Act:

29           1. "Compensation" includes all salaries, benefits, commissions, memberships, the  
30 provision of housing, the provision of vehicles, and any other payments, in lieu of

1           payments, or services, reportable as gross income under the Internal Revenue  
2           Code.

3           2. "Teacher" means any individual who is employed by the school district and is  
4           licensed to teach by the education standards and practices board or approved to  
5           teach by the education standards and practices board. The term does not include  
6           individuals employed as substitute teachers.

7           **SECTION 8.** A new section to chapter 15.1-27 of the North Dakota Century Code is  
8 created and enacted as follows:

9           **Compensation of teachers - Claim for reimbursement.**

10          1. On or before October first of each year or within thirty days after the conclusion of  
11          the negotiation process provided for in chapter 15.1-16, the board of a school  
12          district may file a claim with the superintendent of public instruction for the  
13          reimbursement of moneys to be expended by the district during the school year to  
14          increase the compensation of teachers employed by the district.

15          2. The claim must include the number of full-time equivalent teachers who received  
16          an increase in compensation and the total amount of the increase in compensation  
17          to be paid over the amount paid to the teachers for services performed during the  
18          previous school year.

19          3. For purposes of this section, the claim of a district may include proportionate  
20          expenditures made by the district to compensate individuals employed as teachers  
21          by the special education unit or the area vocational and technology center to which  
22          the district belongs.

23          **SECTION 9.** A new section to chapter 15.1-27 of the North Dakota Century Code is  
24 created and enacted as follows:

25          **Compensation of teachers - Amount of reimbursement.**

26          1. During the first year of the biennium, each school district is entitled to receive  
27          reimbursement in an amount equivalent to the lesser of the total increase in  
28          compensation to be paid to the teachers for services performed during the current  
29          school year over the amount paid to the teachers for services performed during the  
30          previous school year or the amount arrived at if the total number of full-time  
31          equivalent teachers employed by the district is multiplied by two thousand dollars.

1           2. During the second year of the biennium, each school district is entitled to receive  
2           reimbursement in an amount equivalent to the lesser of the total increase in  
3           compensation to be paid to the teachers for services performed during the current  
4           school year over the amount paid to the teachers for services performed during the  
5           previous school year or the amount arrived at if the total number of full-time  
6           equivalent teachers employed by the district is multiplied by one thousand five  
7           hundred dollars.

8           **SECTION 10.** A new section to chapter 15.1-27 of the North Dakota Century Code is  
9 created and enacted as follows:

10           **Compensation of teachers - Distribution of reimbursements.** The superintendent of  
11 public instruction shall distribute approximately one-sixth of the total amount to which each  
12 school district is entitled under this Act on or before the first day of each November, December,  
13 January, February, March, and June. Prior to distributing the final payment in June, the  
14 superintendent of public instruction shall reconcile the amount actually spent by each school  
15 district for increases in teacher compensation with the amount claimed by the district under  
16 section 8 of this Act and make any necessary adjustments to the June payment.