

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2182

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Bellus  
Operator's Signature

10/17/03  
Date

2003 SENATE EDUCATION

SB 2182

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hollis  
Operator's Signature

10/17/03  
Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2182

Senate Education Committee

Conference Committee

Hearing Date 01-21-03

Tape Number	Side A	Side B	Meter #
1	x		8.0 - end
1		x	0 - 24.2
2		x	11.0 - 32.5
Committee Clerk Signature <i>Amanda Johnson</i>			

Minutes: CHAIRMAN FREBORG called the committee to order. Roll Call was taken with all (6) members present.

VICE CHAIRMAN G. LEE opened the hearing on SB 2182 relating to the school district equalization factor.

**Testimony in support of SB 2182:**

SENATOR FREBORG, Dist. 8, stated this bill applies an additional 4 mills to the deduct and automatically escalates at 2 mills per year. The mill deduct was started in 1973 at 20 mills and was applied as it is now. The mill deduct went from 20 to 32 mills in 30 years. He feels the legislature should legislate what they feel is fair. This would provide more equity than the current amount. Usually, if a district is above average (value per student) it will cost the district. If it is below, it will receive money.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Dianne Hall*  
Operator's Signature

01/17/03  
Date

Page 2  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

SENATOR FLAKOLL asked if there is a reason there is no cap on this. SENATOR FREBORG would hope this would go on for a long time. He is considering an amendment to this bill which would have the mill deduct go to 40 mills the first year.

SENATOR FLAKOLL stated that the mill levy deduct formula is highly based on property value. As such, what assurance do we have of encumbrance. Is there a checks and balances in place to make sure that similar property is appropriately valued. SENATOR FREBORG, stated he did not think that would matter, because this pertains to what one mill will raise in your district. If property is low the deduct won't have as much effect. If it is high it will. He doesn't feel the job of legislators is to determine whether or not land values or property values are too high or too low.

JERRY COLEMAN, DPI, presented information on what effect raising the mill levy deduct would have. (see attached charts)

Additional testimony in support of SB 2182 was received from Paul K. Johnson, Supt. of the Bismarck school district. (see attached)

**Testimony in opposition to SB 2182:**

STEVE SWIONTEK, Supt. of Schools at Devils Lake, presented testimony. (see attached).

SENATOR FREBORG asked how many mills are levied in the Devils Lake district. MR.

SWIONTEK stated they are levying 189 on general funds and about 219 total mills. SEN.

FREBORG asked if he thought it would be better if we would try to improve this system in small increments rather than in large amounts. MR. SWIONTEK stated they supported the concept of the teacher pay increase last session, however this increased the disparity in equity. SENATOR

FREBORG questioned how the DL district comes out after the supplemental payment and the 32

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's Signature

01/17/03  
Date

Page 3  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

mill deduct we have. MR. SWIONTEK stated they receive \$50 per student supplemental pay and with the 32 mill deduct would provide about \$12.92 per student back. This would be worth something to the poorer districts even if it is \$1.00 more. However, is it enough?? SEN. FREBORG stated we need to provide more equity, but doesn't feel a large increase will be passed out of this session.

SENATOR COOK asked if MR. SWIONTEK knows what the mill levy in Edmore is, since it is in the same county. He was told roughly 148 mills. SENATOR COOK asked if there was any dialogue on the two districts joining. No. MR. SWIONTEK stated that no one would want to join DL when they are at 189 mills.

DAN HUFFMAN, Asst. Supt. for Fargo School Dist., presented testimony. (see attached) He feels the increase in the mill levy deduct that is in this bill will negatively impact the Fargo school district by about \$1 million. If the per pupil payment amounts are changed (SB 2154), then the district would lose about \$100,000. The Fargo district's concern at this time is that all the new money that is on the table in discussion is in teacher compensation. It is a dedicated revenue source specifically for one purpose, to improve teacher salaries. This is also an issue that school districts need to address. We need to address all the components of the funding formula and work at a solution that addresses all of them at the same time. He stated they did support the teacher compensation funding last session and it cost their district \$338,000.

SENATOR FREBORG stated that amount would have gone a long way toward equity. MR. HUFFMAN feels many of the decisions with funding should be left with the local authority with local discussions.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Hall  
Operator's Signature

01/17/03  
Date

Page 4  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

SENATOR COOK asked what schools in ND offer a better education to children than Fargo does. He replied no other district provides the level of quality than the Fargo school district does.

SENATOR COOK asked if this is because Fargo is a "property rich" district and therefore they have greater resources to offer that quality education over other districts. MR. SWIONTEK stated that Fargo is barely above the state average at the present time in taxable valuation per child. He feels the taxpayers have given them the ability to levy 323 mills and that is why they can offer a quality education to their students.

SANDY CLARK, ND Farm Bureau, stated they oppose the mill deduct increase because they feel it will lead to a property tax increase.

SENATOR COOK asked if in recognizing that the system is not fair and equal, does she realize that this bill is trying to change that by making it more fair and equal. She feels when the formula is based on property valuation, it is not equal.

MARK SITZ, ND Farmers Union, feels this will increase the valuation of property and will therefore raise taxes. They feel property taxes are already too high.

SENATOR TAYLOR asked if he could tell us, as a farmer, what this would do to him in his district. MR. SITZ said he would get that information.

DEAN BARD, ND Small Organized Schools, stated they are not opposed to equity, but when the level of state support has decreased, it causes the local districts to ask the local people to cover the difference with a local mill increase.

ALLEN BURGAD, Stanley School Dist., feels this would be detrimental to his district. He feels they do a good job of educating and the administrators are doing well with the current level of

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's Signature

01/17/03  
Date

Page 5  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

funding. They levy 208 mills from the taxpayers. The average cost per pupil is \$4984 based on 2002 financing facts.

PAUL STREMICK, Supt. from Grafton, does not believe this bill goes far enough to bring about more equity and equalization. Ten years ago Grafton was 21% below the state average in spending. Ten years later they are 28% below the state average. The condition has become worse and he does not see it becoming any better. If SB 2154 and this bill both pass, he feels Grafton will be worse off, because SB 2154, on the weighted factor, will take money away from Grafton. We need to look at all factors including the weighted factor. He feels the system for funding is filled with inequities. Grafton is the 3rd highest taxed district in the state and is 8th from the bottom in spending. He would urge putting any "new" money into equity payments. He further believes Grafton, due to the weighted factors, will continue to lose dollars. Even if SB 2154 is not changed, Grafton will not receive as much as the schools in the other categories. BEV NIELSON, ND School Boards Assn., stated there are gainers and losers on the mill deduct issue. Some issues she raised were there is 8 times more money going into the FTE program's new money than is going into foundation aid in new money. The reality is there is very little new money going into foundation aid. By increasing the mill deduct, a case could be made on paper that the per pupil payment will increase without any new money going into the formula from the state. There could be districts with their foundation and transportation money that receive because of declining enrollment, and with an additional mill deduct, that would begin to get possibly no new money from the state once the deduct is applied, and then it goes into the transportation fund, and then they could end up with no new money, unencumbered money, coming through foundation formula. There needs to be enough new state dollars going into the

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Hall  
Operator's Signature

01/17/03  
Date

Page 6  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

foundation transportation formula to allow increasing the mill deduct in the way that is proposed in this bill. There is no mill deduct in the FTE money. When passed, it was understood that the same amount of money would go to every district for teacher compensation. Very few districts feel they are adequately funded.

SENATOR FREBORG stated there will be much more than \$4 million new money going into foundation aid. To hold the same level of payment, comparing to the same level of payment for the number of students we are going to have, and the dollars it will take to raise the payments to match the \$83 the first year and \$96 the second, it will take about \$28 million.

SENATOR COOK said that Mr. Huffman stated if money were the only means to reach equity, we would need \$400 million - \$500 million. He feels he is accurate in that assessment. If school consolidation were to be brought into this to reach equity and adequacy, could we reach it with less new dollars. MS. NIELSON doesn't know.

SENATOR FLAKOLL brought up the transportation cost as part of the formula.

DAN ANDERSON, Supt. Ray Public School, stated that putting money on foundation aid payments and not spreading it out would give everybody a better benefit. He feels with the formula as is, his district would receive no new money. He feels with the change in the economy, there are better ways to address revenue issues.

LARRY KLUNDT, Ex. Dir. of ND Council of Educational Leaders, said there are several issues to consider:

1. the position of the group is to leave 32 mills as is
  2. issues are more than the equalization issue
  3. we need to take entire structure of funding into account
- since 1973, we have had to average averages because of set weighted factors

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Hall  
Operator's Signature

01/17/03  
Date



Page 7

Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

1. property is not the only potential source of wealth
2. lots of problems with the finance formula

SENATOR COOK asked if in a "dream formula" is the mill levy deduct used. MR. KLUNDT stated No, every district would pay the same set levy. SENATOR COOK asked if there is no consensus on equity, how do you feel the Supreme Court would rule. MR. KLUNDT stated he did not know, and the maximum levy is 185 mills.

SENATOR FREBORG stated this bill doesn't speak to the whole formula, but feels this would help in the disparity that we are finding between districts. This is only about the mill levy deduct. If the mill deduct is high enough, everyone would have equity. MR. KLUNDT stated this bill will increase equity and if that is what the bill is to do, it does so. He feels that the best way to equity is to set a minimum levy, set a target price on what should be spent, and add all sources of revenue and come to the target cost per pupil. This is a dream equity and would require a radical change and would cost a lot of money.

**The hearing was closed on SB 2182.**

**TAPE 2, SIDE B, 11.0 - 32.5**

CHAIRMAN FREBORG called the committee to order to discuss SB 2182. He would like to solicit ideas to increase the deduct. He feels this increase in mill deduct would help most districts. SENATOR COOK thinks this is a step in the right direction and would favor a larger increase. He feels the bill in the House is too drastic an increase. SENATOR FREBORG stated the problem is the disparity in property values per student. Property values have to be considered wealth. SENATOR COOK stated that if something isn't done this session, the future of ND education will be in jeopardy. Equity and NCLB are BIG issues this session and for the future.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

01/17/03  
Date

Page 8  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-21-03

SENATOR FREBORG stated this bill is going to 100% of the 5 year average cost. The administrators who testified were talking about the weighting factor as not fair. He is having a problem understanding what they do want. SENATOR COOK feels some people don't understand what the deduct does. SENATOR FLAKOLL stated some people look at the deduct issue only and not at redistributed funds which many times is larger.

SENATOR FREBORG stated if we increase 8 mills in the deduct, it would increase \$100 per student.

SENATOR COOK would like to amend SB 2182 to raise the mill deduct. He moved to amend line 11, change 36 to 38 and line 22 change 38 to 40. Seconded by SENATOR CHRISTENSON. Roll Call Vote: 3 YES. 3 NO. Motion Failed.

SENATOR COOK moved a DO PASS. Seconded by SENATOR CHRISTENSON. Roll Call Vote: 3 YES. 3 NOP. Motion Failed.

SENATOR COOK stated that 23 - 25 states are now in court over the equity issue.

Committee Adjourned.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Helms*  
Operator's Signature

01/17/03  
Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2182

Senate Education Committee

Conference Committee

Hearing Date 01-22-03

Tape Number	Side A	Side B	Meter #
1		x	28.0 - end
2	x		0 - 3.0
Committee Clerk Signature <i>Jordan Johnson</i>			

Minutes: CHAIRMAN FREBORG called the committee to order. Roll Call was taken with all (6) members present.

SENATOR FREBORG stated that in several cases when the courts made a decision, if there was some movement or progress being made in the legislative body, they would not intervene. He further stated this is a minimal step in the direction of progress in equalization. He is very reluctant to forward any bills that will provide equity, because if they fail, we will be worse off than before.

SENATOR TAYLOR asked if the supplemental payments would be considered progress toward equity. SENATOR FREBORG stated yes, but it does not completely cover the problem (he thinks only 37 districts will be helped by that). This bill will help a lot and will take in every district below and above the average property value per student, and it would be healthy progress.

When declining enrollment starts to determine property rich or poor, you will get more rich districts. SENATOR LEE asked if a supplemental payment increase would be a more acceptable

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's Signature

12/17/03  
Date

Page 2  
Senate Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date 01-22-03

method of moving in the direction of increasing equity than a mill deduct increase. SENATOR FREBORG stated that is a good point because it only appropriates money, and it isn't out of any specific district's pocket. He is also going to try to increase supplemental payments by at least \$1 million and maybe \$2 million. With the mill deduct increased and the supplemental payments increased, he feels the state would be on firm ground as far as with the courts.

SENATOR COOK stated that the courts are saying that what is being done is unconstitutional.

**Senator Cook moved a DO PASS. Seconded by Senator Christenson. Roll Call Vote: 3**

**YES. 3 NO. 0 Absent. Motion Failed.**

**Senator Flakoll moved a DO NOT PASS. Seconded by Senator Taylor. Roll Call Vote: 3**

**YES. 3 NO. 0 Absent. Motion Failed.**

**SENATOR FLAKOLL moved WITHOUT RECOMMENDATION. Seconded by**

**SENATOR COOK. Roll Call Vote: 4 YES. 2 NO. 0 Absent. Motion Carried.**

**Carrier: Senator Freborg**

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's Signature

01/17/03  
Date

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/13/2003

Bill/Resolution No.: SB 2182

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

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

The mill deduct is an equalization mechanism within the foundation aid formula. There is no state fiscal impact.

3. **State fiscal effect detail:** For information shown under state fiscal effect in 1A, please:

A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

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

C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

<b>Name:</b>	Jerry Coleman	<b>Agency:</b>	Public Instruction
<b>Phone Number:</b>	328-4051	<b>Date Prepared:</b>	01/14/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Dennis Hall*  
 Operator's Signature

01/17/03  
 Date

Date: 1/21/03  
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. amend SB2182

Senate EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken amend SB2182

Motion Made By Sen. Cook Seconded By Sen. Christenson

Senators	Yes	No	Senators	Yes	No
LAYTON FREBORG, CHAIR.	✓		LINDA CHRISTENSON	✓	
GARY A. LEE, V. CHAIR.		✓	RYAN M. TAYLOR		✓
DWIGHT COOK	✓				
TIM FLAKOLL		✓			

Total (Yes) 3 No 3

Absent 0

Floor Assignment \_\_\_\_\_

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

line 11 chg 36 to 38  
line 22 chg 38 to 40

motion fails

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Hall  
Operator's Signature

10/17/03  
Date

Date: 1/21/03  
Roll Call Vote #: 2

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2182

Senate EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Sen. Cook Seconded By Sen. Christenson

Senators	Yes	No	Senators	Yes	No
LAYTON FREBORG, CHAIR.	✓		LINDA CHRISTENSON	✓	
GARY A. LEE, V. CHAIR.		✓	RYAN M. TAYLOR		✓
DWIGHT COOK	✓				
TIM FLAKOLL		✓			

Total (Yes) 3 No 3

Absent 0

Floor Assignment \_\_\_\_\_

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

*motion fails*

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall Operator's Signature 10/17/03 Date

Date: 1/22/03  
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB2182

Senate EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Sen Cook Seconded By Sen. Christenson

Senators	Yes	No	Senators	Yes	No
LAYTON FREBORG, CHAIR.	✓		LINDA CHRISTENSON	✓	
GARY A. LEE, V. CHAIR.		✓	RYAN M. TAYLOR		✓
DWIGHT COOK	✓				
TIM FLAKOLL		✓			

Total (Yes) 3 No 3

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall Operator's Signature Date 1/17/03



Date: 1/22/03  
Roll Call Vote #: 2

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2182

Senate EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Not Pass

Motion Made By Sen. Flakoll Seconded By Sen. Taylor

Senators	Yes	No	Senators	Yes	No
LAYTON FREBORG, CHAIR.		✓	LINDA CHRISTENSON		✓
GARY A. LEE, V. CHAIR.	✓		RYAN M. TAYLOR	✓	
DWIGHT COOK		✓			
TIM FLAKOLL	✓				

Total (Yes) 3 No 3

Absent 0

Floor Assignment \_\_\_\_\_

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

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall Operator's Signature 1/17/03 Date

Date: 1/22/03  
Roll Call Vote #: 3

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2182

Senate EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken send without recommendation

Motion Made By Sen. Flakoll Seconded By Sen. Cook

Senators	Yes	No	Senators	Yes	No
LAYTON FREBORG, CHAIR.		✓	LINDA CHRISTENSON	✓	
GARY A. LEE, V. CHAIR.		✓	RYAN M. TAYLOR	✓	
DWIGHT COOK	✓				
TIM FLAKOLL	✓				

Total (Yes) 4 No 2

Absent 0

Floor Assignment Sen. Freborg

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

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall Operator's Signature Date 1/17/03

REPORT OF STANDING COMMITTEE (410)  
January 22, 2003 1:09 p.m.

Module No: SR-12-0910  
Carrier: Freborg  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

SB 2182: Education Committee (Sen. Freborg, Chairman) recommends **BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2182 was placed on the Eleventh order on the calendar.

(2) DESK, (3) COMM

Page No. 1

SR-12-0910

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Holm*  
Operator's Signature

10/17/03  
Date

2003 HOUSE EDUCATION

SB 2182

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall  
Operator's Signature

10/17/03  
Date

2003 HOUSE STANDING COMMITTEE MINUTES  
BILL/RESOLUTION NO. SB 2182  
House Education Committee

Conference Committee

Hearing Date March 11, 2003

Tape Number	Side A	Side B	Meter #
2	x		1420-end
2		x	00-1900
Committee Clerk Signature <i>Linda Guenther</i>			

Chairman Kelsch opened the hearing on SB 2182.

**Sen. Layton Freborg, District 8, Underwood, handout**

It took twenty years for the mil deduct to go from 20 to 32 mil levy deduct. This bill changes the deduct from 32 to 36 the first year of the next biennium. Then increase 2 mils each year. There is an escalator, so the second year would be 38 mil. The next biennium would be 40 and 42 mils.

The handout does show you what one mil does, what 4 mils does, and so on. the mil deduct is very important. I think that it is the only true form of equity that we have and it is not much.

**Allen Braaten, Richland County.**

I am speaking in opposition of the bill. I feel our property taxes have just skyrocketed. Our property taxes are running about 2K a quarter, so go higher and some go lower. But I favor almost any type of tax increase, except this the mil levy deduct.

**Arvid Winkler, farmer from Barnes County, attached graph and testimony.**

I am in favor of SB 2182 regarding the school district equalization factor, as I know understand the bill. Previously I did not testify before this committee or any other. The straw that broke the

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

*10/17/03*  
Date

Page 2  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

camels back occurred on February 4, 2003. As an assessor I must annual attend a seminar for educational purposes. At that seminar I received the county mil levy sheet. I noticed in my township there are three school districts with varying mil levy. The one that poked me in the eye is for the Oriska school district that is 10.08 mils. It seems to be what games people play. They want to be in the low tax district and open enroll to the best educational district. When I went through the bill the one think that struck me was equalization. Working out of chapter 57, equalization is mentioned a number of times. In assessing what equalization is within 5 % of a known target. When I read through the bill here comes these terms mil deduct 36 and up to 38. I hear that Sen. Freborg wanted to go up to a 180 mil deduct as quoted in the paper. 36 to 180 is not equalization, this is a deduct and redistribution. This is tax and spend. Robin Hood lives on. Every one pay similar so that they can get similar benefits. No more games.

**Dr. Paul K. Johnson, See Attached Testimony**

**Rep. Hawken:** How does this fix it for you, whereas in my school district it doesn't fix it at all, it exasterbates it. Because the mil levy isn't the same as it is here as it is where I live. Someone said Robin Hood, and that is exactly right. That is the kind of system that we want.

**Johnson:** Probably not maybe the whole system needs to be reworked, The problems is that for the last 15 years the dependence on property taxes has increased and the state share of school funding has decreased from 60% to 40% today. I don't see that changing in the foreseeable future, unless the courts handle it. Unless the Legislature and the state of North Dakota decide to put more money in up front. from other tax sources and such. We have no choice but to fund our schools on property tax.

**Rep. Hawken:** But my property tax is funding someone else's school. There are two sides to this

The micrographed images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna J. Hall  
Operator's Signature

10/17/03  
Date

Page 3  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

story. It is not in just one direction.

**Johnson:** I understand that very well. I have been the superintendent in Valley City and Bismarck, both under the state average as far a property value per student. I will say that the situation in Valley City was much more difficult because we were capped on the property tax that we could levy. In Bismarck that is not the case, we do have the ability to levy enough money to fund the system. Unfortunately, a mil in Bismarck bring in less then what it does in many other school districts in the state. So we see that as inequitable. I am simply speaking for the situation that I am finding myself in.

**Rep. Williams** Economically for many schools we can not raise mil levy deduct without raising the state dollars of input into foundation aid, would you agree.

**Dan Hoffman, Fargo Public Schools, handout**

Since I am last I thought I would check Neutral. I took the liberty of assuming Rep. Jon Nelson that you would like to restore the money to the Foundation Aid formula that has come from the increase in the mil levy deduct, and I have provided you with a handout of a possible scenario that would do that. It would increase the per pupil payments to 25.75 the first year and 26.98 the second year. please understand that is just one business managers attempt at addressing the issue of getting the money back into the formula. It would approx. 13M of additional money back into the Foundation aid formula. It is our belief that the mil levy deduct has taken the money from the Foundation Aid formula, the appropriations should put the money back into the Foundation Aid formula. I understand the situation that you are in as Legislators, and we to believe that as a state you need to address the issue of equity. However we believe that to adequately address the issue of equity you must also have a serious discussion of adequacy. And you have heard lots of

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

10/17/03  
Date

Page 4  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

testimony about the impact upon adequacy your attempts at equity will have without a realistic attempts to put the money back into the formula that the equity increase is attempting to resolve. You have increased the mil levy deduct 12 1/2%. That is probably the most significant increase in any one year. You increased the mil levy deduct an additional 6.5% the second year.

Realistically to make those kind of attempts towards equity you have to have a serious discussion on adequacy and you have to talk about how that money can be put back into the formula so that the districts that are being impacted by this increase in the equity are also impacted positively by increases in adequacy. In our school district, for example, when you combine the increase in the mil levy deduct with 2% decrease in the weighting factors. The weighting factor alone for our high school kids accounts for \$100 of the increases in the per pupil payment you are giving us. So you are giving us increase per pupil payment, decreasing the high school weighting factor, taking back the \$100 of it, then you are also increasing the mil levy deduct on top of that. We recognize and support this states efforts to address issue of equity, but it needs to be done in context of adequacy. **Chairman Kelsch** If everyone is unhappy that means we did the right thing.

**Hoffman:** You would have done the right thing, if everyone would go home happy.

**Chairman Kelsch** We are going to do it in this order. Restore the money (11.5-13M), mil deduct is applied, 13M for the mil deduct is re-circulated, we have 5M in supplemental payments, are you happy? **Hoffman:** We would support that.

**Rep. Hawken:** Is the supplemental payment on the old formula or the new formula?

**Chairman Kelsch** I think that efforts were noble, but if we look at what the effects were, they were not what we hoped for. So I think we have to go back to the old formula.

**Hoffman:** We are not a recipient of the supplemental equity payments, but if I can offer a

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

  
Operator's Signature

10/17/03  
Date



Page 5  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

suggestion, I would suggest that you go back to the old formula and use it as your starting point and not the new formula.

**Joe Westby, NDEA**

We support equity. The mil levy deduct is ND attempt to equalize for the differing property values that exist in school districts in the state. So hopefully we get the same number of dollars going to schools to support the education of each child. We realize that this is not a perfect system, it is not totally equalized and it won't be even with 2182. But what we are really concerned about is if we pass 2182 and we don't put any more money into the formula, we are going to hurt a lot of school districts. We are going to be taking money away from them without putting money back in the other end. So I would encourage you, if you are going to pass 2182 that seriously look at putting more money into the formula.

**Rep. Sitte** What do you think would be an equitable amount for a per pupil payment?

**Westby:** I don't have the numbers in front of me and I'm not sure I can even answer that question. There has to be limits in the variance that exists from district to district, in order to meet the requirements that most folks would believe that you have to reach some equity. I am not sure what that number is.

**OPPOSITION:**

**Myron Vigesa, Kensel School Board member & parent**

Review a little about the bill that seems to be pitting the rich against the poor, and trying to justify the passage of the bill on that basis. I submit to you that rich vs. poor can be looked at from several different ways. True some of the rural districts have a lot of land valuation behind each student, however we are student poor. And we still have the job of educating our children.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

10/17/03  
Date

Page 6  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

A article in the Bismarok Tribune recently, a editorial, covered my sentiments in that regard. It looks to me like this bill are going to ultimately end up in some joint committee. And I would like assurances that the result of your joint committee meeting are not going to adversely affect individuals schools. I would encourage the mil levy deduct be left as it currently is rather than going to the new plan. True life is not fair, but it looks to me that the way the bill reads it will get more unfair for our local. Please consider my thoughts.

**Dean Bard, NDSOS,** Under their legislative program #10, there should be no increasing of the mil levy deduct until the state reaches a level of funding that equals or exceeds 70% of the statewide average of the cost of education.

**Sandy Clark, NDFB, See Attached Testimony**

Rep. Williams Your 5th paragraph, (read) that isn't always true simply because of 185 mil levy deduct cap. Small school districts could be forced to give mils back and they are at the cap.

**Clark:** Yes if we continue to go with increased mil levy deduct.

**Rep. Mueller** Continued escalation of the property tax is a concern. We are bond by the Constitution of this state to balance the budget, and obviously we keep hearing your statement about having enough money. My question is where is the money to come from?

**Clark:** I appreciate your comments, if I had that answer I would be sitting where you are, it is not easy. We are hoping that you could put the money back in from the Governor's budget.

**Rep. Mueller** This committee sits here with huge education issues, but you go down the hall and their are human services needs, and the list does not end, so again we either have to do more cutting, or we have to have more revenue. So my question is where do we find the money?

**Clark:** We have a policy that says we don't like tax increases. If we have to look at an increase

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

10/17/03  
Date

Page 7  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

for education, we would like income tax to increase with some reduction in the property taxes.

**Rep. Haas** Do you see some kind of a disconnect between what apparently people want in regard to the funding of elementary and secondary education and their willingness to pay for it and a further disconnect between our ability to perhaps put as much money into this as what people say is necessary in order to have it be 'adequate'?

**Clark:** We see some discrepancies, certainly we all have the I want or the give me type of philosophy. And we have to get over that type of mentality. I think when you look at some of the smaller schools that are very committed to maintaining the schools and the facilities, I think you will find they are paying for them now. 2nd part, where do we draw those lines. That is not easy, where we determine what we can afford. Unfortunately in a lot of cases we like local control as well so that they can make some of those determinations on what they can afford and what they can not. And when they can no longer afford they can close or consolidate.

**Rep. Jon Nelson** Worst case scenario, we are sitting here with a bill that raises the mil levy deduct 4 mils, if the lawsuit goes forward and a judge declares that the funding system is inequitable and they win. The Supreme court enforces that argument. And one of the cases that was brought up this morning in one of the states, that half of the schools were closed by the courts. Would your organization then look back and say it was okay, Would you second guess your position to oppose this bill at that point.

**Clark:** We can play Monday morning quarterback. I don't dispute a court case could be detrimental.

**Rep. Jon Nelson** Just to continue with the point, as we try to align ourselves with the inevitable court battle, obviously the comparison between 1992 and 2003 is going to take place. Now there

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's Signature

03/17/03  
Date

Page 8  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

is a number of ways to put yourself in the best possible scenario for when that comparison takes place. I would think that the judge will look at this as coming closer together on the definition of equity and that was determined in the lawsuit on what areas that need to improve upon or have we drifted further apart. I think that we would be in a better position, don't you.

**Clark:** We were looking restoring the money into foundation aid would be able to help do some of that, without the dramatic change in the mil levy deduct. And if there is some way to accomplish some of this and that you can See Attached Testimony fit, between 36 and 38, we would really appreciate that to.

**Rep. Sitte** What is the average taxes on quarter of land is about 2K?

**Clark:** It is going to vary dramatically across the state. Averages is very difficult because we have so many different soil types and different land forms. Very difficult to answer that.

**Chairman Kelsch** Here is an example, Devils Lake is considered a poor district because it only has \$6934 in taxable property to supporting each student. Starkweather and Edmore who neighboring school districts to Devils Lake there are considered wealthy because they have \$25,434 in taxable properties for each of their students. That is where the argument comes from, the taxable valuation of the land.

**Ellen Milder, School board member at Hettinger, See Attached Testimony & handout**  
(6000 to end) flip tape (00-500)

**Rep. Herbel** I appreciate what you are presenting here, but what do you say to a school district that is property poor and can only raise \$4K per student and at the same time have a mil levy that is over 80 mils, consequently that can't raise money either, and they have raised the mil levy to the maximum that they can get. What is your solution for the problem?

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

10/17/03  
Date

Page 9  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

**Milder:** What would be fair, what we have talked about a lot is that all resources for school districts should be put on the table. I don't know if they have all of the resources on the table at this time. We have been very conservative in increasing the taxes. I would want to look at the per capita income is, what is the median income. What kind of equity situation is going on. We neighbor a community that has 1.9M in oil reserves/income. Their budget is double of ours. And they have 75-100 more students then we do. That is just a contrast of those that have and those that do not have.

**Chairman Kelsch** Did I hear you to say that you would believe that equity would be taking all sources and running them through the mil levy deduct and distributing it out that way.

**Milder:** I think it would be fair to put all the money on the table, these are the resources. Using just property taxes, you have property rich and property poor, it leaves out all the resources.

**Chairman Kelsch** One other thing to correct your testimony, you talk about how your teachers are not compensated at the levels of the property poor districts are. I went through and listed who you have listed as the property poor districts and you were trying to make a statement as far as who had oil or coal. On your base starting pay you are about higher than half of them.

**Milder:** that has been a conservative effort to withhold on our health benefits intentionally on the last two years of negotiations because of our effort to raise the base. Because we are in a situation we have a very experience staff and several have applied for early retirement. We know that we are in a very difficult recruitment situation. And we want more in the base.

**Arden Nader, Max School District**

75 districts in ND, levy less than 180 mils. The rest of them are all above. And many of those are above, a high percentage are above 200. Now this is total mils, this is general fund, building

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hollister*  
Operator's Signature

10/17/03  
Date

Page 10  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

fund, everything. The thing that I found amazing as I went through the numbers, I found that many of these school districts, and I will pick on the Devils Lake region, were impacted by Mother Nature. They lost a tremendous amount of valuation by Mother Nature, yet their per student instructional cost is approx. 4K. 2/3 of what ours is. I find that fascinating. I also found something else as I went through the book, from the interim committee dated January 2002, the most efficient school district in the state is Langdon. I was amazed, I don't know why and I don't know what they do different. But the school districts that want to file a lawsuit, Grafton, Devils Lake, Williston, have all been impacted by something that they themselves had no control of. The oil in Williston, the flooding in Devils Lake, and Grafton school. As you work with the numbers and talk about equity you have a lot of numbers, one of the numbers that I played with was maintenance and operation of the plant. That varies from 390 vs. 3,000 in another. The differences all have an impact. Transportation, one district has 141 per student and the next has 1000 per student. And all of these are factors that we have to try to work in to equity. The only thing I know for sure is that I have played with these numbers, the fact remains that the state has to plug some money in at the top. Whether it is teacher compensation or foundation aid or a combination there of. It has to be done, otherwise we are going to fail. I proposed this summer a small percentage of the sales tax that I think works the best. But to take it back through this mil levy deduct back to the property tax, we are going to fail.

**Tom Tracy of Kensel, Superintendent**

Is it true that some of the larger districts that a percentage of their land that taxes are not paid. And is it possible, if you took all of the land where taxes are not paid, and allow even 1/2 of that land to be taxed. Would that help alleviate the problem.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

01/17/03  
Date

Page 11  
House Education Committee  
Bill/Resolution Number SB 2182  
Hearing Date March 11, 2003

**Rep. Herbel** Incentive to economic development, Marvin Windows for instance came to Grafton, and we are one of the poor districts, Marvin windows was not paying any taxes because they were not there, Now they are there and down the road they will pay, they have offered us 650 jobs that kept people in the community that would have left, so are you asking me is that a good deal. the answer is yes.

**Tracy** And there was x number of students that were added to the school enrollment as the result of them coming in. And there would be an increase in Foundation Aid at Grafton as a result of Marvin Windows and additional students coming in. So the question is are these incentives gone over the point where they are creating this inequity?

**Rep. Hawken:** We don't have control over a lot of the taxes. You don't have control over any government property.

**Rep. Mueller** You need to go to the Finance and Tax Committee, it may be to late this session.

**Rep. Williams** Most of the tax exemptions are through city and county governments.

Closed hearing

Added handin testimony

John Kringen, Enderlin Superintendent

Wayne Lingen, Bisbee-Egeland and Cando School District Superintendent

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Hall*  
Operator's Signature

10/17/03  
Date

2003 HOUSE STANDING COMMITTEE MINUTES  
BILL/RESOLUTION NO. SB 2182  
House Education Committee

Conference Committee

Hearing Date April 1, 2003

Tape Number	Side A	Side B	Meter #
1	x		3991-4251
Committee Clerk Signature <i>Panda Feichter</i>			

Chairman Kelsch open the committee work on SB 2182 for the purpose of defeating it, we have rolled the mil deduct into the funding bill of SB 2154, and so we don't need this.

Rep. Mueller moved a DNP, Rep. Herbel second.

roll vote: 13-0-1 Chairman Kelsch will carry the bill to the floor.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Bell*  
Operator's Signature

*10/17/03*  
Date



4/1/03

Date: ~~3/31/03~~

Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2182

House HOUSE EDUCATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO NOT PASS

Motion Made By Mueller Seconded By Herbel

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch	✓				
Rep. Johnson	✓				
Rep. Nelson	✓				
Rep. Haas	AB				
Rep. Hawken	✓				
Rep. Herbel	✓				
Rep. Meier	✓				
Rep. Norland	✓				
Rep. Sitte	✓				
Rep. Hanson	✓				
Rep. Hunsakor	✓				
Rep. Mueller	✓				
Rep. Solberg	✓				
Rep. Williams	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Kelsch

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

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Hall Operator's Signature Date 10/17/03

REPORT OF STANDING COMMITTEE (410)  
April 1, 2003 3:20 p.m.

Module No: HR-58-8388  
Carrier: R. Kelsch  
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE  
SB 2182: Education Committee (Rep. R. Kelsch, Chairman) recommends **DO NOT PASS**  
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2182 was placed on the  
Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

HR-58-8388

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall  
Operator's Signature

10/17/03  
Date

2003 TESTIMONY

SB 2182

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Vallentyne  
Operator's Signature

12/17/03  
Date

# Mill Deduct Example

*Jerry Coleman, DPI*  
 SB2182

	District A	District B
Enrollment	250	250
Taxable Valuation	3,500,000	2,500,000
Taxable Valuation Per Pupil	14,000	10,000
Base Payment	2,000	2,000
Mill Deduct	32	32
Gross Entitlement	500,000	500,000
Mill Deduct Amount	112,000	80,000
Net Foundation Aid	388,000	420,000
Local Revenue	612,000	580,000
District Budget	1,000,000	1,000,000
Local Levy	175	232

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Delnick*  
 Operator's Signature

10/17/03  
 Date

Mill Dec Impact  
SB 2182

*wpu - weighted pupil units*

ID	DNAME	OTYPE	Taxable Valuation	Taxable Valuation Per Student	Gen Fund Levies	Enr wpu 02-03	1 \$ deduct	1 \$ Redistributed on wpu	4 \$ deduct	4 \$ Redistributed on wpu	6 \$ deduct	6 \$ Redistributed on wpu
1013	Hettinger 13	1	5,906,933	16,008	168.16	342	5,907	4,416	23,628	17,666	35,442	26,498
2002	Valley City 2	1	13,001,837	11,578	187.38	1,170	13,002	15,122	52,007	60,487	78,011	90,730
2013	Oriska 13	2	1,880,683	21,868	154.20	79	1,881	1,024	7,523	4,095	11,284	6,143
2052	Litchville 52	2	3,210,984	23,101	115.54	105	3,211	1,358	12,844	5,432	19,266	8,148
2065	N Central 65	1	5,565,223	32,356	122.23	250	5,565	3,230	22,261	12,921	33,391	19,381
2082	Wintredon-Courtenay 82	1	5,098,458	32,682	125.92	199	5,098	2,570	20,394	10,279	30,591	15,419
3005	Parnewaukan 5	1	1,352,687	15,030	194.84	142	1,353	1,830	5,411	7,320	8,116	10,980
3005	Leeds 6	1	4,065,242	23,098	169.73	230	4,065	2,974	16,261	11,898	24,391	17,847
3009	Maddock 9	1	3,719,178	17,710	160.45	270	3,719	3,491	14,877	13,963	22,315	20,945
3016	Oberon 16	2	911,992	32,571	133.16	56	912	726	3,648	2,906	5,472	4,359
3029	Warwick 29	1	1,064,079	3,400	148.08	244	1,064	3,151	4,256	12,603	6,384	18,905
3030	Ft Totten 30	1	93,405	204	318.38	194	93	2,505	374	10,018	560	15,027
4001	Billings Co 1	2	4,628,793	27,717	185.00	90	4,629	1,168	18,515	4,672	27,773	7,008
5001	Boitineau 1	1	7,766,991	11,016	177.00	778	7,766	10,061	31,054	40,244	46,597	60,367
5013	Willow City 13	1	1,790,991	21,321	177.00	67	1,791	869	7,164	3,475	10,746	5,212
5017	Wresthope 17	1	3,358,508	21,808	155.33	190	3,359	2,456	13,434	9,822	20,151	14,733
5035	Lansford 35	2	1,646,285	17,514	197.15	34	1,646	444	6,585	1,776	9,878	2,664
5054	Newburg-United 54	1	4,770,354	42,216	132.15	98	4,770	1,265	19,081	5,060	28,622	7,590
6001	Bowman 1	1	4,418,880	11,508	156.15	423	4,419	5,470	17,676	21,882	25,513	32,823
6017	Rhame 17	1	2,005,269	27,851	124.67	93	2,005	1,200	8,021	4,801	12,032	7,202
6033	Scranton 33	1	3,314,949	20,849	144.50	189	3,315	2,570	13,260	10,279	19,890	15,419
7014	Bowbells 14	1	2,780,518	26,736	162.96	125	2,781	1,611	11,122	6,446	16,683	9,669
7027	Powers Lake 27	1	1,950,350	15,237	186.37	148	1,950	1,912	7,801	7,648	11,702	11,472
7036	Burke Central 36	1	3,255,908	32,237	125.92	137	3,256	1,768	13,024	7,071	19,535	10,607
8001	Bismarck 1	1	119,386,862	11,377	234.53	10,329	119,387	133,494	477,547	533,974	716,321	800,961
8002	Regan 2	2	699,530	27,981	168.52	10	700	125	2,798	501	4,197	752
8025	Naughton 25	3	219,336	13,709	168.69	6	219	77	877	308	1,316	462
8028	Wing 28	1	1,844,854	32,366	146.35	92	1,845	1,186	7,379	4,745	11,069	7,118
8029	Baldwin 29	2	598,640	12,217	164.18	25	599	327	2,395	1,308	3,592	1,962
8033	Menoken 33	2	992,521	14,179	200.51	24	993	315	3,970	1,259	5,955	1,889
8035	Sterling 35	2	1,407,137	24,261	182.03	45	1,407	586	5,629	2,342	8,443	3,514
8039	Apple Creek 39	2	1,402,297	11,309	257.50	55	1,402	705	5,609	2,820	8,414	4,230
8045	Manning 45	3	171,154	5,034	292.14	5	171	60	685	238	1,027	357
9001	Fargo 1	1	157,400,274	13,453	295.46	10,944	157,400	141,439	629,601	565,755	944,402	848,633
9002	Kindred 2	1	9,411,261	13,580	175.49	677	9,411	8,744	37,645	34,974	56,468	52,461
9004	Maple Valley 4	1	6,106,684	26,322	142.47	222	6,107	2,875	24,427	11,500	36,640	17,250
9006	West Fargo 6	1	67,991,328	14,251	187.55	5,133	67,991	66,342	271,965	265,369	407,948	398,054
9007	Mapleton 7	2	2,505,395	11,599	246.83	122	2,505	1,571	10,022	6,284	15,032	9,426

NDDPT

Page 1 of 6

Mill Deduct.xls jac 1/19/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Halvick*  
Operator's Signature

10/17/03  
Date

Mill Dec. impact  
SB 2182

ID	DNAME	DTYPE	Taxable Valuation	Taxable Valuation Per Student	Gen Fund Levies	Enr wpu 02-03	1 mill deduct	Redistributed on wpu	12.92	4 mill deduct	Redistributed on wpu	51.70	6 mill deduct	Redistributed on wpu	77.54
9017	Central Cass 17	1	10,393,814	14,376	157.21	817	10,394	10,555		41,575	42,220		62,363	63,330	
9080	Page 80	2	3,303,135	28,232	170.46	134	3,303	1,727		13,213	6,910		19,819	10,365	
9097	Northern Cass	1	9,313,734	21,072	162.42	458	9,314	5,922		37,255	23,687		55,882	35,531	
10014	Border Central 14	1	3,003,663	81,180	157.31	33	3,004	424		12,015	1,696		18,022	2,544	
10019	Munich 19	1	3,045,862	22,395	146.32	156	3,046	2,019		12,183	8,074		18,275	12,112	
10023	Langdon Area 23	1	11,614,107	18,034	155.88	526	11,614	6,799		46,456	27,195		69,585	40,793	
11040	Ellendale 40	1	5,821,389	12,573	147.40	374	5,821	4,840		23,286	19,358		34,928	29,037	
11041	Oakes 41	1	6,866,983	13,707	186.00	516	6,867	6,667		27,468	26,670		41,202	40,004	
12001	Divide County 1	1	6,581,500	21,508	145.55	324	6,582	4,194		26,326	16,774		39,489	25,162	
13008	Dodge 8	2	618,398	17,178	185.00	58	618	748		2,474	2,992		3,710	4,487	
13016	Kalkreuth 16	1	6,985,666	19,678	141.07	371	6,986	4,791		27,943	19,163		41,914	28,745	
13019	Halliday 19	1	1,949,846	25,323	161.68	98	1,950	1,262		7,799	5,047		11,699	7,570	
13037	Twin Buttes 37	2	23,113	321		52	23	670		92	2,679		139	4,018	
14001	New Rockford 1	1	5,197,476	15,153	185.00	397	5,197	5,134		20,790	20,538		31,185	30,807	
14012	Shenandoah 12	1	1,492,507	16,223	159.46	141	1,493	1,820		5,970	7,278		8,955	10,917	
15006	Hazell-Moffitt-Braddock 6	1	3,322,715	23,565	157.62	180	3,323	2,326		13,291	9,305		19,936	13,958	
15010	Bakker 10	2	588,526	17,310	108.81	9	589	119		2,354	476		3,531	714	
15012	Union 12	3	551,217	29,011	95.82	21	551	271		2,205	1,085		3,307	1,628	
15015	Strasburg 15	1	2,760,808	14,531	132.21	253	2,761	3,271		11,043	13,083		16,565	19,624	
15036	Linton 36	1	5,083,500	13,966	169.61	378	5,084	4,882		20,334	19,528		30,502	29,292	
16010	Carrington 10	1	9,799,148	15,629	160.73	626	9,799	8,091		39,197	32,366		58,795	48,549	
17003	Beauchamp 3	1	3,857,413	13,826	179.55	351	3,857	4,539		15,430	18,155		23,144	27,233	
17006	Lone Tree 6	2	1,304,650	20,072	173.99	57	1,305	736		5,219	2,944		7,828	4,415	
18001	Grand Forks 1	1	87,658,833	11,909	201.06	7,883	87,659	101,881		350,635	407,523		525,953	611,285	
18044	Larimore 44	1	6,422,289	11,572	185.00	554	6,422	7,156		25,689	28,625		38,534	42,938	
18061	Thompson 61	1	4,538,121	8,778	166.37	462	4,538	5,588		18,152	23,873		27,229	35,809	
18125	Mamuel 125	2	3,174,254	10,373	191.55	181	3,174	2,342		12,697	9,367		19,046	14,051	
18127	Emerald 127	2	1,787,774	10,334	223.39	110	1,788	1,423		7,151	5,691		10,727	8,537	
18128	Midway 128	1	5,394,969	16,448	170.72	322	5,395	4,163		21,580	16,651		32,370	24,977	
18129	Northwood 129	1	5,071,771	13,972	153.79	322	5,072	4,161		20,287	16,645		30,431	24,967	
19018	Roosevelt 18	1	2,154,566	14,757	191.64	155	2,155	2,002		8,618	8,007		12,928	12,011	
19049	Elgin-New Leipzig 49	1	4,056,829	18,357	198.54	279	4,057	3,606		16,227	14,422		24,341	21,633	
20007	Milukota 7	1	5,392,488	26,828	192.63	210	5,392	2,717		21,570	10,867		32,355	16,309	
20018	Griggs County Central 18	1	5,620,600	18,190	190.00	341	5,621	4,405		22,482	17,619		33,724	25,428	
21001	Mott-Regent 1	1	6,154,940	20,654	132.69	336	6,155	4,347		24,620	17,386		36,930	26,080	
21009	New England 9	1	4,465,169	21,676	149.63	236	4,465	3,047		17,861	12,188		26,791	18,283	
22011	Patilbone-Tuttle 11	2	1,046,298	28,278	49.23	18	1,046	237		4,185	949		6,278	1,424	
22014	Robinson 14	2	1,097,291	35,396	188.65	10	1,097	127		4,389	509		6,584	764	

NDDPT

Page 2 of 6

Mill Deduct.xls jac 1/19/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Wallick*  
Operator's Signature

10/17/03  
Date

Mill Dec Impact  
SB 2182

ID	DNAME	DTYPE	Gen Fund Levies	Enr wpu 02-03	1 mill deduct	1 mill Redistributed on wpu	4 mill deduct	4 mill Redistributed on wpu	6 mill deduct	6 mill Redistributed on wpu
22020	Turtle-Petibone 20	1	170.36	76	1,241	996	4,962	3,946	7,443	5,919
22026	Sleale-Dawson 26	1	160.59	282	3,798	3,648	15,194	14,591	22,790	21,886
22028	Tappen 28	1	185.00	134	1,527	1,734	6,109	6,937	9,164	10,405
23003	Edgeley 3	1	159.14	280	5,059	3,620	20,234	14,480	30,351	21,719
23007	Kuim 7	1	153.00	165	4,102	2,127	16,407	8,510	24,610	12,765
23008	LalMoore 8	1	167.06	370	4,609	4,788	18,437	19,150	27,555	28,726
23009	Manron 9	1	133.21	140	2,431	1,815	9,723	7,261	14,584	10,891
23011	Verona 11	1	176.31	64	1,872	833	7,487	3,330	11,230	4,995
24002	Napoleon 2	1	27.526	287	3,672	3,708	14,687	14,832	22,030	22,248
24056	Gackle 14	1	14.987	193	4,339	2,497	17,356	9,989	26,034	14,984
25001	Velva 1	1	25.675	441	5,038	5,697	20,152	22,788	30,227	34,182
25014	Anamoose 14	1	13.955	107	1,817	1,384	7,267	5,536	10,900	8,304
25057	Drake 57	1	22.428	176	3,222	2,279	12,887	9,115	19,331	13,673
25060	TGU 60	1	24.044	376	9,332	4,854	37,326	19,417	55,989	29,125
26004	Zeeland 4	1	41.092	69	2,548	888	10,191	3,554	15,286	5,330
26009	Ashley 9	1	20.297	233	3,633	3,009	14,533	12,034	21,799	18,052
26019	Wishek 19	1	15.253	278	3,859	3,587	15,436	14,347	23,154	21,521
27001	McKenzie Co 1	1	14.073	593	9,302	7,670	37,208	30,680	55,812	46,020
27002	Alexander 2	1	33.621	104	2,656	1,348	10,624	5,393	15,937	8,089
27014	Yellowstone 14	2	16.329	111	1,437	1,429	5,748	5,716	8,622	8,574
27018	Earl 18	3	33.952	9	441	121	1,766	485	2,648	728
27019	Bowling Butte 19	3	37.022	7	407	94	1,629	377	2,443	566
27032	Horse Creek 32	3	77.569	13	1,008	164	4,034	654	6,050	982
27036	Mandaree 36	1	268	232	71	3,002	283	12,007	425	18,011
28001	Montefiore 1	1	11,088	261	2,395	3,379	9,580	13,517	14,370	20,276
28004	Washington 4	1	10,526	381	3,905	4,930	15,620	19,721	23,430	29,581
28008	Underwood 8	1	15,925	275	4,109	3,548	16,435	14,192	24,652	21,287
28050	Max 50	1	17,651	220	2,595	2,841	10,379	11,366	15,569	17,049
28051	Garrison 51	1	17,711	377	5,738	4,872	22,954	19,490	34,431	29,235
28072	Turtle Lake-Mercer 72	1	16,875	244	3,756	3,152	15,025	12,607	22,537	18,910
28085	White Shield 85	1	1,871	173	230	2,237	920	8,950	1,380	13,424
29003	Hazen 3	1	6,844	749	5,037	9,682	20,149	38,726	30,223	58,089
29020	Golden Valley 20	1	17,897	75	1,163	967	4,653	3,869	6,980	5,803
29022	Stanton 22	1	9,564	107	947	1,377	3,787	5,509	5,881	8,264
29027	Beulah 27	1	9,844	883	9,332	11,411	37,327	45,643	55,991	68,464
30001	Mandan 1	1	9,322	3,333	34,530	43,074	138,121	172,295	207,181	258,442
30004	Little Heart 4	2	21,096	32	802	419	3,207	1,577	4,810	2,515
30007	New Salem 7	1	10,799	356	3,574	4,604	14,297	18,416	21,446	27,624

NDDPT

Page 3 of 6

Mill Deduct.xls jac 1/19/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Nellwick*  
Operator's Signature

12/17/03  
Date

Mill Dec Impact  
SB 2182

ID	DNAME	DTYPE	Taxable Valuation	Taxable Valuation Per Student	Gen Fund Levies	Enr wpu 02-03	1 mill deduct	Redistributed on wpu	4 mill deduct	Redistributed on wpu	6 mill deduct	Redistributed on wpu	77.54
30008	Sans 6	2	1,471,016	25,362	189.39	45	1,471	578	5,884	2,513	8,826	3,469	
30013	Hebron 13	1	3,572,931	19,961	139.94	207	3,573	2,674	14,292	10,696	21,438	16,045	
30017	Sweet Briar 17	3	319,379	18,787	56.36	15	319	198	1,278	794	1,916	1,190	
30039	Fisher 39	1	2,970,627	14,421	185.00	271	2,971	3,503	11,883	14,012	17,824	21,018	
30048	Glen Ullin 48	1	3,871,381	18,175	150.84	258	3,871	3,337	15,486	13,347	23,228	20,021	
31001	New Town 1	1	2,432,107	3,159	158.30	713	2,432	9,214	9,728	36,858	14,593	55,287	
31002	Stanley 2	1	5,527,185	15,396	185.00	389	5,527	5,033	22,109	20,133	33,163	30,199	
31003	Parshall 3	1	3,138,708	9,341	184.90	301	3,139	3,891	12,555	15,565	18,832	23,348	
31137	Plaza 137	2	1,743,543	30,588	203.71	28	1,744	356	6,974	1,425	10,461	2,137	
32001	Dakota Prairie 1	1	9,309,753	21,451	184.76	334	9,310	4,320	37,239	17,282	55,859	25,922	
32066	Lakota 66	1	4,325,541	22,647	185.00	291	4,326	3,765	17,302	15,058	25,953	22,587	
33018	Center 18	1	3,491,231	11,987	166.19	280	3,491	3,613	13,965	14,454	20,947	21,681	
34001	Pembina 1	1	3,828,981	24,388	186.62	184	3,829	2,377	15,316	9,507	22,974	14,260	
34006	Cavalier 6	1	7,712,257	15,004	184.93	533	7,712	6,885	30,849	27,541	46,274	41,311	
34012	Valley 12	1	3,467,463	22,663	196.96	192	3,467	2,487	13,870	9,946	20,805	14,920	
34019	Drayton 19	1	5,406,060	24,242	166.46	242	5,406	3,131	21,624	12,523	32,435	18,784	
34027	Waltham 27	1	4,519,926	16,085	193.20	310	4,520	4,002	18,080	16,006	27,120	24,009	
34043	St Thomas 43	1	2,892,749	20,089	198.77	165	2,893	2,131	11,571	8,525	17,356	12,788	
34055	Neches 55	1	3,373,507	24,805	192.92	123	3,374	1,588	13,494	6,351	20,241	9,527	
35001	Wolford 1	1	1,530,322	26,848	182.43	76	1,530	985	6,121	3,511	9,182	5,910	
35005	Rugby 5	1	9,630,228	13,375	181.82	579	9,630	7,479	38,521	29,915	57,781	44,872	
36001	Devils Lake 1	1	15,847,363	6,767	190.50	1,853	15,847	23,950	63,389	95,799	95,084	143,698	
36002	Edmore 2	1	4,305,145	44,383	138.67	133	4,305	1,718	17,221	6,871	25,831	10,307	
36044	Starweather 44	1	2,578,250	24,555	159.18	137	2,578	1,770	10,313	7,078	15,470	10,617	
37002	Sheldon 2	2	1,364,657	14,069	186.19	47	1,365	603	5,459	2,413	8,188	3,619	
37006	Fl Ransom 6	2	785,201	19,630	161.11	21	785	288	3,141	1,074	4,711	1,611	
37019	Lisbon 19	1	7,867,863	13,659	160.59	627	7,868	8,097	31,471	32,388	47,207	48,562	
37022	Enderlin 22	1	5,356,115	17,854	169.90	345	5,356	4,464	21,424	17,858	32,137	26,787	
38002	Sherwood 2	1	2,976,126	26,812	134.07	132	2,976	1,709	11,905	6,837	17,857	10,255	
38009	McHail 9	1	4,985,612	22,257	113.02	292	4,986	3,769	19,942	15,077	29,914	22,616	
38026	Glenburn 26	1	3,214,614	16,919	107.63	339	3,215	4,378	12,858	17,512	19,288	26,267	
39005	Mantador 5	2	1,322,513	31,488	160.17	14	1,323	175	5,290	700	7,935	1,050	
39008	Hankinson 8	1	4,760,489	17,063	167.62	329	4,760	4,258	19,042	17,031	28,563	25,547	
39018	Fairmount 18	1	3,816,084	32,340	140.59	151	3,816	1,955	15,264	7,821	22,897	11,732	
39028	Lidgerwood 28	1	3,333,363	14,684	185.00	271	3,333	3,503	13,333	14,011	20,000	21,017	
39037	Wainpeton 37	1	17,193,172	11,021	186.38	1,476	17,193	19,072	68,773	76,288	103,159	114,431	
39042	Wyndmere 42	1	5,817,722	20,271	183.92	311	5,818	4,017	23,271	16,069	34,906	24,104	
39044	Richland 44	1	4,636,042	15,986	184.96	308	4,636	3,977	18,544	15,910	27,816	23,864	

NDDPT

Page 4 of 6

Mill Deduct.xls jac 1/19/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Walker*  
Operator's Signature 10/17/03  
Date



Mill Dec Impact  
SB 2182

ID	DNAME	OTYPE	Taxable Valuation	Taxable Valuation	Per Student	Gen Fund Levies	Ent wpu 02-03	1 mill deduct	Redistributed on wpu	12.92	4 mill deduct	Redistributed on wpu	51.70	6 mill deduct	Redistributed on wpu	77.54
40001	Dunsaith 1	1	1,392,984	1,392,984	1,567	159.96	635	1,393	8,204	8,204	5,572	32,816	8,358	49,224		
40003	St John 3	1	684,716	684,716	1,367	165.03	296	685	3,820	3,820	2,739	15,279	4,108	22,918		
40004	Mt Pleasant 4	1	3,710,585	3,710,585	11,931	178.95	343	3,711	4,437	4,437	14,842	17,748	22,264	26,623		
40007	Belcourt 7	1	299,182	299,182	139		1,692	299	21,873	21,873	1,197	8,749	1,795	131,239		
40029	Rolieite 29	1	2,699,083	2,699,083	12,104	172.88	237	2,699	3,068	3,068	10,796	12,274	16,194	18,411		
41002	Minor 2	1	3,172,270	3,172,270	10,266	135.71	301	3,172	3,892	3,892	12,689	15,566	19,034	23,349		
41003	N Sargent 3	1	2,654,618	2,654,618	14,666	188.77	237	2,655	3,058	3,058	10,518	12,272	15,928	18,408		
41006	Sargent Central 6	1	6,206,681	6,206,681	20,350	165.98	324	6,207	4,184	4,184	24,827	16,737	37,240	25,105		
42016	Goodrich 16	1	1,653,310	1,653,310	30,060	187.12	67	1,653	869	869	6,613	3,475	9,920	5,212		
42019	McCusky 19	1	2,389,376	2,389,376	19,421	172.52	145	2,369	1,871	1,871	9,478	7,485	14,216	11,227		
43003	Solan 3	1	1,357,703	1,357,703	4,315	96.98	180	1,368	2,330	2,330	5,471	9,319	8,206	13,978		
43004	Fl Yates 4	1	457,205	457,205	#DIV/0!	83.87	186	457	2,324	2,324	1,829	9,297	2,743	13,946		
43008	Selfridge 8	1	1,295,098	1,295,098	13,633	185.00	70	1,295	961	961	5,180	3,602	7,771	5,403		
44012	Memarth 12	2	920,281	920,281	35,395	53.24	15	920	187	187	3,681	750	5,522	1,124		
44014	Shree s 14	3	378,014	378,014	29,078	134.91	7	378	94	94	1,512	377	2,268	566		
44032	Central Elementary 32	2	1,336,605	1,336,605	36,124	74.44	12	1,337	158	158	5,346	634	8,020	951		
45001	Dickinson 1	1	24,649,089	24,649,089	7,360	185.00	2,721	24,649	35,166	35,166	98,596	140,662	147,895	210,993		
45009	South Heart 9	1	2,450,804	2,450,804	8,560	137.34	278	2,451	3,597	3,597	9,803	14,388	14,705	21,592		
45013	Belfield 13	1	1,472,742	1,472,742	6,294	161.05	295	1,473	3,808	3,808	5,891	15,231	8,836	22,847		
45034	Richardson-Taylor 34	1	3,992,518	3,992,518	14,787	185.00	321	3,993	4,144	4,144	15,970	16,574	23,955	24,861		
46010	Hope 10	1	3,331,414	3,331,414	24,317	174.71	160	3,331	2,073	2,073	13,326	8,290	19,988	12,435		
46019	Finley-Sharon 19	1	4,048,278	4,048,278	22,616	185.00	204	4,048	2,841	2,841	16,193	10,562	24,290	15,843		
47001	Jamestown 1	1	26,676,102	26,676,102	9,750	188.00	2,540	26,676	32,824	32,824	106,704	131,296	160,057	196,945		
47002	Medina 3	1	3,007,219	3,007,219	17,794	152.97	183	3,007	2,359	2,359	12,029	9,438	18,043	14,156		
47010	Piquette-Buchanan	1	2,791,176	2,791,176	23,455	164.69	190	2,791	2,458	2,458	11,165	9,833	16,747	14,750		
47014	Montpelier 14	1	2,180,583	2,180,583	19,298	194.30	137	2,181	1,770	1,770	8,723	7,079	13,084	10,619		
47019	Kensal 19	1	2,528,209	2,528,209	31,212	158.60	86	2,528	1,118	1,118	10,113	4,470	15,169	6,705		
47026	Spiritwood 26	2	2,986,300	2,986,300	119,452	136.93	12	2,986	158	158	11,945	634	17,918	951		
48002	Bisbee-Egeland 2	1	3,348,154	3,348,154	33,820	159.90	114	3,348	1,474	1,474	13,393	5,898	20,089	8,846		
48008	Southern 8	1	3,868,079	3,868,079	13,292	160.80	298	3,868	3,852	3,852	15,472	15,408	23,208	23,112		
48028	North Central 28	1	2,253,630	2,253,630	27,273	176.57	86	2,264	1,117	1,117	9,955	4,467	13,582	6,700		
49003	Central Valley 3	1	5,538,036	5,538,036	17,470	158.00	297	5,538	3,843	3,843	22,152	15,372	33,228	23,059		
49007	Haiton 7	1	3,504,651	3,504,651	12,980	171.20	280	3,505	3,620	3,620	14,019	14,480	21,028	21,719		
49009	Hillsboro 9	1	8,059,346	8,059,346	18,111	156.69	440	8,059	5,683	5,683	32,237	22,730	48,356	34,095		
49014	May-Port CG 14	1	9,953,916	9,953,916	15,775	185.00	587	9,954	7,583	7,583	39,816	30,334	59,723	45,501		
50003	Grafton 3	1	9,309,600	9,309,600	9,617	211.45	868	9,310	11,213	11,213	37,238	44,854	55,856	67,281		
50020	Minto 20	1	3,617,924	3,617,924	15,461	179.91	282	3,618	3,645	3,645	14,472	14,581	21,708	21,871		
50039	Lanikin 39	2	899,128	899,128	24,301	188.42	69	899	891	891	3,597	3,564	5,395	5,347		

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Wallin*  
Operator's Signature

10/17/03  
Date

Mill Deduct Impact  
SB 2182

ID	DNAME	OTYPE	Taxable Valuation	Taxable Valuation Per Student	Gen Fund Levies	Enr wpu 02-03	1 mill deduct	Redistributed on wpu	4 mill deduct	Redistributed on wpu	6 mill deduct	Redistributed on wpu				
50051	Nash 51	2	822,509	22,847	167.10	27	823	343	3,290	1,374	4,935	2,060				
50078	Park River 78	1	5,352,738	13,087	187.03	429	5,353	5,546	21,411	22,184	32,116	33,276				
50079	Fordville 79	1	1,808,358	16,744	167.84	98	1,808	1,269	7,233	5,074	10,850	7,612				
50106	Edinburg 106	1	1,762,734	14,689	178.13	175	1,763	2,261	7,051	9,045	10,576	13,567				
50128	Adams 128	2	1,809,104	19,880	170.53	100	1,809	1,292	7,236	5,166	10,855	7,749				
51001	Minot 1	1	64,623,567	10,892	182.09	6,884	64,624	88,974	258,494	355,895	387,741	533,843				
51004	Nedrose 4	2	3,941,735	10,004	237.21	224	3,942	2,892	15,767	11,569	23,650	17,353				
51007	United 7	1	5,756,411	8,235	156.35	615	5,756	7,944	23,026	31,776	34,538	47,664				
51010	Bell 10	2	1,935,135	7,964	252.34	153	1,935	1,974	7,741	7,895	11,611	11,843				
51016	Sawyer 16	1	2,131,805	13,159	180.37	184	2,132	2,375	8,527	9,500	12,791	14,250				
51019	Eureka 19	2	745,903	16,215	145.46	26	746	334	2,984	1,337	4,475	2,005				
51028	Kennmare 28	1	6,213,889	19,061	181.85	322	6,214	4,157	24,856	16,629	37,284	24,943				
51041	Surrey 41	1	2,596,450	7,314	179.02	424	2,596	5,475	10,386	21,902	15,579	32,852				
51054	Berthold 54	1	3,780,449	21,603	144.96	251	3,780	3,244	15,122	12,977	22,683	19,465				
51070	S Prairie 70	2	2,753,431	14,266	185.37	164	2,753	2,121	11,014	8,484	16,521	12,726				
51158	N Shore 158	1	2,780,284	28,961	176.24	142	2,780	1,836	11,121	7,344	16,682	11,017				
52025	Fessenden-Bowdon 25	1	7,270,266	26,631	130.81	267	7,270	3,445	29,081	13,780	43,622	20,669				
52035	Pleasant Valley 3	2	987,201	21,938	178.05	19	987	249	3,949	997	5,923	1,496				
52038	Harvey 38	1	8,084,288	16,169	163.82	496	8,084	6,406	32,337	25,624	48,506	38,436				
52039	Sykes 39	1	1,684,627	23,077	184.61	97	1,685	1,256	6,739	5,024	10,108	7,536				
53001	Millston 1	1	15,384,395	6,203	237.81	2,260	15,384	29,207	61,535	116,828	92,306	175,242				
53002	Nesson 2	1	3,232,286	20,458	184.52	221	3,232	2,859	12,929	11,435	19,394	17,152				
53006	Eight Mile 6	1	1,386,815	7,537	185.00	265	1,387	3,423	5,547	13,691	8,321	20,537				
53008	New 8	2	7,149,073	18,331	187.04	229	7,149	2,953	28,596	11,813	42,894	17,720				
53015	Troga 15	1	5,604,273	19,325	178.44	300	5,604	3,883	22,417	15,531	33,626	23,297				
53091	Widrose-Alamo 91	1	1,910,206	34,731	146.58	64	1,910	825	7,641	3,300	11,461	4,950				
53099	Grenora 99	1	3,504,589	48,008	168.97	96	3,505	1,235	14,018	4,940	21,028	7,409				
<b>Statewide Total</b>							<b>1,363,908,126</b>	<b>12,576</b>	<b>192.23</b>	<b>105,348</b>	<b>1,361,526</b>	<b>1,361,526</b>	<b>5,446,104</b>	<b>5,446,104</b>	<b>8,169,155</b>	<b>8,169,155</b>

Mills Rate  
1 \$ 12.92  
4 \$ 51.70  
6 \$ 77.54

NDDP1

Page 6 of 6

Mill Deduct.xls jac 1/19/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Walker*  
Operator's Signature

1/17/03  
Date

*additional testimony*

**Testimony on SB 2182  
January 21, 2003  
Senate Education Committee  
Layton Freborg, Chairman**

Senator Freborg and Members of the Committee:

My name is Paul K. Johnson and I am superintendent of the Bismarck School District.

I am submitting written testimony in favor of Senate Bill 2182. I was late to the hearing on January 21, 2003 and had to leave early. The Bismarck School District supports Senate Bill 2182.

Our current funding system assumes that local effort in the form of property taxes accounts for almost half of the funding of each local school district. No one disputes the fact that school districts vary widely in the relative value of the property in the school district. Therefore, districts vary widely in their ability to raise money by levying property taxes. One district may be able to raise the same amount as another by levying less than half the taxes.

Many district officials and association spokespersons argue that to achieve equity the entire system must be reworked. That may be the case. However, funding of education in North Dakota currently depends heavily on property taxes and will continue to do so in the foreseeable future. Therefore, every effort must be made to balance the foundation aid appropriations of property rich and property poor school districts. Increasing the number of mills in the equalization factor is a tried and true method of providing some equity in the area of relative property wealth of school districts.

We urge a Do Pass for Senate Bill 2182.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall  
Operator's Signature

01/17/03  
Date

~~Receipt~~

~~Steve Swiontek~~

SB 2182

Good Morning  
Will LLL  
Chairman Freborg and Senators,

Thank you for this opportunity to address your committee. My name is Steve Swiontek, Superintendent of Schools at Devils Lake. I am here today to state that SB 2182 is not the bill that is needed to address the inequity that is found in North Dakota School funding for primary and secondary education. Raising the mill levy deduct by 4 mills in the first year of the biennium and 2 mills each year after provides very little to the property poor school districts of North Dakota. If this bill <sup>was</sup> to pass and North Dakota continues to use the same system of education finance we would then reach equity when the mill levy deduct reaches 180 mills. Using this bill we would have funding equity in the year 2075.  $(180-36=144. 144/2 = 72. 72 + 2003 = 2075.$  That is far too long to wait to establish equity. If North Dakota is continue to use local property tax as one of the main sources for revenue for primary and secondary education then I would suggest to you to amend this bill. Apply to the current 32 mill deduct, a 30 mill deduct to the first year and raise the mill levy deduct an additional 30 mills each year after that until the level reaches 180 mills, then North Dakota will have equity. The 180 mill deduct was suggested by Dr. Bass of the University of North Dakota some years back as a way to establish funding equity in North Dakota.

It is time for North Dakota to fix a school finance system that is unfair. How can some schools spend in excess of \$15,000 per student while other districts can only spend \$3800? Even in Ramsey County there is a wide range of per pupil expenditures, Devils Lake has the ability to spend \$4533 per student while Edmore is able to spend \$8321 per student. When we do not have the funds to spend on our students, this obviously translates into

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall  
Operator's Signature

01/17/03  
Date

many things: such as higher student to teacher ratios, reduced curriculum offerings, and inability to recruit and retain high quality teachers. The state constitution guarantees a uniform system of education for all students in North Dakota. The range of dollars that I cited to you is not a uniform system.

*Plug in 1/2 per An. Expenditure*

In 1993 Dr. Wayne Sanstead wrote: "A Plan Providing Educational Equity for North Dakota Students. I would suggest to this committee that you examine the plan and utilize some if not all of the recommendations found in this paper.

To close, I want to thank you Senators Freborg, Cook, Lyson and Traynor and Representatives: Johnson and Keiser, for you, I believe, understand the problem and want to do something about it. But this bill does not go far enough, soon enough, to correct the problem.

Thank you.

I would be most happy to answer any questions.

*Dan Hoffman  
Fargo*

58<sup>th</sup> North Dakota Legislative Assembly  
Senate Education Committee  
SB 2182

Senate Bill 2182 increases the equalization factor in the foundation aid formula six (6) mills. This increase is an effort to address the equity issues in education funding. While there are issues related to equity in the current funding formula, they can not be resolved without the solution also including a discussion of adequacy.

This proposed increase in the mill deduct will increase the deduction from the foundation aid payment in the Fargo School district by \$1,000,000. In order for our district to maintain the same level of foundation aid we received the previous year, the per pupil payment would have to increase \$100 per pupil. Declining enrollment, which most districts in the state also face each year, further reduces the foundation aid payment by \$350,000 based on the 2002-2003 per pupil payment amount of \$2,347.

Our local levy, like many, is capped. We have limited ability to generate additional resources to fund continued increases in the cost for textbooks, assessments, instructional supplies and equipment, technology, special education, support personnel, heat, electricity, facility maintenance, and all the other costs incurred in the operation of the district.

At the present time, the majority of the new money is included in the teacher compensation formula. If that continues, most school districts will be faced with reduced funds for operational costs, many for the second year in a row.

A more comprehensive discussion of education funding needs to be undertaken before individual components of the formula are adjusted. Equity can be achieved without adequacy, but the real issue may in fact be adequacy.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Dan Hoffman*  
Operator's Signature

10/17/03  
Date

SB 2182  
House Education Committee  
School District Equalization Factor  
March 11, 2003

My name is Arvid Winkler. I am a farmer and township assessor in Barnes County. I have been the Cuba Township assessor since 1977. I have a bachelor's degree in civil engineering from NDSU. I spent most of the first eight years of my educational experience in a one room rural school in Cuba District 33. I crisscrossed the country in the engineering profession before returning to North Dakota.

I am in favor of SB 2182 regarding the school district equalization factor as I now understand the bill.

I have never testified before this committee before. A series of events has led me to this moment. The straw that really broke the camel's back occurred on February 4 of this year.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanna Hall  
Operator's Signature

10/17/03  
Date

BARNES COUNTY  
STATE/COUNTY MILL LEVIES FOR 2002

Twp #	SD #	FD #	Entity	Valuation	Co-Wide	Town	School	Park	Fire	State	Total
1	2		Alta	564,021	108.15	24.82	231.07			1.00	365.04
1	13		Alta		108.15	24.82	10.08			1.00	144.05
2	65	3	Anderson	532,302	108.15	20.70	137.60		5.00	1.00	272.45
2	65	17	Anderson		108.15	20.70	137.60		8.28	1.00	275.73
3	2		Ashtabula	461,139	108.15	15.61	231.07			1.00	355.83
3	65		Ashtabula		108.15	15.61	137.60			1.00	262.36
4	2	9	Baldwin	398,808	107.24	18.00	231.07		7.14	1.00	364.45
4	65	9	Baldwin		107.24	18.00	137.60		7.14	1.00	270.98
4	18	9	Baldwin		107.24	18.00	233.44		7.14	1.00	366.82
4	120	9	Baldwin		107.24	18.00	190.13		7.14	1.00	323.51
5	130	7	Binghampton	459,236	108.15	25.91	140.84		5.00	1.00	280.90
5	100	7	Binghampton		108.15	25.91	224.29		5.00	1.00	364.35
6	65	17	Brimer	388,210	108.15	35.63	137.60		8.28	1.00	290.66
6	82	17	Brimer		108.15	35.63	136.18		8.28	1.00	289.24
7	2		Cuba	586,001	108.15	30.72	231.07			1.00	370.94
7	13		Cuba		108.15	30.72	10.08			1.00	149.95
7	130		Cuba		108.15	30.72	140.84			1.00	280.71
8	65	1	Dazey	398,447	108.15	19.31	137.60		5.00	1.00	271.06
8	18	1	Dazey		108.15	19.31	233.44		5.00	1.00	366.90
9	2	17	Eckelson	499,552	108.15	21.09	231.07		8.28	1.00	369.59
9	65	17	Eckelson		108.15	21.09	137.60		8.28	1.00	276.12
9	82	17	Eckelson		108.15	21.09	136.18		8.28	1.00	274.70
10	65	3	Edna	1,190,078	108.15	15.63	137.60		5.00	1.00	267.38
11	2	9	Ellsbury	504,444	108.15	27.00	231.07		7.14	1.00	374.36
11	120	9	Ellsbury		108.15	27.00	190.13		7.14	1.00	333.42
11	160	9	Ellsbury		108.15	27.00	179.57		7.14	1.00	322.86
12	2		Getchell	471,361	108.15	31.90	231.07			1.00	372.12
12	65		Getchell		108.15	31.90	137.60			1.00	278.65
13	2		Grand Prairie	396,540	108.15	39.60	231.07			1.00	379.82
13	13		Grand Prairie		108.15	39.60	10.08			1.00	158.83
13	65		Grand Prairie		108.15	39.60	137.60			1.00	286.35
13	120		Grand Prairie		108.15	39.60	190.13			1.00	338.88
13	160		Grand Prairie		108.15	39.60	179.57			1.00	326.32
14	2		Green	420,777	108.15	36.04	231.07			1.00	376.26
14	65		Green		108.15	36.04	137.60			1.00	282.79
15	140		Greenland	452,678	108.15	18.00	131.61			1.00	258.76
16	2	17	Hemen	366,476	108.15	25.92	231.07		8.28	1.00	374.42
16	52	17	Hemen		108.15	25.92	112.05		8.28	1.00	255.40
16	65	17	Hemen		108.15	25.92	137.60		8.28	1.00	280.95
17	2		Hobart	1,065,208	108.15	27.00	231.07			1.00	367.22
17	65		Hobart		108.15	27.00	137.60			1.00	273.75
18	65	1	Laketown	399,395	108.15	16.55	137.60		5.00	1.00	268.30
18	82	1	Laketown		108.15	16.55	136.18		5.00	1.00	266.88
18	18	1	Laketown		108.15	16.55	233.44		5.00	1.00	364.14
19	2	17	Mansfield	415,481	108.15	26.30	231.07		8.28	1.00	374.80
19	52	17	Mansfield		108.15	26.30	112.05		8.28	1.00	255.78
19	150	17	Mansfield		108.15	26.30	210.28		8.28	1.00	354.01
20	2		Marsh	1,075,916	108.15	24.17	231.07			1.00	364.39
21	52		Meadow Lake	415,779	108.15	29.15	112.05			1.00	250.35
21	140		Meadow Lake		108.15	29.15	131.61			1.00	269.91
21	150		Meadow Lake		108.15	29.15	210.28			1.00	348.58
22	13	15	Minnie Lake	433,232	108.15	23.89	10.08		4.74	1.00	147.86
22	160	15	Minnie Lake		108.15	23.89	179.57		4.74	1.00	317.35
23	2	11	Nelson	369,520	108.15	23.91	231.07		5.00	1.00	369.13
23	52	11	Nelson		108.15	23.91	112.05		5.00	1.00	230.11
23	130	11	Nelson		108.15	23.91	140.84		5.00	1.00	278.90
24	2		Nollimier	397,064	108.15	36.53	231.07			1.00	376.75
24	13		Nollimier		108.15	36.53	10.08			1.00	155.76
25	2		Norma	822,755	108.15	18.54	231.07			1.00	358.76
25	2	11	Norma		108.15	18.54	231.07		5.00	1.00	363.76
25	130		Norma		108.15	18.54	140.84			1.00	268.53
25	130	7	Norma		108.15	18.54	140.84		5.00	1.00	273.53
25	130	11	Norma		108.15	18.54	140.84		5.00	1.00	273.53
25	130	13	Norma		108.15	18.54	140.84		5.00	1.00	273.53
26	2	11	Oakhill	325,072	108.15	15.38	231.07		5.00	1.00	360.60
26	52	11	Oakhill		108.15	15.38	112.05		5.00	1.00	241.58
27	13	19	Oriska	501,151	108.15	18.00	10.08		2.29	1.00	139.52
27	130	19	Oriska		108.15	18.00	140.84		2.29	1.00	270.28
28	65	21	Pierce	1,904,088	108.15	6.56	137.60		5.26	1.00	258.57
28	82	21	Pierce		108.15	6.56	136.18		5.26	1.00	257.15
29	2	17	Potter	446,702	108.15	16.29	231.07		8.28	1.00	364.79
29	65	17	Potter		108.15	16.29	137.60		8.28	1.00	289.24

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Halliday*  
Operator's Signature

10/17/03  
Date



BARNES COUNTY  
STATE/COUNTY MILL LEVIES FOR 2002

Twp #	SD #	FD #	Entity	Valuation	Co-Wide	Twp	School	Park	Fire	State	Total
30	100	5	Raritan	913,458	108.15	12.59	224.29		9.49	1.00	355.00
30	100	13	Raritan		108.15	12.59	224.29		5.00	1.00	331.85
30	130	13	Raritan		108.15	12.59	140.84		5.00	1.00	267.58
31	65		Rogers	395,482	108.15	20.26	137.60			1.00	267.01
31	65	1	Rogers		108.15	20.26	137.60		5.00	1.00	272.01
32	52		Rosebud	429,972	108.15	24.03	112.05			1.00	245.23
32	140		Rosebud		108.15	24.03	131.61			1.00	264.79
33	2	1	Sibley Trail	351,477	108.15	19.08	231.07		5.00	1.00	364.30
33	65	1	Sibley Trail		108.15	19.08	137.60		5.00	1.00	270.83
33	18	1	Sibley Trail		108.15	19.08	233.44		5.00	1.00	366.67
34	2		Skandia	351,951	108.15	22.98	231.07			1.00	363.20
34	52		Skandia		108.15	22.98	112.05			1.00	244.18
35	2		Spring Creek	447,846	108.15	22.08	231.07			1.00	362.30
35	2	11	Spring Creek		108.15	22.08	231.07		5.00	1.00	367.30
35	52		Spring Creek		108.15	22.08	112.05			1.00	243.28
36	13	7	Springvale	427,710	108.15	31.40	10.08		5.00	1.00	155.63
36	13	19	Springvale		108.15	31.40	10.08		2.29	1.00	152.92
36	130	7	Springvale		108.15	31.40	140.84		5.00	1.00	286.39
36	130	19	Springvale		108.15	31.40	140.84		2.29	1.00	283.68
37	2		Stewart	897,195	108.15	18.95	231.07			1.00	359.17
37	65		Stewart		108.15	18.95	137.60			1.00	265.70
37	52		Svea	365,593	108.15	27.00	112.05			1.00	248.20
37	2	11	Thordenskjold	397,646	108.15	31.10	231.07		5.00	1.00	376.32
39	2	13	Thordenskjold		108.15	31.10	231.07		5.00	1.00	376.32
39	52	11	Thordenskjold		108.15	31.10	112.05		5.00	1.00	257.30
39	130	13	Thordenskjold		108.15	31.10	140.84		5.00	1.00	286.09
39	100	11	Thordenskjold		108.15	31.10	224.29		5.00	1.00	369.54
39	100	13	Thordenskjold		108.15	31.10	224.29		5.00	1.00	369.54
40	65	21	Uxbridge	510,267	108.15	18.00	137.60		5.26	1.00	270.01
40	82	21	Uxbridge		108.15	18.00	136.18		5.26	1.00	268.59
41	2		Valley	1,378,610	108.15	27.00	231.07			1.00	367.22
42	13	19	Welmer	466,265	108.15	18.00	10.08		2.29	1.00	139.00
42	130	19	Welmer		108.15	18.00	140.84		2.29	1.00	270.00
City #	SD #	FD #	Entity	Valuation	Co-Wide	City	School	Park	Fire	State	Total
50	65	1	City of Dazey	41,749	108.15	61.68	137.60		5.00	1.00	313.43
51	130	7	City of Fingal	75,449	108.15	84.37	140.84	6.63	5.00	1.00	345.99
52	2	11	City of Kathryn	59,350	108.15	44.47	231.07	3.37	5.00	1.00	393.06
53	65	3	City of Leal	36,953	108.15	47.83	137.60		5.00	1.00	299.38
54	52		City of Litchville	119,482	107.15	156.29	112.05	7.87		1.00	384.36
55	100	13	City of Nome	25,153	107.15	46.32	224.29	4.00	5.00	1.00	387.76
56	13		City of Oriska	72,384	108.15	43.18	10.08			1.00	162.41
57	120	9	City of Pillsbury	38,405	107.24	62.09	190.13		7.14	1.00	367.60
58	65		City of Rogers	117,218	108.15	56.45	137.60			1.00	303.20
59	65	17	City of Sanborn	122,087	108.15	111.42	137.60	4.20	8.28	1.00	370.65
60	65		City of Sibley	55,086	108.15	44.43	137.60			1.00	291.18
61	130		City of Tower City	16,555	108.15	47.64	140.84			1.00	297.63
62	82	21	City of Wimbledon	260,841	105.78	92.35	136.18		5.26	1.00	340.57
63	2		City of Valley City	7,306,232	105.29	109.94	231.07	39.54		1.00	486.84
			County Valuation	32,321,849	1 Mill = \$32,321.85						
STATE & COUNTY LEVIES											
General Fund	23.00		Oasis & Soc Security			5.21	Garrison Diversion		1.00		
Road & Bridge	0.50		County Extension			2.83	Airport		2.37		
City/County Health	2.52		Farm to Market 15 MI			20.23	Winter Chow		2.16		
Veterans Services	1.15		BC Economic Devlpmt			4.00	Older Persons		1.05		
County Poor Relief	20.00		Correctional Center			5.00	Ar		0.91		
County Park	1.00		Comp Health Care			3.28	Resources		2.35		
Weed Control	2.00		Insurance Reserve			0.62	Historical Society		0.25		
Leafy Spurge	1.00		2000 Bridge Sinking			2.50	Library		1.86		
Advertising	0.36		Soil Conservation			1.00	State Medical Center		1.00		
#2 - Valley City School District			#130 - Maple Valley School District				#9 - Hope Rural Fire District				
#13 - Oriska School District			#140 - Marion School District				#11 - Kathryn Rural Fire District				
#52 - Litchville School District			#150 - Montpeller School District				#13 - Nome Rural Fire District				
#65 - North Central School District			#160 - Page School District				#15 - Page Rural Fire District				
#82 - Wimbledon-Courtenay School District			#1 - Dazey Rural Fire District				#17 - Sanborn Rural Fire District				
#100 - Enderlin School District			#3 - Edna Rural Fire District				#19 - Tower City Rural Fire District				
#18 - Origgs Co Central SD #18			#5 - Enderlin Rural Fire District				#21 - Wimbledon Rural Fire District				
#120 - Hope School District			#7 - Fingal Rural Fire District								

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna Walker*  
Operator's Signature

10/17/03  
Date

**Testimony on SB 2182  
March 11, 2003  
House Education Committee  
RaeAnn Kelsch, Chair**

Representative Kelsch and Members of the Committee:

My name is Paul K. Johnson and I am superintendent of the Bismarck School District.

I am testifying in favor of Senate Bill 2182. The Bismarck School District supports Senate Bill 2182.

Our current funding system assumes that local effort in the form of property taxes account for almost half of the funding of each local school district. No one disputes the fact that school districts vary widely in the relative value of the property in the school district. Therefore, districts vary widely in their ability to raise money by levying property taxes. One district may be able to raise the same amount as another by levying less than half the taxes.

Many district officials and association spokespersons argue that to achieve equity the entire system must be reworked. That may be the case. However, funding of education in North Dakota currently depends heavily on property taxes and will continue to do so in the foreseeable future. Therefore, every effort must be made to balance the foundation aid appropriations of property rich and property poor school districts. Increasing the number of mills in the equalization factor is a tried and true method of providing some equity in the area of relative property wealth of school districts.

We urge a Do Pass for Senate Bill 2182.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

Deanne Hall  
Operator's Signature

10/17/03  
Date

State of North Dakota  
 State Foundation Aid Distribution  
 Fiscal Years 2003-2005

Using DPI data of 12/31/2002 and '36' & '36' mills  
 Senate Version of 2154 & 2102

*Dan Hoffman*

2001-2003 Appropriation 473,971,648  
 Foundation Aid Increase 4,085,342 0.86%

2005 Appropriation 478,056,990

Foundation Aid Calculations Formula	Fiscal Year 2003-2004			Fiscal Year 2004-2005		
	Enroll	Factors	WPU	Enroll	Factors	WPU
OMB Calculations Information						
Presch	737	1.1988	884	737	1.2321	908
Kindergarten	7,017	0.6055	4,249	7,017	0.6241	4,379
Rural Grades 1-8	51	1.3651	70	49	1.3801	68
Elementary	328	off formula		457	off formula	
Grades 1-6 <100	8,220	1.2549	10,315	8,561	1.2840	10,992
Grades 1-6 100-999	14,015	0.9437	13,226	12,801	0.9505	12,167
Grades 1-6 >999	21,048	1.0115	21,290	20,859	1.0223	21,324
Total Preschool-Elementary	51,414		50,033	50,481		49,839
Grades 7-8	16,218	0.9807	15,905	16,968	0.9705	16,577
High School	167	off formula		180	off formula	
Grades 9-12 <75	4,634	1.2276	5,689	4,824	1.2086	5,830
Grades 9-12 75-149	5,379	1.1398	6,131	4,913	1.1054	5,431
Grades 9-12 150-549	5,441	0.9897	5,385	5,285	0.9455	4,997
Grades 9-12 >549	18,264	1.0270	18,757	18,044	1.0070	18,170
Total High School	33,885		35,962	33,246		34,428
Total Enroll & WPU-OMB Data	101,517		101,900	99,695		99,844

Pupil Payments

Per Pupil Payment & % Change 2,347 ~~2,576~~ 9.71% ~~2,695~~ 4.78%

Estimated Base Pupil Payment 262,392,437 269,379,108

ADM Adjustment	3,000	7,725,000	3,000	8,094,000
Out of District Special Ed	600	1,545,000	600	1,618,800
ESY Adjustment	85	218,875	85	229,330
Summer School-High School	1,100	2,832,500	1,071	2,889,558
Summer School-Elementary	367	945,025	357	963,186
Migrant ESY Program	110	283,250	110	290,780
Home Based Instruction	180	463,500	180	485,640
State Child Placement		1,348,881		1,402,816
Excess Cost for Agency Placed Students		1,137,184		1,182,671
Limited English Proficiency		325,000		325,000
Total Estimated Payments	107,342	279,216,632	105,247	286,866,889
Transportation (capped at 90%)		17,600,000		17,600,000
Total Estimated Foundation Aid		296,816,632		304,466,889
Less Mill Deduct DPI data		(51,185,592)		(55,974,288)
Less Excess Fund Balance		(200,000)		(200,000)
Estimated Prior Year Adjustment		(400,000)		(400,000)
Net Adjustments		(51,785,592)		(56,574,288)
Net State Foundation Aid		245,031,040		247,892,601
Estimated Net General Fund Appropriation				492,923,641
Current Net GF Appropriation				473,971,648
Net Additional GF Appropriation Increase				18,951,993

Additional Appropriation 4,085,000  
 State Addition to Per Pupil Aid 1,323,000  
 Requested Funds to be Restored 13,500,000  
 Total Increase in Per Pupil Payments 18,908,000

3/11/2003

foundationald2003.05DPIdata36.38

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Dan Hoffman*  
 Operator's Signature

01/17/03  
 Date

	2003 Fall Enrollment	Weighting Factors 85%	Weighted Pupil Units	2004 Fall Enrollment	Weighting Factors 100%	Weighted Pupil Units
Preschool Special Ed.	737	1.1968	884	737	1.2321	908
Kindergarten	7,017	0.6058	4,249	7,017	0.6241	4,379
Rural Grades 1-6	81	1.3681	70	49	1.3601	66
Elementary	326	Students off the formula		457	Students off the formula	
Grades 1-6 < 100	8,220	1.2649	10,316	8,581	1.2640	10,862
Grades 1-6 100-999	14,018	0.9437	13,226	12,801	0.9508	12,167
Grades 1-6 > 999	21,048	1.0116	21,290	20,869	1.0223	21,324
<b>TOTAL PRESCHOOL-ELEMENTARY</b>	<b>51,414</b>		<b>50,054</b>	<b>50,481</b>		<b>49,836</b>
Grades 7-8	16,218	0.9307	15,906	16,966	0.9755	16,677
High School	187	Students off the formula		180	Students off the formula	
Grades 9-12 < 75	4,634	1.4440	6,691	4,824	1.4121	6,812
Grades 9-12 75-149	5,379	1.1398	6,131	4,913	1.1054	5,431
Grades 9-12 150-549	5,441	0.9897	5,385	5,286	0.9465	4,917
Grades 9-12 > 549	18,284	1.0270	18,757	18,044	1.0070	18,170
<b>TOTAL HIGH SCHOOL</b>	<b>33,886</b>		<b>36,364</b>	<b>33,248</b>		<b>36,410</b>
<b>Total Enr. and Wgt. Pupil Units</b>	<b>101,617</b>		<b>102,903</b>	<b>99,695</b>		<b>100,825</b>
Pupil Payment		2,347	\$2,426.72			\$2,621.21
Percent change from previous year			3.48%			3.81%
<b>Tot. Est. Base Pupil Payment</b>			<b>\$249,822,262</b>			<b>\$264,200,940</b>
ADM Adjustment		3,000	\$7,286,181		3,000	\$7,583,628
Out-of-district special education		600	\$1,457,230		600	\$1,512,726
Fort Yates - Standing Rock contingency			\$0		0	\$0
ESY Adjustment 2003-05		85	\$208,441		85	\$214,303
Summer School - High School			\$2,671,323.00			\$2,706,818.26
Summer School - Elementary			\$890,441.00			\$902,272.78
Migrant/ESY Program		110	\$267,169		110	\$277,383
Home-Based Instruction	360	180	\$437,189		180	\$453,518
State Child Placement			\$1,348,081			\$1,402,516
Excess Cost for Agency-placed Students			\$1,137,184			\$1,182,871
Limited English Proficiency			\$26,000			\$26,000
<b>Total Estimated Pupil Payments</b>		<b>106,603</b>	<b>\$265,949,211</b>		<b>104,426</b>	<b>\$270,742,926</b>
Transportation net (capped at 90% of cost)			17,600,000			\$17,300,000
<b>Total Estimated Foundation Aid</b>			<b>\$283,549,210.93</b>			<b>\$288,342,326.07</b>
Less Mill Deduc. Tax. Val. =	\$1,421,821,998	32.00	(\$45,498,304)	1,473,007,690	32.00	(\$47,136,743)
Less Excess Fund Balance			(200,000)		3.80%	(200,000)
Estimate for prior year adjustment			(400,000)			(400,000)
<b>Net State Foundation Aid</b>			<b>\$237,450,906.93</b>			<b>\$240,806,083.07</b>
			49.87%			60.33%
<b>Estimated Net General Fund Appropriation</b>						<b>478,068,990</b>
		HB 1344 Final				
				Fnd Aid and Transp 1899-01		478,008,259
				Fnd Aid, Transp 2001-03		473,971,848
				Dollar Change		4,086,342
				Percent Change		0.86%

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna H. Kelly*  
Operator's Signature

10/17/03  
Date

Foundation Aid Weighting Factors

Based on financial data through June 30, 2002.

	Factors (Statutory)	25% adjust. 5-Year AVG	50% adjust. 5-Year AVG	65% adjust. 5-Year AVG	75% adjust. 5-Year AVG	85% adjust. 5-Year AVG	Factors (5-Year)
Non-Operating	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Preschool	1.0100	1.0655	1.1211	1.1544	1.1768	1.1988	1.2321
Kindergarten	0.5000	0.5310	0.5621	0.5807	0.5931	0.6055	0.6241
Rural (1-8)	1.2800	1.3050	1.3301	1.3451	1.3551	1.3651	1.3801
Elementary (1-6) < 100	1.0900	1.1385	1.1870	1.2161	1.2355	1.2549	1.2840
Elementary (1-6) 100-999	0.9050	0.9164	0.9278	0.9346	0.9391	0.9437	0.9505
Elementary (1-6) > 999	0.5500	0.9681	0.9862	0.9970	1.0042	1.0115	1.0223
Elementary (7-8)	1.0100	1.0014	0.9928	0.9878	0.9841	0.9807	0.9755
High School (9-12) < 75	1.6250	1.5718	1.5186	1.4866	1.4653	1.4440	1.4121
High School (9-12) 75-149	1.3350	1.2776	1.2202	1.1858	1.1628	1.1398	1.1054
High School (9-12) 0-149	1.3350	1.3034	1.2718	1.2528	1.2402	1.2276	1.2086
High School (9-12) 150-549	1.2400	1.1864	1.0928	1.0486	1.0191	0.9897	0.9455
High School (9-12) > 549	1.1400	1.1068	1.0735	1.0536	1.0403	1.0270	1.0070

wfact03.xls 1/1 jac

2/24/2003

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanna J. Walker*  
Operator's Signature

10/17/03  
Date



**Administration:**  
1101 1<sup>st</sup> Ave N  
P.O. Box 2084  
Fargo, ND 58107  
701-298-2200 • 1-800-367-9668  
Fax: 701-298-2210

**State Headquarters:**  
4023 State St  
P.O. Box 2793  
Bismarck, ND 58502  
701-224-0330 • 1-800-932-8869  
Fax: 701-224-9485

**North Dakota Farm Bureau**

[www.ndfb.org](http://www.ndfb.org)

## House Education Committee

March 11, 2003

### Testimony by North Dakota Farm Bureau

presented by Sandy Clark, public policy team

Good morning, Madam Chair and members of the committee. For the record my name is Sandy Clark and I represent North Dakota Farm Bureau.

North Dakota Farm Bureau policy states "we oppose the mill levy deduct system in support of a more equitable distribution of tax dollars and oppose increases in the deduction level." Therefore, we oppose SB 2182.

North Dakota Farm Bureau opposes any increase in the mill levy deduct. Going from 32 to 36 mills and then 38 is quite a leap. Beginning in 2005, the bill calls for an automatic two-mill increase each year, with no cap. At what point, is enough enough?

The mill levy deduct system is the school district equalization factor that equalizes funding between property "rich" districts and property "poor" districts.

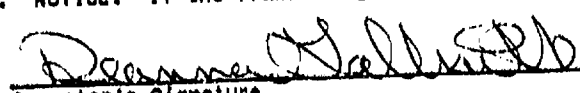
As the mill levy deduct goes up, property taxes go up, because school districts with high valuation and lower student enrollment get less foundation aid and they have to raise property taxes to provide their funding.

Owners of ag land are already carrying more of the school tax burden on a per landowner - basis than any other segment. We talk a lot about valuations, mill levies and mill levy deducts. But the reality is...we don't pay taxes with valuations, mill levies or with mill levy deducts...we pay taxes with cash. As long as education funding continues to rely so heavily on property taxes, property owners will bear the weight of education funding.

Therefore, North Dakota Farm Bureau opposes SB 2182 and urges a do not pass recommendation. Thank you for your consideration. I would be happy to entertain any questions you might have.

*One future. One voice.*

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

  
Operator's Signature

03/17/03  
Date

Hettinger School District Opposition to SB2182

This legislation will increase the mil deduct 4 mils, at our current mil value of \$6109, the amount of money taken away from our State Funding next year will be \$219,924. This legislation will increase the mil deduct 2 mils each year indefinitely. We cannot absorb this loss and provide the education and compensation at current level.

Education equity is not being addressed. Hettinger School District cannot afford to offer the educational opportunities to our students that many of the "property poor" districts have always offered. Our teachers are not compensated at the levels that "property poor" districts are, there are obvious inequities here that need to be addressed by the legislature.

In Senate Bill 2182 the voting record clearly outlines a partisan response:

Those who voted for decrease in state funding to rural "property rich" districts:

27 Republicans

4 Democrats from city "property poor" districts

Those who for voted against a decrease in state funding to "property rich" district

13 Democrats

4 Republicans from rural "property rich" districts

Education equity is a concern of all and is not a partisan dilemma. SB 2182 should not have passed the North Dakota Senate. Please do not pass in the House. Property tax cannot pay the way of education any longer. Income tax, sales tax, reworking the mil deduct to address real resources of districts could all become part of paying for education.

Hettinger School District community does not have the resource depth to close this gap. We will lose additional 2003-2004 foundation aid due to declining enrollments in excess of \$60,000 in addition to \$219,924 loss of state funding to proposed mil deduct law or \$195,488 if it remains unchanged.

**The irony of sending food trucks to our community due to economic hardships of agriculture, while increasing Agriculture tax 8% last year and another 6% this year while decreasing education state funding based on land value alone, is not lost on our community or our school board.**

There are 53 "Property Poor" districts, DPI states there are 221 school districts, leaving 168 "Property Rich" districts. A short list below of "Property Poor" districts: Grand Forks (highest paid teachers in ND), Bismarck (BSC), Mandan (median income of \$38,000), Dickinson (DSU), Jamestown (Jamestown Univ), Beulah(Coal), Bowman (Oil) Williston (oil), Wahpeton (Jr. Coll), Minot (AFB), of course there are other communities like ours deserving of supplemental state aid, only they are designated "Property Poor" and will receive it. Adams County and the Hettinger School District are "Property Rich" Please defeat SB2182 and address the inequity of this funding system.

Sincerely,  
Hettinger School Board

## HETTINGER SCHOOL DISTRICT 2002-2003

General Fund Appropriated Budget           \$2,867,951  
Revenues                                       \$2,724,079 (includes ND State Funding)  
Deficit   \$ 143,872

General Fund mill levy - present @152

Additional mills: Bldg 10mill, HS Tuition 10 mills, Tech 5 mills = Total 177

32 mil deduct from State funding-( '02 mill value@ \$906) - \$189,021

Per pupil mil deduct = \$476

Anticipated ND State Funding to Hettinger for 2002-2003 \$1,186,444

**\*State Funding =43% of Hettinger Budget**

### Hettinger School District Facts

- \*2<sup>nd</sup> lowest per capita earnings in ND (US Bureau of Statistics 2000)
- \*Severe drought damage and economic loss to Agricultural community
- \*Declining enrollments of 30-35 students per year, losing significant state aid
- \*Send 31 students across border to school (tuition cost levy of 10 mills),  
net cost to District after removing State funding = \$137,534
- \*Our School Building is very old and in need (levy of 10 mills)
- \*Technology needs for students (5 mil levy)

### School Board position

\*Did not increase mil levy on our school district due to:

1. Drought
2. State tax increase of 8% on Agricultural property for 2002  
State tax increase of 6% on Agricultural property for 2003
3. Hoping for increased State Educational Funding

\*Feel mil deduct on "Property rich school District" is too narrowly defined.

1. "Property rich" does not define ability to pay
2. "Property rich" does not define additional resources districts have
3. "Property rich" or "Property Poor" does not count those who pay no property taxes but yet consume educational facilities of district.
4. Without the mill deduct our district could make improvements in teacher compensation and educational offerings to our students.
5. Our mill deduct distributes money to "property poor" districts that have tremendous additional resources in oil, coal, higher education schools, military bases, which contribute millions of tax dollars to their communities in economic impact, and healthy economies that draw from rural areas. All these monies are accessed for their schools.
6. In our legislative district, Bowman County received \$1.89 million in revenue from oil. Yet their district is determined to be "property poor" and has less of a mill deduct and assess fewer mills (160) in the district. There are many property poor districts that have additional resources.
6. Hettinger School District **does not have any** additional resources.
7. Hettinger School District **can only tax its patrons** for needed resources
8. Per capita earnings are not factored into need of state funding.

Deanna Hall  
Operator's Signature

10/17/03  
Date



HETTINGER SCHOOL DISTRICT

FACTS AND FIGURES

WHY THE HETTINGER SCHOOL DISTRICT CAN NOT SUPPORT AN INCREASE IN THE MILL DEDUCT OF 4 MILLS IN 2003-04 AND 2 MILLS THEREAFTER

1987-88 to 1996-97 (10 year period)  
AVERAGE ENROLLMENT (K - 12) 495 STUDENTS

\*\*THE MILL DEDUCT INCREASED TO 28 MILLS IN 1995-96 AND TO 32 MILLS IN 1996-97\*\*

1996-97 VALUATION - \$5,078,186 (32 MILL DEDUCT = \$162,502)

.....

1997-98 to 2002-03 (6 year period)  
AVERAGE ENROLLMENT (K - 12) 426 STUDENTS

AVERAGE LOSS IN STUDENTS (K - 12) 21 STUDENTS PER YEAR

1996-97 ENROLLMENT (K - 12) 489 STUDENTS  
2002-03 ENROLLMENT (K - 12) - 364 STUDENTS  
ACTUAL LOSS IN ENROLLMENT 125 STUDENTS

.....

2002-03 VALUATION - \$5,906,933 (32 MILL DEDUCT = \$189,022)

2003-04 VALUATION - \$6,109,359 (32 MILL DEDUCT = \$195,499)  
(36 MILL DEDUCT = \$219,937)

IF THE 36 MILL DEDUCT PASSES AS PROPOSED THE HETTINGER SCHOOL DISTRICT WILL SEE AN INCREASE IN THE MILL DEDUCT OF \$30,915 OVER THE PREVIOUS YEAR. WHEN THIS IS ADDED TO THE ANTICIPATED LOSS IN NET FOUNDATION PAYMENT FOR THE AVERAGE OF 21 LESS STUDENTS IN 2003-04 (APPROXIMATELY \$40,000) THE HETTINGER SCHOOL DISTRICT WILL FACE A LOSS IN REVENUES OF \$70,915 FOR THE FIRST YEAR OF THE BIENNIUM.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's signature \_\_\_\_\_ Date 10/17/03

REFLECTING BACK TO THE 1995 LEGISLATIVE SESSION THE HETTINGER SCHOOL DISTRICT WAS IN MUCH BETTER CONDITION TO COPE WITH INCREASING THE MILL DEDUCT FROM 24 MILLS TO 32 MILLS DURING THE BIENNIUM. THE ENROLLMENT IN GRADES K - 12 WAS VERY STABLE WITH THE HIGH SCHOOL ENROLLMENT REACHING THE HIGHEST IN THE LAST 10 YEARS. THE ANTICIPATED INCREASE IN FOUNDATION PAYMENTS FOR THE BIENNIUM WAS \$55,000 AND AFTER SUBTRACTING THE INCREASE OF \$40,000 IN THE MILL DEDUCT FOR THE BIENNIUM, THE HETTINGER DISTRICT NETTED \$15,000 IN NEW REVENUE.

THE SITUATION TODAY IS MUCH DIFFERENT. THE HETTINGER SCHOOL DISTRICT CAN NOT AFFORD AN INCREASE IN THE MILL DEDUCT. THE LOSS OF \$70,915 WILL REQUIRE AN INCREASE OF 11 - 12 MILLS JUST TO BREAK EVEN. THIS WILL PUT A TREMENDOUS BURDEN ON THE TAXPAYERS OF THE HETTINGER SCHOOL DISTRICT. IN 2002 THE VALUE OF ALL RURAL LANDS IN ADAMS COUNTY WERE INCREASED BY 8% WHILE RESIDENTIAL AND COMMERCIAL WERE DECREASED. IN 2003 RURAL LANDS WILL INCREASE ANOTHER 6%. THIS MEANS THAT THE FARMER/RANCHER WILL PICK UP A GREATER PORTION OF ANY TAX INCREASE BY THE SCHOOL DISTRICT. THE CURRENT DROUGHT CONDITIONS HAVE HAD A TREMENDOUS IMPACT ON THE ECONOMY OF SOUTHWESTERN NORTH DAKOTA AND THE END IS NO WHERE IN SIGHT. THE LEGISLATURE NEEDS TO FIND ALTERNATE SOURCES FOR SCHOOL FUNDING AND STRIVE TO LESSON THE DEPENDANCE ON PROPERTY TAXES.

CURRENT LAW MANDATES THAT THE HETTINGER SCHOOL DISTRICT TUITION 31 RESIDENT STUDENTS ACROSS THE BORDER TO THE LEMMON SCHOOL DISTRICT AT A COST OF NEARLY \$200,000 PER YEAR. SINCE 1996-97 TUITION TO LEMMON HAS INCREASED 60% FOR ELEMENTARY AND 40% FOR HIGH SCHOOL STUDENTS. IN 2001-02 THE HETTINGER DISTRICT PAID \$6,760 FOR EACH STUDENT IN GRADES 1-6 AND \$7,200 FOR EACH STUDENT IN GRADES 7-12. A 10 MILL H.S. TUITION LEVY HELPS COVER THE COST OF TUITION FOR GRADES 7 - 12 BUT THE TUITION FOR GRADES K -6 MUST COME OUT OF THE GENERAL FUND. THIS IS A HIGH COST ITEM THAT IS ADDRESSED BY ONLY A HANDFUL OF DISTRICTS SUCH AS HETTINGER, HILLSBORO AND EAST FAIRVIEW. OPEN ENROLLMENT VIRTUALLY ELIMINATED TUITION AS A BUDGET ITEM IN NEARLY ALL SCHOOL DISTRICTS IN THE STATE.

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

*Deanne Hall*  
Operator's Signature

10/17/03  
Date

## Enderlin Public School District No. 22

410 Bluff Street  
Enderlin, ND 58027  
(701) 437-2240  
Fax (701) 437-2242  
<http://www.enderlin.k12.nd.us/>

Serving the Communities of Alice, Enderlin, Nome and Sheldon

All students will learn, experience success, be good citizens,  
and have a positive feeling of self-worth.

Jon Kringen, Superintendent  
Susan Schlecht, Business Manager

Tim Michaelson, High School Principal  
Brian Midthun, K-8 Principal

March 11, 2003

The Honorable Phil Mueller  
ND House of Representatives  
600 E Boulevard Ave  
Bismarck, ND 58505

Dear Representative Mueller

I am writing to you today with concerns about SB 2154 and SB 2182. The funding levels in SB 2154 combined with the increase in the mill deduct in SB 2182 will result in an inadequate funding level for our school district and I assume K-12 education across the state.

The bill in current form would provide an increase of \$11,000 or 1/2 of 1 percent in state funding to our district. This \$11,000 will not even cover anticipated increases in costs for fuel oil for heating our buildings and diesel fuel for running our buses. (Anticipated increase of \$12,500 for 2003-04).

School Boards are charged with the responsibility of providing quality education, which means having money for competitive teacher salaries, textbooks, supplies, materials, etc. In addition, schools must also provide competitive salaries for administrators, non-certified staff and maintain our buildings and grounds.

The only way the Enderlin School District will be able to adequately fund our school will be a combination of increased local taxes, reducing our expenditures, and use of our reserve fund. I am strongly suggesting that the Education Committee examine the funding level and increase the foundation aid level.

Please call me at 701-437-2240 or contact via email at [Jon.L.Kringen@sendit.nodak.edu](mailto:Jon.L.Kringen@sendit.nodak.edu) if you have any questions.

Sincerely,

  
Jon Kringen, Supt.  
Enderlin Public Schools

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

  
Operator's Signature

10/17/03  
Date

ND House Education Committee  
State Capitol  
Bismarck, ND 58505

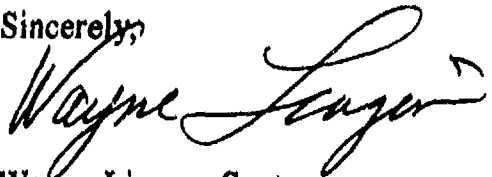
My name is Wayne Lingen. Currently I serve as the superintendent of the Bisbee-Egeland School District and the Cando School District. I would urge you to keep the mill deduct the same and oppose SB 2182.

I know that you are worried about the land rich districts and the law suit. In order to have equity shouldn't all forms of income be included in the determination of what is equitable or not? If the so called land rich districts have to share their wealth with the rest of the districts than we should include all the forms of revenue.

No one is going to want land without a good number of students because the mill deduct will really hurt them.

Thank you for hearing me on this issue.

Sincerely,



Wayne Lingen, Supt.  
Bisbee-Egeland and Cando Schools

The micrographic images on this film are accurate reproductions of records delivered to Modern Information Systems for microfilming and were filmed in the regular course of business. The photographic process meets standards of the American National Standards Institute (ANSI) for archival microfilm. NOTICE: If the filmed image above is less legible than this Notice, it is due to the quality of the document being filmed.

  
Operator's Signature

10/17/03  
Date