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Deanna Waller
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10/22/03

Date

2003 SENATE EDUCATION

SB 2389

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Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2389

Senate Education Committee

☐ Conference Committee

Hearing Date 02-04-03

Tape Number	Side A	Side B	Meter #
1		x	11.7 - end
2	x		0 - 2.0
Committee Clerk Signature <i>Andrew Johnson</i>			

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

CHAIRMAN FREBORG opened the hearing on SB 2389 relating to transportation aid payments and transportation services provided by school districts and to the school district transportation funding formula.

Testimony in support of SB 2389:

SENATOR FLAKOLL, Dist 44, presented testimony (see attached) in support of the bill.

SENATOR COOK asked if there is in statute something saying the state has to transport students to school. SENATOR FREBORG stated the statute says may not must. However, he feels we have a moral obligation to give them every opportunity for an education. SENATOR COOK doesn't feel that transportation plays into the equity issue. SENATOR FLAKOLL feels the current system is subject to a lawsuit.

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Senate Education Committee
Bill/Resolution Number SB 2389
Hearing Date 02-04-03

SENATOR TAYLOR asked if Fargo loses money on busing? SENATOR FLAKOLL feels very few districts cover their costs with the reimbursements they receive.

SENATOR CHRISTENSON asked if this proposal is more verifiable than the current methods of reimbursement. SENATOR FLAKOLL feels this is a better method and can be more accurate.

SENATOR COOK asked if Fargo offers transportation to all students. SENATOR FLAKOLL is not sure.

REPRESENTATIVE HAWKEN, Dist. 46, signed in as supportive to the bill.

Testimony in opposition to SB 2389:

WAYNE KUTZER, Dir of the State Board for VoTech Education, presented testimony (see attached) that stated he feels this will eliminate transportation funding to schools for cooperative arrangements in votech education. SENATOR COOK asked if the state reimburses for transporting students to and from classes outside the high school. MR. KUTZER stated they do but a child can only be counted once. (example: a child drives to school and is transported to Tech School for a class or two). The reimbursement is at the same rate as for any city busing.

MYRON SCHWEITZER, Supt. of Mott Public School, testified. He said they have 300 students and transport about 50-60%. They incur about 224,000 miles per year in transportation costs.

There are 880 sq. miles in the district. He asked if the bill addresses shuttle routes (ex: Mott/Regent/Mott). They have 146 miles and 165 miles per day for shuttle service. They are reimbursed \$163,000 for the year and they incur expenses of \$225,000. Thus they lose money.

He feels the bill will force districts to have longer routes with longer ride times. SENATOR FLAKOLL asked if there is an incentive for schools to use the most efficient route. MR.

SCHWEITZER stated they sub-contract the bus service. SENATOR FLAKOLL asked about the

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Senate Education Committee
Bill/Resolution Number SB 2389
Hearing Date 02-04-03

Halliday/Killdeer scenario. There was some discussion. MR. SCHWEITZER stated he thought they knew the number of students coming and made arrangements to have them picked up.

MARY WAHL, ND Council of Education Leaders, supports maintaining the current funding system for transporting students. They do feel there needs to be a comprehensive look taken at the current system. SENATOR FLAKOLL asked what makes her think there will be a longer ride time as a result of this bill. She stated the previous testimony had made her think about it, but perhaps it wouldn't.

DEAN BARD, ND Small Organized Schools, is concerned about the repealer clauses which may impair VoTech transport. He also sees a problem with the time frame. He stated bus routes change there is no reference to that. How would the superintendent deal with that. Also, is the superintendent bound by the October 1 figures on number of student transported.

SENATOR FLAKOLL asked what % of the small organized schools' budgets are for transportation. MR. BARD stated a large part of the schools' budget in small, rural districts are for transportation and the costs are not covered. SENATOR FLAKOLL asked how often route changes are noted and forwarded to DPI. MR. BARD doesn't know.

Hearing no further testimony, the hearing on SB 2389 was closed.

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2389

Senate Education Committee

☐ Conference Committee

Hearing Date 2-12-03

Tape Number	Side A	Side B	Meter #
1	x		0 - 9.6
Committee Clerk Signature <i>Andrea Johnson</i>			

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

SENATOR FLAKOLL presented an amendment (30726.0201). This amendment increases the amount paid for large buses inside the incorporated limits of the town from \$.35 to \$.50. This is still less than the \$.67 for buses traveling outside the city limits, but this does move us toward a more even playing field.

SENATOR FLAKOLL moved to adopt the amendment (30726.0201). Seconded by SENATOR COOK.

SENATOR FLAKOLL stated there are a number of school districts that do provide transportation within the city limits including small cities. SENATOR FREBORG asked if there are requirements that state you must transport city children if they live a certain distance from the school if they request it. SENATOR FLAKOLL stated he believes the requirements are the same in town as in the country. SENATOR FREBORG asked what the requirement is. SENATOR

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Senate Education Committee
Bill/Resolution Number SB 2389
Hearing Date 2-12-03

FLAKOLL stated that they "may" transport the child. SENATOR FREBORG stated that if a school district has transportation and a child lives a certain distance from the school, the child qualifies. Is this going to affect the districts that transport students but don't do in-city bussing. SENATOR FLAKOLL doesn't think so. The increase is pretty minimal, he thinks under \$200,000 total.

SENATOR COOK asked if there is a fiscal impact, or are we reallocating dollars that are already in the transportation reimbursement. Will it need to go to Appropriations. SENATOR FREBORG stated the appropriation is in another bill so this does not have to go to Appropriations. After further discussion, it was decided that this is new money, and it should be rereferred to Appropriations.

SENATOR TAYLOR asked if busses split reimbursement costs when they go both inside and outside the incorporated limits of the city. SENATOR FREBORG stated they split the rate as to where they are, higher outside the city limits and lower within.

Roll Call Vote: 6 YES. 0 NO. 0 Absent. Amendment Adopted.

SENATOR FLAKOLL moved a DO PASS as Amended and rerefer to Appropriations.

Seconded by SENATOR COOK.

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

Carrier: SENATOR FLAKOLL

Committee Adjourned.

It was found out later that the bill did not have to go to Appropriations.

FISCAL NOTE
Requested by Legislative Council
02/14/2003

Amendment to: SB 2389

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	\$190,044	\$0	\$190,044	\$0
Appropriations	\$0	\$0	\$190,044	\$0	\$190,044	\$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	\$190,044	\$0	\$0	\$190,044

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

The amendment increases the in-city large bus reimbursement rate from \$0.35 to \$0.50 per mile.

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.

Based on 633,480 annual in-city large bus miles, the \$0.15 rate increase will cost \$190,044 for the biennium.

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.

The increase in expenditures will require an increase of \$190,044 over the amount contained in the Foundation Aid and transportation line item in the SB 2013 Public Instruction appropriation bill.

Name:	Jerry Coleman	Agency:	Public Instruction
Phone Number:	328-4051	Date Prepared:	02/17/2003

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10/22/03
Date

FISCAL NOTE
Requested by Legislative Council
01/28/2003

Bill/Resolution No.: SB 2389

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.

This bill changes the distribution of funds appropriated for transportation from a mileage and ridership basis, to a block grant based on the distance from home to school for students transported. 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.

Name:	Jerry Coleman	Agency:	Department of Public Instruction
Phone Number:	701-328-4051	Date Prepared:	01/29/2003

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JB
2-12-03

PROPOSED AMENDMENTS TO SENATE BILL NO. 2389

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 1 of section 15.1-27-26 of the North Dakota Century Code, relating to school district transportation payments.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 15.1-27-26 of the North Dakota Century Code is amended and reenacted as follows:

1. Each school district providing transportation to students in contract schoolbuses or in district-owned and operated schoolbuses, and each school district with students riding commercial buses to and from school is entitled to receive the following amounts:
 - a. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
 - b. Sixty-seven cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
 - c. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
 - d. ~~Thirty-five~~ Fifty cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
 - e. Twenty cents for each one-way trip by a student who rides a schoolbus or a commercial bus to or from school and who resides within the incorporated limits of the city in which the student's school is located."

Renumber accordingly

Date: 2/12/03
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2389

Senate EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 30726.0201

Action Taken adopt amendment

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) 6 No 0

Absent 0

Floor Assignment _____

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

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Deanne Waller 10/22/03
Operator's Signature Date

Date: 2/12/03
Roll Call Vote #: 2

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. *SB2389*

Senate EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass as Amended:

Motion Made By Sen. Flaholl Seconded By Sen. Cook

[illegible]

Total (Yes) 4 No 2

Absent 0

Floor Assignment Sen. Flaholl

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

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10/22/03

REPORT OF STANDING COMMITTEE (410)
February 12, 2003 2:03 p.m.

Module No: SR-27-2428
Carrier: Flakoll
Insert LC: 30726.0201 Title: .0300

REPORT OF STANDING COMMITTEE

SB 2389: Education Committee (Sen. Freborg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2389 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 1 of section 15.1-27-26 of the North Dakota Century Code, relating to school district transportation payments.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 15.1-27-26 of the North Dakota Century Code is amended and reenacted as follows:

1. Each school district providing transportation to students in contract schoolbuses or in district-owned and operated schoolbuses, and each school district with students riding commercial buses to and from school is entitled to receive the following amounts:
 - a. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
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 - c. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
 - d. ~~Thirty-five~~ Fifty cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
 - e. Twenty cents for each one-way trip by a student who rides a schoolbus or a commercial bus to or from school and who resides within the incorporated limits of the city in which the student's school is located."

Renumber accordingly

2003 HOUSE EDUCATION

SB 2389

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10/22/03

Date

2003 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. SB 2389
House Education Committee

☐ Conference Committee

Hearing Date March 10, 2003

Tape Number	Side A	Side B	Meter #
2	x		400-2260
Committee Clerk Signature <i>Linda Fiechtner</i>			

Chairman Kelsch opened the hearing on SB 2389.

Sen. Tim Flakoll, District 44, See Attached Testimony

Chairman Kelsch Do you like the bill now? Flakoll: yes

Rep. Hawken: Did this go to appropriations,

Flakoll: It is revenue neutral, as such it does not have any appropriation.

Rep. Sitte With NCLB and the increasing transportation cost. Some schools will be probably be labeled failing and transportation will need to be provided, do you see the number of miles dramatically increasing?

Flakoll: It is something that is already provided for already, the amount that they will be reimbursed for, it is only a portion of the costs associated with transportation. There is no incentive for the schools to throw in a lot of extra miles.

Rep. Mueller Revenue neutral? I need some help understanding that, the fiscal note talks about 190,444 of expense.

Flakoll: In respect to that it is because it is a redistribution among the 100K students of that same money. In the Department of Public Instruction budget there is an allocation of approx. 36M

Page 2 House Education Committee
Bill/Resolution Number SB 2389
Hearing Date March 10, 2003

and that is just reconfigured the formula.

Rep. Mueller If we are adding 35-50 cents, I don't see how that can be revenue neutral.

Flakoll: Department of Public Instruction can respond to this too, but there is no more money that will be paid out, we pay a % not the whole amount up to what the budget will allow.

Rep. Sitte What I am referring to is HB 1086, with schools failing, I was envisioning a wide spread increase in busing.

Flakoll: That will not effect it because it is just changing the hands that it goes to, rural to urban or the other way around.

Chairman Kelsch all this refers to is the in-city busing. **Flakoll:** Correct

Opposition - none

Jerry Coleman, Department of Public Instruction, to answer questions on the fiscal note SB 2013, funding for transportation is in Department of Public Instruction , 480 Million, fiscal impact of 200K out of that money. It hasn't been directly considered in that, but we feel in the Department that we can absorb it, without actually changing any thing.

Rep. Jon Nelson There are a number of school districts, with smaller school districts that may be considered into the in-city transportation, The buses that are coming in from the country are they required to stop and pick up in-city students, are they required to report that difference now.

Coleman: They would be considered on an in-city bus route, they can't claim reimbursement for transporting students in side the city limits, unless they put the miles on a separate report.

Rep. Jon Nelson That is the situation, they are picking them up on the rural route. Schools are not running a route within the city.

Coleman: they would have to be two separate routes. If they are stopping and picking them up

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10/22/03
Date

on the way into town they need to place them on a in-city route and reimbursement.

Rep. Jon Nelson If they don't deviate from their rural route and just stop and pickup along the route and pick up, do they have to designate the in-city route.

Coleman: I don't know for sure how to answer that, I think ideally they would have to

Rep. Sitte So if Kiverside school for instance closes do we not have to provide transportation for those students who choose to leave and go to another school

Coleman: As I se it, it is a reimbursement for state money for travel and if they incurred those miles they could claim them for reimbursement.

Rep. Sitte are we also going to pay for transportation for tutoring?

Coleman: I don't know the answer to that.

Rep. Mueller I have known about this small discrepancy. It is in fact an odd thing to me, can you explain why we have the difference that we have currently coded in law. For instance, driving around Bismarek and stopping everywhere, it is obviously less efficient to do that then to take the bus down the road and have a stop every 15-20 miles for a student. Can you explain how that actually is more efficient?

Coleman: If that is the discrepancy in the two rates, the in-city is kind of a added on to it and is a gradual thing. It reallocated money within the formula, redirects some of the money. Political thing. As far as the difference between operating a large bus in the city or the rural I 'm not sure if there is a difference.

Rep. Hunskor As I understand, if I have the same amount of money is going to be involved, it is just a reallocation of the funds. Is it costing more?

Coleman: It will increase the transportation costs by 200K and that will come out of the

Page 4 House Education Committee
Bill/Resolution Number SB 2389
Hearing Date March 10, 2003

appropriation for funding schools in Department of Public Instruction budget.

Rep. Sitte Have you estimated how many schools will be in that failing category and what is the projected transportation costs over the next two years?

Coleman: No we have not

Opposition: none

Close hearing

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Date

2003 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. SB 2389
House Education Committee

☐ Conference Committee

Hearing Date March 11, 2003

Tape Number	Side A	Side B	Meter #
3	x		539-1000
Committee Clerk Signature			

Chairman Kelsch opened the committee work on SB 2389

Vice Chair Johnson recommends a DO NOT PASS, Rep. Sitte second the motion

Rep. Jon Nelson I am a little hesitant to take this bill in a different fashion then what we just did on the joint powers bill. Joint powers has got impact on the rural areas and this bill has impact on the urban districts, and because of the fiscal impact of 200K in this it would be unfair to handle this in a different fashion

Chairman Kelsch Vice Chair Johnson moved a do not pass for his personal reasons, truthfully as we were told by Department of Public Instruction, this dollar amount probably won't 190K it is will be less and absorbed through the Department of Public Instruction budget because of the way the numbers are built in or per pupil payments. Whereas it is different with the other.

Rep Hawken: we all know that for years transportation has been place some games and districts have done that all different ways. The reason that this is in there is because it is unfair that when we do it, whether we do it now or in two years after the study, I don't know.

roll vote: 5-8-1 motion failed

We will wait and hold on to this bill.

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Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2389

House Education Committee

☐ Conference Committee

Hearing Date 3-18-03

Tape Number	Side A	Side B	Meter #
1	x		770-1775
Committee Clerk Signature			

Minutes:

Chairman Kelsch: lets take up SB 2389. The fiscal notes are still the same. Currently the bill is here in front of us and it has a DO NOT PASS on it and it failed on a vote 8 to 5. The reason we decided to hold it was if we were going to do something a little different with transportation and equalize the transportation payments whether we block grant out the transportation payments based on what the transportation payments were this year and just block grant them out to each school district or whether we jack pot a transportation and throw it all in to foundation aid. I think we decided we have probably done a few things this session already and maybe the transportation won't make that much difference when it comes down to equity, and so we kind of decided that we have the data envelopment study that is going to be done during the interim and perhaps there will be a recommendation that comes in for the next legislative session, so we probably leave the basic of transportation the way it is right now, so with that what are the wishes

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Date

Page 2
House Government and Veterans Affairs Committee
Bill/Resolution Number SB 2389
Hearing Date 3-18-03

of the committee. This is a fairness issue for the urban schools. We have to re-vote on it regardless, take a different vote on it.

Representative Herbel: it seems to me to make some sense to wait till we get some results of the study.

Representative Sitte: I think another reason is Bismarck residence will be paying for the busing on Riverside and who knows how much more busing were going to have.

Representative Hawkin: do we want to discuss the possibility of changing transportation or whether we want to send them out the way they are this year?

Representative Herbel: is that in 2154 current?

Representative Kelsch: well that is kind of a bigger issue and that was one of the things we thought the committee should decide and this is the good time to be discussing this because we are on a transportation bill.

Representative Haas: if we do that block grant on 2154 then it would not be logical to pass this, because of the change in the rates, you would just be repeating the same amount of money you got last time.

Representative Kelsch: a couple of things the block granting does and it is definitely an interesting concept because right now, we don't know if the Superintendents are being totally honest with the reporting on the transportation, by just saying 'here is your money' and basically saying you don't have to accountable for it, I think what it does is give them that pocket of money and they have to determine how they are going to use it and how they are going to spend

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Deanne Waller
Operator's Signature

10/22/03

Date

Page 3
House Government and Veterans Affairs Committee
Bill/Resolution Number SB 2389
Hearing Date 3-18-03

it.

Representative Haas: that is true but its safe to say that we can't trust them because a lot of them have admitted fudging. The other problem with block granting if there are discrepancy in the accuracy of the report, which is a better way of putting it then saying fudging, if those discrepancies are there and we start block granting it on that basis then the ones that have created the most discrepancy are going to benefit, then the ones that are being somewhat truthful are not going to benefit, that is another reason for not block granting at this time.

Representative Kelsch: perhaps we are jumping the gun a little bit, when we have this study, I don't see where there are any problems with it, it will come out of appropriations fund.

Representative Norland: I move a **DO NOT PASS.**

Representative Hanson: besides the mileage, do they get paid on ridership have we ever done that.

Representative Kelsch: no, they don't, one of the things we have heard is the big buses run just as economically as the next size down bus, to run them apparently there is something different then in the operation of them. One of the things we have to bear in mind and I look at my school district and this will be a issue with them, if the superintendent does come out and say to the school districts that you cannot use those 15 passenger vans, we are going to be hurting over in Mandan, we are one of the only Class A schools that is still running those 15 passenger buses.

Representative Haas: we also heard in testimony that the company that produced these vehicles are not producing them any longer.

Representative Hanson: **SECOND** the DO NOT PASS motion. No further discussion.

VOTE: 8-YES 4-NO 2-ABSENT. Representative Johnson: will carry the bill to the floor.

Date: 3/11/03
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2389

House HOUSE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ONP

Motion Made By Johnson Seconded By Sette

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

Total (Yes) 5 No 8

Absent 1

Floor Assignment failed

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

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Deanna Waller 10/22/03
Operator's Signature Date

Date: 3/18/03
Roll Call Vote #: 2

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2389

House HOUSE EDUCATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ONP

Motion Made By Norland Seconded By Hanson

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

Total (Yes) 8 No 4

Absent 2

Floor Assignment Johnson

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

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10/22/03
Date

REPORT OF STANDING COMMITTEE (410)
March 18, 2003 9:19 a.m.

Module No: HR-48-5000
Carrier: D. Johnson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE
SB 2389, as engrossed: Education Committee (Rep. R. Kelsch, Chairman) recommends
DO NOT PASS (8 YEAS, 4 NAYS, 2 ABSENT AND NOT VOTING). Engrossed
SB 2389 was placed on the Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

HR-48-5000

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2003 TESTIMONY

SB 2389

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10/22/03

Date

February 4, 2003

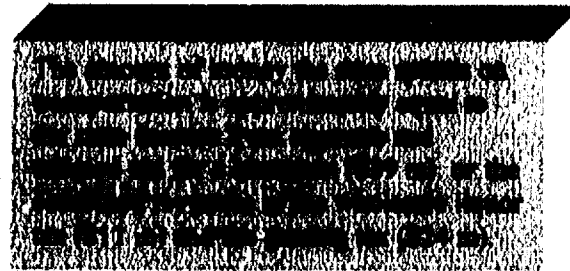


Chairman Freborg and committee members, for the record, I am Senator Tim Flakoll from District 44 in Fargo.

The current funding system in K-12 education is fraught with problems and in need of improvements.

Some of the problems in the current system include:

- 1) Under the current system, the state pays 67-cents per mile for a 15-passenger bus on a route out in the country and only 35-cents for an 88-passenger bus in town. This is not equitable or logical.
- 2) The current system has no mechanism to encourage full ridership on busses. There is great general concern by many people who watch four students unload off a 48 passenger bus.
- 3) The current system does not encourage the most efficient routes and may constituents question a system where busses travel or meet on the same routes.
- 4) Reporting procedures are difficult, time consuming and not possible to verify.



There are a few suggestions that have been discussed in recent times:

- 1) Get out of the bussing business altogether and place all of the approximately \$35-36 million spent on transportation into foundation aid. This may also lessen our chance of a successful equity law suite.
- 2) Pay an equal amount for a bus traveling in the city, as we do for that same bus in the country.
- 3) Use ridership as a percent of capacity as a basis to adjust state payments, to encourage the use of the most efficient size of bus.
- 4) Have the state provide technological support to provide guidance that identifies the most efficient route(s).
- 5) Use a formula as proposed in SB 2389 that accounts for direct travel distance to a school and the number of students.

SB 2389 offers a new method of transportation payments to schools. It sends the money to the schools based on the principle of the most efficient shortest direct route to the school from each home where a student(s) resides.

The bill is revenue neutral to the state. It takes the total number of "student miles" and divides that into the total transportation appropriation for the year. We would then come up with a payment of dollars on a per student/mile basis for the entire year.

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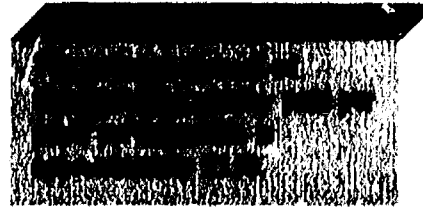
10/22/03

Date

The bill provides for these monies to be paid out to schools at the same times as our current policy.

So as an example:

Assume we have an appropriation of \$18 million/year (a number close to the actual amount).



We have 100,000 students that have an average direct route of 8 miles to school resulting in 800,000 "total student miles" for the state.

We would then divide \$18 million by 800,000 and come up with a payment of \$22.50/student/mile/year in this hypothetical example.

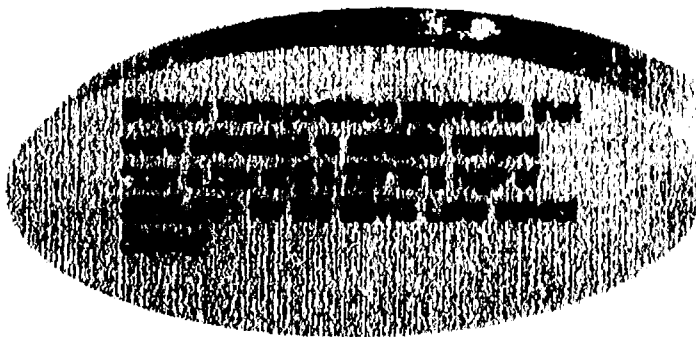
A student that lives 20 miles from school would produce a \$450 payment to the school for that one student for the year or \$900/biennium.

Characteristics of the formula:

- ✓ With this formula, schools with students spread out over a greater distance would still receive significantly more money on a per student basis than their counterparts in the city.
- ✓ With this formula, payments are based on students not buses (or bus size).
- ✓ With this formula 100% of the state appropriation would be paid out to schools on an annual basis.
- ✓ This formula can lead to more efficient use of buses by schools and as a result your schools will have more money to reallocate to their other needs.
- ✓ If a school chooses to be inefficient either because of bus size or poor routing their decisions will not hurt the state.

Mr. Chairman and committee members, to my knowledge this is the only bill that deals with public school transportation payments that we will see this session. SB 2389 affords us the opportunity to improve our current system of funding.

I would be overjoyed to stand for any questions.



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10/22/03
Date

**Testimony on SB2389
Senate Education Committee
February 4, 2003**

Mr. Chairman, members of the committee, my name is Wayne Kutzer, Director of the State Board for Vocational and Technical Education.

This bill eliminates Section 15.1-27-28 which allows transportation funding for schools offering vocational technical courses through cooperative arrangements. It in would adversely affect districts that wish to cooperate to provide access to vocational technical programs to their students. There are currently 46 schools in the state that have approved cooperative arrangements in which they transport students to a nearby school or Area Center.

At a time when we should be providing equitable access to all students this bill as it currently stands, will discourage it.

I ask that you not eliminate transportation funding to schools for cooperative arrangements in vocational technical education.

I will be glad to answer any questions

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4. For each student transported by family transportation in accordance with section 15.1-30-02, a school district is entitled to receive forty cents per day for each mile [1.61 kilometers] over two miles [3.22 kilometers] measured from the front door of the school attended by the student to the front door of the student's residence, according to the most convenient route of public travel.

Sources: S.L. 2001, ch. 181, § 11; 2001, ch. 13, § 17.

Effective Date.

The 2001 amendment to this section by section 17 of chapter 13, S.L. 2001 became effective July 1, 2001.

amended by the 2001 Legislative Assembly. Pursuant to section 1-02-09.1, the section is printed above to harmonize and give effect to the changes made in section 17 of chapter 13, S.L. 2001, and section 11 of chapter 181, S.L. 2001.

Note.

Section 15.1-27-26 was created and

15.1-27-27. School district transportation of special education students — Payments.

1. Each school district is entitled to receive the following for transporting students enrolled in special education programs:
 - a. If the district transports nine or fewer students per vehicle, the amount provided in section 15.1-27-26 for the transportation of nine or fewer students per vehicle.
 - b. If the district transports ten or more students per vehicle, the amount provided in section 15.1-27-26 for the transportation of students in a vehicle having a capacity of ten or more.
2. Except as provided in subsection 3, a school district entitled to payments under this section is entitled to transportation aid for all miles [kilometers] traveled and for each student transported, even if a student lives within the incorporated limits of the city in which the student's school is located.
3. A school district may not receive more than one per student payment for transportation of a student regardless of the frequency with which the student is transported during any one day.
4. Notwithstanding any other law, the superintendent of public instruction shall make the payments due a school district under this section directly to a multidistrict special education unit if requested to do so by the school district.

Sources: S.L. 2001, ch. 181, § 11.

15.1-27-28. School district transportation of vocational and technical education students — Payments.

1. Each school district is entitled to receive an amount for transporting students to and from schools in other districts and to and from schools within the district for vocational and technical education courses offered through cooperative arrangements approved by the state board for vocational and technical education. The amount must be the same for mileage and per day payments as that provided in subdivisions a through c of subsection 1 of section 15.1-27-26.
2. A school district may not receive more than one per student payment for transportation of a student regardless of the frequency with which the student is transported during any one day.
3. Notwithstanding any other law, the superintendent of public instruction shall make the payments due a school district under this section directly to an area vocational and technology center if requested to do so by the school district.

Sources: S.L. 2001, ch. 181, § 11.

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[REDACTED]

Madam Chair and committee members, for the record I am Senator Tim Flakoll of District 44.

One of our common concerns this session centers on equity in education in our state. Our current transportation program is a prime example of a system that contains a significant equity problem.

Here is a little background information on our current system.

- Currently school buses with a capacity of nine or less are paid 20 cents per mile in the city and 25 cents per mile in the country.
- There is a major difference when it comes to transportation payments on larger buses. These are the most common size of carriers of students in our state. As we look at buses with a capacity of 10 or more students there exists significant differences. **Currently the law provides for a payment of 67 cents/mile for buses that travel in the country while that same bus only is paid at a rate of 35 cents per mile in city limits.**
- So conceivably a 12-passenger bus in the country would be at a rate of 67 cents/mile and an 88-passenger bus in the city limits would only receive 35 cents per mile.

This bill proposes a change the payment for bus travel in the city up to 50 cents per mile. Or 77% of what that same bus is paid in the country. It is also only 19 cents more for this bus travel than the state rate for car travel by state employees.

I think this is yet another component that can provide us with more equity in education funding.

It is also interesting to note that over 60 school districts provide "in city" transportation. Cities such as Milnor, Underwood, Willow City, Central Cass, Minnewaukan, Harvey, Anamoose, Ashley, New Town, Lansford and Finely Sharon are some examples of districts that provide transportation to students in their city limits.

It is important to note that schools are paid 20 cents per student one way in the city and 40 cents for a one way trip in the country (this bill does not change that allocation).

Madam Chairman, I would be happy to stand for questions.

[REDACTED]