

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2013

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 public instruction, the school for the deaf, North Dakota vision services - school for the blind,
3 and the state library; to provide for the distribution of special education payments and
4 contingent payments; and to provide a statement of legislative intent.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
7 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the department of public instruction, the school for the deaf, North Dakota
10 vision services - school for the blind, and the state library for the purpose of defraying the
11 expenses of these agencies, for the biennium beginning July 1, 2003, and ending June 30,
12 2005, as follows:

13 Subdivision 1.

14 DEPARTMENT OF PUBLIC INSTRUCTION

15 Salaries and wages	\$9,287,593
16 Operating expenses	13,102,674
17 Capital assets	15,000
18 Grants - State school aid	479,379,990
19 Grants - Teacher compensation payments	51,854,000
20 Grants - Tuition apportionment	69,495,371
21 Grants - Special education	49,898,695
22 Grants - Other grants	<u>182,075,244</u>
23 Total all funds	\$855,108,567

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1	Less estimated income	<u>265,915,532</u>
2	Total general fund appropriation	\$589,193,035
3	Subdivision 2.	
4	STATE LIBRARY	
5	Salaries and wages	\$2,081,564
6	Operating expenses	1,188,360
7	Grants	<u>1,396,807</u>
8	Total all funds	\$4,666,731
9	Less estimated income	<u>1,630,082</u>
10	Total general fund appropriation	\$3,036,649
11	Subdivision 3.	
12	SCHOOL FOR THE DEAF	
13	Salaries and wages	\$4,807,382
14	Operating expenses	1,105,746
15	Capital assets	<u>32,723</u>
16	Total all funds	\$5,945,851
17	Less estimated income	<u>871,449</u>
18	Total general fund appropriation	\$5,074,402
19	Subdivision 4.	
20	VISION SERVICES - SCHOOL FOR THE BLIND	
21	Salaries and wages	\$2,543,182
22	Operating expenses	702,603
23	Capital assets	<u>18,233</u>
24	Total all funds	\$3,264,018
25	Less estimated income	<u>1,170,572</u>
26	Total general fund appropriation	\$2,093,446
27	Grand total general fund appropriation S.B. 2013	\$599,397,532
28	Grand total special funds appropriation S.B. 2013	\$269,587,635
29	Grand total all funds appropriation S.B. 2013	\$868,985,167
30	SECTION 2. APPROPRIATION - TUITION APPORTIONMENT. The sum of	
31	\$69,495,371, included in the grants - tuition apportionment line item in subdivision 1 of	

1 section 1 of this Act, is from the state tuition fund in the state treasury. Any additional amount
2 in the state tuition fund that becomes available for distribution to public schools is appropriated
3 to the department of public instruction for that purpose for the biennium beginning July 1, 2003,
4 and ending June 30, 2005.

5 **SECTION 3. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**

6 **AUTHORITY.** The superintendent of public instruction may expend funds included in the
7 grants - state school aid and grants - special education line items in subdivision 1 of section 1
8 of this Act in payment of grants for educational services that were due in the 2001-03 biennium
9 but which were not filed, claimed, or properly supported by the education provider until after
10 June 30, 2003.

11 **SECTION 4. DISTRIBUTION OF SPECIAL EDUCATION AID.** The sum of
12 \$49,898,695, included in the grants - special education line item in subdivision 1 of section 1 of
13 this Act, must be distributed as follows:

- 14 1. Thirteen million dollars to reimburse school districts or special education units for
15 excess costs incurred relating to contracts for students with disabilities.
- 16 2. Four hundred thousand dollars to reimburse school districts or special education
17 units for gifted and talented programs upon the submission of an application that is
18 approved in accordance with guidelines adopted by the superintendent of public
19 instruction. The superintendent of public instruction shall encourage cooperative
20 efforts for gifted and talented programs among school districts and special
21 education units.
- 22 3. Any amount remaining in the line item must be distributed on a per student basis
23 as required by section 15.1-27-10, excluding reimbursements for student contracts
24 and gifted and talented programs. State special education payments distributed as
25 required by section 15.1-27-10 must be reduced by the amount of matching funds
26 required to be paid by school districts or special education units for students
27 participating in the medicaid program. Special education funds equal to the
28 amount of the matching funds required to be paid by the school district or special
29 education unit must be paid by the superintendent of public instruction to the
30 department of human services on behalf of the school district or unit.

1 **SECTION 5. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS.**

2 Payments to school districts educating limited English proficient students, as provided in
3 section 15.1-27-12, must be made by the superintendent of public instruction during the
4 biennium beginning July 1, 2003, and ending June 30, 2005, using up to \$650,000 of the
5 amount included in the grants - state school aid line item in subdivision 1 of section 1 of this
6 Act.

7 **SECTION 6. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15,
8 the department of public instruction may deposit indirect cost recoveries in its operating
9 account.

10 **SECTION 7. DISPLACED HOMEMAKER FUND.** The sum of \$251,747, included in
11 the estimated income line item in subdivision 1 of section 1 of this Act, is from the displaced
12 homemaker fund and must be used by the superintendent of public instruction for the purpose
13 of providing services for displaced homemakers, as provided in chapter 14-06.1, during the
14 biennium beginning July 1, 2003, and ending June 30, 2005.

15 **SECTION 8. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
16 subdivision 2 of section 1 of this Act includes \$844,307 for aid to public libraries, of which no
17 more than one-half is to be expended during the fiscal year ending June 30, 2004.

18 **SECTION 9. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**
19 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
20 of section 1 of this Act, collected for subscription fees or Braille fees, must be deposited in the
21 North Dakota vision services - school for the blind operating fund in the state treasury and may
22 be spent subject to appropriation by the legislative assembly.

23 **SECTION 10. CONTINGENT PAYMENTS - REORGANIZATION BONUSES -**
24 **DECLINING ENROLLMENT PAYMENTS.** If the superintendent of public instruction
25 determines that the amount appropriated for per student payments and transportation
26 payments, as contained in the grants - state school aid line item in subdivision 1 of section 1 of
27 this Act, will exceed the total of all statutory obligations for per student and transportation
28 payments during the biennium beginning July 1, 2003, and ending June 30, 2005, the
29 superintendent shall distribute the excess as provided in this section.

30 1. Up to \$1,000,000 may be distributed for reorganization bonus payments to school
31 districts, pursuant to section 15.1-12-11.1.

- 1 2. If the amount available exceeds the amount distributed pursuant to subsection 1 of
2 this section, up to \$1,000,000 may be distributed for declining enrollment
3 payments based upon actual declines in enrollment from 1999-2000 to 2002-03.
- 4 a. The superintendent shall determine the total number of students by which
5 2002-03 fall enrollment is less than 1999-2000 fall enrollment for all districts in
6 the state that experienced a decline in enrollment during that period.
- 7 b. The superintendent shall calculate a declining enrollment per student
8 payment by dividing the amount available for declining enrollment payments,
9 up to \$1,000,000, by the decline in enrollment calculated pursuant to
10 subdivision a.
- 11 c. The superintendent shall determine the number of students by which a
12 district's 2002-03 fall enrollment is less than 1999-2000 fall enrollment.
- 13 d. The superintendent shall determine the declining enrollment payment due a
14 district by multiplying the per student payment amount calculated in
15 subdivision b by the decline in enrollment calculated in subdivision c.

16 **SECTION 11. STATE AID PAYMENTS - CONTINGENT ADDITIONAL PER**

17 **STUDENT PAYMENTS.** If funds appropriated by the legislative assembly to the grants - state
18 school aid line item in section 1 of this Act remain after completion of all statutory obligations,
19 including the payment of reorganization bonuses and the payment of funds for declining
20 enrollments under section 10 of this Act, to the extent of legislative appropriations, the
21 superintendent of public instruction shall distribute the remaining funds as additional per
22 student payments on a prorated basis, according to the average daily membership of each
23 school district during the 2004-05 school year.

24 **SECTION 12. TEACHER COMPENSATION PAYMENTS - CONTINGENT**

25 **ADDITIONAL PER STUDENT PAYMENTS.** If funds appropriated by the legislative assembly
26 to the grants - teacher compensation payments line item in section 1 of this Act remain after
27 completion of all statutory obligations, to the extent of legislative appropriations, the
28 superintendent of public instruction shall distribute the remaining funds as additional per
29 student payments on a prorated basis, according to the average daily membership of each
30 school district during the 2004-05 school year.

1 **SECTION 13. LEGISLATIVE INTENT - NO CHILD LEFT BEHIND ACT.** It is the intent
2 of the legislative assembly that the department of public instruction have a primary focus of
3 being an advocate and facilitator for those schools having difficulty complying or those not in
4 compliance with the federal mandates contained in the federal No Child Left Behind Act, and
5 the department seek to promulgate the most flexible interpretation of the No Child Left Behind
6 Act to assist public schools in this state.