

SENATE BILL NO. 2154

Introduced by

Education Committee

(At the request of the Office of Management and Budget)

1 A BILL for an Act to amend and reenact sections 15.1-27-04, 15.1-27-06, 15.1-27-07,
2 15.1-27-11, and 15.1-27-37 of the North Dakota Century Code, relating to school district per
3 student payments, weighting factors for per student payments, supplemental payments, and
4 teacher compensation.

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

6 **SECTION 1. AMENDMENT.** Section 15.1-27-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-27-04. Per student payment.** The per student payment to which each school
9 district is entitled for the first year of the biennium is two thousand ~~two~~ four hundred
10 ~~eighty-seven~~ thirty dollars. The per student payment to which each school district is entitled for
11 the second year of the biennium is two thousand ~~three~~ five hundred ~~forty-seven~~ twenty-eight
12 dollars. The per student amount is the basis for calculating state payments to school districts,
13 as provided in sections 15.1-27-06 and 15.1-27-07.

14 **SECTION 2. AMENDMENT.** Section 15.1-27-06 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15.1-27-06. Per student payments - Weighting factors - High school students.**
17 The superintendent of public instruction shall make payments each year, as provided for in this
18 section, to each school district operating a high school and to each school district contracting to
19 educate high school students in a federal school, subject to adjustment as provided in section
20 15.1-27-21.

21 1. Each district having under seventy-five students in average daily membership in
22 grades nine through twelve is entitled to receive for the first year of the 2003-2005
23 biennium the amount of money that results from multiplying the factor 1.625
24 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.625 and

1 the factor representing the five-year average cost of education per student for this
2 category, as determined by the superintendent of public instruction, by the number
3 of students in grades nine through twelve who are registered in that district, times
4 the per student payment provided for in section 15.1-27-04. For the second year
5 of 2003-2005 biennium and all succeeding years the adjustment is one hundred
6 percent of the difference between 1.625 and the factor representing the five-year
7 average cost of education per student in this category.

8 2. Each district having at least seventy-five but fewer than one hundred fifty students
9 in average daily membership in grades nine through twelve is entitled to receive for
10 the first year of the 2003-2005 biennium the amount of money that results from
11 multiplying the factor 1.335 adjusted by ~~seventy-five~~ eighty-five percent of the
12 difference between 1.335 and the factor representing the five-year average cost of
13 education per student for this category, as determined by the superintendent of
14 public instruction, by the number of students in grades nine through twelve who are
15 registered in that district, times the per student payment provided for in section
16 15.1-27-04. For the second year of the 2003-2005 biennium and all succeeding
17 years the adjustment is one hundred percent of the difference between 1.335 and
18 the factor representing the five-year average cost of education per student in this
19 category.

20 3. Each district having at least one hundred fifty but fewer than five hundred fifty
21 students in average daily membership in grades nine through twelve is entitled to
22 receive for the first year of the 2003-2005 biennium the amount of money that
23 results from multiplying the factor 1.24 adjusted by ~~seventy-five~~ eighty-five percent
24 of the difference between 1.24 and the factor representing the five-year average
25 cost of education per student for this category, as determined by the
26 superintendent of public instruction, by the number of students in grades nine
27 through twelve who are registered in that district, times the per student payment
28 provided for in section 15.1-27-04. For the second year of the 2003-2005
29 biennium and all succeeding years the adjustment is one hundred percent of the
30 difference between 1.24 and the factor representing the five-year average cost of
31 education per student in this category.

- 1 4. Each district having at least five hundred fifty students in average daily
2 membership in grades nine through twelve is entitled to receive for the first year of
3 the 2003-2005 biennium the amount of money that results from multiplying the
4 factor 1.14 adjusted by ~~seventy-five~~ eighty-five percent of the difference between
5 1.14 and the factor representing the five-year average cost of education per
6 student for this category, as determined by the superintendent of public instruction,
7 by the number of students in grades nine through twelve who are registered in that
8 district, times the per student payment provided for in section 15.1-27-04. For the
9 second year of the 2003-2005 biennium and all succeeding years the adjustment is
10 one hundred percent of the difference between 1.14 and the factor representing
11 the five-year average cost of education per student in this category.
- 12 5. Each district having an approved alternative high school education program is
13 entitled to receive the amount of money that results from multiplying the factor in:
- 14 a. Subsection 1 by the number of students registered in the alternative education
15 program, times the per student payment provided for in section 15.1-27-04, if
16 fewer than seventy-five students in average daily membership are enrolled in
17 the alternative education program.
- 18 b. Subsection 2 by the number of students registered in the alternative education
19 program, times the per student payment provided for in section 15.1-27-04, if
20 at least seventy-five but fewer than one hundred fifty students in average daily
21 membership are enrolled in the alternative education program.
- 22 c. Subsection 3 by the number of students registered in the alternative education
23 program, times the per student payment provided for in section 15.1-27-04, if
24 at least one hundred fifty but fewer than five hundred fifty students in average
25 daily membership are enrolled in the alternative education program.
- 26 d. Subsection 4 by the number of students registered in the alternative education
27 program, times the per student payment provided for in section 15.1-27-04, if
28 at least five hundred fifty students in average daily membership are enrolled in
29 the alternative education program.
- 30 6. In order to be eligible for enumeration under this section, a student:
31 a. Must have completed the work of the eighth grade;

- 1 b. Must not have completed the work of the twelfth grade; and
2 c. Must be a resident of this state or a nonresident attending a school in this
3 state under the auspices of a foreign student exchange program.

4 **SECTION 3. AMENDMENT.** Section 15.1-27-07 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15.1-27-07. Per student payments - Weighting factors - Elementary school**

7 **students.** The superintendent of public instruction shall make payments each year, as
8 provided for in this section, to each school district operating an elementary school and to each
9 school district contracting to educate elementary students in a federal school, subject to
10 adjustment as provided in section 15.1-27-21.

- 11 1. a. Each district having only a one-room rural school is entitled to receive for the
12 first year of 2003-2005 biennium the amount of money that results from
13 multiplying the factor 1.28 adjusted by ~~seventy-five~~ eighty-five percent of the
14 difference between 1.28 and the factor representing the five-year average
15 cost of education per student for this category, as determined by the
16 superintendent of public instruction, by the number of students in average
17 daily membership in grades one through eight in that school, times the per
18 student payment provided for in section 15.1-27-04. For the second year of
19 the biennium and all succeeding years the adjustment is one hundred percent
20 of the difference between 1.28 and the factor representing the five-year
21 average cost of education per student in this category. The payment level
22 provided for in this subdivision is applicable only to the first sixteen students.
23 b. If the one-room rural school has more than sixteen students in average daily
24 membership in grades one through eight, the district in which the school is
25 located is entitled to receive ninety percent of the per student payment
26 provided for in section 15.1-27-04 for each additional student. The district is
27 not entitled to any payment for more than twenty students in average daily
28 membership.
29 c. If a one-room rural school is located in a district having another elementary
30 school, the weighting factor for the students in grades one through six must

- 1 be based on the average daily membership in the district in grades one
2 through six, as provided in this section.
- 3 d. If a one-room rural school is located in a school district with another school
4 that has students in grade seven or eight, the weighting factor for the students
5 in grade seven or eight must be the same as that provided for in subsection 5.
- 6 2. Except as provided in subsection 1, each school district having fewer than one
7 hundred students in average daily membership in grades one through six is entitled
8 to receive for the first year of the 2003-2005 biennium the amount of money that
9 results from multiplying the factor 1.09 adjusted by ~~seventy-five~~ eighty-five percent
10 of the difference between 1.09 and the factor representing the five-year average
11 cost of education per student for this category, as determined by the
12 superintendent of public instruction, by the number of students in average daily
13 membership in grades one through six in the district, times the per student
14 payment provided for in section 15.1-27-04. For the second year of the biennium
15 and all succeeding years the adjustment is one hundred percent of the difference
16 between 1.09 and the factor representing the five-year average cost of education
17 per student in this category. The payment provided for in this subsection is
18 applicable only to the first twenty-five students in average daily membership per
19 classroom or per teacher.
- 20 3. Each school district having at least one hundred students but fewer than one
21 thousand students in average daily membership in grades one through six is
22 entitled to receive for the first year of the 2003-2005 biennium the amount of
23 money that results from multiplying the factor .905 adjusted by ~~seventy-five~~
24 eighty-five percent of the difference between .905 and the factor representing the
25 five-year average cost of education per student for this category, as determined by
26 the superintendent of public instruction, by the number of students in average daily
27 membership in grades one through six in the district, times the per student
28 payment provided for in section 15.1-27-04. For the second year of the biennium
29 and all succeeding years the adjustment is one hundred percent of the difference
30 between .905 and the factor representing the five-year average cost of education
31 per student in this category. The payment provided for in this subsection is

- 1 applicable only to the first thirty students in average daily membership per
2 classroom or per teacher.
- 3 4. Each school district having at least one thousand students in average daily
4 membership in grades one through six is entitled to receive for the first year of the
5 2003-2005 biennium the amount of money that results from multiplying the factor
6 .95 adjusted by ~~seventy-five~~ eighty-five percent of the difference between .95 and
7 the factor representing the five-year average cost of education per student for this
8 category, as determined by the superintendent of public instruction, by the number
9 of students in average daily membership in grades one through six in the district,
10 times the per student payment provided for in section 15.1-27-04. For the second
11 year of the biennium and all succeeding years the adjustment is one hundred
12 percent of the difference between .95 and the factor representing the five-year
13 average cost of the education per student in this category. The payment provided
14 for in this subsection is applicable only to the first thirty students in average daily
15 membership per classroom or per teacher.
- 16 5. Each school district having students in grades seven and eight is entitled to receive
17 for the first year of the 2003-2005 biennium the amount of money that results from
18 multiplying the factor 1.01 adjusted by ~~seventy-five~~ eighty-five percent of the
19 difference between 1.01 and the factor representing the five-year average cost of
20 education per student for this category, as determined by the superintendent of
21 public instruction, by the number of students in average daily membership in
22 grades seven and eight in the district, times the per student payment provided for
23 in section 15.1-27-04. For the second year of the biennium and all succeeding
24 years the adjustment is one hundred percent of the difference between 1.01 and
25 the factor representing the five-year average cost of education per student in this
26 category. The payment provided for in this subsection is applicable only to the first
27 thirty students in average daily membership per classroom or per teacher. The
28 payments provided for in this subsection are not available for students who attend
29 a one-room rural school if that school is the only one in the district that offers
30 educational services to students in grades seven and eight.

- 1 6. Each school district having a special education program approved by the director
2 of special education is entitled to receive for the first year of the 2003-2005
3 biennium, for each student who is enrolled in the program and who is at least three
4 years of age but less than the compulsory age for school attendance, the amount
5 of money that results from multiplying the factor 1.01 adjusted by ~~seventy-five~~
6 eighty-five percent of the difference between 1.01 and the factor representing the
7 five-year average cost of education per student for this category, as determined by
8 the superintendent of public instruction, by the number of special education
9 students in average daily membership in the program who are at least three years
10 of age but less than the compulsory age for school attendance, times the per
11 student payment provided for in section 15.1-27-04. For the second year of the
12 biennium and all succeeding years the adjustment is one hundred percent of the
13 difference between 1.01 and the factor representing the five-year average cost of
14 education per student in this category.
- 15 7. a. Each school district operating a kindergarten as provided for in section
16 15.1-22-02 is entitled to receive for the first year of the 2003-2005 biennium
17 the amount of money that results from multiplying the factor .50 adjusted by
18 ~~seventy-five~~ eighty-five percent of the difference between .50 and the factor
19 representing the five-year average cost of education per student for this
20 category, as determined by the superintendent of public instruction, by the
21 number of kindergarten students in average daily membership in the district,
22 times the per student payment provided for in section 15.1-27-04. For the
23 second year of the biennium and all succeeding years the adjustment is one
24 hundred percent of the difference between .50 and the factor representing the
25 five-year average cost of education per student in this category. The payment
26 provided for in this subsection is applicable only to the first twenty-five
27 students in average daily membership per classroom or per teacher.
- 28 b. In order to receive the full per student payment available under this section, a
29 district must operate a kindergarten program that provides the equivalent of
30 ninety full days of classroom instruction during a twelve-month period. A

1 district is entitled to a prorated payment under this section if it operates a
2 kindergarten program of shorter duration.

3 8. Each school district that educates students who are also enrolled in nonpublic
4 schools is entitled to receive proportionate payments under this section.

5 9. Each school district is entitled to receive as much in total payments for elementary
6 students as it would have received if it had the highest number of students in the
7 next lower category.

8 10. A school district is not entitled to any payments provided for by this chapter unless
9 each teacher employed by the district:

10 a. Holds a teaching license issued by the education standards and practices
11 board; or

12 b. Has been approved to teach by the education standards and practices board.

13 **SECTION 4. AMENDMENT.** Section 15.1-27-11 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **15.1-27-11. High school districts - Supplemental payments.** The superintendent of
16 public instruction shall calculate the average valuation of property per student by dividing the
17 number of students in average daily membership in grades one through twelve in a high school
18 district into the district's latest available net assessed and equalized taxable valuation of
19 property. If the quotient is less than the latest available statewide average taxable valuation per
20 student and if the district's educational expenditure per student is below the most recent
21 available statewide average cost of education per student, the superintendent of public
22 instruction shall:

23 1. Determine the difference between the latest available statewide average taxable
24 valuation per student and the average taxable valuation per student in the high
25 school district;

26 2. Multiply the result determined under subsection 1 by the number of students in
27 average daily membership in grades one through twelve in the high school district;

28 3. Multiply the result determined under subsection 2 by the number of general fund
29 mills levied by the district in excess of one hundred fifty, provided that any mills
30 levied by the district which are in excess of two hundred ten may not be used in
31 this calculation; and

- 1 4. Multiply the result determined under subsection 3 by ~~thirty percent~~ a factor
2 calculated by the superintendent of public instruction that results in the expenditure
3 over the course of the biennium of the full amount appropriated for the purpose of
4 this section in payments to qualifying school districts. The result is the
5 supplemental payment to which a high school district is entitled, in addition to any
6 other amount provided under chapter 15.1-27.

7 **SECTION 5. AMENDMENT.** Section 15.1-27-37 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.**

- 10 1. On or before October first of each year or within thirty days after the conclusion of
11 the negotiation process provided for in chapter 15.1-16, the board of a school
12 district may file a claim with the superintendent of public instruction for the
13 reimbursement of moneys to be expended by the district during the school year to
14 increase the compensation of teachers employed by the district.
- 15 2. The claim must include:
- 16 a. The number of full-time equivalent teachers employed by the district as of
17 September fifteenth;
- 18 b. The number of full-time equivalent teachers who will receive an increase in
19 compensation over the amount paid during the previous school year; and
- 20 c. The total amount of the increase in compensation.
- 21 3. a. ~~For the 2001-02 school year, the reimbursement provided for in this section~~
22 ~~may not exceed one thousand dollars multiplied by the number of full-time~~
23 ~~equivalent teachers employed by the district as of September 15, 2001.~~
24 Reimbursement to a school district for teacher compensation increases under
25 this section for the 2003-04 school year may not exceed the following
26 amounts multiplied by the number of full-time equivalent teachers within the
27 categories employed by the district as of September 15, 2003:
- 28 (1) Teachers in their first year of teaching since becoming licensed or
29 approved to teach by the education standards and practices board, one
30 thousand dollars.
- 31 (2) Teachers in their second year of teaching, three thousand dollars.

- 1 (3) Teachers in their third or any subsequent year of teaching, three
2 thousand five hundred dollars.
- 3 b. ~~Except as provided in subdivision c, for the 2002-03 school year, the~~
4 reimbursement provided for in this section may not exceed three thousand
5 dollars multiplied by the number of full-time equivalent teachers employed by
6 the district as of September 15, 2002. Reimbursement to a school district for
7 teacher compensation increases under this section for the 2004-05 school
8 year may not exceed the following amounts multiplied by the number of
9 full-time equivalent teachers within the categories employed by the district as
10 of September 15, 2004:
- 11 (1) Teachers in their first year of teaching since becoming licensed or
12 approved to teach by the education standards and practices board, one
13 thousand dollars.
- 14 (2) Teachers in their second year of teaching, three thousand dollars.
- 15 (3) Teachers in their third year of teaching, three thousand five hundred
16 dollars.
- 17 (4) Teachers in their fourth or any subsequent year of teaching, four
18 thousand five hundred dollars.
- 19 e. ~~For the 2002-03 school year, the reimbursement under this section for each~~
20 individual employed as of September 15, 2002, as a full-time equivalent
21 teacher for the first school year since becoming licensed to teach by the
22 education standards and practices board or approved to teach by the
23 education standards and practices board, may not exceed one thousand
24 dollars.
- 25 4. For purposes of this section, the claim of a district may include proportionate
26 expenditures made by the district to compensate individuals employed as teachers
27 by the special education unit or the area vocational and technology center to which
28 the district belongs.
- 29 5. The superintendent of public instruction may adopt rules regarding claims for and
30 the payment of reimbursements under this section.