

Sixtieth
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; to provide for
4 transfers; to amend and reenact section 15.1-02-02 and subsection 5 of section 15.1-27-07 of
5 the North Dakota Century Code, relating to the salary of the superintendent of public instruction
6 and per student payments for kindergarten students; and to declare an emergency.

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

8 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
9 section represent the base level funding component appropriated to the department of public
10 instruction, the school for the deaf, North Dakota vision services - school for the blind, and the
11 state library in section 3 of this Act as follows:

12 Subdivision 1.

13 DEPARTMENT OF PUBLIC INSTRUCTION

14 Salaries and wages	\$10,056,952
15 Operating expenses	14,892,308
16 Grants - State school aid	484,053,759
17 Grants - Special education contracts	15,500,000
18 Grants - Transportation	33,500,000
19 Grants - Tuition apportionment	71,600,000
20 Grants - Special education	37,000,000
21 Grants - Revenue supplement	5,000,000
22 Grants - Teacher compensation	50,912,120
23 Grants - Other grants	207,999,083
24 Reorganization bonuses	759,000

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1	JPA incentives	1,000,000
2	Transportation efficiency	30,000
3	National board certification	<u>40,000</u>
4	Total all funds - Base level	\$932,343,222
5	Less estimated income - Base level	<u>295,899,635</u>
6	Total general fund - Base level	\$636,443,587
7	Subdivision 2.	
8	STATE LIBRARY	
9	Salaries and wages	\$2,232,082
10	Operating expenses	1,381,772
11	Grants	<u>1,552,500</u>
12	Total all funds - Base level	\$5,166,354
13	Less estimated income - Base level	<u>1,659,272</u>
14	Total general fund - Base level	\$3,507,082
15	Subdivision 3.	
16	SCHOOL FOR THE DEAF	
17	Salaries and wages	\$5,035,602
18	Operating expenses	1,377,265
19	Capital assets	<u>279,495</u>
20	Total all funds - Base level	\$6,692,362
21	Less estimated income - Base level	<u>1,327,265</u>
22	Total general fund - Base level	\$5,365,097
23	Subdivision 4.	
24	VISION SERVICES - SCHOOL FOR THE BLIND	
25	Salaries and wages	\$2,696,280
26	Operating expenses	607,306
27	Capital assets	<u>67,470</u>
28	Total all funds - Base level	\$3,371,056
29	Less estimated income - Base level	<u>846,447</u>
30	Total general fund - Base level	\$2,524,609
31	Total general fund - Section 1	\$647,840,375

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1 Subdivision 3.

2 SCHOOL FOR THE DEAF

3	Salaries and wages	\$105,779
4	Operating expenses	137,018
5	Capital assets	<u>(129,495)</u>
6	Total all funds - Adjustments/enhancements	\$113,302
7	Less estimated income - Adjustments/enhancements	<u>(363,103)</u>
8	Total general fund - Adjustments/enhancements	\$476,405

9 Subdivision 4.

10 VISION SERVICES - SCHOOL FOR THE BLIND

11	Salaries and wages	\$281,139
12	Operating expenses	33,492
13	Capital assets	<u>74,630</u>
14	Total all funds - Adjustments/enhancements	\$389,261
15	Less estimated income - Adjustments/enhancements	<u>(2,330)</u>
16	Total general fund - Adjustments/enhancements	\$391,591
17	Total general fund - Section 2	\$76,533,765
18	Total special funds - Section 2	\$29,633,567
19	Total all funds - Section 2	\$106,167,332

20 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
21 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
22 treasury, not otherwise appropriated, and from special funds derived from federal funds and
23 other income, to the department of public instruction, the school for the deaf, North Dakota
24 vision services - school for the blind, and the state library for the purpose of defraying the
25 expenses of those agencies, for the biennium beginning July 1, 2007, and ending June 30,
26 2009, as follows:

27 Subdivision 1.

28 DEPARTMENT OF PUBLIC INSTRUCTION

29	Salaries and wages	\$11,407,054
30	Operating expenses	20,968,294
31	Grants - State school aid	726,165,879

1	Total general fund appropriation	\$2,916,200
2	Grand total general fund appropriation - S.B. 2013	\$724,374,140
3	Grand total special funds appropriation - S.B. 2013	\$329,366,186
4	Grand total all funds appropriation - S.B. 2013	\$1,053,740,326

5 **SECTION 4. APPROPRIATION.** There is appropriated from special funds derived
6 from federal funds and other income the sum of \$22,000,000, or so much of the sum as may be
7 necessary, to the superintendent of public instruction for operating expenses and for providing
8 grants for the period beginning with the effective date of this Act and ending June 30, 2007.

9 **SECTION 5. APPROPRIATION - TUITION APPORTIONMENT.** The sum of
10 \$76,200,000, included in the grants - state school aid line item in subdivision 1 of section 3 of
11 this Act, is from the state tuition fund in the state treasury. Any additional amount in the state
12 tuition fund that becomes available for distribution to public schools is appropriated to the
13 department of public instruction for that purpose for the biennium beginning July 1, 2007, and
14 ending June 30, 2009.

15 **SECTION 6. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**

16 **AUTHORITY.** The superintendent of public instruction may expend funds included in the
17 grants - state school aid and grants - special education contracts line items in subdivision 1 of
18 section 3 of this Act in payment of grants for educational services that were due in the 2005-07
19 biennium but which were not filed, claimed, or properly supported by the education provider
20 until after June 30, 2007.

21 **SECTION 7. DISTRIBUTION OF SPECIAL EDUCATION AID.** The sum of \$400,000,
22 included in the grants - state school aid line item in subdivision 1 of section 3 of this Act, must
23 be distributed to reimburse school districts or special education units for gifted and talented
24 programs upon the submission of an application that is approved in accordance with guidelines
25 adopted by the superintendent of public instruction. The superintendent of public instruction
26 shall encourage cooperative efforts for gifted and talented programs among school districts and
27 special education units. State school aid payments for special education must be reduced by
28 the amount of matching funds required to be paid by school districts or special education units
29 for students participating in the medicaid program. Special education funds equal to the
30 amount of the matching funds required to be paid by the school district or special education unit

1 must be paid by the superintendent of public instruction to the department of human services
2 on behalf of the school district or unit.

3 **SECTION 8. PAYMENTS FOR ENGLISH LANGUAGE LEARNER STUDENTS.**

4 Payments to school districts educating English language learner students, as provided in
5 section 15.1-27-12, must be made by the superintendent of public instruction during the
6 biennium beginning July 1, 2007, and ending June 30, 2009, using up to \$650,000 of the
7 amount included in the grants - state school aid line item in subdivision 1 of section 3 of this
8 Act.

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

12 **SECTION 10. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
13 subdivision 2 of section 3 of this Act includes \$1,200,000 for aid to public libraries, of which no
14 more than one-half is to be expended during the fiscal year ending June 30, 2008.

15 **SECTION 11. LINE ITEM TRANSFER AUTHORITY.** Notwithstanding section
16 54-16-04, the director of the office of management and budget may make transfers of funds up
17 to \$240,000 from the salaries and wages line item to the operating expenses and capital assets
18 line items in subdivision 3 of section 3 of this Act for the school for the deaf as may be
19 requested by the superintendent of public instruction for increased instructional costs and
20 extraordinary repair needs.

21 **SECTION 12. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**
22 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
23 of section 3 of this Act, collected for subscription fees or braille fees, must be deposited in the
24 North Dakota vision services - school for the blind operating fund in the state treasury and may
25 be spent subject to appropriation by the legislative assembly.

26 **SECTION 13. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is
29 ~~eighty eighty-seven thousand five one hundred thirty one three~~ dollars through June 30, 2006
30 ~~2008, and eighty-three ninety thousand seven five hundred fifty-three eighty-seven~~ dollars
31 thereafter.

1 **SECTION 14. AMENDMENT.** Subsection 5 of section 15.1-27-07 of the North Dakota
2 Century Code is amended and reenacted as follows:

- 3 5. a. Each school district operating a half-day kindergarten ~~as provided for in~~
4 ~~section 15.1-22-02~~ is entitled to receive the amount of money that results
5 from multiplying the factor representing the five-year average cost of
6 education per student for ~~this category~~ half-day kindergartens, as determined
7 by the superintendent of public instruction, by the number of half-day
8 kindergarten students in average daily membership in the district, times the
9 per student payment provided for in section 15.1-27-04. The payment
10 provided for in this subsection is applicable only to the first twenty-five
11 students in average daily membership per classroom or per teacher.
- 12 b. In order to receive the ~~full~~ per student payment available under ~~this section~~
13 subdivision a, a district must operate a kindergarten program that provides
14 the equivalent of ninety full days of classroom instruction during a
15 twelve-month period. A district is entitled to a prorated payment ~~under this~~
16 ~~section~~ if it operates a kindergarten program of shorter duration.
- 17 c. Each school district operating a full-day kindergarten is entitled to receive the
18 amount of money that results from multiplying the factor representing the
19 five-year average cost of education per student for full-day kindergartens, as
20 determined by the superintendent of public instruction, by the number of
21 full-day kindergarten students in average daily membership in the district,
22 times the per student payment provided for in section 15.1-27-04. The
23 payment provided for in this subsection is applicable only to the first
24 twenty-five students in average daily membership per classroom or per
25 teacher.
- 26 d. In order to receive the per student payment available under subdivision c, a
27 district must operate a kindergarten program in accordance with the school
28 calendar requirements provided in section 15.1-06-04.

29 **SECTION 15. EMERGENCY.** Section 4 of this Act is declared to be an emergency
30 measure.