

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 provide for a legislative council study; to provide legislative intent; to amend and
5 reenact section 15.1-02-02 of the North Dakota Century Code and section 28 of chapter 167 of
6 the 2005 Session Laws, relating to the salary of the superintendent of public instruction and
7 contingent distributions of per student payments; and to declare an emergency.

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

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

13 Subdivision 1.

14 DEPARTMENT OF PUBLIC INSTRUCTION

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

Sixtieth
Legislative Assembly

1	Less estimated income - Adjustments/enhancements	<u>222,328</u>
2	Total general fund - Adjustments/enhancements	\$472,630
3	Subdivision 3.	
4	SCHOOL FOR THE DEAF	
5	Salaries and wages	(\$292,221)
6	Operating expenses	137,018
7	Capital assets	<u>(129,495)</u>
8	Total all funds - Adjustments/enhancements	(\$284,698)
9	Less estimated income - Adjustments/enhancements	<u>(288,103)</u>
10	Total general fund - Adjustments/enhancements	\$3,405
11	Subdivision 4.	
12	VISION SERVICES - SCHOOL FOR THE BLIND	
13	Salaries and wages	\$281,139
14	Operating expenses	33,492
15	Capital assets	<u>74,630</u>
16	Total all funds - Adjustments/enhancements	\$389,261
17	Less estimated income - Adjustments/enhancements	<u>(2,330)</u>
18	Total general fund - Adjustments/enhancements	\$391,591
19	Total general fund - Section 2	\$74,830,765
20	Total special funds - Section 2	\$29,708,567
21	Total all funds - Section 2	\$104,539,332

22 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
23 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
24 treasury, not otherwise appropriated, and from special funds derived from federal funds and
25 other income, to the department of public instruction, the school for the deaf, North Dakota
26 vision services - school for the blind, and the state library for the purpose of defraying the
27 expenses of those agencies, for the biennium beginning July 1, 2007, and ending June 30,
28 2009, as follows:

29 Subdivision 1.

30 DEPARTMENT OF PUBLIC INSTRUCTION

Sixtieth
Legislative Assembly

1	Salaries and wages	\$11,407,054
2	Operating expenses	19,738,294
3	Grants - State school aid	726,165,879
4	Grants - Special education contracts	17,500,000
5	Grants - Transportation	33,500,000
6	Grants - Other grants	227,701,806
7	Transportation efficiency	30,000
8	National board certification	<u>40,000</u>
9	Total all funds	\$1,036,083,033
10	Less estimated income	<u>325,676,307</u>
11	Total general fund appropriation	\$710,406,726
12	Subdivision 2.	
13	STATE LIBRARY	
14	Salaries and wages	\$2,631,040
15	Operating expenses	1,477,772
16	Grants	<u>1,752,500</u>
17	Total all funds	\$5,861,312
18	Less estimated income	<u>1,881,600</u>
19	Total general fund appropriation	\$3,979,712
20	Subdivision 3.	
21	SCHOOL FOR THE DEAF	
22	Salaries and wages	\$4,743,381
23	Operating expenses	1,514,283
24	Capital assets	<u>150,000</u>
25	Total all funds	\$6,407,664
26	Less estimated income	<u>1,039,162</u>
27	Total general fund appropriation	\$5,368,502
28	Subdivision 4.	
29	VISION SERVICES - SCHOOL FOR THE BLIND	
30	Salaries and wages	\$2,977,419
31	Operating expenses	640,798

1	Capital assets	<u>142,100</u>
2	Total all funds	\$3,760,317
3	Less estimated income	<u>844,117</u>
4	Total general fund appropriation	\$2,916,200
5	Grand total general fund appropriation - S.B. 2013	\$722,671,140
6	Grand total special funds appropriation - S.B. 2013	\$329,441,186
7	Grand total all funds appropriation - S.B. 2013	\$1,052,112,326

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

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

18 **SECTION 6. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**
19 **AUTHORITY.** The superintendent of public instruction may expend funds included in the
20 grants - state school aid and grants - special education contracts line items in subdivision 1 of
21 section 3 of this Act in payment of grants for educational services that were due in the 2005-07
22 biennium but which were not filed, claimed, or properly supported by the education provider
23 until after June 30, 2007.

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

1 for students participating in the medicaid program. Special education funds equal to the
2 amount of the matching funds required to be paid by the school district or special education unit
3 must be paid by the superintendent of public instruction to the department of human services
4 on behalf of the school district or unit.

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

8 **SECTION 9. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
9 subdivision 2 of section 3 of this Act includes \$1,200,000 for aid to public libraries, of which no
10 more than one-half is to be expended during the fiscal year ending June 30, 2008.

11 **SECTION 10. LINE ITEM TRANSFER AUTHORITY.** Notwithstanding section
12 54-16-04, the director of the office of management and budget may make transfers of funds up
13 to \$240,000 from the salaries and wages line item to the operating expenses and capital assets
14 line items in subdivision 3 of section 3 of this Act for the school for the deaf as may be
15 requested by the superintendent of public instruction for increased instructional costs and
16 extraordinary repair needs.

17 **SECTION 11. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**
18 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
19 of section 3 of this Act, collected for subscription fees or braille fees, must be deposited in the
20 North Dakota vision services - school for the blind operating fund in the state treasury and may
21 be spent subject to appropriation by the legislative assembly.

22 **SECTION 12. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
23 **THE SIXTY-FIRST LEGISLATIVE ASSEMBLY.** The total general fund appropriation line item
24 in section 3 of this Act includes \$100,000 for the one-time funding item identified in this section.
25 This amount is not a part of the agency's base budget to be used in preparing the 2009-11
26 executive budget. The school for the deaf shall report to the appropriations committees of the
27 sixty-first legislative assembly on the use of this one-time funding for the biennium beginning
28 July 1, 2007, and ending June 30, 2009.

29 Deferred maintenance - School for the deaf \$100,000

30 **SECTION 13. LEGISLATIVE COUNCIL STUDY - SERVICES TO STUDENTS WHO**
31 **ARE DEAF OR HEARING-IMPAIRED.** The legislative council shall consider studying, during

1 the 2007-08 interim, the provision of services to children and adults who are deaf or
2 hearing-impaired, including the role of the North Dakota school for the deaf in the provision of
3 educational and rehabilitative services, the short-term and long-term viability of existing state
4 facilities, and alternative approaches that might enhance the scope and breadth of service
5 availability. The study, if conducted, must include the feasibility of combining the administration
6 and delivery of services of the school for the deaf with other area school districts, educational
7 associations governed by joint powers agreements, special education units, and North Dakota
8 vision services - school for the blind. The study should examine alternative uses for the
9 buildings on the school for the deaf campus beyond the scope of the school's present mission.
10 The legislative council shall report its findings and recommendations, together with any
11 legislation required to implement the recommendations, to the sixty-first legislative assembly.

12 **SECTION 14. LEGISLATIVE INTENT - REPORT TO THE SIXTY-FIRST**

13 **LEGISLATIVE ASSEMBLY.** It is the intent of the legislative assembly that the school for the
14 deaf collaborate with Lake Region state college on the college's wind energy project and
15 determine the feasibility of the school for the deaf accessing any available energy, including
16 identifying any related costs. The school for the deaf should provide a report on the status of
17 this collaboration to the appropriations committees of the sixty-first legislative assembly.

18 **SECTION 15. ADULT EDUCATION PER STUDENT FUNDING STUDY.** The

19 commission on education improvement shall consider studying, during the 2007-08 interim,
20 changes to the state school aid formula to provide per student payments to school districts
21 offering an adult education program.

22 **SECTION 16. AMENDMENT.** Section 28 of chapter 167 of the 2005 Session Laws is
23 amended and reenacted as follows:

24 **SECTION 28. CONTINGENCY.** If any moneys appropriated for per student payments
25 and transportation payments in the grants - state school aid line item in House Bill No. 1013, as
26 approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations
27 for per student and transportation payments during the biennium beginning July 1, 2005, and
28 ending June 30, 2007, and after the superintendent of public instruction has fulfilled any
29 directives contained in section 27 of this Act, the superintendent shall distribute the remaining
30 moneys as follows:

- 1 1. The superintendent of public instruction shall use the first \$450,000, or so much of
2 that amount as may be necessary, to provide additional payments to school
3 districts serving English language learners in accordance with section 15.1-27-12.
- 4 2. The superintendent of public instruction shall use the next \$1,000,000, or so much
5 of that amount as may be necessary, for the purpose of providing additional per
6 student payments to school districts participating in eligible educational
7 associations in accordance with section 32 of this Act.
- 8 3. The superintendent of public instruction shall use the next \$25,748, or so much of
9 that amount as may be necessary, for the purpose of reimbursing eligible school
10 districts that received reduced amounts of state aid. For the purposes of this
11 subsection, an eligible school district is one that received a reduction in state aid
12 during the 2005-07 biennium because the district's general fund levy fell below one
13 hundred forty mills as the result of an accounting oversight.
- 14 4. The superintendent of public instruction shall use the next \$200,000, or so much of
15 that amount as may be necessary, for the purpose of providing additional
16 payments to school districts offering an adult education program during the
17 2005-07 biennium.
- 18 5. a. The superintendent of public instruction shall use the next \$2,000,000, or so
19 much of that sum as may be necessary, for the purpose of providing
20 payments to school districts that are members of eligible educational
21 associations, for the biennium beginning July 1, 2007, and ending June 30,
22 2009.
- 23 b. Each year of the biennium, the superintendent of public instruction shall
24 distribute fifty percent of the moneys appropriated to eligible school districts
25 on a per student basis. The superintendent shall make the distribution at the
26 same time and in the same manner as other state aid payments under
27 section 15.1-27-01.
- 28 c. For purposes of this subsection, an "eligible educational association" is one
29 that is governed by a joint powers agreement that the superintendent of public
30 instruction has reviewed and verified as meeting the requirements of section
31 15.1-07-28.

- 1 6. The superintendent of public instruction shall use the next \$500,000, or so much of
2 that amount as may be necessary, for the purpose of funding the rewrite of the
3 state school aid computer system.
- 4 7. The superintendent of public instruction shall use the next \$650,000, or so much of
5 that amount as may be necessary, for the purpose of funding the rewrite of the
6 teacher licensure application used by the department and the education standards
7 and practices board. The education standards and practices board will pay the
8 remaining \$80,000 of the anticipated total project cost.
- 9 8. The superintendent of public instruction shall use the next \$77,000, or so much of
10 that amount as may be necessary, for providing funding to the education standards
11 and practices board for providing payments to recipients of national board
12 certification and scholarships to individuals seeking national board certification in
13 accordance with Senate Bill No. 2057 as approved by the sixtieth legislative
14 assembly.
- 15 9. The superintendent of public instruction shall use the next \$400,000, or so much of
16 that amount as may be necessary, to purchase automated external defibrillators
17 and place one in each public and nonpublic school in the state.
- 18 10. The superintendent of public instruction shall use the next \$395,000, or so much of
19 that sum as may be necessary, for the purpose of providing a grant to the north
20 central council of school television for licensing of education television programs
21 for classroom use by North Dakota elementary and secondary schools, assisting
22 with the North Dakota studies project, and other operating expenses.
- 23 11. The superintendent of public instruction shall use the next \$50,000, or so much of
24 that sum as may be necessary, for the purpose of providing a grant for the
25 Atlantik-Brucke teacher exchange program.
- 26 12. The superintendent of public instruction shall use the remainder of the moneys to
27 provide additional per student payments on a prorated basis according to the latest
28 available average daily membership of each school district.

29 **SECTION 17. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is
2 ~~eighty eighty-seven~~ thousand ~~five one~~ hundred ~~thirty one~~ three dollars through June 30, ~~2006~~
3 ~~2008~~, and ~~eighty three~~ ninety thousand ~~seven five~~ hundred ~~fifty three~~ eighty-seven dollars
4 thereafter.

5 **SECTION 18. EMERGENCY.** Sections 4 and 16 of this Act are declared to be an
6 emergency measure.