

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1013

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 an appropriation; to provide for the distribution of funding for
4 gifted and talented programs and other grants; to provide a contingent appropriation; to provide
5 for the development and implementation of a future services plan for the school for the deaf; to
6 amend and reenact section 15.1-02-02 and subsection 6 of section 15.1-29-14 of the North
7 Dakota Century Code, relating to the salary of the superintendent of public instruction and
8 special education cost reimbursements; and to declare an emergency.

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

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
11 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
12 treasury, not otherwise appropriated, and from special funds derived from federal funds and
13 other income, to the department of public instruction, the school for the deaf, North Dakota
14 vision services - school for the blind, and the state library for the purpose of defraying the
15 expenses of those agencies, for the biennium beginning July 1, 2009, and ending June 30,
16 2011, as follows:

17 Subdivision 1.

18 DEPARTMENT OF PUBLIC INSTRUCTION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21 Salaries and wages	\$11,415,534	\$1,330,606	\$12,746,140
22 Operating expenses	19,738,294	11,242,300	30,980,594
23 Grants - State school aid	726,165,879	100,800,000	826,965,879
24 Grants - Special education contracts	17,500,000	(2,000,000)	15,500,000

Sixty-first
Legislative Assembly

1	Grants - Transportation	33,500,000	5,000,000	38,500,000
2	Grants - Other grants	227,701,806	14,829,915	242,531,721
3	Transportation efficiency	30,000	0	30,000
4	National board certification	<u>40,000</u>	<u>55,000</u>	<u>95,000</u>
5	Total all funds	\$1,036,091,513	\$131,257,821	\$1,167,349,334
6	Less estimated income	<u>325,668,238</u>	<u>34,366,125</u>	<u>360,034,363</u>
7	Total general fund	\$710,423,275	\$96,891,696	\$807,314,971
8	Full-time equivalent positions	94.75	2.00	96.75

Subdivision 2.

STATE LIBRARY

11			Adjustments or	
12		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13	Salaries and wages	\$2,628,494	\$501,421	\$3,129,915
14	Operating expenses	1,477,772	4,801	1,482,573
15	Grants	<u>1,752,500</u>	<u>100,000</u>	<u>1,852,500</u>
16	Total all funds	\$5,858,766	\$606,222	\$6,464,988
17	Less estimated income	<u>1,881,253</u>	<u>35,230</u>	<u>1,916,483</u>
18	Total general fund	\$3,977,513	\$570,992	\$4,548,505
19	Full-time equivalent positions	29.75	0.00	29.75

Subdivision 3.

SCHOOL FOR THE DEAF

22			Adjustments or	
23		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
24	Salaries and wages	\$4,765,173	\$569,456	\$5,334,629
25	Operating expenses	1,514,283	124,320	1,638,603
26	Capital assets	50,000	162,640	212,640
27	Deferred maintenance	<u>0</u>	<u>98,605</u>	<u>98,605</u>
28	Total all funds	\$6,329,456	\$955,021	\$7,284,477
29	Less estimated income	<u>1,039,018</u>	<u>288,092</u>	<u>1,327,110</u>
30	Total general fund	\$5,290,438	\$666,929	\$5,957,367
31	Full-time equivalent positions	43.94	0.00	43.94

1 Subdivision 4.

2 VISION SERVICES - SCHOOL FOR THE BLIND

3		Adjustments or		
4		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
5	Salaries and wages	\$2,978,895	\$330,886	\$3,309,781
6	Operating expenses	640,798	18,200	658,998
7	Capital assets	142,100	(115,100)	27,000
8	Deferred maintenance	<u>0</u>	<u>64,500</u>	<u>64,500</u>
9	Total all funds	\$3,761,793	\$298,486	\$4,060,279
10	Less estimated income	<u>843,857</u>	<u>(35,546)</u>	<u>808,311</u>
11	Total general fund	\$2,917,936	\$334,032	\$3,251,968
12	Full-time equivalent positions	28.00	0.00	28.00

13 Subdivision 5.

14 BILL TOTAL

15		Adjustments or		
16		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
17	Grand total general fund	\$722,609,162	\$98,463,649	\$821,072,811
18	Grand total special funds	\$329,432,366	\$34,653,901	\$364,086,267
19	Grand total all funds	\$1,052,041,528	\$133,117,550	\$1,185,159,078

20 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
 21 **SIXTY-SECOND LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
 22 funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the
 23 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

24	<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
25	Department of public instruction		
26	STARS school data collection system rewrite	\$0	\$500,000
27	Geographic alliance endowment	<u>0</u>	<u>226,000</u>
28	Total department of public instruction - General fund	\$0	\$726,000
29	School for the deaf		
30	Deferred maintenance	\$100,000	\$0
31	Facility master plan	0	41,000

1	Virtual services business plan	<u>0</u>	<u>25,000</u>
2	Total school for the deaf - General fund	\$100,000	\$66,000
3	School for the blind - Vision services		
4	Equipment	\$0	\$39,200
5	Window replacement	<u>0</u>	<u>31,000</u>
6	Total school for the blind - Vision services - General fund	\$0	\$70,200
7	Grand total - General fund	\$100,000	\$862,200

8 The 2009-11 one-time funding amounts are not a part of the entity's base budget for the
9 2011-13 biennium. The department of public instruction, school for the deaf, and school for the
10 blind - vision services shall report to the appropriations committees of the sixty-second
11 legislative assembly on the use of this one-time funding for the biennium beginning July 1,
12 2009, and ending June 30, 2011.

13 **SECTION 3. DEFERRED MAINTENANCE - TRANSFERS - SCHOOL FOR THE**
14 **DEAF.** The school for the deaf is authorized to transfer from the deferred maintenance line to
15 the capital assets line, contained in subdivision 3 of section 1 of this Act, amounts necessary to
16 address extraordinary repair needs. Any amounts transferred must be reported to the director
17 of the office of management and budget.

18 **SECTION 4. DEFERRED MAINTENANCE - TRANSFERS - SCHOOL FOR THE**
19 **BLIND - VISION SERVICES.** The school for the blind - vision services is authorized to transfer
20 from the deferred maintenance line to the capital assets line, contained in subdivision 4 of
21 section 1 of this Act, amounts necessary to address extraordinary repair needs. Any amounts
22 transferred must be reported to the director of the office of management and budget.

23 **SECTION 5. APPROPRIATION.** There is appropriated from special funds derived
24 from federal funds and other income the sum of \$20,000,000, or so much of the sum as may be
25 necessary, to the superintendent of public instruction for grants for the period beginning with
26 the effective date of this Act and ending June 30, 2009.

27 **SECTION 6. APPROPRIATION - TUITION APPORTIONMENT.** The sum of
28 \$86,300,000, included in the grants - state school aid line item in subdivision 1 of section 3 of
29 this Act, is from the state tuition fund in the state treasury. Any additional amount in the state
30 tuition fund that becomes available for distribution to public schools is appropriated to the

department of public instruction for that purpose for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. STATE SCHOOL AID AND SPECIAL EDUCATION CONTRACTS

EXPENDITURE AUTHORITY. The superintendent of public instruction may expend funds included in the grants - state school aid and grants - special education contracts line items in subdivision 1 of section 1 of this Act in payment of grants for educational services that were due in the 2007-09 biennium but which were not filed, claimed, or properly supported by the education provider until after June 30, 2009.

SECTION 8. GIFTED AND TALENTED PROGRAM - FUNDING - DISTRIBUTION.

The sum of \$800,000, included in the grants - state school aid line item in subdivision 1 of section 1 of this Act, must be distributed to reimburse school districts or special education units for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction. The superintendent of public instruction shall encourage cooperative efforts for gifted and talented programs among school districts and special education units. State school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by the superintendent of public instruction to the department of human services on behalf of the school district or unit.

SECTION 9. GENERAL EDUCATIONAL DEVELOPMENT GRADUATE

ASSESSMENT - FUNDING. The department of public instruction shall make available, from funds appropriated in subdivision 1 of section 1 of this Act, for the state assessment program, amounts necessary, as requested by adult education providers to defray the costs of assessment testing of general educational development diploma graduates for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. TEACHER OF THE YEAR PROGRAM - FUNDING. The department of public instruction shall administer a teacher of the year program for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of public instruction shall assign responsibility to its department staff to coordinate the annual event, including preparation of application materials, distribution of materials to the selection committee, publicity, and

1 planning of the event at which the recipient of the award is announced. The selection
2 committee appointed by the department of public instruction may not include more than one
3 representative from any education-related organization or association.

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

7 **SECTION 12. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
8 subdivision 2 of section 1 of this Act includes \$1,300,000 for aid to public libraries, of which no
9 more than one-half is to be expended during the fiscal year ending June 30, 2010.

10 **SECTION 13. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**
11 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
12 of section 1 of this Act, collected for subscription fees or braille fees, must be deposited in the
13 North Dakota vision services - school for the blind operating fund in the state treasury and may
14 be spent subject to appropriation by the legislative assembly.

15 **SECTION 14. CONTINGENT APPROPRIATION - SUPPLEMENTAL**
16 **TRANSPORTATION AID PAYMENTS.**

- 17 1. There is appropriated out of any moneys in the general fund in the state treasury,
18 not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may
19 be necessary, to the superintendent of public instruction for the purpose of
20 providing supplemental transportation aid payments, for the biennium beginning
21 July 1, 2009, and ending June 30, 2011.
- 22 2. If the office of management and budget determines by July 31, 2010, that the
23 June 30, 2011, ending balance of the state general fund will be more than
24 \$30,000,000 in excess of the amount predicted by the office of management and
25 budget at the conclusion of the 2009 legislative session, the superintendent of
26 public instruction shall provide \$5,000,000 as supplemental transportation aid
27 payments to school districts.
- 28 3. If the general fund balance requirements of subsection 2 are not met and if the
29 office of management and budget determines by April 30, 2011, that the June 30,
30 2011, ending balance of the state general fund will be more than \$30,000,000 in
31 excess of the amount predicted by the office of management and budget at the

conclusion of the 2009 legislative session, the superintendent of public instruction shall provide \$5,000,000 as supplemental transportation aid payments to school districts.

4. The superintendent of public instruction shall pro rate the supplemental transportation payments according to the percentage of the total transportation formula amount that each school district is entitled to receive under 2009 House Bill No. 1400 as approved by the sixty-first legislative assembly.

SECTION 15. FUTURE SERVICES PLAN AND IMPLEMENTATION - SCHOOL FOR THE DEAF. The department of public instruction and school for the deaf shall develop a plan for future services to be offered by the school for the deaf and begin implementing the plan for the biennium beginning July 1, 2009, and ending June 30, 2011. As part of the plan, the department of public instruction and school for the deaf shall:

1. Review the needs of all deaf and hearing-impaired persons throughout the state and develop a plan to provide comprehensive outreach services to all North Dakota citizens who are deaf or hearing-impaired.
2. Explore the development of partnerships with other states relating to the provision of residential and educational services to individuals who are deaf or hearing-impaired.
3. Review current research and national trends in the provision of services to students who are deaf or hearing-impaired.
4. Meet regularly with a transition team appointed by the superintendent of public instruction consisting of representation from the legislative assembly, parents of school for the deaf students, school for the deaf employees, members of the Devils Lake community, school for the deaf alumni, and others.
5. Explore the feasibility of implementing revenue-generating activities at the school for the deaf.
6. Develop a long-range site and facility plan for the school for the deaf campus.

SECTION 16. AMENDMENT. Section 15.1-02-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-02. Salary. The annual salary of the superintendent of public instruction is ~~eighty-seven~~ ninety-five thousand one hundred ~~three~~ sixteen dollars through June 30, ~~2008~~

1 2010, and ~~ninety~~ ninety-nine thousand ~~five~~ eight hundred ~~eighty-seven~~ seventy-two dollars
2 thereafter.

3 **SECTION 17. AMENDMENT.** Subsection 6 of section 15.1-29-14 of the North Dakota
4 Century Code is amended and reenacted as follows:

5 6. a. An amount equal to the state average per student elementary or high school
6 cost, depending on the student's grade of enrollment, is payable to the
7 admitting district or facility as part of the cost of educating the student for the
8 school year. The payment may not exceed the actual per student cost
9 incurred by the admitting district or facility.

10 b. The remainder of the actual cost of educating the student not covered by
11 other payments or credits must be paid by the state, within the limits of
12 legislative appropriations, from funds appropriated for the payment of special
13 education contract charges in the case of a student with disabilities or from
14 state aid payments to schools in all other cases. For purposes of this
15 subdivision, "actual costs" includes the cost of a summer program if the
16 program is a condition of placement at a residential facility that has been
17 determined by a placing agency or entity to be an appropriate placement for a
18 student.

19 **SECTION 18. EMERGENCY.** Section 5 of this Act is declared to be an emergency
20 measure.