

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Froelich

1 A BILL for an Act to amend and reenact section 15.1-27-07.2 of the North Dakota Century
2 Code, relating to the determination of baseline funding for districts receiving federal impact aid;
3 and to declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 15.1-27-07.2 of the North Dakota Century Code
6 is amended and reenacted as follows:

7 **15.1-27-07.2. Baseline funding - Determination - Minimum and maximum** 8 **allowable increases.**

- 9 1. a. The Except as provided in subdivision b, the superintendent of public
10 instruction shall determine each school district's baseline funding per
11 weighted student unit by:
- 12 ~~a.~~ (1) Adding together all state aid received by the district during the 2006-07
13 school year;
- 14 ~~b.~~ (2) Subtracting the amount received by the district during the 2006-07
15 school year for transportation aid, special education excess cost
16 reimbursements, special education contracts, prior year funding
17 adjustments, and per student payments for participation in educational
18 associations governed by joint powers agreements; and
- 19 ~~c.~~ (3) Dividing the amount determined under ~~subdivision b~~ paragraph 2 by the
20 district's 2007-08 weighted student units.
- 21 b. If in carrying out subdivision a the superintendent of public instruction
22 determines that the amount of federal impact aid received by a school district
23 during the 2006-07 school year results in that district losing state aid under

section 15.1-27-35.3, the superintendent shall calculate that district's baseline
by:

- (1) Adding together the amount of state aid that the district would have received during the 2006-07 school year if in determining the district's ending fund balance, the average amount of federal impact aid received by the district during the 2005-06 and 2006-07 school years was used, rather than the actual amount received during the 2006-07 school year;
- (2) Subtracting the amount received by the district during the 2006-07 school year for transportation aid, special education excess cost reimbursements, special education contracts, prior year funding adjustments, and per student payments for participation in regional education associations; and
- (3) Dividing the amount determined under paragraph 2 by the district's 2007-08 weighted student units.

2. a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for the 2007-08 school year, is at least equal to one hundred three and one-half percent of the baseline funding per weighted student unit, as established in subsection 1.
- b. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for each school year after the 2007-08 school year, is at least equal to one hundred six percent of the baseline funding per weighted student unit, as established in subsection 1.
3. a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed, for the 2007-08 school year, one hundred seven percent of the baseline funding per weighted student unit, as established in subsection 1.
- b. Beginning with the 2008-09 school year, the maximum percentage of allowable growth in the baseline funding per weighted student unit provided in

1 subdivision a must be annually increased by three percentage points, plus the
2 district's share of any increased state aid for that year. Payments received by
3 districts for the provision of full-day kindergarten do not constitute increases in
4 state aid for purposes of this subdivision.

5 **SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.