

Sixty-sixth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2013

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 public instruction, the state library, the school for the deaf, and the North Dakota vision  
3 services - school for the blind; to amend and reenact ~~sections 15-10-38,~~ section 15.1-02-02,  
4 ~~15.1-37-05, 15.1-37-06, and 15.1-37-08~~ of the North Dakota Century Code, relating to ~~a student~~  
5 ~~loan forgiveness program for teachers,~~ the salary of the superintendent of public instruction,  
6 ~~early childhood education providers, the distribution of early childhood education provider~~  
7 ~~grants, and early childhood education provider data collection;~~ to provide for a report to the  
8 legislative assembly; to provide for a legislative management study; to provide exemptions; and  
9 to declare an emergency.

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

11 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
12 as may be necessary, are appropriated out of any moneys in the general fund in the state  
13 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
14 other income, to the department of public instruction, the state library, the school for the deaf,  
15 and North Dakota vision services - school for the blind for the purpose of defraying the  
16 expenses of those agencies, for the biennium beginning July 1, 2019, and ending June 30,  
17 2021, as follows:

18 Subdivision 1.

19 DEPARTMENT OF PUBLIC INSTRUCTION

|                                           |                          | Adjustments or         |                          |
|-------------------------------------------|--------------------------|------------------------|--------------------------|
|                                           | <u>Base Level</u>        | <u>Enhancements</u>    | <u>Appropriation</u>     |
| 22 <del>Salaries and wages</del>          | <del>\$17,439,176</del>  | <del>\$502,280</del>   | <del>\$17,941,456</del>  |
| 23 <del>Operating expenses</del>          | <del>30,165,005</del>    | <del>2,004,942</del>   | <del>32,169,947</del>    |
| 24 <del>Integrated formula payments</del> | <del>1,750,204,163</del> | <del>356,441,891</del> | <del>2,106,646,054</del> |

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|    |                                         |                            |                          |                            |
|----|-----------------------------------------|----------------------------|--------------------------|----------------------------|
| 1  | <del>Grants – special education</del>   | <del>19,300,000</del>      | <del>5,700,000</del>     | <del>25,000,000</del>      |
| 2  | <del>Grants – transportation</del>      | <del>55,400,000</del>      | <del>500,000</del>       | <del>55,900,000</del>      |
| 3  | <del>Grants – other grants</del>        | <del>254,062,705</del>     | <del>33,000,000</del>    | <del>287,062,705</del>     |
| 4  | <del>Grants – program grants</del>      | <del>6,210,000</del>       | <del>3,406,711</del>     | <del>9,616,711</del>       |
| 5  | <del>Grants – passthrough grants</del>  | <del>2,898,000</del>       | <del>(48,660)</del>      | <del>2,849,340</del>       |
| 6  | <del>PowerSchool</del>                  | <del>5,500,000</del>       | <del>0</del>             | <del>5,500,000</del>       |
| 7  | <del>Transportation efficiency</del>    | <del>30,000</del>          | <del>(30,000)</del>      | <del>0</del>               |
| 8  | <del>National board certification</del> | <del>120,000</del>         | <del>(12,000)</del>      | <del>108,000</del>         |
| 9  | <del>Total all funds</del>              | <del>\$2,141,329,049</del> | <del>\$401,465,164</del> | <del>\$2,542,794,213</del> |
| 10 | <del>Less estimated income</del>        | <del>705,727,065</del>     | <del>108,815,319</del>   | <del>814,542,384</del>     |
| 11 | <del>Total general fund</del>           | <del>\$1,435,601,984</del> | <del>\$292,649,845</del> | <del>\$1,728,251,829</del> |
| 12 | Salaries and wages                      | \$17,439,176               | \$511,859                | \$17,951,035               |
| 13 | Operating expenses                      | 30,165,005                 | 3,616,942                | 33,781,947                 |
| 14 | Integrated formula payments             | 1,750,204,163              | 348,398,266              | 2,098,602,429              |
| 15 | Grants - special education              | 19,300,000                 | 4,700,000                | 24,000,000                 |
| 16 | Grants - transportation                 | 55,400,000                 | 1,100,000                | 56,500,000                 |
| 17 | Grants - other grants                   | 254,062,705                | 33,000,000               | 287,062,705                |
| 18 | Grants - program grants                 | 6,210,000                  | 1,470,000                | 7,680,000                  |
| 19 | Grants - passthrough grants             | 2,898,000                  | (34,236)                 | 2,863,764                  |
| 20 | PowerSchool                             | 5,500,000                  | 0                        | 5,500,000                  |
| 21 | Transportation efficiency               | 30,000                     | (30,000)                 | 0                          |
| 22 | National board certification            | 120,000                    | (12,000)                 | 108,000                    |
| 23 | State automated reporting system        | 0                          | 1,200,000                | 1,200,000                  |
| 24 | rewrite                                 |                            |                          |                            |
| 25 | Total all funds                         | \$2,141,329,049            | \$393,920,831            | \$2,535,249,880            |
| 26 | Less estimated income                   | 705,727,065                | 108,026,678              | 813,753,743                |
| 27 | Total general fund                      | \$1,435,601,984            | \$285,894,153            | \$1,721,496,137            |
| 28 | Full-time equivalent positions          | 91.75                      | (3.00)                   | 88.75                      |
| 29 | Subdivision 2.                          |                            |                          |                            |
| 30 | STATE LIBRARY                           |                            |                          |                            |

|    |                                |                   |                     |                      |
|----|--------------------------------|-------------------|---------------------|----------------------|
| 1  |                                | Adjustments or    |                     |                      |
| 2  |                                | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| 3  | Salaries and wages             | \$4,152,758       | \$115,434           | \$4,268,192          |
| 4  | Operating expenses             | 1,604,075         | 17,842              | 1,621,917            |
| 5  | Grants                         | 2,109,028         | 124,500             | 2,233,528            |
| 6  | Total all funds                | \$7,865,861       | \$257,776           | \$8,123,637          |
| 7  | Less estimated income          | 2,247,560         | 119,886             | 2,367,446            |
| 8  | Total general fund             | \$5,618,301       | \$137,890           | \$5,756,191          |
| 9  | Salaries and wages             | \$4,152,758       | \$147,577           | \$4,300,335          |
| 10 | Operating expenses             | 1,604,075         | 17,842              | 1,621,917            |
| 11 | Grants                         | 2,109,028         | 124,500             | 2,233,528            |
| 12 | Total all funds                | \$7,865,861       | \$289,919           | \$8,155,780          |
| 13 | Less estimated income          | 2,247,560         | 126,801             | 2,374,361            |
| 14 | Total general fund             | \$5,618,301       | \$163,118           | \$5,781,419          |
| 15 | Full-time equivalent positions | 28.75             | (1.00)              | 27.75                |

Subdivision 3.

SCHOOL FOR THE DEAF

|    |                       |                   |                     |                      |
|----|-----------------------|-------------------|---------------------|----------------------|
| 18 |                       | Adjustments or    |                     |                      |
| 19 |                       | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| 20 | Salaries and wages    | \$7,588,749       | \$432,098           | \$8,020,847          |
| 21 | Operating expenses    | 2,026,543         | (320,957)           | 1,705,586            |
| 22 | Capital assets        | 158,678           | 270,000             | 428,678              |
| 23 | Grants                | 180,000           | (140,000)           | 40,000               |
| 24 | Total all funds       | \$9,953,970       | \$241,141           | \$10,195,111         |
| 25 | Less estimated income | 2,465,444         | 231,752             | 2,697,196            |
| 26 | Total general fund    | \$7,488,526       | \$9,389             | \$7,497,915          |
| 27 | Salaries and wages    | \$7,588,749       | \$466,195           | \$8,054,944          |
| 28 | Operating expenses    | 2,026,543         | (320,957)           | 1,705,586            |
| 29 | Capital assets        | 158,678           | 270,000             | 428,678              |
| 30 | Grants                | 180,000           | (140,000)           | 40,000               |
| 31 | Total all funds       | \$9,953,970       | \$275,238           | \$10,229,208         |

|   |                              |                    |                 |                    |
|---|------------------------------|--------------------|-----------------|--------------------|
| 1 | <u>Less estimated income</u> | <u>2,465,444</u>   | <u>234,914</u>  | <u>2,700,358</u>   |
| 2 | <u>Total general fund</u>    | <u>\$7,488,526</u> | <u>\$40,324</u> | <u>\$7,528,850</u> |

|   |                                |       |        |       |
|---|--------------------------------|-------|--------|-------|
| 3 | Full-time equivalent positions | 45.61 | (1.00) | 44.61 |
| 4 | Subdivision 4.                 |       |        |       |

NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

|    |                                  |                        |                      |                        |
|----|----------------------------------|------------------------|----------------------|------------------------|
| 6  |                                  | Adjustments or         |                      |                        |
| 7  |                                  | <u>Base Level</u>      | <u>Enhancements</u>  | <u>Appropriation</u>   |
| 8  | <del>Salaries and wages</del>    | <del>\$4,660,995</del> | <del>\$253,761</del> | <del>\$4,914,756</del> |
| 9  | <del>Operating expenses</del>    | <del>773,206</del>     | <del>42,615</del>    | <del>815,821</del>     |
| 10 | <del>Capital assets</del>        | <del>39,192</del>      | <del>260,500</del>   | <del>299,692</del>     |
| 11 | <del>Total all funds</del>       | <del>\$5,473,393</del> | <del>\$556,876</del> | <del>\$6,030,269</del> |
| 12 | <del>Less estimated income</del> | <del>1,079,247</del>   | <del>251,746</del>   | <del>1,330,993</del>   |
| 13 | <del>Total general fund</del>    | <del>\$4,394,146</del> | <del>\$305,130</del> | <del>\$4,699,276</del> |
| 14 | <u>Salaries and wages</u>        | <u>\$4,660,995</u>     | <u>\$274,296</u>     | <u>\$4,935,291</u>     |
| 15 | <u>Operating expenses</u>        | <u>773,206</u>         | <u>42,615</u>        | <u>815,821</u>         |
| 16 | <u>Capital assets</u>            | <u>39,192</u>          | <u>260,500</u>       | <u>299,692</u>         |
| 17 | <u>Total all funds</u>           | <u>\$5,473,393</u>     | <u>\$577,411</u>     | <u>\$6,050,804</u>     |
| 18 | <u>Less estimated income</u>     | <u>1,079,247</u>       | <u>253,568</u>       | <u>1,332,815</u>       |
| 19 | <u>Total general fund</u>        | <u>\$4,394,146</u>     | <u>\$323,843</u>     | <u>\$4,717,989</u>     |
| 20 | Full-time equivalent positions   | 28.50                  | (0.60)               | 27.90                  |

Subdivision 5.

BILL TOTAL

|    |                                      |                            |                          |                            |
|----|--------------------------------------|----------------------------|--------------------------|----------------------------|
| 23 |                                      | Adjustments or             |                          |                            |
| 24 |                                      | <u>Base Level</u>          | <u>Enhancements</u>      | <u>Appropriation</u>       |
| 25 | <del>Grand total general fund</del>  | <del>\$1,453,102,957</del> | <del>\$293,102,254</del> | <del>\$1,746,205,211</del> |
| 26 | <del>Grand total special funds</del> | <del>711,519,316</del>     | <del>109,418,703</del>   | <del>820,938,019</del>     |
| 27 | <del>Grand total all funds</del>     | <del>\$2,164,622,273</del> | <del>\$402,520,957</del> | <del>\$2,567,143,230</del> |
| 28 | <u>Grand total general fund</u>      | <u>\$1,453,102,957</u>     | <u>\$286,421,438</u>     | <u>\$1,739,524,395</u>     |
| 29 | <u>Grand total special funds</u>     | <u>711,519,316</u>         | <u>108,641,961</u>       | <u>820,161,277</u>         |
| 30 | <u>Grand total all funds</u>         | <u>\$2,164,622,273</u>     | <u>\$395,063,399</u>     | <u>\$2,559,685,672</u>     |

1       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

2       **SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time  
3 funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the  
4 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

| 5  | <u>One-Time Funding Description</u>                 | <u>2017-19</u>           | <u>2019-21</u>       |
|----|-----------------------------------------------------|--------------------------|----------------------|
| 6  | Department of public instruction                    |                          |                      |
| 7  | Regional education association merger grants        | \$100,000                | \$0                  |
| 8  | North Dakota governor's school science, technology, | 220,000                  | 0                    |
| 9  | engineering, and mathematics programs               |                          |                      |
| 10 | English language learner grants                     | 500,000                  | 0                    |
| 11 | Rapid enrollment grants                             | 6,000,000                | 0                    |
| 12 | Integrated formula payments                         | 185,000,000              | 0                    |
| 13 | <u>State automated reporting system rewrite</u>     | <u>0</u>                 | <u>1,200,000</u>     |
| 14 | State school aid formula rewrite                    | <u>0</u>                 | <u>200,000</u>       |
| 15 | <del>Total department of public instruction -</del> | <del>\$191,820,000</del> | <del>\$200,000</del> |
| 16 | <del>all funds</del>                                |                          |                      |
| 17 | <del>Total department of public instruction -</del> | <del>191,820,000</del>   | <del>0</del>         |
| 18 | <del>estimated income</del>                         |                          |                      |
| 19 | <del>Total department of public instruction -</del> | <del>\$0</del>           | <del>\$200,000</del> |
| 20 | <u>Total department of public instruction -</u>     | <u>\$191,820,000</u>     | <u>\$1,400,000</u>   |
| 21 | <u>all funds</u>                                    |                          |                      |
| 22 | <u>Total department of public instruction -</u>     | <u>191,820,000</u>       | <u>1,200,000</u>     |
| 23 | <u>estimated income</u>                             |                          |                      |
| 24 | <u>Total department of public instruction -</u>     | <u>\$0</u>               | <u>\$200,000</u>     |
| 25 | general fund                                        |                          |                      |
| 26 | School for the deaf                                 |                          |                      |
| 27 | Extraordinary repairs                               | \$675,000                | \$250,000            |
| 28 | Equipment                                           | 28,000                   | 20,000               |
| 29 | Video equipment and software                        | <u>30,000</u>            | <u>0</u>             |
| 30 | Total school for the deaf - estimated income        | \$733,000                | \$270,000            |
| 31 | North Dakota vision services - school for the blind |                          |                      |

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|    |                                               |                          |                      |
|----|-----------------------------------------------|--------------------------|----------------------|
| 1  | Special assessments payoff                    | \$10,000                 | \$0                  |
| 2  | Heating and cooling upgrade                   | 35,500                   | 0                    |
| 3  | Replace water line                            | 60,000                   | 0                    |
| 4  | Carpet and reception upgrade                  | 30,000                   | 0                    |
| 5  | West wing roof repair                         | 0                        | 39,000               |
| 6  | Other repairs                                 | 0                        | 18,500               |
| 7  | Daily living skills area remodel              | 0                        | 25,000               |
| 8  | South wing restroom remodel                   | 0                        | 120,000              |
| 9  | Garage door replacement                       | 0                        | 16,000               |
| 10 | Gymnasium floor replacement                   | 0                        | 42,000               |
| 11 | Adaptive technology equipment                 | <u>0</u>                 | <u>20,000</u>        |
| 12 | Total school for the blind - estimated income | \$135,500                | \$280,500            |
| 13 | <del>Grand total - all funds</del>            | <del>\$192,688,500</del> | <del>\$750,500</del> |
| 14 | <del>Grand total - estimated income</del>     | <del>192,688,500</del>   | <del>550,500</del>   |
| 15 | <del>Grand total - general fund</del>         | <del>\$0</del>           | <del>\$200,000</del> |
| 16 | <u>Grand total - all funds</u>                | <u>\$192,688,500</u>     | <u>\$1,950,500</u>   |
| 17 | <u>Grand total - estimated income</u>         | <u>192,688,500</u>       | <u>1,750,500</u>     |
| 18 | <u>Grand total - general fund</u>             | <u>\$0</u>               | <u>\$200,000</u>     |

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of public instruction, school for the deaf, and North Dakota vision services - school for the blind shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. APPROPRIATION - ESTIMATED INCOME - TUITION APPORTIONMENT.**

The sum of ~~\$379,764,000~~\$377,764,000, included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is from the state tuition fund in the state treasury. Any additional amount in the state 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, 2019, and ending June 30, 2021.

**SECTION 4. ESTIMATED INCOME - FOUNDATION AID STABILIZATION FUND.** The

estimated income line item in subdivision 1 of section 1 of this Act includes

1 ~~\$110,000,000~~\$111,200,000 from the foundation aid stabilization fund in the state treasury, of  
2 which \$110,000,000 is for integrated formula payments and \$1,200,000 is for a rewrite of the  
3 state automated reporting system. for the biennium beginning July 1, 2019, and ending  
4 June 30, 2021.

5 **SECTION 5. EXEMPTION - FUNDING TRANSFER - AUTHORIZATION.** Notwithstanding  
6 section 54-16-04, the superintendent of public instruction may transfer up to \$4,000,000 from  
7 the integrated formula payments line item to the grants - special education line item, for the  
8 biennium beginning July 1, 2017, and ending June 30, 2019, for the purposes of providing  
9 special education grants. The superintendent of public instruction shall notify the office of  
10 management and budget of any transfer made pursuant to this section.

11 **SECTION 6. EXEMPTION - COMPUTER SCIENCE TRAINING FOR TEACHERS.** Up to  
12 \$3,000,000 of the unexpended amount remaining from the appropriation for integrated formula  
13 payments, as authorized in subdivision 1 of section 1 of chapter 12 of the 2017 Session Laws,  
14 is not subject to the provisions of section 54-44.1-11 at the end of the 2017-19 biennium, and  
15 may be continued into the 2019-21 biennium for the purpose of providing computer science  
16 training for teachers.

17 **SECTION 7. EXEMPTION - ADVANCED PLACEMENT PROGRAMS.** Up to \$600,000 of  
18 the unexpended amount remaining from the appropriation for integrated formula payments, as  
19 authorized in subdivision 1 of section 1 of chapter 12 of the 2017 Session Laws, is not subject  
20 to the provisions of section 54-44.1-11 at the end of the 2017-19 biennium, and may be  
21 continued into the 2019-21 biennium for the purpose of providing advanced placement  
22 examinations, advanced placement teacher training, and the college ready English and  
23 mathematics programs.

24 **SECTION 8. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION**  
25 **CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may  
26 expend funds included in the integrated formula payments and grants - special education  
27 contracts line items in subdivision 1 of section 1 of this Act for paying grants for educational  
28 services that were due in the 2017-19 biennium but which were not filed, claimed, or properly  
29 supported by the education provider until after June 30, 2019. To be reimbursed under this  
30 section, claims must be properly supported and filed with the superintendent of public  
31 instruction by June 30, 2020.

1       **SECTION 9. GRANTS - SPECIAL EDUCATION DEFICIENCY AUTHORIZATION.** If funds  
2 provided to the superintendent of public instruction in subdivision 1 of section 1 of this Act for  
3 grants - special education, for the biennium beginning July 1, 2019, and ending June 30, 2021,  
4 are not sufficient to meet special education contract obligations, the superintendent of public  
5 instruction shall request supplemental funding from the sixty-seventh legislative assembly.

6       **SECTION 10. GIFTED AND TALENTED PROGRAM - MEDICAID MATCHING FUNDING -**  
7 **DISTRIBUTION.**

- 8       1. The sum of \$800,000, included in the integrated formula payments line item in  
9 subdivision 1 of section 1 of this Act, must be distributed to reimburse school districts  
10 or special education units for gifted and talented programs upon the submission of an  
11 application that is approved in accordance with guidelines adopted by the  
12 superintendent of public instruction. The superintendent of public instruction shall  
13 encourage cooperative efforts for gifted and talented programs among school districts  
14 and special education units.
- 15       2. State school aid payments for special education must be reduced by the amount of  
16 matching funds required to be paid by school districts or special education units for  
17 students participating in the Medicaid program. Special education funds equal to the  
18 amount of the matching funds required to be paid by the school district or special  
19 education unit must be paid by the superintendent of public instruction to the  
20 department of human services on behalf of the school district or unit.

21       **SECTION 11. TRANSPORTATION GRANTS - DISTRIBUTION.**

- 22       1. During each year of the 2019-21 biennium, the superintendent of public instruction  
23 shall calculate the payment to which each school district is entitled based on the state  
24 transportation formula as it existed on June 30, 2001, except that the superintendent  
25 shall provide reimbursement at the rate of:
- 26       a. One dollar and ~~nine~~eleven cents per mile for school buses having a capacity of  
27 ten or more passengers;
- 28       b. ~~Fifty-one~~Fifty-two cents per mile for vehicles having a capacity of nine or fewer  
29 passengers;
- 30       c. Fifty cents per mile, provided;

- 1 (1) The student being transported is a student with a disability, as defined in
- 2 chapter 15.1-32;
- 3 (2) The student's individualized education program plan requires that the
- 4 student attend a public or a nonpublic school located outside the student's
- 5 school district of residence;
- 6 (3) The student is transported by an adult member of the student's family;
- 7 (4) The student is transported in a vehicle furnished by the student's parents;
- 8 (5) The student's transportation is paid for by the student's parents; and
- 9 (6) The reimbursement does not exceed two round trips daily between the
- 10 student's home and school.

11 d. Fifty cents per mile, one way, provided:

- 12 (1) The student being transported resides more than two miles from the public
- 13 school that the student attends;
- 14 (2) The student is transported by an adult member of the student's family;
- 15 (3) The student is transported in a vehicle furnished by the student's parents;
- 16 and
- 17 (4) The student's transportation is paid for by the student's parents.

18 e. ~~Twenty-nine~~Thirty cents per student for each one-way trip.

- 19 2. The superintendent of public instruction shall use the latest available student
- 20 enrollment count in each school district in applying the provisions of subsection 1.
- 21 3. This section does not authorize the reimbursement of any costs incurred in providing
- 22 transportation for student attendance at extracurricular activities or events.

## 23 **SECTION 12. PROGRAM GRANT POOL - CONTINUING EDUCATION GRANTS -**

24 **FUNDING - DISTRIBUTION.** The grants - program grants line item in subdivision 1 of section 1  
25 of this Act includes ~~\$2,136,711~~\$1,500,000 for a program grant pool. The superintendent of  
26 public instruction shall use the funding provided for various grant programs, including up to  
27 \$125,000, or so much of the sum as may be necessary, for continuing education grants, for the  
28 biennium beginning July 1, 2019, and ending June 30, 2021.

- 29 1. The superintendent of public instruction shall award grants in amounts up to \$1,200 to
- 30 eligible recipients in chronological order, based on the date of an individual's
- 31 application. An eligible recipient must:

- 1           a.   (1)   Be licensed to teach by the education standards and practices board;
- 2                   (2)   Have taught in this state during each of the last three school years; and
- 3                   (3)   Be enrolled at an institution of higher education in this state in either a
- 4                           master of education program in educational leadership or a program leading
- 5                           to a specialist diploma in educational leadership;
- 6           b.   Be pursuing the requirements for a certificate in career development facilitation;
- 7                   or
- 8           c.   Be pursuing a school counselor credential.
- 9       2.   If any of the amount appropriated for this purpose remains after the superintendent of
- 10           public instruction has awarded grants to all eligible recipients, the superintendent shall
- 11           distribute that amount as an additional per student payment on a prorated basis,
- 12           according to the latest available average daily membership of each school district.

### 13       **SECTION 13. PASSTHROUGH GRANTS - APPLICATION - DISTRIBUTION -**

14   **REPORTING.** The grants - passthrough grants line item in subdivision 1 of section 1 of this Act  
15   includes ~~\$2,215,764~~\$2,863,764 for passthrough grants ~~for writing projects, an entrepreneur-~~  
16   ~~program, governor's school, and a mentoring program.~~ The superintendent of public instruction  
17   shall determine the manner in which each passthrough grant is distributed but no more than  
18   one-half of the funding may be provided each year of the biennium. ~~Grantees~~Annually grantees,  
19   as a condition of receiving the grant, must establish performance measures to be reviewed by  
20   the superintendent of public instruction. Grantees shall report annually to the superintendent of  
21   public instruction regarding performance based on the measures ~~before October 1, 2020.~~ The  
22   superintendent may not distribute the grant payment for the second year of the biennium until  
23   the grantee submits the annual report for the first year of the biennium. The superintendent of  
24   public instruction shall report to the appropriations committees of the sixty-seventh legislative  
25   assembly regarding funds granted, performance measures established for each grantee, and  
26   whether grantees met performance expectations.

### 27       **SECTION 14. REGIONAL EDUCATION ASSOCIATIONS - GRANTS- DISTRIBUTION.**

28   The integrated formula payments line item in subdivision 1 of section 1 of this Act includes  
29   \$500,000 from the general fund for the purpose of providing annual grants to regional education  
30   associations for the biennium beginning July 1, 2019, and ending June 30, 2021. An annual  
31   grant of \$31,250 is provided to each regional education association that exists as of July 1,

2019. Regional education associations that merge during the 2019-21 biennium are entitled to the annual grants that would have been paid to each of the member associations.

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

**SECTION 16. STATE AID TO PUBLIC LIBRARIES.** The grants line item in subdivision 2 of section 1 of this Act includes \$1,737,528 for aid to public libraries, of which no more than one-half may be expended during the fiscal year ending June 30, 2020.

**SECTION 17. EXEMPTION - SCHOOL FOR THE DEAF - HIGHER EDUCATION INTERPRETER GRANT PROGRAM DISTRIBUTION.** The grants line item in subdivision 3 of section 1 of this Act is for the purpose of providing grants to assist institutions under the control of the state board of higher education with the cost of interpreters and real-time captioning for students who are deaf or hard of hearing, for the biennium beginning July 1, 2019, and ending June 30, 2021. Moneys appropriated for this program are not subject to section 54-44.1-11. Funds must be distributed pursuant to the provisions of this section:

1. The school for the deaf shall develop a formula to determine the grant amount for which an institution is eligible. The formula must be based on an uniform hourly reimbursement.
2. To obtain a grant under this section, an institution shall submit to the school for the deaf, at the time and in the manner directed by the school, invoices showing the amount expended for interpreters and real-time captioning for students who are deaf or hard of hearing.
3. The school for the deaf may not distribute more than fifty percent of the amount appropriated during the first year of the biennium.
4. If any grant moneys remain undistributed at the end of the biennium, the school for the deaf shall provide additional prorated grants to institutions that incurred, during the biennium, hourly expenses in excess of the formula reimbursement level.
5. At the request of an institution under the control of the state board of higher education, the school for the deaf shall consult with the institution and provide advice regarding the provision of services most appropriate to meet a student's needs.

1 — **SECTION 16. AMENDMENT.** Section 15-10-38 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3 — **15-10-38. Loans -- Teacher shortages -- Loan forgiveness.**

4 — 1. The state board of higher education ~~superintendent of public instruction~~ shall  
5 administer a student loan forgiveness program for individuals teaching at grade levels,  
6 in content areas, and in geographical locations identified as having a teacher shortage  
7 or critical need. The board ~~superintendent of public instruction~~ may approve loan  
8 forgiveness for no more than two teachers per year in a school district. The  
9 board ~~superintendent of public instruction~~ shall adopt rules to implement the program.

10 — 2. The superintendent of public instruction annually shall identify grade levels, content  
11 areas, and geographical locations in which a teacher shortage or critical need exists.

12 — 3. To be eligible for loan forgiveness under this section, an individual:

13 — a. Must have graduated from an accredited teacher preparation program and  
14 signed a contract to teach at a grade level or in a content area and in a  
15 geographical location identified by the superintendent of public instruction as  
16 having an existing teacher shortage or critical need; and

17 — b. Must have an existing student loan.

18 — 4. For purposes of this section, the definitions of rural school district and remote town  
19 school district have the same meaning as the definitions under the national center for  
20 education statistics locale codes.

21 — 5. If an individual is receiving loan forgiveness under any other provision, the individual  
22 may not receive loan forgiveness under this section during the same application year.

23 — 6. An eligible individual may receive loan forgiveness under the program as follows:

24 — a. If the individual accepts one of up to five positions of critical need in a nonrural  
25 school district or nonremote town school district, the individual may receive up to  
26 three thousand dollars per year for a maximum of four years.

27 — b. If the individual accepts a position in a rural school district or remote town school  
28 district with an enrollment of fewer than one thousand students, the individual  
29 may receive up to four thousand five hundred dollars per year for a maximum of  
30 four years.

~~c. If the individual accepts one of up to five positions of critical need in a rural school district or remote town school district with an enrollment of fewer than one thousand students, the individual may receive up to six thousand five hundred dollars per year for a maximum of four years.~~

~~7. The superintendent of public instruction shall consider all applications under this section based on the number of unfilled school vacancies, prioritized by critical need and geographic location.~~

~~8. Upon notification the individual has completed a full year of teaching in a school district, state-supported school, or nonpublic school in this state at a grade level or in a content area and in a geographical location identified by the superintendent of public instruction as one in which a teacher shortage or critical need exists, the boardsuperintendent of public instruction shall distribute funds directly to the lending institution of the individual to repay outstanding loan principal balances on behalf of eligible applicants. The boardsuperintendent of public instruction shall terminate loan forgiveness payments to eligible individuals when the loan principal balance of the eligible individual is paid in full.~~

**SECTION 18. 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 ~~one hundred sixteen thousand nine hundred three dollars through June 30, 2016, and one hundred twenty thousand four hundred ten dollars thereafter~~one hundred twenty-two thousand eight hundred ~~eighteen~~ dollars through June 30, 2020, and ~~one hundred twenty-six thousand five hundred three dollars thereafter~~one hundred twenty-five thousand eight hundred eighty dollars thereafter.

~~**SECTION 18. AMENDMENT.** Section 15.1-37-05 of the North Dakota Century Code is amended and reenacted as follows:~~

~~**15.1-37-05. Early childhood education providers – Coalition – Eligibility.**~~

~~1. The superintendent of a school district shall invite all public and private providers of early childhood education services within the district to meet, in order to:~~

~~a. Initiate the identification of all available options for cost effectively maximizing the provision of early childhood education services within the district;~~

- ~~b. Address the coordinated utilization of facilities, personnel, and transportation, for the provision of early childhood education services within the district; and~~
- ~~c. (1) Form a coalition of early childhood education service providers; and~~
- ~~(2) Provide for the selection of a coalition governing board.~~
- ~~2. The board of the school district in which the coalition of service providers is located shall provide advice and guidance to the coalition in all matters pertaining to this section through section 15.1-37-08.~~
- ~~3. Any early childhood service provider who agrees to participate in the coalition or on its governing board may submit an application to the department of commerce~~superintendent of public instruction ~~for a grant under this section, provided the governing board certifies to the department~~superintendent ~~that the provider:~~
- ~~a. Is a participating member in the coalition or on the governing board.~~
- ~~b. Operates an early childhood education program that:~~
- ~~(1) Is approved in accordance with section 15.1-37-01; and~~
- ~~(2) Incorporates within its curriculum at least ten hours of research-based parental involvement.~~
- ~~c. Has documented the provider's willingness to admit children of all learning abilities into the early childhood education program.~~
- ~~**SECTION 19. AMENDMENT.** Section 15.1-37-06 of the North Dakota Century Code is amended and reenacted as follows:~~
- ~~**15.1-37-06. Receipt and distribution of grants – Notification.**~~
- ~~1. a. The department of commerce~~superintendent of public instruction ~~shall receive applications for and distribute grants under this section to eligible members, including governing board members, of a consortium formed in accordance with section 15.1-37-05, in the amount of two thousand dollars for each child enrolled in a program of early childhood education, if the child is eligible for free lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751, et seq.], and one thousand dollars for each child enrolled in a program of early childhood education, if the child is eligible for reduced lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751, et seq.], provided:~~
- ~~(1) The child is a resident of this state;~~

1 ~~\_\_\_\_\_ (2) The child has reached four years of age before August first in the year of~~  
2 ~~enrollment; and~~

3 ~~\_\_\_\_\_ (3) The program has a duration of at least four hundred hours over a period of~~  
4 ~~at least thirty-two consecutive weeks.~~

5 ~~\_\_\_\_\_ b. A child enrolled in a federally funded head start program may not be counted for~~  
6 ~~the purpose of determining grant eligibility under this section.~~

7 ~~2. a. Once each calendar quarter, at the time and in the manner required by the~~  
8 ~~department of commerce~~~~superintendent of public instruction~~, any provider  
9 ~~receiving a grant under this section shall forward to the parent of each child~~  
10 ~~receiving services a notice indicating the total amount of the grant that was~~  
11 ~~awarded to the provider for the quarter, the pro-rata amount attributable to the~~  
12 ~~parent's child, and the source of the grant. The department of~~  
13 ~~commerce~~~~superintendent of public instruction~~ shall standardize the notification  
14 ~~required by this subdivision.~~

15 ~~\_\_\_\_\_ b. If a provider fails to meet the notification requirements of this subsection, the~~  
16 ~~department of commerce~~~~superintendent of public instruction~~ shall reduce the  
17 ~~amount of the provider's next grant payment by fifty percent. If a provider fails to~~  
18 ~~meet the notification requirements of this section a second time, the department~~  
19 ~~of commerce~~~~superintendent of public instruction~~ shall determine that the provider  
20 ~~is ineligible to participate in the grant program for a period of one year.~~

21 ~~— **SECTION 20. AMENDMENT.** Section 15.1-37-08 of the North Dakota Century Code is~~  
22 ~~amended and reenacted as follows:~~

23 ~~— **15.1-37-08. Data collection – Requirements.**~~

24 ~~— The superintendent of public instruction, with the advice and consent of the department of~~  
25 ~~commerce, shall implement a uniform system for the accounting, budgeting, and reporting of~~  
26 ~~data by any early childhood education provider to whom or to which grants are distributed in~~  
27 ~~accordance with section 15.1-37-06. Grants may be withheld or forfeited, in whole or in part, if~~  
28 ~~information required in accordance with this section is not submitted at the time or in the~~  
29 ~~manner requested by the superintendent.~~

30 **SECTION 19. LEGISLATIVE MANAGEMENT STUDY.** During the 2019-20 interim, the  
31 legislative management shall consider studying school transportation, including district routes,

1 expenditures, reimbursement, and possible efficiencies. The legislative management shall  
2 report its findings and recommendations, together with any legislation necessary to implement  
3 the recommendations, to the sixty-seventh legislative assembly.

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