

HOUSE BILL NO. 1125

Introduced by

Representatives Richter, Longmuir, Monson, Nathe

Senators Patten, Schaible

1 A BILL for an Act to amend and reenact section 6-09.4-23 of the North Dakota Century Code,
2 relating to withholding school district state aid payments and the school district credit
3 enhancement program.

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

5 **SECTION 1. AMENDMENT.** Section 6-09.4-23 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **6-09.4-23. Evidences of indebtedness - Authority to withhold school district state aid.**

8 1. If the public finance authority or a paying agent notifies the superintendent of public
9 instruction ~~or the state treasurer~~, in writing, that a school district has failed to pay when
10 due the principal or interest on any evidences of indebtedness issued after July 31,
11 1999, or that the public finance authority, school district, or the paying agent has
12 reason to believe a school district will not be able to make a full payment of the
13 principal and interest when the payment is due, the superintendent of public instruction
14 ~~or the state treasurer~~ shall withhold any funds that are due or payable or appropriated
15 to the school district under chapter 15.1-27 until the payment of the principal or
16 interest has been made to the public finance authority or the paying agent, or until the
17 public finance authority, school district, or the paying agent notifies the superintendent
18 of public instruction ~~or the state treasurer~~ that arrangements satisfactory to the public
19 finance authority or the paying agent have been made for the payment of the principal
20 and interest then due and owing. The notification must include information required by
21 the superintendent of public instruction ~~or the state treasurer~~. State funds available to
22 a school district under chapter 15.1-27 are not subject to withholding under this
23 section unless the withholding is authorized by resolution of the district's school board.

- 1 4. Notification by the public finance authority, school district, or the paying agent that
2 satisfactory arrangements have been made for the payment of the principal and
3 interest then due and owing under subsection 1, 2, or 3 must be made at least fifteen
4 working days before the principal or interest is due. The notice must be in writing and
5 include the name of the school district, an identification of the debt obligation issue,
6 the date the payment is due, the amount of principal and interest due on the payment
7 date, the amount of principal or interest the school district will be unable to pay, the
8 paying agent for the debt obligation, the wire transfer instructions to transfer funds to
9 the paying agent, and an indication that payment is requested under this section. A
10 paying agent shall notify the superintendent of public instruction ~~or the state treasurer,~~
11 ~~and the appropriate county auditor~~ if the paying agent becomes aware of a potential
12 default. If the superintendent ~~or the state treasurer, or the county auditor~~ receives
13 notice of a requested payment under this section, the superintendent of public
14 instruction ~~or the state treasurer, or county auditor~~ shall withhold and transfer funds
15 due or payable or appropriated to the school district under chapter 15.1-27 or 57-51 to
16 the paying agent after:
17 a. Consulting with the school district and the paying agent; and
18 b. Verifying the accuracy of the provided request information.
19 ~~3-5.~~ Notwithstanding any withholding of state funds under section 15-39.1-23 or any other
20 law, the superintendent of public instruction ~~or the state treasurer, and county auditor~~
21 shall make available any funds withheld under subsection 1, 2, or 3 to the public
22 finance authority or the paying agent. The public finance authority or the paying agent
23 shall apply the funds to payments that the school district is required to make to the
24 public finance authority or the paying agent.
25 4-6. If funds are withheld from a school district and made available to the public finance
26 authority or a paying agent under this section and if tax revenues are received by the
27 school district during the fiscal year in which the funds are withheld and are deposited
28 in the district's sinking fund established in accordance with section 21-03-42, the
29 district, with the consent of the public finance authority or the paying agent, may
30 withdraw from its sinking fund an amount equal to that withheld ~~by the superintendent~~



Entity Name	ADM	wsu	Tax Base per		Total Formula Amount	Contribution					State & In Lieu
			wsu	Amount		Transition Maximum	Transition Minimum	from Property Tax	Contribution from In-Lieu	Total State Aid	
New Town 1	940.22	1,079.75	50,597	10,944,346	-	6,371,341	-	(2,202,926)	(7,009,577)	8,103,184	15,112,760
Minot 1	7,588.23	8,499.06	25,948	86,146,472	-	-	-	(13,231,922)	(4,015,551)	68,899,000	72,914,551
Williston Basin 7	4,910.59	5,826.43	45,055	59,056,694	-	2,318,670	-	(13,537,209)	(3,833,494)	44,004,661	47,838,155
McKenzie Co 1	1,743.05	1,970.76	134,619	19,975,623	-	-	-	(7,596,300)	(3,048,178)	9,331,145	12,379,323
Dickinson 1	3,699.06	4,209.19	37,102	42,664,350	-	-	-	(9,370,076)	(1,698,393)	31,595,881	33,294,274
Bowman Co 1	491.89	550.97	46,928	5,584,632	-	956,669	-	(1,551,344)	(1,333,592)	3,656,365	4,989,957
Billings Co 1	82.20	141.91	139,133	1,438,400	-	1,055,605	-	(1,184,662)	(1,309,342)	-	1,309,342
Toga 15	460.07	521.75	152,422	5,288,458	-	887,257	-	(3,113,036)	(1,296,275)	1,766,404	3,062,679
Killdeer 16	556.24	636.10	77,256	6,447,510	-	531,247	-	(2,364,391)	(1,203,405)	3,410,961	4,614,366
Divide County 1	385.31	438.58	71,830	4,445,447	-	-	-	(1,890,199)	(1,139,829)	1,415,419	2,555,248
Alexander 2	247.44	326.93	111,562	3,313,762	-	30,274	-	(1,566,345)	(958,745)	818,946	1,777,691
New Salem-Almont 49	354.21	426.79	38,758	4,325,943	-	-	-	(992,495)	(848,192)	2,485,256	3,333,448
Beulah 27	722.21	812.26	38,508	8,233,067	-	-	-	(1,876,700)	(793,384)	5,562,984	6,356,368
Stanley 2	706.51	803.32	83,829	8,142,452	-	694,364	-	(4,040,487)	(761,099)	4,035,229	4,796,328
New England 9	279.51	355.69	38,340	3,605,274	-	209,384	-	(818,229)	(640,382)	2,356,047	2,996,429
Hazen 3	565.23	639.42	25,879	6,481,161	-	-	-	(992,846)	(574,506)	4,913,809	5,488,315
Powers Lake 27	207.15	280.74	30,733	2,845,581	-	277,558	-	(517,672)	(556,926)	2,048,541	2,605,467
Glen Ullin 48	136.73	230.12	54,003	2,332,496	-	-	-	(745,632)	(500,499)	1,086,365	1,586,864
Richardson-Taylor 34	316.75	381.26	36,460	3,864,451	-	-	-	(834,044)	(398,172)	2,632,236	3,030,407
Velva 1	450.87	505.83	37,363	5,127,093	-	24,040	-	(1,133,959)	(394,086)	3,599,048	3,993,134
Belfield 13	239.23	319.46	45,128	3,238,047	-	-	-	(762,589)	(385,097)	2,114,400	2,499,498
South Heart 9	369.30	445.89	42,467	4,519,541	-	-	-	(1,121,906)	(373,267)	3,024,368	3,397,635
Bottineau 1	679.29	758.57	46,771	7,688,866	-	70,355	-	(2,128,746)	(358,140)	5,272,335	5,630,475
Center-Stanton 1	237.75	310.79	45,797	3,150,167	-	212,054	-	(853,987)	(344,839)	2,163,396	2,508,235
Burke Central 36	101.16	156.41	72,859	1,585,372	-	178,597	-	(683,751)	(343,715)	736,503	1,080,218
Bowbells 14	65.89	112.86	72,868	1,143,949	-	473,672	-	(493,434)	(330,476)	793,711	1,124,186
Jamestown 1	2,165.50	2,395.02	31,726	24,275,923	-	-	-	(4,559,001)	(324,438)	19,392,484	19,716,922
Beach 3	266.53	352.00	33,507	3,567,872	-	-	-	(707,666)	(323,131)	2,537,075	2,860,206
Garrison 51	389.17	442.25	52,877	4,482,646	-	230,439	-	(1,403,097)	(306,362)	3,003,625	3,309,987
Barnes County North 7	241.62	319.72	101,742	3,240,682	-	1,090,376	-	(1,991,737)	(297,695)	2,081,626	2,379,321
Nesson 2	375.83	442.66	99,541	4,486,802	-	-	-	(1,858,265)	(278,842)	2,349,695	2,628,537
Mandaree 36	199.66	276.70	53,555	2,804,631	(567,871)	-	-	(372,440)	(252,470)	1,611,850	1,864,320
Hebron 13	151.48	223.32	41,471	2,263,572	-	-	-	(555,679)	(237,564)	1,470,328	1,707,892
Scranton 33	126.39	196.46	46,922	1,991,319	-	107,590	-	(553,101)	(228,982)	1,316,826	1,545,808
Pingree-Buchanan 10	139.02	213.52	44,110	2,164,239	-	-	-	(565,097)	(219,378)	1,379,763	1,599,141
Edmore 2	32.24	54.45	177,185	551,905	-	604,590	-	(578,862)	(217,007)	360,626	577,633
Parshall 3	272.19	351.07	52,776	3,558,446	-	-	-	(1,111,678)	(214,498)	2,232,269	2,446,767
Devils Lake 1	1,641.70	1,848.53	25,836	18,736,700	-	-	-	(2,865,512)	(208,744)	15,662,444	15,871,188
Washburn 4	332.43	400.66	37,735	4,061,090	-	-	-	(907,141)	(204,748)	2,949,200	3,153,948