

Sixty-ninth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1013

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 center for distance education, the state library, the school for the deaf,
3 and North Dakota vision services - school for the blind; and to provide an exemption.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
6 as may be necessary, are appropriated out of any moneys in the general fund in the state
7 treasury, not otherwise appropriated, and from other funds derived from special funds and
8 federal funds, to the department of public instruction, the center for distance education, the
9 state library, the school for the deaf, and North Dakota vision services - school for the blind for
10 the purpose of defraying the expenses of those agencies, for the biennium beginning July 1,
11 2025, and ending June 30, 2027, as follows:

12 Subdivision 1.

DEPARTMENT OF PUBLIC INSTRUCTION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15			
16	Salaries and wages	\$19,964,765	\$0 \$19,964,765
17	Operating expenses	32,793,320	0 32,793,320
18	Integrated formula payments	2,299,674,851	0 2,299,674,851
19	Grants - special education	24,000,000	0 24,000,000
20	Grants - transportation	58,100,000	0 58,100,000
21	Grants - other grants	382,738,893	0 382,738,893
22	Grants - program grants	17,205,000	0 17,205,000
23	Grants - passthrough grants	3,569,000	0 3,569,000
24	PowerSchool	5,775,000	0 5,775,000

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1	National board certification	<u>176,290</u>	<u>0</u>	<u>176,290</u>
2	Total all funds	\$2,843,997,119	\$0	\$2,843,997,119
3	Less other funds	<u>1,115,246,674</u>	<u>0</u>	<u>1,115,246,674</u>
4	Total general fund	\$1,728,750,445	\$0	\$1,728,750,445
5	Full-time equivalent positions	86.25	0.00	86.25

6 Subdivision 2.

7 CENTER FOR DISTANCE EDUCATION

8			Adjustments or	
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Center for distance education	<u>\$11,613,483</u>	<u>\$0</u>	<u>\$11,613,483</u>
11	Total all funds	\$11,613,483	\$0	\$11,613,483
12	Less other funds	<u>4,550,000</u>	<u>0</u>	<u>4,550,000</u>
13	Total general fund	\$7,063,483	\$0	\$7,063,483
14	Full-time equivalent positions	30.80	0.00	30.80

15 Subdivision 3.

16 STATE LIBRARY

17			Adjustments or	
18		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
19	Salaries and wages	\$4,615,731	\$0	\$4,615,731
20	Operating expenses	2,282,298	0	2,282,298
21	Grants	<u>2,283,528</u>	<u>0</u>	<u>2,283,528</u>
22	Total all funds	\$9,181,557	\$0	\$9,181,557
23	Less other funds	<u>2,499,073</u>	<u>0</u>	<u>2,499,073</u>
24	Total general fund	\$6,682,484	\$0	\$6,682,484
25	Full-time equivalent positions	26.75	0.00	26.75

26 Subdivision 4.

27 SCHOOL FOR THE DEAF

28			Adjustments or	
29		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
30	Salaries and wages	\$9,283,599	\$0	\$9,283,599
31	Operating expenses	1,705,586	0	1,705,586

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1	Capital assets	<u>158,678</u>	<u>0</u>	<u>158,678</u>
2	Total all funds	\$11,147,863	\$0	\$11,147,863
3	Less other funds	<u>2,811,557</u>	<u>0</u>	<u>2,811,557</u>
4	Total general fund	\$8,336,306	\$0	\$8,336,306
5	Full-time equivalent positions	45.36	0.00	45.36

6 Subdivision 5.

7 NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

8			Adjustments or	
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Salaries and wages	\$5,538,818	\$0	\$5,538,818
11	Operating expenses	869,686	0	869,686
12	Capital assets	<u>39,192</u>	<u>0</u>	<u>39,192</u>
13	Total all funds	\$6,447,696	\$0	\$6,447,696
14	Less other funds	<u>1,206,705</u>	<u>0</u>	<u>1,206,705</u>
15	Total general fund	\$5,240,991	\$0	\$5,240,991
16	Full-time equivalent positions	27.75	0.00	27.75

17 Subdivision 6.

18 TOTAL - SECTION 1

19			Adjustments or	
20		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21	Grand total all funds	\$2,882,387,718	\$0	\$2,882,387,718
22	Less grand total other funds	<u>1,126,314,009</u>	<u>0</u>	<u>1,126,314,009</u>
23	Grand total general fund	\$1,756,073,709	\$0	\$1,756,073,709

24 **SECTION 2. APPROPRIATION - TUITION APPORTIONMENT.** The sum of \$510,860,000,
 25 included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is
 26 from the state tuition fund in the state treasury. Any additional amount in the state tuition fund
 27 that becomes available for distribution to public schools is appropriated to the department of
 28 public instruction for that purpose for the biennium beginning July 1, 2025, and ending June 30,
 29 2027.

1 **SECTION 3. OTHER FUNDS - FOUNDATION AID STABILIZATION FUND.** The other
2 funds line item in subdivision 1 of section 1 of this Act includes the sum of \$157,000,000 from
3 the foundation aid stabilization fund for integrated formula payments.

4 **SECTION 4. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**
5 The other funds line item in subdivision 1 of section 1 of this Act includes the sum of
6 \$13,993,086 from the strategic investment and improvements fund for integrated formula
7 payments.

8 **SECTION 5. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION**
9 **CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may
10 expend funds included in the integrated formula payments and grants - special education
11 contracts line items in subdivision 1 of section 1 of this Act for paying grants for educational
12 services that were due in the 2023-25 biennium but which were not filed, claimed, or properly
13 supported by the education provider until after June 30, 2025. To be reimbursed under this
14 section, claims must be properly supported and filed with the superintendent of public
15 instruction by June 30, 2026.

16 **SECTION 6. GIFTED AND TALENTED PROGRAM.** The sum of \$800,000, included in the
17 integrated formula payments line item in subdivision 1 of section 1 of this Act, must be
18 distributed to reimburse school districts or special education units for gifted and talented
19 programs upon the submission of an application that is approved in accordance with guidelines
20 adopted by the superintendent of public instruction. The superintendent of public instruction
21 shall encourage cooperative efforts for gifted and talented programs among school districts and
22 special education units.

23 **SECTION 7. MEDICAID MATCHING FUNDING AND SCHOOL APPROVAL -**
24 **WITHHOLDING AND DISTRIBUTION.**

- 25 1. State school aid payments for special education must be reduced by the amount of
26 matching funds required to be paid by school districts or special education units for
27 students participating in the Medicaid program for the biennium beginning July 1,
28 2025, and ending June 30, 2027. Special education funds equal to the amount of the
29 matching funds required to be paid by the school district or special education unit must
30 be paid by the superintendent of public instruction to the department of health and
31 human services on behalf of the school district or unit.

2. State school aid payments for integrated formula payments must be reduced by the amount of funds required to be paid by school districts for school approval for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 8. REGIONAL EDUCATION ASSOCIATIONS - GRANTS - DISTRIBUTION. The integrated formula payments line item in subdivision 1 of section 1 of this Act includes \$700,000 from the general fund for the purpose of providing annual grants to regional education associations, for the biennium beginning July 1, 2025, and ending June 30, 2027. An annual grant of \$50,000 is provided to each regional education association that exists as of July 1, 2025. Regional education associations that merge during the 2025-27 biennium are entitled to the annual grants that would have been paid to each of the member associations.

SECTION 9. STUDENT MEALS - GRANTS - DISTRIBUTION. The grants - program grants line item in subdivision 1 of section 1 of this Act includes \$6,000,000 from the general fund for the purpose of providing grants to school districts to defray the expenses of providing meals, free of charge, for all students enrolled in public or nonpublic school at or below two hundred percent of the federal poverty guideline, for the biennium beginning July 1, 2025, and ending June 30, 2027. The superintendent of public instruction shall develop guidelines and reporting requirements for the grants.

SECTION 10. PARAPROFESSIONAL-TO-TEACHER PROGRAM - GRANTS - DISTRIBUTION. The grants - program grants line item in subdivision 1 of section 1 of this Act includes \$3,000,000 from the general fund for the purpose of providing grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers, for the biennium beginning July 1, 2025, and ending June 30, 2027. The superintendent of public instruction may award up to \$20,000 to each qualifying institution for program startup and other administrative costs and the remainder of the appropriation may be used only for tuition and scholarships for students enrolled in the program. The superintendent of public instruction may establish policies and procedures to administer this program.

SECTION 11. NORTH DAKOTA GOVERNOR'S SCHOOLS - GRANTS - DISTRIBUTION. The grants - passthrough grants line item in subdivision 1 of section 1 of this Act includes \$500,000 from the general fund for the purpose of providing grants for North Dakota governor's schools at North Dakota state university and university of North Dakota, for the biennium beginning July 1, 2025, and ending June 30, 2027.

- 1 1. The superintendent of public instruction shall conduct North Dakota governor's
2 schools once a summer alternating annually between North Dakota state university
3 and university of North Dakota.
- 4 2. The superintendent of public instruction shall award the grants based on providing an
5 average cost of \$5,000 per student attending the schools each year not to exceed a
6 total of \$250,000 to each university for each year of the biennium.
- 7 3. The governor's schools program must provide programs related to science,
8 technology, engineering, mathematics, energy law, mental health, education, and
9 health sciences.
- 10 4. The superintendent of public instruction shall name codirectors at each university to
11 ensure continued collaboration of the schools at both campuses.
- 12 5. Funds may be used only for defraying expenses for students while on campus,
13 including housing, dining, resident assistants, program directors, instructors, and
14 faculty research sponsors.

15 **SECTION 12. EXEMPTION - INDIRECT COST RECOVERIES, GENERAL**
16 **EDUCATIONAL DEVELOPMENT FEES, AND DISPLACED HOMEMAKER DEPOSITS.**

17 Notwithstanding section 54-44.1-15, the department of public instruction may deposit indirect
18 cost recoveries in its operating account. In addition, any moneys collected by the department of
19 public instruction for general educational development fees and displaced homemakers
20 deposits must be deposited in the public instruction fund in the state treasury. Any funds
21 deposited in the public instruction fund may only be spent subject to appropriation by the
22 legislative assembly.

23 **SECTION 13. STATE AID TO PUBLIC LIBRARIES.** The grants line item in subdivision 3 of
24 section 1 of this Act includes \$1,737,582 for aid to public libraries, of which no more than
25 one-half may be expended during the fiscal year ending June 30, 2026.