

2021 HOUSE EDUCATION

HB 1027

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1027
1/6/2021

Relating to school district transportation aid payment; and to the transportation of open enrollment students

9:00 AM

Chairman Owens called the meeting to order. Roll Call: Reps. Owens, Schreiber-Beck, Heinert, Hoverson, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Simons, Zubke, Guggisberg, and Hager were present.
was taken and all were present.

Discussion Topics:

- Committee introductions
- Busing
- Funding for transportation
-

Amy DeKok ,Legal Counsel for School Board Association - oral testimony
Michael Heilman, Executive Director of ND Small Organized Schools # 107 and 106
Dr. Amy Copas, ND Council for Educational Leaders #85
Dustin Assel, Legal division of Legislative Council oral testimony

Additional written testimony:

none

Closed the hearing. 10:24 AM

Bev Monroe, Committee Clerk



North Dakota Small Organized Schools

#107

Mr. Michael Heilman
Executive Director
3144 Hampton Street
Bismarck, ND 58504
mheilmanndsos@gmail.com
701-527-4621

Mr. Brandt Dick
President
PO Box 100 – 123 Summit Street
Underwood, ND 5857
Brandt.Dick@underwoodschool.org
701-442-3274

Mr. Steven Heim
Vice-President
PO Box 256
Drake, ND 58736
Steve.heim@k12.nd.us
701-465-3732

Chairmen Owens and members of the House Education Committee, my name is Michael Heilman and I am the Executive Director of the North Dakota Small Organized Schools (NDSOS). You are probably more familiar with my predecessor Mr. Elroy Burkle. I will not claim to have his grasp of school transportation funding but will use his expertise and past work to support my testimony.

Transportation is not an issue for just our small schools, it is a significant expense for all school districts providing transportation. The 154-member schools of NDSOS reflect most of the smallest and a few of the larger districts in the state.

The funding level in HB 1027 is identical to the funding level from the 2019 and 2017 legislative sessions. This is understandable given the current economic climate; however, transportation expenses continue to increase and NDSOS would support and greatly appreciate any increase to transportation funding.

The included tables reflect the historical funding for transportation and comparative funding for foundation aid from 2009 to 2021. State support for transportation goes back many decades and has gone from a high of 69.14% (92-93) to 39.67% in 18-19. While the state support for all programs (pupil aid, transportation, career and technical education, special education and other) has increased to 61%.

NDSOS supports HB 1027 with the recommended adjustments by Senator Schaible on page one to ensure that the next biennium reflects the better of the 2018-19 school year, or the prior year, whichever is greater.

Mr. Michael Heilman – Executive Director
North Dakota Small Organized Schools
mheilmanndsos@gmail.com
701.527.4621

Board of Directors

Region 1

Mr. Tim Holte, Supt. Stanley
Mr. John Gruenberg, Supt. Powers Lake

Region 2

Mr. Jeff Hagler, Supt. North Star
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Mr. Joel Lemer, Bd. Member Carrington
Mr. Brandt Dick, Supt. Underwood

Region 6

Mr. Mitch Carlson, Supt. LaMoure
Dr. Steven Johnson, Supt. Lisbon

The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.

ND PUBLIC SCHOOL DISTRICT TRANSPORTATION DATA - SOURCE: SCHOOL FINANCE FACTS SECTION A											
School Fiscal Year	No. of Pupils Transported	Cost of Transportation	Percent Change in Yearly Cost	Total State Payments to Schools	% of State Support	Average Trans. Cost Per Pupil	Cost of Trans. Per Mile	Total Annual Mileage	Fall Enrollment	Operating School Districts	State Support All %
1992/93	44,116	\$24,830,520.97		\$17,167,452	69.14%	\$562.85	\$1.00	24,770,652.40		257	47.10%
1993/94	43,754	\$25,101,143.75	1.09%	\$16,766,456	66.80%	\$573.69	\$1.03	24,482,141.10	118,512	251	46.40%
1994/95	47,105	\$26,296,239.55	4.76%	\$17,196,155	65.39%	\$558.25	\$1.09	24,169,781.80	118,649	238	45.70%
1995/96	47,580	\$26,668,279.48	1.41%	\$17,498,529	65.62%	\$560.49	\$1.13	23,539,349.20	118,565	234	46.00%
1996/97	48,236	\$27,779,408.99	4.17%	\$17,810,492	64.11%	\$575.91	\$1.17	23,837,566.80	117,816	234	45.70%
1997/98	48,445	\$28,371,324.50	2.13%	\$17,583,138	61.98%	\$585.64	\$1.18	24,025,594.20	116,103	231	44.26%
1998/99	49,117	\$28,222,184.35	-0.53%	\$17,442,180	61.80%	\$574.59	\$1.18	23,864,619.50	113,929	229	43.03%
1999/00	46,114	\$29,515,603.00	4.58%	\$17,381,171	58.89%	\$640.06	\$1.26	23,349,766.00	111,705	229	43.36%
2000/01	44,922	\$31,984,641.00	8.37%	\$17,205,267	53.79%	\$712.00	\$1.40	22,923,404.00	108,094	227	41.92%
2001/02	43,470	\$31,160,965.00	-2.58%	\$17,198,168	55.19%	\$716.84	\$1.32	23,583,312.00	105,217	218	42.07%
2002/03	43,249	\$31,901,335.00	2.38%	\$16,994,871	53.27%	\$737.62	\$1.35	23,614,851.00	103,013	217	41.93%
2003/04	39,022	\$32,743,341.00	2.64%	\$17,152,363	52.38%	\$839.10	\$1.44	22,784,009.00	101,137	211	41.45%
2004/05	37,257	\$34,668,950.00	5.88%	\$17,118,918	49.38%	\$930.54	\$1.55	22,337,864.00	99,324	206	40.48%
2005/06	38,096	\$36,228,595.00	4.50%	\$16,213,012	44.75%	\$950.99	\$1.64	22,039,176.00	97,120	198	39.66%
2006/07	38,442	\$37,133,249.00	2.50%	\$16,147,647	43.49%	\$965.96	\$1.72	21,584,342.00	95,600	195	38.99%
2007/08	37,748	\$43,119,410.00	16.12%	\$17,011,141	39.45%	\$1,142.29	\$2.03	21,218,019.00	94,057	187	40.16%
2008/09	38,371	\$42,995,587.95	-0.29%	\$17,304,869	40.25%	\$1,120.52	\$2.06	20,891,084.14	93,406	184	40.46%
2009/10	38,065	\$47,316,652.56	10.05%	\$20,310,472	42.92%	\$1,243.06	\$2.23	21,264,227.71	93,715	181	48.15%
2010/11	38,396	\$48,074,295.00	1.60%	\$26,462,498	55.05%	\$1,252.07	\$2.27	21,144,812.00	94,729	179	54.79%
2011/12	38,723	\$53,965,769.59	12.25%	\$23,650,074	43.82%	\$1,393.63	\$2.59	20,856,898.34	95,778	179	56.07%
2012/13	39,095	\$56,510,606.00	4.72%	\$24,738,009	43.78%	\$1,445.47	\$2.70	20,899,150.00	99,192	179	56.69%
2013/14	42,043	\$60,907,853.00	7.78%	\$26,631,842	43.72%	\$1,448.71	\$2.85	21,405,557.00	101,656	179	66.30%
2014/15	43,804	\$59,984,125.00	-1.52%	\$26,639,140	44.41%	\$1,369.39	\$2.83	21,215,830.00	104,278	179	66.27%
2015/16	44,602	\$60,722,287.00	1.23%	\$27,803,637	45.79%	\$1,361.43	\$2.79	21,757,879.00	106,070	178	66.10%
2016/17	43,352	\$62,135,733.00	2.33%	\$28,447,575	45.78%	\$1,433.30	\$2.90	21,414,287.00	108,945	178	65.56%
2017/18	43,613	\$65,715,283.00	5.76%	\$26,837,564	40.84%	\$1,506.79	\$2.95	22,297,107.00	110,223	178	64.00%
2018/19	45,453	\$69,346,456.00	5.53%	\$27,508,652	39.67%	\$1,525.68	\$3.07	22,564,318.00	112,858	178	61.68%
2019/20											
1993-2019	3%	179%				171%	207%	-9%	-5%	-31%	
Total Yearly Ave.			4.27%								

Date revised 4/29/2020

17/18 - first year of rate changes from 2017 session

Acknowledgement and Appreciation Noted: 2009 HB 1013 authorized a \$5M supplemental payment to schools SY 2010/11 - Emission Upgrades.

ND REIMBURSEMENT RATES FOR TRANSPORTATION HISTORY 2009-2021

	2019-21 Rates	2017-19 Rates	2015-17 Rates	2013-15 Rates	2011-13 Rates	2009-11 Rates	Dollar Increase from '09 to '21	% Increase '09 to '21	Estimated Annual % increase
Small Bus									
Rural and City	\$0.52	\$0.52	\$0.55	\$0.52	\$0.46	\$0.44	\$0.08	18%	1.65%
% biennium increase	0%	-5.45%	5.77%	13.04%	4.55%				
Large Bus									
Rural and City	\$1.11	\$1.11	\$1.18	\$1.13	\$1.03	\$0.92	\$0.19	21%	1.88%
% biennium increase	0%	-5.93%	4.42%	9.71%	11.96%				
Ridership									
Rural and City	\$0.30	\$0.30	\$0.32	\$0.30	\$0.26	\$0.24	\$0.06	25%	2.27%
% biennium increase	0%	-6.25%	6.67%	15.38%	8.33%				
Family to School	\$0.25	\$0.25	\$0.27	\$0.25	\$0.23	\$0.20	\$0.05	25%	2.27%
% biennium increase	0%	-7.41%	8.00%	8.70%	15.00%				
Family to Bus	\$0.25	\$0.25	\$0.27	\$0.25	\$0.23	\$0.20	\$0.05	25%	2.27%
% biennium increase	0%	-7.41%	8.00%	8.70%	15.00%				
Compared to	Per Student Rate Payment for each year of the biennium							214%	19.42%
Per Pupil Pymt	\$9,839	\$9,646	\$9,365	\$8,810	\$3,910	\$3,200	\$6,836		
as a reference point only	\$10,036	\$9,646	\$9,646	\$9,092	\$3,980	\$3,779			

Soucre - ND DPI Finance Facts

State-Wide Hourly Wages Paid to ND Bus Drivers				
School Year	Drivers Employed < 9 months	Percentage of Annual Increase	Drivers Employed > 9 months	Percentage of Annual Increase
2009/10	\$17.33	N/A	\$16.98	N/A
2010/11	\$18.32	6%	\$17.67	4%
2011/11	\$18.91	3%	\$17.92	1%
2012/13	\$20.84	10%	\$18.68	4%
2013-14	\$21.02	1%	\$19.78	6%
2014/15	\$22.05	5%	\$20.58	4%
2015/16	\$24.10	9%	\$20.68	0%
2016/17	\$25.26	5%	\$22.12	7%
2017/18	\$25.81	2%	\$22.31	1%
2018/19	\$25.49	-1%	\$22.87	3%
2019/20	\$24.52	-4%	\$24.15	6%
Average Annual Increase \$0.72		3.61%	\$0.72	3.60%
Dollar(s) increase from				
09/10 to 19/2		\$7.19	\$7.17	
Source: ND DPI Management Information Department.				
Subject to change with updated data.				

Cost of New Buses and Labor Repair - Harlow's Bus Service				
48 Passenger Bus - Projected New Costs				
Year	Cost	Year	Cost	
2008	\$71,329	2019	\$85,500	
2012	\$82,000	2020	84000	
2018	\$85,000			
w/3 point seat belts add \$12,000				

Labor Rates/hour		
2012	\$104	
2016	\$110	
2018	\$115	
2020	\$125	
Increase	\$21/hour	20.19%



1 HB 1027 – Transportation Payments

2 NDCEL Testimony in support

3 Chairmen Owens and members of the House Education Committee, before you is a bill outlining
4 transportation payments for school districts for the upcoming biennium. Significant time was
5 spent during this interim on school district transportation costs and concerns regarding funding
6 based on funding levels, % of support, as well as new-found issues regarding the formula used and
7 how it translates based on the consequences of COVID this past year and this fall.

8 The funding here based on the dollars are held at an even level from the past biennium. Based on
9 our fiscal concerns this year we do understand why these numbers have been carried over. That
10 being said – transportation continues to be a struggle for school districts. With the rapid increase
11 in staffing cost and equipment cost over the past decade, the rate of reimbursement has resulted in
12 an ongoing decrease in % of state support for transportation. That state support being just about
13 40% this past biennium which is not reflective of the % of support overall for public education
14 from a state standpoint.

15 The greater struggle that we have in the upcoming biennium is due to circumstances beyond
16 anyone's control yet are still impacted by the current formula. During the interim session this was
17 discussed, and recommendations were made on how to overcome this during this biennium. The
18 suggested adjustment by Senator Schaible on page one to ensure that the next biennium reflects
19 the better of the 2018-19 school year, or the prior year – whichever is great – would create the
20 appropriate solution to get schools through this biennium.

21 With that adjustment we ask that you consider a positive report on this bill.

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1027
1/12/2021

Relating to school district transportation aid payment; and to the transportation of open enrollment students

9:16 AM **Chairman Owens** opened the meeting. Reps. Owens, Schreiber-Beck, Heinert, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Simons, Zubke, Guggisberg, Hager were present. Rep Hoverson was absent.

Discussion Topics:

- Fees and funding transportation
- One way trips
- Local cost share

9:17 AM **Rep Zubke** moved the Amendment HB 1027 Christmas tree version 21.0033.02001 #725
Rep Longmuir seconded

Representatives	Vote
Representative Mark S. Owens	Y
Representative Cynthia Schreiber-Beck	Y
Representative Ron Guggisberg	Y
Representative LaurieBeth Hager	Y
Representative Pat D. Heinert	Y
Representative Jeff A. Hoverson	A
Representative Dennis Johnson	Y
Representative Mary Johnson	Y
Representative Donald Longmuir	Y
Representative Andrew Marschall	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Luke Simons	Y
Representative Denton Zubke	Y

Roll call vote. 13 yes 0 no 1 absent. Motion to adopt amendment passed.

9:35 AM **Adam Tescher**, assistant director, school finance- NDDPI for further explanation

9:50 AM **Rep Schreiber-Beck** made a motion for a Do Pass as Amended, **Rep Guggisburg** seconded.

9:52 AM **Adam Tescher** for further explanation

9:54 AM **Chairman Owens** stated to hold the bill and check with sponsor.

9:55 AM Closed the hearing

Bev Monroe, Committee Clerk

Sixty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1027

Introduced by

Legislative Management

(Education Funding Formula Review Committee)

1 A BILL for an Act to create and enact five new sections to chapter 15.1-27 of the North Dakota
2 Century Code, relating to school district transportation aid payments; and to amend and reenact
3 section 15.1-31-05 of the North Dakota Century Code, relating to the transportation of open
4 enrollment students.

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

6 **SECTION 1.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
7 and enacted as follows:

8 **School district transportation of students - Payments.**

9 1. The superintendent of public instruction shall pay each school district providing school
10 bus transportation in contract schoolbuses or in district-owned and operated
11 schoolbuses, and each school district with students riding commercial buses to and
12 from school within the incorporated limits of a city, the following amounts from state
13 funds:

14 a. For schoolbuses and school vehicles transporting students:

15 (1) Fifty-two cents per mile [1.61 kilometers] for vehicles that have a capacity of
16 fewer than ten students; and

17 (2) One dollar and eleven cents per mile [1.61 kilometers] for schoolbuses that
18 have a capacity of ten or more students; and

19 b. Thirty cents per one-way trip for each student transported.

20 2. The superintendent of public instruction shall provide per mileage payments if:

21 a. A school district qualifies to receive payment pursuant to subsection 1; and

22 b. The school district operates schoolbuses in accordance with state law relating to
23 schoolbus standards and school vehicle driver requirements. A school district
24 shall certify compliance with state law relating to schoolbus standards and school

1 vehicle driver requirements when applying for payment under this section. The
2 superintendent of public instruction may adopt rules governing certification of
3 compliance under this subdivision.

4 3. The superintendent of public instruction shall reimburse school districts fifty cents per
5 day per mile [1.61 kilometers] one-way for each mile over two miles [3.22 kilometers]
6 for students transported by family transportation in accordance with section
7 15.1-30-02, according to the distance between the home of the student and the
8 school. The distance must be measured by the route from the front door of the school
9 attended to the front door of the residence of the family of the student according to the
10 most convenient public course traveled.

11 4. The superintendent of public instruction shall use the latest available student
12 enrollment count in each school district in applying the provisions of this section.

13 5. This section does not authorize the reimbursement of any costs incurred in providing
14 transportation for students to attend extracurricular activities or events.

15 ~~6. The superintendent of public instruction shall develop, and require school districts use,~~
16 ~~a uniform cost accounting system to calculate and administer the reimbursements~~
17 ~~provided under this section. The superintendent shall prepare forms and statements~~
18 ~~necessary for school districts to apply for reimbursements under this section.~~

19 **SECTION 2.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
20 and enacted as follows:

21 **School district transportation of special education students - Payments.**

22 1. The superintendent of public instruction shall pay each school district transporting
23 students enrolled in special education programs approved by the superintendent of
24 public instruction:

25 a. The amount provided in section 1 of this Act for vehicles that have a capacity of
26 fewer than ten students if the school district is transporting fewer than
27 ten students per vehicle;

28 b. The amount provided in section 1 of this Act for vehicles that have a capacity of
29 ten or more students if the school district is transporting ten or more students per
30 vehicle; and

1 c. The additional amount provided in section 1 of this Act, per one-way trip, for each
2 student transported.

3 2. ~~Except as provided in subsection 3, a~~ A school district entitled to payments under this
4 section is entitled to receive transportation aid for all miles [kilometers] traveled and for
5 all students transported, regardless of whether the students transported live within the
6 incorporated limits of the city in which the students' school is located.

7 3. ~~A school district may not receive more than one per student payment for transportation~~
8 ~~of a student regardless of the number of times a student is transported in one day.~~

9 ~~4.~~ The superintendent of public instruction shall reimburse school districts fifty cents per
10 day per mile [1.61 kilometers] if:

11 a. The student being transported has a disability, as defined in chapter 15.1-32;

12 b. The student has an individualized education plan that requires the student attend
13 a public or nonpublic school located outside the student's school district of
14 residence;

15 c. The student is transported by an adult family member in family provided
16 transportation; and

17 d. The reimbursement does not exceed two round trips per day between the home
18 of the student and the school.

19 5. Notwithstanding any other provision of law, the superintendent of public instruction,
20 upon request from the school district, shall make the payments due to a school district
21 under this section directly to a multidistrict special education unit.

22 **SECTION 3.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
23 and enacted as follows:

24 **School district transportation of career and technical education students - Payments.**

25 1. The superintendent of public instruction shall pay each school district transporting
26 students to and from schools in other school districts and to and from schools within
27 the district for vocational and technical education courses offered through cooperative
28 arrangements approved by the state board for career and technical education:

29 a. The amount provided in section 1 of this Act for vehicles that have a capacity of
30 fewer than ten students if the school district is transporting fewer than
31 ten students per vehicle;

b. The amount provided in section 1 of this Act for vehicles that have a capacity of ten or more students if the school district is transporting ten or more students per vehicle; and

c. The additional amount provided in section 1 of this Act, per one-way trip, for each student transported.

2. ~~Except as provided in subsection 3, a~~ A school district entitled to payments under this section is entitled to receive transportation aid for all miles [kilometers] traveled and for all students transported, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located.

3. ~~A school district may not receive more than one per student payment for transportation of a student regardless of the number of times a student is transported in one day.~~

~~4.~~ Notwithstanding any other provision of law, the superintendent of public instruction, upon request from the school district, shall make the payments due to a school district under this section directly to an area vocational and technology center.

SECTION 4. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

School district closure - Distribution of transportation payments.

1. If a school district ceases to exist, the superintendent of public instruction shall calculate the amount of transportation payments to which the former school district would have been entitled for providing transportation services during the school district's final year of operation and shall pay a percentage of the amount certified to each school district in the state which enrolls students who attended the former school district during the prior school year. Each school district eligible for payment under this section is entitled to receive the percentage of the total amount certified which is the same as the percentage of the number of the district's students who attended the former school district during the prior school year bears to the total number of students who attended the former school district during the prior school year.

2. The superintendent of public instruction shall pay the amount to which a school district is entitled under this section in the manner and at the time provided for other state payments in section 15.1-27-01.

1 **SECTION 5.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
2 and enacted as follows:

3 **State transportation payments to school districts.**

4 1. The superintendent of public instruction shall determine the total amount of payments
5 to be made to the school districts for the transportation of students and shall pay the
6 amount certified to each school district. Payments must be made in the same manner
7 and at the time provided for other state payments in section 15.1-27-01.

8 2. A school district may not receive more than ninety percent of the actual costs incurred
9 for the transportation of students.

10 3. For purposes of this section, actual costs include the transportation operating
11 expenditures reported to the superintendent of public instruction for the most recent
12 year plus the eight-year average cost of transportation equipment determined by the
13 superintendent of public instruction. Any district having contracted for transportation
14 services may determine the actual costs for the first year the district provides its own
15 transportation services by using the statewide average cost of transportation during
16 the first year.

17 **SECTION 6. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15.1-31-05. Open enrollment - Transportation.**

20 A school district of residence may provide transportation to a student participating in open
21 enrollment. If a district of residence does not provide transportation to a student participating in
22 open enrollment, transportation may be provided by the admitting district. A school district may
23 not receive transportation aid disbursements under subdivision a of subsection 1 of section 1 of
24 this Act for transporting students who are participating in open enrollment, or who are enrolled
25 pursuant to a written contract entered by the sending and admitting districts which waives the
26 charge and collection of tuition for the student.

21.0033.02001

Sixty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1027

Introduced by

Legislative Management

(Education Funding Formula Review Committee)

1/14/21 -
amended
"did not act on do pass"

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10 bus transportation in contract schoolbuses or in district-owned and operated
11 schoolbuses, and each school district with students riding commercial buses to and
12 from school within the incorporated limits of a city, the following amounts from state
13 funds:

14 a. For schoolbuses and school vehicles transporting students:

- 15 (1) Fifty-two cents per mile [1.61 kilometers] for vehicles that have a capacity of
16 fewer than ten students; and
17 (2) One dollar and eleven cents per mile [1.61 kilometers] for schoolbuses that
18 have a capacity of ten or more students; and

19 b. Thirty cents per one-way trip for each student transported.

20 2. The superintendent of public instruction shall provide per mileage payments if:

21 a. A school district qualifies to receive payment pursuant to subsection 1; and

22 b. The school district operates schoolbuses in accordance with state law relating to
23 schoolbus standards and school vehicle driver requirements. A school district
24 shall certify compliance with state law relating to schoolbus standards and school

*Religious
in public*

- 1 vehicle driver requirements when applying for payment under this section. The
2 superintendent of public instruction may adopt rules governing certification of
3 compliance under this subdivision.
- 4 3. The superintendent of public instruction shall reimburse school districts fifty cents per
5 day per mile [1.61 kilometers] one-way for each mile over two miles [3.22 kilometers]
6 for students transported by family transportation in accordance with section
7 15.1-30-02, according to the distance between the home of the student and the
8 school. The distance must be measured by the route from the front door of the school
9 attended to the front door of the residence of the family of the student according to the
10 most convenient public course traveled.
- 11 4. The superintendent of public instruction shall use the latest available student
12 enrollment count in each school district in applying the provisions of this section.
- 13 5. This section does not authorize the reimbursement of any costs incurred in providing
14 transportation for students to attend extracurricular activities or events.
- 15 ~~6. The superintendent of public instruction shall develop, and require school districts use,~~
16 ~~a uniform cost accounting system to calculate and administer the reimbursements~~
17 ~~provided under this section. The superintendent shall prepare forms and statements~~
18 ~~necessary for school districts to apply for reimbursements under this section.~~

19 **SECTION 2.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
20 and enacted as follows:

21 **School district transportation of special education students - Payments.**

- 22 1. The superintendent of public instruction shall pay each school district transporting
23 students enrolled in special education programs approved by the superintendent of
24 public instruction:
- 25 a. The amount provided in section 1 of this Act for vehicles that have a capacity of
26 fewer than ten students if the school district is transporting fewer than
27 ten students per vehicle;
- 28 b. The amount provided in section 1 of this Act for vehicles that have a capacity of
29 ten or more students if the school district is transporting ten or more students per
30 vehicle; and

- 1 c. The additional amount provided in section 1 of this Act, per one-way trip, for each
2 student transported.
- 3 2. ~~Except as provided in subsection 3, a~~ A school district entitled to payments under this
4 section is entitled to receive transportation aid for all miles [kilometers] traveled and for
5 all students transported, regardless of whether the students transported live within the
6 incorporated limits of the city in which the students' school is located.
- 7 3. ~~A school district may not receive more than one per student payment for transportation~~
8 ~~of a student regardless of the number of times a student is transported in one day.~~
- 9 ~~4.~~ The superintendent of public instruction shall reimburse school districts fifty cents per
10 day per mile [1.61 kilometers] if:
- 11 a. The student being transported has a disability, as defined in chapter 15.1-32;
12 b. The student has an individualized education plan that requires the student attend
13 a public or nonpublic school located outside the student's school district of
14 residence;
- 15 c. The student is transported by an adult family member in family provided
16 transportation; and
- 17 d. The reimbursement does not exceed two round trips per day between the home
18 of the student and the school.
- 19 5. Notwithstanding any other provision of law, the superintendent of public instruction,
20 upon request from the school district, shall make the payments due to a school district
21 under this section directly to a multidistrict special education unit.

22 **SECTION 3.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
23 and enacted as follows:

24 **School district transportation of career and technical education students - Payments.**

- 25 1. The superintendent of public instruction shall pay each school district transporting
26 students to and from schools in other school districts and to and from schools within
27 the district for vocational and technical education courses offered through cooperative
28 arrangements approved by the state board for career and technical education:
- 29 a. The amount provided in section 1 of this Act for vehicles that have a capacity of
30 fewer than ten students if the school district is transporting fewer than
31 ten students per vehicle;

- 1 b. The amount provided in section 1 of this Act for vehicles that have a capacity of
2 ten or more students if the school district is transporting ten or more students per
3 vehicle; and
- 4 c. The additional amount provided in section 1 of this Act, per one-way trip, for each
5 student transported.
- 6 2. ~~Except as provided in subsection 3, a~~A school district entitled to payments under this
7 section is entitled to receive transportation aid for all miles [kilometers] traveled and for
8 all students transported, regardless of whether the students transported live within the
9 incorporated limits of the city in which the students' school is located.
- 10 3. ~~A school district may not receive more than one per student payment for transportation~~
11 ~~of a student regardless of the number of times a student is transported in one day.~~
- 12 ~~4.~~ Notwithstanding any other provision of law, the superintendent of public instruction,
13 upon request from the school district, shall make the payments due to a school district
14 under this section directly to an area vocational and technology center.

15 **SECTION 4.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
16 and enacted as follows:

17 **School district closure - Distribution of transportation payments.**

- 18 1. If a school district ceases to exist, the superintendent of public instruction shall
19 calculate the amount of transportation payments to which the former school district
20 would have been entitled for providing transportation services during the school
21 district's final year of operation and shall pay a percentage of the amount certified to
22 each school district in the state which enrolls students who attended the former school
23 district during the prior school year. Each school district eligible for payment under this
24 section is entitled to receive the percentage of the total amount certified which is the
25 same as the percentage of the number of the district's students who attended the
26 former school district during the prior school year bears to the total number of students
27 who attended the former school district during the prior school year.
- 28 2. The superintendent of public instruction shall pay the amount to which a school district
29 is entitled under this section in the manner and at the time provided for other state
30 payments in section 15.1-27-01.

SECTION 5. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

State transportation payments to school districts.

1. The superintendent of public instruction shall determine the total amount of payments to be made to the school districts for the transportation of students and shall pay the amount certified to each school district. Payments must be made in the same manner and at the time provided for other state payments in section 15.1-27-01.
2. A school district may not receive more than ninety percent of the actual costs incurred for the transportation of students.
3. For purposes of this section, actual costs include the transportation operating expenditures reported to the superintendent of public instruction for the most recent year plus the eight-year average cost of transportation equipment determined by the superintendent of public instruction. Any district having contracted for transportation services may determine the actual costs for the first year the district provides its own transportation services by using the statewide average cost of transportation during the first year.

SECTION 6. AMENDMENT. Section 15.1-31-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-05. Open enrollment - Transportation.

A school district of residence may provide transportation to a student participating in open enrollment. If a district of residence does not provide transportation to a student participating in open enrollment, transportation may be provided by the admitting district. A school district may not receive transportation aid disbursements under subdivision a of subsection 1 of section 1 of this Act for transporting students who are participating in open enrollment, or who are enrolled pursuant to a written contract entered by the sending and admitting districts which waives the charge and collection of tuition for the student.

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1027
1/13/2021

Relating to school district transportation aid payment; and to the transportation of open enrollment students

Vice Chairman Schreiber-Beck called the meeting to order at 9:26 AM. Roll Call: Reps. Schreiber-Beck, Heinert, Hoverson, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Simons Zubke, Hager were present. Rep Owens and Rep Guggisberg were absent.

Discussion Topics:

- Providers funding for transportation
- School boards transportation concerns
- Transportation suitable for students

Rep Pyle asked for further clarification from Legislative Council. 9:29

Vice Chairman Schreiber-Beck Closed the hearing at 9:39 AM.

Bev Monroe, Committee Clerk

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1027
1/19/2021

Relating to school district transportation aid payment; and to the transportation of open enrollment students

9:22 AM **Chairman Owens** called the meeting to order at 9:26 AM. Roll Call: Reps. Owens, Schreiber-Beck, Heinert, Hoverson, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Simons, Zubke, Guggisberg, and Hager were present.

Discussion Topic:

- Amendment 21.0033.02002

Rep Owens moved to amend with #21.0033.02002. #1701

Rep. M. Johnson seconded.

Voice Vote: Motion carried.

Committee held the bill.

Chairman Owens: Closed the hearing at 9:25.

Bev Monroe, Committee Clerk by Donna Whetham

21.0033.02002
Title.

Prepared by the Legislative Council staff for
Representative Owens
January 12, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1027

Page 5, line 23, after the second "1" insert "or subsection 3 of section 1"

Renumber accordingly

21.0033.02002
Title.

Prepared by the Legislative Council staff for
Representative Owens
January 12, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1027

Page 5, line 23, after the second "1" insert "or subsection 3 of section 1"

Renumber accordingly

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1027
1/26/2021

Relating to school district transportation aid payment; and to the transportation of open enrollment students

Chairman Owens called the meeting to order at 2:57 PM. Roll Call: Reps. Owens, Schreiber-Beck, Heinert, Hoverson, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Simons, Zubke, Guggisberg, and Hager were present.

Vice Chairman Schreiber Beck moved a Do Pass as amended 21.0033.02003. Rep. Longmuir seconded.

Roll Call Vote:

Representatives	Vote
Representative Mark S. Owens	Y
Representative Cynthia Schreiber-Beck	Y
Representative Ron Guggisberg	Y
Representative LaurieBeth Hager	Y
Representative Pat D. Heinert	Y
Representative Jeff A. Hoverson	N
Representative Dennis Johnson	Y
Representative Mary Johnson	A
Representative Donald Longmuir	Y
Representative Andrew Marschall	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Luke Simons	N
Representative Denton Zubke	Y

Motion carried 11-2-1.

Rep. Zubke will carry the bill.

Bev Monroe, Committee Clerk by Donna Whetham

January 19, 2021

03
1/19/21

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1027

Page 2, remove lines 15 through 18

Page 3, line 3, replace "Except as provided in subsection 3, a" with "A"

Page 3, line 7, remove "A school district may not receive more than one per student payment for transportation"

Page 3, remove line 8

Page 3, line 9, remove "4."

Page 3, line 19, replace "5." with "4."

Page 4, line 6, replace "Except as provided in subsection 3, a" with "A"

Page 4, line 10, remove "A school district may not receive more than one per student payment for transportation"

Page 4, remove line 11

Page 4, line 12, remove "4."

Page 5, line 24, after "Act" insert "or subsection 3 of section 1 of this Act"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1027: Education Committee (Rep. Owens, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1027 was placed on the Sixth order on the calendar.

Page 2, remove lines 15 through 18

Page 3, line 3, replace "Except as provided in subsection 3, a" with "A"

Page 3, line 7, remove "A school district may not receive more than one per student payment for transportation"

Page 3, remove line 8

Page 3, line 9, remove "4."

Page 3, line 19, replace "5." with "4."

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Page 4, remove line 11

Page 4, line 12, remove "4."

Page 5, line 24, after "Act" insert "or subsection 3 of section 1 of this Act"

Renumber accordingly

2021 SENATE EDUCATION

HB 1027

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1027
3/9/2021

A BILL relating to school district transportation aid payments; relating to the transportation of open enrollment students.

Vice Chair Elkin opened the hearing at 9:00 AM.

Discussion Topics:

- Correcting language in 2019 bill
- Cost for out of district students
- Aid payment to each district
- Code simplification
- Effect on virtual students
- Transportation to CTE centers

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P
Senator Oban	P
Senator Wobbema	P

Chair Schaible introduced the bill #8133

Dustin Assel – Legislative Council – legal testified neutral #7986

Michael Heilman – Ex Dir Small Organized Schools – testified in support #8118, #8119

Wayde Sick – Ex Dir Career/Tech Ed – testified in support

Adam Tescher – DPI Finance Officer – testified neutral

Additional written testimony: none

Adjourned 9:21 AM

Lynn Wolf, Committee Clerk



NORTH DAKOTA SENATE

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Senator Donald Schaible

District 31
9115 Highway 21
Mott, ND 58646-9200

Residence: 701-824-3168
dgschaible@nd.gov

COMMITTEES:

Education
Energy and Natural Resources, Chairman

Good morning Vice Chairman Elkin and Senate Education Committee. For the record My name is Senator Don Schaible, District 31. I am here to day to introduce HB 1027. This bill was the product of the Education Funding Committee this last interim of which I was the chairman.

The idea of this bill was for the state not to pay for transportation of an open enrollment student or tuition waver students outside of the residential district of where that student would live. That seemed like a simple bill to write and of course that was not the case. To make that simple change in code, we found out that existing language that we had and the current practice of how transportation was accounted for was different. This bill tries to correct that language with what we have been currently doing for years. Section 1 through 5 does that. Section 6 addresses the issue of cost of transportation outside on a student's district.

Dustin Assel of Legislative Council will walk through the sections of this bill and provide the rational of the changes suggested. With Mr. Chairman I would try to answer any questions that the committee may have.



North Dakota Legislative Council

Prepared by the Legislative Council staff
March 2021

TESTIMONY - HOUSE BILL NO. 1027 SENATE EDUCATION (ROOM - 216J - 9:00 A.M.) MARCH 9, 2021

Chairman Schaible and members of the Senate Education Committee, good morning. For the record, my name is Dustin Assel. I am a staff attorney with the Legislative Council. I staffed the most recent interim Education Policy Committee. House Bill No. 1027 (2021), which is before you today, was recommended out of the interim Education Funding Formula Review Committee. I was not the primary staff person on that committee, but I was involved with the committee and I did assist on drafting the legislation which is before you today. This testimony is provided in a neutral capacity. I am here only to provide background and information regarding the recommendations of the interim committee.

The bill was introduced by the Legislative Management at the request of the 2019-20 interim Education Funding Formula Review Committee.

Section 20 of 2019 Senate Bill No. 2013 directed a study of school transportation, including district routes, expenditures, reimbursement, and possible efficiencies. The study was assigned to the interim Education Funding Formula Review Committee. Currently, every session there is a section placed in the Department of Public Instruction's budget bill with language requiring student transportation aid payments to be made according to calculations under the formula as it existed on June 30, 2001. The department then references their aid payment worksheets that comply with the law as it existed on June 30, 2001, and updates the payment amounts to reflect current rates before making payments to the districts. Payments are done this way because during the 2001 legislative session, the Legislative Assembly completed a re-write of the K-12 education provisions and moved the rewritten provisions, including transportation aid payments, from title 15 to newly created title 15.1. However, the transportation aid payment codified sections were then subsequently repealed in 2003. As a result, there is not currently any language in North Dakota Century Code addressing student transportation aid payments, other than the session law language that is enacted each legislative session.

During the course of the interim committee's work on this topic, the committee asked for a bill that would recodify the transportation aid payment sections as they existed in 2001 with updated payment rates to reflect current practices.

EXPLANATION OF THE BILL

House Bill No. 1027 (2021) was recommended out of the interim committee and accomplishes the goals of the interim Education Funding Formula Review Committee. The bill consists of 6 sections. The bill creates 5 new sections to North Dakota Century Code chapter 15.1-27 regarding state aid to recodify the transportation aid payment sections as they existed in 2001 with updated rates, and amends section 15.1-31-05 regarding the transportation of open enrolled students.

The bill was also amended and engrossed by the House.

Section 1 of the bill lists the amount that the superintendent of public instruction shall pay each school district providing transportation in contract schoolbuses or district owned and operated buses. To reflect current practices and rates, the bill provides 52 cents per mile for vehicles with a capacity of 9 or fewer, and one dollar and eleven cents per mile for vehicles with a capacity of 10 or more. The section also provides for 30 cents per one-way trip for each student transported. Subsection 3 provides the reimbursement rate of 52 cents per day per mile one way for each mile over two miles for students transported by family transportation under section 15.1-30-02, which is the section on student transportation by family transportation. Subsections 4 and 5 reflect the law as it existed in 2001. There was a subsection 6 in the introduced bill which required the superintendent of public instruction to develop a uniform cost accounting system to calculate and administer the reimbursements. However, the

subsection was removed in the engrossment. I believe the subsection was removed because the accounting system already exists and the language is unnecessary.

Section 2 addresses transportation rates for special education students. Section 2 in the introduced version of the bill included language limiting a school district to one per student payment for transportation of a student, regardless of the number of times the student is transported during the day. The language was removed in the engrossment and the subsections were renumbered. The language in the current bill reflects the law from 2001 with updated rates, with the exception of the aforementioned amendment, with the same amounts as provided in section 1 of the bill.

Section 3 addresses the transportation of Career and Technical Education students. The language references and reflects the rates laid out in section 1 of the bill. Similar to section 2, section 3 of the bill also included language limiting a school district to one per student payment for transportation of a student, regardless of the number of times the student is transported during the day, in the introduced version of the bill which was removed in the engrossment.

Section 4 addresses the distribution of payments in the event of a school district closure and reflects the language of the previous law before the sections were repealed. This section was not affected by the amendment that created the engrossed version.

Section 5 addresses state payments to school districts and the procedure the superintendent of public instruction must follow when making the payments. The language reflects the law as it existed in 2001 before the sections were repealed. Subsection 2 states that a school district may not receive more than 90% of the actual cost incurred, which is a limitation that existed under the law before the sections were repealed.

Section 6 amends language in section 15.1-31-05 regarding the transportation of open enrolled students. Per request of the interim committee, language was added to the section to disallow transportation aid payments in situations involving tuition waiver agreements between school districts. The language prohibits a school district from receiving mileage payments under section 1 of the bill for transporting open enrolled students, or students transported by family transportation, who are enrolled pursuant to a tuition waiver agreement between school districts. The section still allows the district to receive the ridership payment provided for under subdivision b of subsection 1 of section 1 of the bill.

Mr. Chairman and members of the committee, that concludes the information I have prepared for you today. Thank you.



North Dakota Small Organized Schools

#8118

Mr. Michael Heilman
Executive Director
3144 Hampton Street
Bismarck, ND 58504
mheilmanndsos@gmail.com
701-527-4621

Mr. Brandt Dick
President
PO Box 100 – 123 Summit Street
Underwood, ND 5857
Brandt.Dick@underwoodschool.org
701-442-3274

Mr. Steven Heim
Vice-President
PO Box 256
Drake, ND 58736
Steve.heim@k12.nd.us
701-465-3732

Chairmen Schaible and members of the Senate Education Committee, my name is Michael Heilman and I am the Executive Director of the North Dakota Small Organized Schools (NDSOS). Transportation is not an issue for just our small schools, it is a significant expense for all school districts providing transportation. The 154-member schools of NDSOS reflect most of the smallest and a few of the larger districts in the state.

The funding level in section 1 subsection 1 of HB 1027 is identical to the funding level from the 2019 and 2017 legislative sessions. This is understandable given the current economic climate; however, transportation expenses continue to increase. The included tables reflect the historical funding for transportation and comparative funding for foundation aid from 2009 to 2021. State support for transportation goes back many decades and has gone from a high of 69.14% (92-93) to about 40% in recent years a decline of nearly 30%. At the same time the state support for all programs (pupil aid, transportation, career and technical education, special education and other) has increased to about 60%.

NDSOS supports HB 1027 but would ask the committee consider language that would allow districts to have their payments based on the last year of complete data, the 2018-2019 school year or the prior year whichever is greater. NDSOS feels this adjustment is needed and the data provided supports that the 2019/2020 school term busing data was significantly impacted by schools being closed to face-to-face instruction after March 13. Also, many districts' transportation data for the current school term will be impacted due to hybrid learning models that were in place for a significant part of this school year. NDSOS supports language that would allow district transportation payment to be calculated reflecting the anomaly that COVID 19 has created for the past two school terms. That language would read as follows:

for the 2021-2022, and 2022-2023 school years, ridership and mileage payments shall reflect the better of the 2018-19 school year or the prior school year, whichever is greater.

Thank you Chairman Schaible and members of the Senate Education Committee.

Mr. Michael Heilman – Executive Director
North Dakota Small Organized Schools
mheilmanndsos@gmail.com
701.527.4621

Board of Directors

Region 1

Mr. Tim Holte, Supt. Stanley
Mr. John Gruenberg, Supt. Powers Lake

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Mr. Brandt Dick, Supt. Underwood

Region 6

Mr. Mitch Carlson, Supt. LaMoure
Dr. Steven Johnson, Supt. Lisbon

The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.

ND PUBLIC SCHOOL DISTRICT TRANSPORTATION DATA - SOURCE: SCHOOL FINANCE FACTS SECTION A											
School Fiscal Year	No. of Pupils Transported	Cost of Transportation	Percent Change in Yearly Cost	Total State Payments to Schools	% of State Support	Average Trans. Cost Per Pupil	Average Cost of Trans. Per Mile	Total Annual Mileage	Fall Enrollment	Operating School Districts	State Support All %
1992/93	44,116	\$ 24,830,520.97		\$ 17,167,452	69.14%	\$ 562.85	\$ 1.00	24,770,652.40		257	47.10%
1993/94	43,754	\$ 25,101,143.75	1.09%	\$ 16,766,456	66.80%	\$ 573.69	\$ 1.03	24,482,141.10	118,512	251	46.40%
1994/95	47,105	\$ 26,296,239.55	4.76%	\$ 17,196,155	65.39%	\$ 558.25	\$ 1.09	24,169,781.80	118,649	238	45.70%
1995/96	47,580	\$ 26,668,279.48	1.41%	\$ 17,498,529	65.62%	\$ 560.49	\$ 1.13	23,539,349.20	118,565	234	46.00%
1996/97	48,236	\$ 27,779,408.99	4.17%	\$ 17,810,492	64.11%	\$ 575.91	\$ 1.17	23,837,566.80	117,816	234	45.70%
1997/98	48,445	\$ 28,371,324.50	2.13%	\$ 17,583,138	61.98%	\$ 585.64	\$ 1.18	24,025,594.20	116,103	231	44.26%
1998/99	49,117	\$ 28,222,184.35	-0.53%	\$ 17,442,180	61.80%	\$ 574.59	\$ 1.18	23,864,619.50	113,929	229	43.03%
1999/00	46,114	\$ 29,515,603.00	4.58%	\$ 17,381,171	58.89%	\$ 640.06	\$ 1.26	23,349,766.00	111,705	229	43.36%
2000/01	44,922	\$ 31,984,641.00	8.37%	\$ 17,205,267	53.79%	\$ 712.00	\$ 1.40	22,923,404.00	108,094	227	41.92%
2001/02	43,470	\$ 31,160,965.00	-2.58%	\$ 17,198,168	55.19%	\$ 716.84	\$ 1.32	23,583,312.00	105,217	218	42.07%
2002/03	43,249	\$ 31,901,335.00	2.38%	\$ 16,994,871	53.27%	\$ 737.62	\$ 1.35	23,614,851.00	103,013	217	41.93%
2003/04	39,022	\$ 32,743,341.00	2.64%	\$ 17,152,363	52.38%	\$ 839.10	\$ 1.44	22,784,009.00	101,137	211	41.45%
2004/05	37,257	\$ 34,668,950.00	5.88%	\$ 17,118,918	49.38%	\$ 930.54	\$ 1.55	22,337,864.00	99,324	206	40.48%
2005/06	38,096	\$ 36,228,595.00	4.50%	\$ 16,213,012	44.75%	\$ 950.99	\$ 1.64	22,039,176.00	97,120	198	39.66%
2006/07	38,442	\$ 37,133,249.00	2.50%	\$ 16,147,647	43.49%	\$ 965.96	\$ 1.72	21,584,342.00	95,600	195	38.99%
2007/08	37,748	\$ 43,119,410.00	16.12%	\$ 17,011,141	39.45%	\$ 1,142.29	\$ 2.03	21,218,019.00	94,057	187	40.16%
2008/09	38,371	\$ 42,995,587.95	-0.29%	\$ 17,304,869	40.25%	\$ 1,120.52	\$ 2.06	20,891,084.14	93,406	184	40.46%
2009/10	38,065	\$ 47,316,652.56	10.05%	\$ 20,310,472	42.92%	\$ 1,243.06	\$ 2.23	21,264,227.71	93,715	181	48.15%
2010/11	38,396	\$ 48,074,295.00	1.60%	\$ 26,462,498	55.05%	\$ 1,252.07	\$ 2.27	21,144,812.00	94,729	179	54.79%
2011/12	38,723	\$ 53,965,769.59	12.25%	\$ 23,650,074	43.82%	\$ 1,393.63	\$ 2.59	20,856,898.34	95,778	179	56.07%
2012/13	39,095	\$ 56,510,606.00	4.72%	\$ 24,738,009	43.78%	\$ 1,445.47	\$ 2.70	20,899,150.00	99,192	179	56.69%
2013/14	42,043	\$ 60,907,853.00	7.78%	\$ 26,631,842	43.72%	\$ 1,448.71	\$ 2.85	21,405,557.00	101,656	179	66.30%
2014/15	43,804	\$ 59,984,125.00	-1.52%	\$ 26,639,140	44.41%	\$ 1,369.39	\$ 2.83	21,215,830.00	104,278	179	66.27%
2015/16	44,602	\$ 60,722,287.00	1.23%	\$ 27,803,637	45.79%	\$ 1,361.43	\$ 2.79	21,757,879.00	106,070	178	66.10%
2016/17	43,352	\$ 62,135,733.00	2.33%	\$ 28,447,575	45.78%	\$ 1,433.30	\$ 2.90	21,414,287.00	108,945	178	65.56%
2017/18	43,613	\$ 65,715,283.00	5.76%	\$ 26,837,564	40.84%	\$ 1,506.79	\$ 2.95	22,297,107.00	110,223	178	64.00%
2018/19	45,453	\$ 69,346,456.00	5.53%	\$ 27,508,652	39.67%	\$ 1,525.68	\$ 3.07	22,564,318.00	112,858	178	61.68%
2019/20	32,523	\$ 67,943,269.00	-2.02%	\$ 29,135,582	42.88%	\$ 2,074.79	\$ 3.98	16,943,269.00	112,045	175	62.21%

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1027
3/23/2021

A BILL relating to school district transportation aid payments; relating to the transportation of open enrollment students.

Chair Schaible called to order at 9:15 AM.

Discussion Topics:

- Committee Work

Sen Oban moved amendment 21.0033.03001

Sen Elkin – seconded

Roll Call Vote - 6 Yea; 0 Nay; 0 AB Motion Passed

Sen Oban moved amendment 21.0033.03002

Sen Elkin seconded

Roll Call Vote: 6 Yea; 0 Nay; 0 AB Motion Passed

Sen Elkin moved a **Do Pass** as amended

Sen Lemm seconded

Roll Call Vote: 6 Yea; 0 Nay; 0 AB Motion Passed

Adjourned at 9:18 AM

Lynn Wolf, Committee Clerk

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P
Senator Oban	P
Senator Wobbema	P

Amend 21.0033.03001	Vote
Chairman Schaible	Y
Senator Elkin	Y
Senator Conley	Y
Senator Lemm	Y
Senator Oban	Y
Senator Wobbema	Y

Amend 21.0033.03002	Vote
Chairman Schaible	Y
Senator Elkin	Y
Senator Conley	Y
Senator Lemm	Y
Senator Oban	Y
Senator Wobbema	Y

HB 1027 as Amended	Vote
Chairman Schaible	Y
Senator Elkin	Y
Senator ConleyAmend	Y
Senator Lemm	Y
Senator Oban	Y
Senator Wobbema	Y

21.0033.03001
Title.

Prepared by the Legislative Council staff for
Senator Schaible

March 16, 2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1027

Page 2, line 12, after "section" insert ". with the exception of the 2021-22 and 2022-23 school years. for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the most recent prior school year. whichever is greater"

Renumber accordingly

March 16, 2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1027

Page 3, line 20, after "districts" insert ", to and from area career and technology centers."

Page 3, line 21, replace "vocational" with "career"

Page 4, line 7, replace "vocational" with "career"

Renumber accordingly

March 23, 2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1027

Page 2, line 12, after "section" insert ", with the exception of the 2021-22 and 2022-23 school years, for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the previous school year, whichever is greater"

Page 3, line 20, after "districts" insert ", to and from area career and technology centers,"

Page 3, line 21, replace "vocational" with "career"

Page 4, line 7, replace "vocational" with "career"

Renumber accordingly

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REPORT OF STANDING COMMITTEE

HB 1027, as engrossed: Education Committee (Sen. Schaible, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1027 was placed on the Sixth order on the calendar.

Page 2, line 12, after "section" insert ", with the exception of the 2021-22 and 2022-23 school years, for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the previous school year, whichever is greater"

Page 3, line 20, after "districts" insert ", to and from area career and technology centers,"

Page 3, line 21, replace "vocational" with "career"

Page 4, line 7, replace "vocational" with "career"

Renumber accordingly

2021 SENATE APPROPRIATIONS

HB 1027

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1027
3/30/2021
Senate Appropriations Committee

Relating to school district transportation aid payments; and relating to the transportation of open enrollment students.
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Senator Holmberg opened the hearing at 3:30 PM.

Senators present: **Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.**

Discussion Topics:

- Fiscal Note
- Last year's mileage/ Covid
- Transportation costs

Senator Don Schaible, District 31 – Bill Sponsor – introduced the bill.

Adam Tescher, School Finance Officer, Dept. of Public Instruction – testified neutrally.

Senator Bekkedahl moved Do Pass on HB 1027.

Senator Poolman second.

<i>Senators</i>		<i>Senators</i>	
Senator Holmberg	Y	Senator Hogue	Y
Senator Krebsbach	Y	Senator Oehlke	Y
Senator Wanzek	Y	Senator Poolman	Y
Senator Bekkedahl	Y	Senator Rust	Y
Senator Davison	Y	Senator Sorvaag	Y
Senator Dever	Y	Senator Heckaman	Y
Senator Erbele	Y	Senator Mathern	Y

Roll Call vote – 14-0-0. Motion passed.

Senator Holmberg closed the hearing at 3:43 PM.

Rose Laning, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1027, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1027, as amended, was placed on the Fourteenth order on the calendar.

2021 CONFERENCE COMMITTEE

HB 1027

2021 HOUSE STANDING COMMITTEE MINUTES

House Education Committee
Coteau AB Room, State Capitol

HB 1027
4/19/2021
Conference Committee

Relating to school district transportation aid payments; relating to the transportation of open enrollment students

Chairman Zubke opened the conference committee meeting at 9:30 AM. Roll call was taken. Present: Chairman Zubke, Representative Monson, Representative Owens, Sen. Schaible, Sen. Lemm, and Sen. Wobbema.

Discussion Topics:

- Meals delivery/Cares Act funds
- Miles reduction fund comparison – 2018 - 2020
- ESSER funds
- Possible study

Adam Tescher, School Finance Officer, DPI, fiscal note explanation

Kirsten Baesler, Department of Public Instruction, ESSER fund explanation

Chairman Zubke closed the hearing at 9:56 AM.

Bev Monroe, Committee Clerk

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau AB Room, State Capitol

HB 1027
4/20/2021
Conference Committee

Relating to school district transportation aid payments; relating to the transportation of open enrollment students

Chairman Zubke opened the conference committee meeting at 10:06 AM. Roll call was taken. Present: Chairman Zubke, Representative Monson, Representative Owens, Sen. Schaible, Sen. Lemm, and Sen. Wobbema.

Discussion Topics:

- Committee work
- ESSER fund usage

Rep. Monson introduction of amendment LC #21.0033.03004, #11573

Adam Tescher, School Finance Officer, DPI, question clarification

Representative Monson made a motion for the Senate to recede from Senate amendments and amends as follows with 21.0033.03004.

Senator Schaible seconded the motion.

Roll call vote Motion Carried 6-0-0

Chairman Zubke closed the hearing at 10:25 AM.

Bev Monroe, Committee Clerk

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1027

That the Senate recede from its amendments as printed on page 1421 of the House Journal and page 977 of the Senate Journal and that Engrossed House Bill No. 1027 be amended as follows:

Page 1, line 2, remove the first "and"

Page 1, line 4, after "students" insert "; and to provide for a legislative management study"

Page 1, line 9, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 4, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 12, after "section" insert ", with the exception of the 2021-22 and 2022-23 school years, for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the previous school year, whichever is greater"

Page 2, line 18, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 29, replace "A" with "Subject to legislative appropriation, a"

Page 3, line 3, replace "The" with "Subject to legislative appropriation, the"

Page 3, line 19, replace "The" with "Subject to legislative appropriation, the"

Page 3, line 20, after "districts" insert ", to and from area career and technology centers,"

Page 3, line 21, replace "vocational" with "career"

Page 4, line 1, replace "A" with "Subject to legislative appropriation, a"

Page 4, line 7, replace "vocational" with "career"

Page 4, line 21, replace "The" with "Subject to legislative appropriation, the"

Page 4, line 27, replace "The" with "Subject to legislative appropriation, the"

Page 4, line 30, after the underscored period insert "The superintendent of public instruction may not distribute more than one-half of the amount appropriated for transportation grants for any biennium in the first year of the biennium. If total transportation reimbursement claims exceed the amount appropriated by the legislative assembly, the superintendent of public instruction shall reduce transportation reimbursements on a prorated basis for all school districts requesting reimbursements."

Page 5, after line 19, insert:

"SECTION 7. LEGISLATIVE MANAGEMENT STUDY - CAREER AND TECHNICAL EDUCATION STUDENT TRANSPORTATION COSTS. During the 2021-22 interim, the legislative management shall consider studying the impact of additional career and technical education center student transportation on student transportation costs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

**2021 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1027 as (re) engrossed

House Education Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☒ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Monson Seconded by: Senator Schaible

Representatives	4/19	4/20		Yes	No		Senators	4/19	4/20		Yes	No
Representative Zubke	X	X		X			Senator Schaible	X	X		X	
Representative Monson	X	X		X			Senator Lemm	X	X		X	
Representative Owens	X	X		X			Senator Wobbema	X	X		X	
Total Rep. Vote				3			Total Senate Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Representative Zubke Senate Carrier Senator Schaible

LC Number 21.0033 . .03004 of amendment

LC Number 21.0033 . .05000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1027, as engrossed: Your conference committee (Sens. Schaible, Lemm, Wobbema and Reps. Zubke, Monson, Owens) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1421, adopt amendments as follows, and place HB 1027 on the Seventh order:

That the Senate recede from its amendments as printed on page 1421 of the House Journal and page 977 of the Senate Journal and that Engrossed House Bill No. 1027 be amended as follows:

Page 1, line 2, remove the first "and"

Page 1, line 4, after "students" insert "; and to provide for a legislative management study"

Page 1, line 9, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 4, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 12, after "section" insert ", with the exception of the 2021-22 and 2022-23 school years, for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the previous school year, whichever is greater"

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Page 2, line 29, replace "A" with "Subject to legislative appropriation, a"

Page 3, line 3, replace "The" with "Subject to legislative appropriation, the"

Page 3, line 19, replace "The" with "Subject to legislative appropriation, the"

Page 3, line 20, after "districts" insert ", to and from area career and technology centers,"

Page 3, line 21, replace "vocational" with "career"

Page 4, line 1, replace "A" with "Subject to legislative appropriation, a"

Page 4, line 7, replace "vocational" with "career"

Page 4, line 21, replace "The" with "Subject to legislative appropriation, the"

Page 4, line 27, replace "The" with "Subject to legislative appropriation, the"

Page 4, line 30, after the underscored period insert "The superintendent of public instruction may not distribute more than one-half of the amount appropriated for transportation grants for any biennium in the first year of the biennium. If total transportation reimbursement claims exceed the amount appropriated by the legislative assembly, the superintendent of public instruction shall reduce transportation reimbursements on a prorated basis for all school districts requesting reimbursements."

Page 5, after line 19, insert:

"SECTION 7. LEGISLATIVE MANAGEMENT STUDY - CAREER AND TECHNICAL EDUCATION STUDENT TRANSPORTATION COSTS. During the 2021-22 interim, the legislative management shall consider studying the impact of additional career and technical education center student transportation on student transportation costs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Insert LC: 21.0033.03004
House Carrier: Zubke
Senate Carrier: Schaible

Renumber accordingly

Engrossed HB 1027 was placed on the Seventh order of business on the calendar.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1027

That the Senate recede from its amendments as printed on page 1421 of the House Journal and page 977 of the Senate Journal and that Engrossed House Bill No. 1027 be amended as follows:

Page 1, line 2, remove the first "and"

Page 1, line 4, after "students" insert "; and to provide for a legislative management study"

Page 1, line 9, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 4, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 12, after "section" insert ", with the exception of the 2021-22 and 2022-23 school years, for which the superintendent of public instruction shall calculate each school district's payment based on the district's miles and ridership data from the 2018-19 school year or the previous school year, whichever is greater"

Page 2, line 18, replace "The" with "Subject to legislative appropriation, the"

Page 2, line 29, replace "A" with "Subject to legislative appropriation, a"

Page 3, line 3, replace "The" with "Subject to legislative appropriation, the"

Page 3, line 19, replace "The" with "Subject to legislative appropriation, the"

Page 3, line 20, after "districts" insert ", to and from area career and technology centers."

Page 3, line 21, replace "vocational" with "career"

Page 4, line 1, replace "A" with "Subject to legislative appropriation, a"

Page 4, line 7, replace "vocational" with "career"

Page 4, line 21, replace "The" with "Subject to legislative appropriation, the"

Page 4, line 27, replace "The" with "Subject to legislative appropriation, the"

Page 4, line 30, after the second underscored period insert "The superintendent of public instruction may not distribute more than one-half of the amount appropriated for transportation grants for any biennium in the first year of the biennium. If total transportation reimbursement claims exceed the amount appropriated by the legislative assembly, the superintendent of public instruction shall reduce transportation reimbursements on a prorated basis for all school districts requesting reimbursements."

Page 5, after line 19, insert:

"SECTION 7. LEGISLATIVE MANAGEMENT STUDY - CAREER AND TECHNICAL EDUCATION STUDENT TRANSPORTATION COSTS. During the 2021-22 interim, the legislative management shall consider studying the impact of additional career and technical education center student transportation on student transportation costs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."