

2025 HOUSE EDUCATION

HB 1214

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1214
1/21/2025

Related to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

8:59 a.m. Vice Chairman Schreiber-Beck called the meeting to order.

Members Present: Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Members absent: Chairman Heinert, Representative Heilman

Discussion Topics:

- School transportation funding
- Bus Services

9:00 a.m. Representative Richter introduced the bill and submitted testimony #30117.

9:05 a.m. Brandt Dick, Superintendent of Burleigh Country Public Schools, testified in support and submitted testimony #30239.

9:15 a.m. Steven Holen, Superintendent of McKenzie County Public schools, testified in support and submitted testimony #30368 .

9:33 a.m. Rick Diegel, Superintendent of Kidder County, testified in support and submitted #30473.

9:42 a.m. Vice Chairman Schreiber- Beck closed the hearing.

Leah Kuball, Committee Clerk

25.0752.01001
Title.

Prepared by the Legislative Council
staff for Representative Richter
January 15, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

1 A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota
2 Century Code, relating to transportation weighted student unit equivalents; to amend and
3 reenact ~~sections 15.1-27-03.1 and~~ section 15.1-31-05 of the North Dakota Century Code,
4 relating to ~~the determination of weighted average daily membership and~~ open enrollment
5 transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
6 and 15.1-27-31.1 of the North Dakota Century Code, related to payments for school district
7 transportation of students, special education students, and career and technical education
8 students, the distribution of transportation payments in the event of school district closure, and
9 state transportation payments to school districts.

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

11 ~~SECTION 1. AMENDMENT. Section 15.1-27-03.1 of the North Dakota Century Code is~~
12 ~~amended and reenacted as follows:~~
13 ~~15.1-27-03.1. Weighted average daily membership--Determination.~~
14 ~~1. For each school district, the superintendent of public instruction shall multiply by:~~
15 ~~a. 1.00 the number of full-time equivalent students enrolled in an extended~~
16 ~~educational program in accordance with section 15.1-32-17;~~
17 ~~b. 0.60 the number of full-time equivalent students enrolled in a summer education~~
18 ~~program, including a migrant summer education program;~~
19 ~~c. 0.40 the number of full-time equivalent students who:~~

1 ~~————— (1) — On a test of English language proficiency approved by the superintendent of~~
2 ~~public instruction are determined to be least proficient and placed in the first~~
3 ~~of six categories of proficiency; and~~

4 ~~————— (2) — Are enrolled in a program of instruction for English language learners;~~

5 ~~————— d. — 0.28 the number of full-time equivalent students who:~~

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7 ~~public instruction are determined to be more proficient than students placed~~
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11 ~~————— e. — 0.25 the number of full-time equivalent students under the age of twenty-one~~
12 ~~enrolled in grades nine through twelve in an alternative high school;~~

13 ~~————— f. — 0.20 the number of full-time equivalent students enrolled in a home-based~~
14 ~~education program and monitored by the school district under chapter 15.1-23;~~

15 ~~————— g. — 0.17 the number of full-time equivalent students enrolled in an early childhood~~
16 ~~special education program;~~

17 ~~————— h. — 0.15 the number of full-time equivalent students in grades six through eight~~
18 ~~enrolled in an alternative education program for at least an average of fifteen~~
19 ~~hours per week;~~

20 ~~————— i. — 0.10 the number of students enrolled in average daily membership, if the district~~
21 ~~has fewer than one hundred students enrolled in average daily membership and~~
22 ~~the district consists of an area greater than two hundred seventy-five square~~
23 ~~miles [19424.9 hectares], provided that any school district consisting of an area~~
24 ~~greater than six hundred square miles [155399 hectares] and enrolling fewer than~~
25 ~~fifty students in average daily membership must be deemed to have an~~
26 ~~enrollment equal to fifty students in average daily membership;~~

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4 ~~———— (3) Have not been in the third of six categories of proficiency for more than~~
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7 ~~students in average daily membership which is equivalent to the three-year~~
8 ~~average percentage of students in grades three through eight who are eligible for~~
9 ~~free or reduced lunches under the Richard B. Russell National School Lunch Act~~
10 ~~[42 U.S.C. 1751 et seq.];~~
11 ~~———— m. 0.002 the number of students enrolled in average daily membership in a school~~
12 ~~district that is a participating member of a regional education association meeting~~
13 ~~the requirements of chapter 15.1-09.1;~~
14 ~~———— n. 1.0 the number of students by which the district's September tenth enrollment~~
15 ~~report exceeds the number of students in the prior year's average daily~~
16 ~~membership; and~~
17 ~~———— o. For districts paid based on September tenth enrollment in the prior year, 1.00 the~~
18 ~~number of students determined by deducting the number of students in the prior~~
19 ~~year's September tenth enrollment from the prior year's average daily~~
20 ~~membership. If the prior year's September tenth enrollment exceeds the prior~~
21 ~~year's average daily membership, then a deduction of 1.00 the number of excess~~
22 ~~students; and~~
23 ~~———— p. 1.0 the weighted student unit equivalent related to transportation determined in~~
24 ~~subsection 2 of section 2 of this Act.~~
25 ~~———— 2. The superintendent of public instruction shall determine each school district's~~
26 ~~weighted average daily membership by adding the products derived under~~
27 ~~subsection 1 to the district's average daily membership.~~

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

Transportation average daily membership equivalents converted to weighted student unit equivalents - Determination.

1. The superintendent of public instruction shall determine transportation average daily membership equivalents for eligible school districts providing schoolbus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, and for eligible school districts with students riding commercial buses to and from a school within the incorporated limits of a city. Transportation average daily membership equivalents must be determined as follows:
 - a. 0.0011 multiplied by the number of eligible large bus miles;
 - b. 0.00052 multiplied by the number of eligible small bus miles;
 - c. 0.01 multiplied by the number of eligible large bus runs;
 - d. 0.00468 multiplied by the number of eligible small bus runs;
 - e. 0.012 multiplied by the number of square miles in the school district;
 - f. 2.0 multiplied by the number of educational school plants within the school district boundary; and
 - g. 0.00025 multiplied by the number of eligible miles transported by a student's family and reimbursed by the school district.
2. The superintendent of public instruction shall determine each school district's total transportation average daily membership equivalent by adding the products derived under subsection 1 and then multiplying the total transportation average daily membership equivalent by 0.1 to determine the school district's weighted student unit equivalent.
3. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district providing school bus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, an amount equal to the school district's weighted student unit equivalent multiplied by the per student payment rate for the applicable school year in subsection 3 of section 15.1-27-04.1.
4. To be eligible, school districts must certify compliance with state law relating to schoolbus standards and school vehicle driver requirements. The superintendent of public instruction may adopt rules governing certification of compliance under this subsection.

1 4.5. Each year, the superintendent of public instruction shall determine the school district's
2 transportation average daily membership equivalent based on the latest available
3 miles and runs. Eligible miles and runs include miles and runs transporting eligible
4 students to and from:

- 5 a. School, including miles students are transported by family transportation in
6 accordance with section 15.1-30-02;
- 7 b. Special education programs approved by the superintendent of public instruction,
8 regardless of whether the students transported live within the incorporated limits
9 of the city in which the students' school is located, including miles students are
10 transported by family transportation pursuant to subsection 5; and
- 11 c. Career and technology centers and career and technical education courses,
12 either within the district or in other school districts offered through cooperative
13 arrangements approved by the state board for career and technical education,
14 regardless of whether the students transported live within the incorporated limits
15 of the city in which the students' school is located.

16 5.6. To be eligible for special education miles, a student transported by a family member
17 must:

- 18 a. Be a student with a disability as defined in chapter 15.1-32;
- 19 b. Have an individualized education plan that requires the student attend a public or
20 nonpublic school located outside the student's school district of residence; and
- 21 c. Be transported by an adult family member in family provided transportation
22 reimbursed by the school district for no more than two round trips per day
23 between the home of the student and the school.

24 6.7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
25 in the first year after closure, the transportation average daily membership equivalents
26 of each school district in the state which enrolls students who attended the former
27 school. The superintendent of public instruction shall determine the transportation
28 average daily membership equivalents the former school district would have been
29 entitled to for providing transportation services during the school district's final year of
30 operation and shall prorate those transportation average daily membership
31 equivalents to each enrolling school district based on the number of students enrolled

1 from the former school. Transportation average daily membership equivalents of the
2 enrolling school districts after the first year will be based on reported transportation
3 average daily membership equivalents.

4 7.8. This section does not apply to miles and runs:

5 a. Incurred in providing transportation for students to attend extracurricular activities
6 or events; or

7 b. Related to students who are participating in open enrollment, or who are enrolled
8 pursuant to a written contract entered by the sending and admitting districts
9 which waives the charge and collection of tuition for the student.

10 8.9. The superintendent of public instruction may adopt rules relating to information
11 reported by school districts and reporting deadlines.

12 **SECTION 2. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15.1-31-05. Open enrollment - Transportation.**

15 A school district of residence may provide transportation to a student participating in open
16 enrollment. If a district of residence does not provide transportation to a student participating in
17 open enrollment, transportation may be provided by the admitting district. A school district may
18 ~~not receive transportation aid disbursements under subdivision a of subsection 1 of section~~
19 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~include any factors associated with
20 transporting students who are participating in open enrollment, or who are enrolled pursuant to
21 a written contract entered by the sending and admitting districts which waives the charge and
22 collection of tuition for the student in the calculation of transportation average daily membership
23 equivalents under section 2 of this Act.

24 **SECTION 3. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
25 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

HB 1214 Testimony

Chairman Heinert and members of the House Education Committee, for the record my name is Brandt Dick, Burleigh County Superintendent of Schools and President of ND Small Organized School Board, and I am here to speak in favor of HB 1214. HB 1214 is the result of a concept that was worked on by a small group of Focus Group Members with the assistance of Adam Tescher. The goal was to find a way to integrate transportation into the K-12 Funding Formula in a method that did not require more reporting, and in a way that would not negatively impact school districts. It also considered ways in which the reporting of school districts and managed by DPI could be streamlined and more accurate. It takes the current reporting of school districts of runs and miles and eliminates the most problematic part of a transportation report, annual ridership.

HB 1214 is the product of this work done and does this by providing a way to adjust the transportation expenditures into a student count for each school district. The number of students generated by the formula then is multiplied by the per pupil aid generating dollars that the district then would utilize for their transportation costs. This is the first step that would allow policy discussions in the future to determine what factors should be considered, and what is the proper weight of those factors. As an example, in my opinion, this could and should include the number of gravel miles traveled by buses.

Page 4 of the bill shows how this is accomplished. It takes into consideration eligible large bus and small bus miles traveled the previous year. Lines e and f on page 4 show the formula does consider two variables which currently are not reported by the school district, but information is readily available at DPI and would be included. These two are factors in expenditures for school districts when transporting students, square miles of a school district and the number of schools within a school district boundary. This does show that in the future, other factors could be considered.

The final factor is based on eligible miles for those situations where the school district pays families to transport their children to the school of attendance. This is currently reported by school districts to DPI.

These factors were considered as part of the transportation study done by UND. The factors were adjusted to try to assure no districts were negatively affected in the amount of revenue generated in this formula as compared to the current formula. It appears there are three districts that would be negatively affected by instituting this formula, with the remainder of districts seeing increases in their transportation payments.

The fiscal note is more than was intended as in the bill as presented would allow students generated by the formula to be part of the consideration of school size weighting factors, which was not intended by those that worked on this concept, and I believe an amendment has been drafted for consideration.

NDSOS supports transportation and feels that HB 1214 is a great first step in providing a way to fund transportation that can be expanded in the future to allow for differences between districts that affect expenses incurred by school districts. Please support passage of HB 1214.

I stand for any questions.

HB 1214
Chairman Heinert
House Education Committee
January 21st, 2025

Good morning. Chairman Heinert and members of the House Education Committee, for the record, my name is Steven Holen and I am the Superintendent of Schools for the McKenzie County Public School District #1 in Watford City. I am here to testify in support of HB 1214 with proposed revisions to the current K-12 transportation funding model. This concept was included in discussions with the North Dakota Interim School Funding Task Force for consideration and to address the current funding model that has been in place for decades and is not meeting the needs of school districts and impacted families relying on school transportation to attend public school facilities across North Dakota.

There are many factors that have led to the K-12 transportation funding formula being reviewed and considered for revisions in HB 1214. Current levels of transportation funding cover less than 40% of school district expenditures, on average, across the state and has not kept up with inflation and increasing demands at the local level. The state's intent to provide 70% of school district educational expenditures does not include transportation costs which have a varying impact on an individual school district's operating budget (up to 18% in some cases). The Picus Odden & Associates research which led to the current foundation aid formula structure did NOT address transportation funding and provided the following comment: "Transportation funding is an issue for North Dakota school districts...to avoid penalizing school districts based on geographic location by ensuring a disproportionate amount of local funding is not required to provide transportation services as part of the quality educational experience. Ideally, a funding system should consider factors such as geographics, topology, and student population density to ensure and attempt to meet the same parameters used in the K12 foundation aide formula to address adequacy and equity factors." It is generally accepted the current block grant funding formula does not consider important factors impacting costs for local school districts and is diverting state funding targeted to educational obligations through the foundation aid formula to subsize transportation budgets. The current block grant program is simple to understand and administer, however, is antiquated and does not meet the needs of local school districts. Other models exist and in short, the state of North Dakota can do better with its K-12 transportation funding model and HB 1214 is a step in this direction with opportunities to expand on it in future legislative sessions.

The UND study funding by the 2023 Legislative Assembly was used to identify areas of potential improvement in the current funding model while identifying the challenges of variance and outliers that exist with the varied demographics present with 170 K-12 school districts and the rural nature of North Dakota. The UND study verified the statistical significance of two additional data points that are already collected by DPI and can be implemented in the formula to address unique factors impacting school district, both rural and urban. The two new factors included in HB 1214 are geographical size of the school district and the number of school buildings services by the school district.

These two factors help to address correlations with school district size and transportation costs as well as the number of buildings served, both of which are not addressed in the current funding model. HB 1214 is a significant move forward to prioritizing the value of K-12 transportation and allowing for future adjustments to be made within this new structure and adjustments to weighting factors and potential new factors.

The revisions offered in HB 1214 accomplish a few important goals: 1. HB 1214 provides a formula that is driven and set by the per-pupil payment established by the legislative assembly each session. Consistency and prioritization of transportation funding has been a challenge for decades which has led to the discrepancy in the funding levels and actual costs. The transportation formula being proposed in HB 1214 is not formally a part of the K-12 Foundation Aid formula; it remains a separate worksheet as per the current model; however, the ability to apply weighted factors included in HB 1214 to the per-pupil payment ensures those increases are translated to K-12 transportation funding without a separate allocation or legislation required. 2. The two new factors utilized bring a greater capacity for equity based on geographic location and school district configuration. In addition to the new factors, the factor currently used regarding rides is eliminated due to lack of statistical significance and overall challenges in the recording of this data over time. Rides are often considered an efficiency component, however, rural districts are disadvantaged due to the distance covered and reasonable ride times. The elimination of rides and the addition of two new factors is a benefit for a vast majority of school districts in North Dakota. 3. All school districts, with a few minor exceptions, will increase in K-12 transportation funding levels while maintaining a reasonable fiscal note for the legislature to consider. The current proposal will not need to entertain extensive hold harmless provisions as school districts will experience an increase in funding at varying levels based on the weighted factors. 4. The proposed formula in HB 1214 will not create excessive management responsibilities from DPI and may create less managerial obligations from DPI once implemented.

The changes provided in HB 1214 are significant, however, they will not address all aspects of equity/adequacy in K-12 transportation funding provided to ND school districts. The formula does not include school district size factors included in the foundation aid formula and efficiency factors are not directly included in the new formula. These factors will require additional time and study as well as financial obligation in future sessions. However, the opportunity to address such factors is greater with the changes in HB 1214 and may remain a long-term goal. The percentage of reimbursement to total costs remains varied with some districts significantly below 20% with larger transportation systems, leaving transportation costs to be subsidized at the local level. Aspects such as bus driver shortages and transportation infrastructure remain excluded from the funding formula and will need to be addressed in the future, if the legislature is interested in doing so. This first phase of change is significant, but also opens opportunities for improvements that do not exist with the current block grant funding structure and can be added to the new model.

A challenge for K-12 transportation funding in the past has been the variety of services offered and the general “optional” consideration of transportation services for K-12

school districts. While NDCC may consider transportation services as “elective”, our patrons and students do not consider transportation an elective practice, but a necessity impacting their daily life and student attendance in a significant way. It is time for the ND Legislature to place a higher priority in the safe transportation of K-12 students in North Dakota with the extensive geographic and weather challenges that exist. Funding for K-12 transportation helps to ensure funding for K-12 education in the foundation aid formula is directed to student education practices and is not used to subsidize transportation costs at increasingly higher proportions. North Dakota is ready for a change to K-12 transportation funding and HB 1214 has seen significant work in the interim to be the vehicle for this change and to guide opportunities for continued improvements in the future.

Thank you for your time and consideration and I will stand for any questions.



Kidder County Public School District#1


High School Principal

Michael Wachter

Elementary Principal

Ryan Larson

Business Manager

Sonya Larson

Secretary

Darci Mittleider

RICHARD DIEGEL, Superintendent
Administrative Office

PO Box 380 / 101 4th St SE

Steele, ND 58482

Phone: 701.475.2243

Fax: 701.475.2737

Board of Education:

Jason Schmidt, President

Shawn Nix, Vice President

Jeff Schmidt, Director

Kip Haadem, Director

Jason Braun, Director

Hoyt Wagner, Director

Paula Moch, Director

Good morning Chairman Heinert and members of the House Education Committee. My name is Rick Diegel, and I am the superintendent the Kidder County School District and I am speaking in support of HB 1214.

As you may have heard me state earlier, the Kidder County School District has the second largest land area of all school districts in North Dakota, and actually has more square miles than the state of Rhode Island. Our school district operates 9 rural and 1 town bus route, which was reduced from 10 rural routes last year because we could not find a bus driver. Some of our routes begin picking students up at 6:40 AM, and they arrive at school at 8:00 AM. Some of our students ride a bus for nearly 2 hours and 45 minutes a day.

On the budget side of things, our transportation budget normally takes up approximately 10% of our budget, or about \$600,000. Over the past 3 years, our state transportation reimbursement has averaged to cover approximately 58% of our expenditure's.

As bus costs continue to increase and the need to make our salaries and benefits more attractive, it is imperative that we create a transportation funding formula that allows us a mechanism to receive additional funding. I believe that the changes that have been presented to you in earlier testimony does exactly that, and I support these changes.

I will stand for any questions.

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1214
1/29/2025

Related to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

10:49 a.m. Chairman Heinert called the hearing to order.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- Committee action

10:51 a.m. Vice Chair Schreiber- Beck moved to adopt the amendment 25.0752.01001.

10:51 a.m. Representative Novak seconded the motion.

| Representatives | Vote |
|---------------------------------------|------|
| Representative Pat D. Heinert | Y |
| Representative Cynthia Schreiber-Beck | Y |
| Representative Liz Conmy | Y |
| Representative LaurieBeth Hager | Y |
| Representative Patrick R. Hatlestad | Y |
| Representative Dori Hauck | Y |
| Representative Matthew Heilman | Y |
| Representative Jim Jonas | Y |
| Representative Donald W. Longmuir | Y |
| Representative Roger A. Maki | Y |
| Representative Andrew Marschall | Y |
| Representative Desiree Morton | Y |
| Representative Anna S. Novak | Y |
| Representative Doug Osowski | Y |

Motion carried: 14-0-0

10:52 a.m. Representative Hauck moved a Do Pass as amended and rereferred to appropriations.

10:52 a.m. Vice Chairman Schreiber- Beck seconded the motion.

| Representatives | Vote |
|---------------------------------------|-------------|
| Representative Pat D. Heinert | Y |
| Representative Cynthia Schreiber-Beck | Y |
| Representative Liz Conmy | Y |
| Representative LaurieBeth Hager | Y |
| Representative Patrick R. Hatlestad | Y |
| Representative Dori Hauck | Y |
| Representative Matthew Heilman | Y |
| Representative Jim Jonas | Y |
| Representative Donald W. Longmuir | Y |
| Representative Roger A. Maki | Y |
| Representative Andrew Marschall | Y |
| Representative Desiree Morton | Y |
| Representative Anna S. Novak | Y |
| Representative Doug Osowski | Y |

Motion carried: 14-0-0

Bill carrier: Representative Hauck

10:55 a.m. Chairman Heinert closed the hearing.

Leah Kuball, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

JB 1-29-25
1066

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13 ~~the requirements of chapter 15.1-09.1;~~
14 ~~n. 1.0 the number of students by which the district's September tenth enrollment~~
15 ~~report exceeds the number of students in the prior year's average daily~~
16 ~~membership; and~~
17 ~~o. For districts paid based on September tenth enrollment in the prior year, 1.00 the~~
18 ~~number of students determined by deducting the number of students in the prior~~
19 ~~year's September tenth enrollment from the prior year's average daily~~
20 ~~membership. If the prior year's September tenth enrollment exceeds the prior~~
21 ~~year's average daily membership, then a deduction of 1.00 the number of excess~~
22 ~~students; and~~
23 ~~p. 1.0 the weighted student unit equivalent related to transportation determined in~~
24 ~~subsection 2 of section 2 of this Act.~~
25 ~~2. The superintendent of public instruction shall determine each school district's~~
26 ~~weighted average daily membership by adding the products derived under~~
27 ~~subsection 1 to the district's average daily membership.~~

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

JS 4086

Transportation average daily membership equivalents converted to weighted student unit equivalents - Determination.

1. The superintendent of public instruction shall determine transportation average daily membership equivalents for eligible school districts providing schoolbus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, and for eligible school districts with students riding commercial buses to and from a school within the incorporated limits of a city. Transportation average daily membership equivalents must be determined as follows:
 - a. 0.0011 multiplied by the number of eligible large bus miles;
 - b. 0.00052 multiplied by the number of eligible small bus miles;
 - c. 0.01 multiplied by the number of eligible large bus runs;
 - d. 0.00468 multiplied by the number of eligible small bus runs;
 - e. 0.012 multiplied by the number of square miles in the school district;
 - f. 2.0 multiplied by the number of educational school plants within the school district boundary; and
 - g. 0.00025 multiplied by the number of eligible miles transported by a student's family and reimbursed by the school district.
2. The superintendent of public instruction shall determine each school district's total transportation average daily membership equivalent by adding the products derived under subsection 1 and then multiplying the total transportation average daily membership equivalent by 0.1 to determine the school district's weighted student unit equivalent.
3. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district providing school bus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, an amount equal to the school district's weighted student unit equivalent multiplied by the per student payment rate for the applicable school year in subsection 3 of section 15.1-27-04.1.
4. To be eligible, school districts must certify compliance with state law relating to schoolbus standards and school vehicle driver requirements. The superintendent of public instruction may adopt rules governing certification of compliance under this subsection.

Jo 5086

- 1 4.5. Each year, the superintendent of public instruction shall determine the school district's
2 transportation average daily membership equivalent based on the latest available
3 miles and runs. Eligible miles and runs include miles and runs transporting eligible
4 students to and from:
- 5 a. School, including miles students are transported by family transportation in
6 accordance with section 15.1-30-02;
- 7 b. Special education programs approved by the superintendent of public instruction,
8 regardless of whether the students transported live within the incorporated limits
9 of the city in which the students' school is located, including miles students are
10 transported by family transportation pursuant to subsection 5; and
- 11 c. Career and technology centers and career and technical education courses,
12 either within the district or in other school districts offered through cooperative
13 arrangements approved by the state board for career and technical education,
14 regardless of whether the students transported live within the incorporated limits
15 of the city in which the students' school is located.
- 16 5.6. To be eligible for special education miles, a student transported by a family member
17 must:
- 18 a. Be a student with a disability as defined in chapter 15.1-32;
- 19 b. Have an individualized education plan that requires the student attend a public or
20 nonpublic school located outside the student's school district of residence; and
- 21 c. Be transported by an adult family member in family provided transportation
22 reimbursed by the school district for no more than two round trips per day
23 between the home of the student and the school.
- 24 6.7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
25 in the first year after closure, the transportation average daily membership equivalents
26 of each school district in the state which enrolls students who attended the former
27 school. The superintendent of public instruction shall determine the transportation
28 average daily membership equivalents the former school district would have been
29 entitled to for providing transportation services during the school district's final year of
30 operation and shall prorate those transportation average daily membership
31 equivalents to each enrolling school district based on the number of students enrolled

Am EdC

1 from the former school. Transportation average daily membership equivalents of the
2 enrolling school districts after the first year will be based on reported transportation
3 average daily membership equivalents.

4 7.8. This section does not apply to miles and runs:

5 a. Incurred in providing transportation for students to attend extracurricular activities
6 or events; or

7 b. Related to students who are participating in open enrollment, or who are enrolled
8 pursuant to a written contract entered by the sending and admitting districts
9 which waives the charge and collection of tuition for the student.

10 8.9. The superintendent of public instruction may adopt rules relating to information
11 reported by school districts and reporting deadlines.

12 **SECTION 2. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15.1-31-05. Open enrollment - Transportation.**

15 A school district of residence may provide transportation to a student participating in open
16 enrollment. If a district of residence does not provide transportation to a student participating in
17 open enrollment, transportation may be provided by the admitting district. A school district may
18 ~~not receive transportation aid disbursements under subdivision a of subsection 1 of section~~
19 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~ include any factors associated with
20 transporting students who are participating in open enrollment, or who are enrolled pursuant to
21 a written contract entered by the sending and admitting districts which waives the charge and
22 collection of tuition for the student in the calculation of transportation average daily membership
23 equivalents under section 2 of this Act.

24 **SECTION 3. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
25 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

**REPORT OF STANDING COMMITTEE
HB 1214**

Education Committee (Rep. Heinert, Chairman) recommends **AMENDMENTS** ([25.0752.01001](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1214 was placed on the Sixth order on the calendar.

2025 HOUSE APPROPRIATIONS

HB 1214

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1214
2/12/2025

A Bill for an Act to provide an appropriation for defraying the expenses of School District transportation

9:12 a.m. Chairman Nathe called the meeting to order

Members present: Chairman Nathe, Representatives Louser, Martinson, Richter, Sanford and Hanson

Members absent: Vice Chairman Swiontek

Discussion Topics:

- Transportation
- Mileage

9:13 a.m. Representative Pat Heinert, introduced the bill.

9:17 a.m. Steve Holen, Superintendent, McKenzie County Public School District # 1, Watford City, in favor of #37166

9:40 a.m. Brandt Dick, Superintendent of Schools, testified in favor of #37359

9:50 a.m. Adam Tescher, School Finance Officer, testified in favor .

9:57 a.m. Chairman Nathe closed the meeting

Steven Riehl, Committee Clerk

HB 1214**Chairman Nathe****House Appropriations – Education and Environmental Division****February 12th, 2025**

Good morning. Chairman Nathe and members of the House Appropriations Committee – Education and Environmental Division, for the record, my name is Steven Holen and I am the Superintendent of Schools for the McKenzie County Public School District #1 in Watford City. I am here to testify in support of HB 1214 with proposed revisions to the current K-12 transportation funding model. This concept was included in discussions with the North Dakota Interim School Funding Task Force for consideration and to address the current funding model that has been in place for decades and is not meeting the needs of school districts and impacted families relying on school transportation to attend public school facilities across North Dakota.

There are many factors that have led to the K-12 transportation funding formula being reviewed and considered for revisions in HB 1214. Current levels of transportation funding cover less than 40% of the school district expenditure, on average, across the state and has not kept up with inflation and increasing demands at the local level. The state's intent to provide 70% of school district educational expenditure does not include transportation costs which have a varying impact on an individual school district's operating budget (up to 18% in some cases). The Picus Odden & Associates research in 2008, which led to the current foundation aid formula structure, did NOT address transportation funding and provided the following comment: *“Transportation funding is an issue for North Dakota school districts...to avoid penalizing school districts based on geographic location by ensuring a disproportionate amount of local funding is not required to provide transportation services as part of the quality educational experience. Ideally, a funding system should consider factors such as geographics, topology, and student population density to ensure and attempt to meet the same parameters used in the K12 foundation aide formula to address adequacy and equity factors.”*

It is generally accepted that the current block grant funding formula does not consider important factors impacting costs for local school districts and is diverting state funding targeted to educational obligations through the foundation aid formula to subsize transportation budgets. The current block grant program is simple to understand and administer, however, is antiquated and it does not address the increasing costs assumed by the local school districts. Other models exist and essentially, the state of North Dakota can do better with its K-12 transportation funding model and HB 1214 is a step in this direction with opportunities to expand and improve on it in future legislative sessions.

The UND study funding by the 2023 Legislative Assembly was used to identify areas of potential improvement in the current funding model while identifying the challenges of variance and outliers that exist with the varied demographics present with 170 K-12 school districts and the rural nature of North Dakota. The UND study verified the statistical significance of two additional data points that are already collected by DPI and can be implemented in the formula to address unique factors impacting school district,

both rural and urban. The two new factors included in HB 1214 are geographical size of the school district and the number of school buildings serviced by the school district. These two factors help to address correlations with school district size and transportation costs as well as the number of buildings served, both of which are not addressed in the current funding model. HB 1214 is a significant move forward to prioritizing the value of K-12 transportation and allowing for future adjustments to be made within this new structure and adjustments to weighted factors and potential new factors to be considered in the future.

The revisions offered in HB 1214 accomplish a few important goals: 1. HB 1214 provides a formula that is driven and set by the per-pupil payment established by the legislative assembly each session. Consistency and prioritization of transportation funding has been a challenge for decades which has led to the discrepancy in the funding levels and actual costs. The transportation formula proposed in HB 1214 is not formally a part of the K-12 Foundation Aid formula; it remains a separate worksheet as per the current model, however, the ability to apply weighted factors included in HB 1214 to the per-pupil payment ensures those increases are translated to K-12 transportation funding without a separate allocation or legislation required. 2. The two new factors implemented provide a greater capacity for equity based on geographic location and school district demographics. In addition to the new factors, the factor currently used regarding rides is eliminated due to lack of statistical significance and overall challenges in the recording of this data over time. Rides are often considered an efficiency component, however, rural districts are disadvantaged due to the distance covered and reasonable ride times. The elimination of rides and the addition of two new factors is a benefit for a vast majority of school districts in North Dakota. 3. All school districts, with a few minor exceptions, will increase in K-12 transportation funding levels while maintaining a reasonable fiscal note for the legislature to consider. The current proposal will not require extensive harmless provisions as school districts will experience an increase in funding at varying levels based on the weighted factors. 4. The proposed formula in HB 1214 will not create excessive management responsibilities from DPI and may create less managerial obligations from DPI once implemented; Adam Tescher has been a critical partner in the development of the new formula proposed in HB 1214.

The changes provided in HB 1214 are significant, however, they will not address all aspects of equity/adequacy in K-12 transportation funding provided to ND school districts. The formula does not include school district size factors included in the foundation aid formula and efficiency factors are not directly included in the new formula. These factors will require additional time and study as well as financial obligation in future sessions. However, the opportunity to address such factors is greater with the changes in HB 1214 and can remain a long-term goal. The percentage of reimbursement to total costs remains varied with some districts significantly below 20% even with the formula in HB 1214, leaving transportation costs to be subsidized at the local level. Aspects such as bus driver shortages and transportation infrastructure remain excluded from the funding formula as well and will need to be addressed in the future, if the legislature is interested in doing so. This first phase of change is significant but also

opens opportunities for improvements that do not exist with the current block grant funding structure and can be addressed to certain levels with the new model.

A challenge for K-12 transportation funding in the past has been the variety of services offered and the general “optional” consideration of transportation services for K-12 school districts. While NDCC may consider transportation services as “elective”, our patrons and students do not consider transportation an elective practice, but a necessity impacting their daily life and student attendance in a significant way. It is time for the ND Legislature to place a higher priority in the safe transportation of K-12 students in North Dakota with its extensive geographic and weather challenges. Funding for K-12 transportation helps to ensure funding for K-12 education in the foundation aid formula is directed to student education practices and is not used to subsidize transportation costs at increasingly higher proportions. North Dakota is ready for a change to K-12 transportation funding. HB 1214 has seen significant work in the interim to be considered a vehicle for this change and to guide opportunities for continued improvements in the future.

Thank you for your time and consideration and I will stand for any questions.



STATE AID TO SCHOOLS PAYMENT WORKSHEET

North Dakota Department of Public Instruction
Office of School Finance and Organization

| District Name | County District Number | Payment Month | School Year |
|---------------|------------------------|---------------|-------------|
| Glen Ullin 48 | 30-048 | October | 2024-25 |

A. STATE AID FORMULA:

Student membership includes regular school year average daily membership (ADM). ADM for students attending school in Montana and Minnesota (NDCC 15.1-29.01), South Dakota students attending school in North Dakota (NDCC 15.1-29-02.1) under cross border attendance agreements, and students in private or out-of-state placements for purposes other than education (NDCC 15.1-29-14) are also included.

Student Membership

| | ADM | Weighting Factor | Weighted ADM |
|--|-------|------------------|--------------|
| 1 Pk Special Education | 0.95 | 1.000 | 0.95 |
| 2 Kindergarten | 9.00 | 1.000 | 9.00 |
| 3 Grade 1-6 | 58.00 | 1.000 | 58.00 |
| 4 Grade 7-8 | 14.00 | 1.000 | 14.00 |
| 5 Grade 9-12 | 58.00 | 1.000 | 58.00 |
| 6 Alternate High School | 0.00 | 1.000 | 0.00 |
| 7 Total Average Daily Membership (ADM) | | | 139.95 |

Other Program Membership

| | | | |
|---|--------|-------|-------|
| 8 Alt High School (from line 6) | 0.00 | 0.250 | 0.00 |
| 9 Special Ed ADM (from line 7) | 139.95 | 0.088 | 12.32 |
| 10 PK Special Ed ADM (from line 1) | 0.95 | 0.170 | 0.16 |
| 11 Regional Educational Association (if member from line 7) | 139.95 | 0.002 | 0.28 |
| 12 2024-2025 Fall Enrollment above 2024 ADM | 1.82 | 1.000 | 1.82 |
| 13 Spring 2024 ADM Adjustment | 0.00 | 1.000 | 0.00 |
| 14 ELL Level 1 | 0.00 | 0.400 | 0.00 |
| 15 ELL Level 2 | 1.00 | 0.280 | 0.28 |
| 16 ELL Level 3 | 0.00 | 0.070 | 0.00 |
| 17 At Risk | 58.92 | 0.025 | 1.47 |
| 18 Home-Education (district supervised) | 0.00 | 0.200 | 0.00 |
| 19 Alt Middle School | 0.00 | 0.150 | 0.00 |

Summer Programs

| | | | |
|-------------------|-------|-------|------|
| 20 Summer School | 14.63 | 0.600 | 8.78 |
| 21 Special Ed ESY | 0.00 | 1.000 | 0.00 |

Isolated School District

| | | | |
|---------------------------------|------|-------|------|
| 22 > 275 sq miles and < 100 ADM | 0.00 | 0.100 | 0.00 |
| 23 > 600 sq miles and < 50 ADM | 0.00 | 1.100 | 0.00 |

| | | |
|---|--|--------------|
| 24 Total Weighted Average Daily Membership (Add Lines 7 through 23) | | 165.06 |
| 25 Virtual Average Daily Membership | | 0.00 |
| 26 In Person Average Daily Membership | | 165.06 |
| 27 School District Size Weighting Factor | | 1.4600 |
| 28 In Person Weighted Student Units | | 240.99 |
| 29 Total Weighted Student Units | | 240.99 |
| 30 Per Student Payment Rate | | 11,072.00 |
| 31 Total Formula Payment | | 2,668,241.28 |

Formula Adjustments

| | | | |
|---|--------------|------|--------------|
| 32 Transition Minimum Adjustment (from line 72) 55% Reduction | 2,415,817.47 | 0.00 | 0.00 |
| 33 Total Adjusted Formula Amount (total lines 31 and 32) | | | 2,668,241.28 |
| 34 Contribution from Property Tax (from line 50) | | | 741,767.82 |
| 35 Contribution from Other Local Revenue (from line 43) | | | 476,372.37 |
| 36 State Aid Payment (line 33 minus lines 34 and 35) | | | 1,450,101.09 |

State School Aid Summary

| | Entitlement | EFB Offset | Net Entitlement |
|---|---------------------|------------|---------------------|
| 1 State Aid Formula Payment (from line 36) | 1,450,101.09 | - | 1,450,101.09 |
| 2 Transportation (from line 62) | 110,224.80 | - | 110,224.80 |
| 3 State Child Placement | - | - | - |
| 4 Special Education Contracts - Agency | - | - | - |
| 5 Special Education Contracts - School Placed | - | - | - |
| 6 Special Education - Boarding | - | - | - |
| 7 Special Education - Gifted and Talented | - | - | - |
| Total State Aid | 1,560,325.89 | - | 1,560,325.89 |

B. CONTRIBUTION FROM OTHER LOCAL REVENUE

| | Total Revenue | Apportioned Revenue | Percent | |
|---|---------------|---------------------|------------|------------|
| 37 1300 Tuition | 16,688.27 | 16,688.27 | 75% | 12,516.20 |
| 38 2999 County | 817.35 | 817.35 | 75% | 613.01 |
| 39 US Flood | - | - | 75% | - |
| 40 Electric Generation, Distribution and Transmission Tax | 592,083.79 | 592,083.79 | 75% | 444,062.84 |
| 41 Mobile Home and Other In-Lieu Taxes | 12,310.61 | 12,310.61 | 75% | 9,232.96 |
| 42 Telecommunications | 13,263.15 | 13,263.15 | 75% | 9,947.36 |
| 43 Contribution from Other Local Revenue | | | | 476,372.37 |
| | | | Non S & I | |
| | S & I Levy | Total Levy | Percentage | |
| | - | 80.23 | 100.00 | |

C. CONTRIBUTION FROM PROPERTY TAX

| | | |
|--|------------|---------------|
| 44 District Taxable Valuation | | 12,362,797.00 |
| 45 Contribution Mill Rate | | 60.00 |
| 46 Contribution from Property Tax (line 44 times line 45 divided by 1000) | | 741,767.82 |
| 47 Minimum Local Effort Adjustment (NDCC 15.1-27-04.2) | - | - |
| 48 Maximum Contribution Increase Adjustment(NDCC15.1-27-04.1.4.a.) | 836,687.64 | - |
| 49 Local Effort Adjustment (NDCC 15.1-27-04.3) | | - |
| 50 Adjusted Contribution from Property Tax (total lines 46, 47, 48 and 49) | | 741,767.82 |

E. TRANSPORTATION WORKSHEET

| Transportation Statistics | Rate | Miles | Rides | Total |
|---|-------|----------|--------|------------|
| 51 Small Bus Miles | 0.520 | - | - | - |
| 52 Large Bus Miles | 1.110 | 85,680.0 | - | 95,104.80 |
| 53 Rural Rides | 0.300 | - | 50,400 | 15,120.00 |
| 54 Small In-City Miles | 0.520 | - | - | - |
| 55 Large In-City Miles | 1.110 | - | - | - |
| 56 In-City Rides | 0.300 | - | - | - |
| 57 Family - To School | 0.250 | - | - | - |
| 58 Family - To Bus | 0.250 | - | - | - |
| 59 Not Reimbursable | - | - | - | - |
| 60 Total Transportation Reimbursement | | | | 110,224.80 |
| 61 Reimbursement Cap --- 90% of transportation expenditures | | | | 160,290.86 |
| 62 Block Grant Total (lesser of 90% cap or total) | | | | 110,224.80 |

F. BASELINE FUNDING - MINIMUM AND MAXIMUM PAYMENTS

| | |
|---|--------------|
| 63 Baseline Funding (2018-19 State Aid Formula Payment, MLRG, GF levies and 75%-100% In-lieu) | 1,974,632.66 |
| 64 Baseline Weighted Student Units (2018-19) | 204.71 |
| 65 Baseline Funding Rate | \$9,646.00 |

| Adjustment for Minimum | Baseline Funding Rate | Minimum Percent | Weighted Student Units | |
|--|-----------------------|-----------------|------------------------|--------------|
| 66 Minimum Increase Per Student | \$9,646.00 | 102% | 204.71 | 2,014,125.31 |
| 67 WSUs Above Baseline | 11,072.00 | | 36.28 | 401,692.16 |
| 68 Baseline Funding Per Student | | | | 2,415,817.47 |
| 69 Baseline Funding (from line 63) | | | | 1,974,632.66 |
| 70 Minimum Funding Percentage | | | | 100% |
| 71 Minimum Funding Amount | | | | 1,974,632.66 |
| 72 Minimum Increase Amount (greater of line 68 or line 71) | | | | 2,415,817.47 |

G. On Time Funding Calculation Lines 12 & 13

| | |
|--|--------|
| 73 2023-24 K-12 ADM (Lines 2-6) | 139.00 |
| 74 2024-25 K-12 Fall Enrollment | 140.82 |
| 75 Line 12 (Line 74 - 73 Can't fall below 0) | 1.82 |
| 76 2023-24 On Time Funding (Line 12 2023-24 Worksheet) | 0.00 |
| 77 2023-24 Fall Enrollment | 139.00 |
| 78 2023-24 K-12 ADM (Lines 2-6) | 139.00 |
| 79 Line 13 | 0.00 |



STATE AID TO SCHOOLS PAYMENT WORKSHEET

North Dakota Department of Public Instruction
Office of School Finance and Organization

| District Name | County District Number | Payment Month | School Year |
|---------------|------------------------|---------------|-------------|
| Glen Ullin 48 | 30-048 | January | 2024-25 |

A. STATE AID FORMULA:

Student membership includes regular school year average daily membership (ADM). ADM for students attending school in Montana and Minnesota (NDCC 15.1-29.01), South Dakota students attending school in North Dakota (NDCC 15.1-29-02.1) under cross border attendance agreements, and students in private or out-of-state placements for purposes other than education (NDCC 15.1-29-14) are also included.

Student Membership

| | ADM | Weighting Factor | Weighted ADM |
|--|-------|------------------|--------------|
| 1 Pk Special Education | 0.08 | 1.000 | 0.08 |
| 2 Kindergarten | 7.88 | 1.000 | 7.88 |
| 3 Grade 1-6 | 58.55 | 1.000 | 58.55 |
| 4 Grade 7-8 | 14.23 | 1.000 | 14.23 |
| 5 Grade 9-12 | 53.91 | 1.000 | 53.91 |
| 6 Alternate High School | 0.00 | 1.000 | 0.00 |
| 7 Total Average Daily Membership (ADM) | | | 134.65 |

Other Program Membership

| | | | |
|---|--------|-------|-------|
| 8 Alt High School (from line 6) | 0.00 | 0.250 | 0.00 |
| 9 Special Ed ADM (from line 3) | 134.65 | 0.088 | 11.85 |
| 10 PK Special Ed ADM (from line 1) | 0.08 | 0.170 | 0.01 |
| 11 Regional Educational Association (if member from line 7) | 134.65 | 0.002 | 0.27 |
| 12 2024-2025 Fall Enrollment above 2024 ADM | 0.00 | 1.000 | 0.00 |
| 13 Spring 2024 ADM Adjustment | 0.00 | 1.000 | 0.00 |
| 14 ELL Level 1 | 0.00 | 0.400 | 0.00 |
| 15 ELL Level 2 | 1.00 | 0.280 | 0.28 |
| 16 ELL Level 3 | 0.00 | 0.070 | 0.00 |
| 17 At Risk | 58.98 | 0.025 | 1.47 |
| 18 Home-Education (district supervised) | 0.00 | 0.200 | 0.00 |
| 19 Alt Middle School | 0.00 | 0.150 | 0.00 |
| 20 Summer Programs | | | |
| 20 Summer School | 1.86 | 0.600 | 1.12 |
| 21 Special Ed ESY | 0.00 | 1.000 | 0.00 |
| 22 Isolated School District | | | |
| 22 > 275 sq miles and < 100 ADM | 0.00 | 0.100 | 0.00 |
| 23 > 600 sq miles and < 50 ADM | 0.00 | 1.100 | 0.00 |

| | |
|---|--------------|
| 24 Total Weighted Average Daily Membership (Add Lines 7 through 23) | 149.65 |
| 25 Virtual Average Daily Membership | 0.00 |
| 26 In Person Average Daily Membership | 149.65 |
| 27 School District Size Weighting Factor | 1.4800 |
| 28 In Person Weighted Student Units | 221.48 |
| 29 Total Weighted Student Units | 221.48 |
| 30 Per Student Payment Rate | 11,072.00 |
| 31 Total Formula Payment | 2,452,226.56 |

Formula Adjustments

| | | | |
|---|--------------|------|--------------|
| 32 Transition Minimum Adjustment (from line 72) 55% Reduction | 2,199,802.75 | 0.00 | 0.00 |
| 33 Total Adjusted Formula Amount (total lines 31 and 32) | | | 2,452,226.56 |
| 34 Contribution from Property Tax (from line 50) | | | 741,767.82 |
| 35 Contribution from Other Local Revenue (from line 43) | | | 492,526.43 |
| 36 State Aid Payment (line 33 minus lines 34 and 35) | | | 1,217,932.31 |

State School Aid Summary

| | Entitlement | EFB Offset | Net Entitlement |
|---|--------------|------------|-----------------|
| 1 State Aid Formula Payment (from line 36) | 1,217,932.31 | - | 1,217,932.31 |
| 2 Transportation (from line 62) | 91,294.56 | - | 91,294.56 |
| 3 State Child Placement | 1,820.12 | - | 1,820.12 |
| 4 Special Education Contracts - Agency | - | - | - |
| 5 Special Education Contracts - School Placed | - | - | - |
| 6 Special Education - Boarding | - | - | - |
| 7 Special Education - Gifted and Talented | - | - | - |
| Total State Aid | 1,311,046.99 | - | 1,311,046.99 |

B. CONTRIBUTION FROM OTHER LOCAL REVENUE

| | Total Revenue | Apportioned Revenue | Percent | |
|---|---------------|---------------------|----------------------|------------|
| 37 1300 Tuition | 3,725.34 | 3,725.34 | 75% | 2,794.01 |
| 38 2999 County | 442.02 | 442.02 | 75% | 331.52 |
| 39 US Flood | - | - | 75% | - |
| 40 Electric Generation, Distribution and Transmission Tax | 624,706.32 | 624,706.32 | 75% | 468,529.74 |
| 41 Mobile Home and Other In-Lieu Taxes | 14,565.07 | 14,565.07 | 75% | 10,923.80 |
| 42 Telecommunications | 13,263.15 | 13,263.15 | 75% | 9,947.36 |
| 43 Contribution from Other Local Revenue | | | | 492,526.43 |
| | S & I Levy | Total Levy | Non S & I Percentage | |
| | - | 80.23 | 100.00 | |

C. CONTRIBUTION FROM PROPERTY TAX

| | | |
|--|------------|---------------|
| 44 District Taxable Valuation | | 12,362,797.00 |
| 45 Contribution Mill Rate | | 60.00 |
| 46 Contribution from Property Tax (line 44 times line 45 divided by 1000) | | 741,767.82 |
| 47 Minimum Local Effort Adjustment (NDCC 15.1-27-04.2) | | - |
| 48 Maximum Contribution Increase Adjustment(NDCC15.1-27-04.1.4.a.) | 836,687.64 | - |
| 49 Local Effort Adjustment (NDCC 15.1-27-04.3) | | - |
| 50 Adjusted Contribution from Property Tax (total lines 46, 47, 48 and 49) | | 741,767.82 |

E. TRANSPORTATION WORKSHEET

| Transportation Statistics | Rate | Miles | Rides | Total |
|---|-------|----------|--------|------------|
| 51 Small Bus Miles | 0.520 | - | - | - |
| 52 Large Bus Miles | 1.110 | 74,256.0 | - | 82,424.16 |
| 53 Rural Rides | 0.300 | - | 29,568 | 8,870.40 |
| 54 Small In-City Miles | 0.520 | - | - | - |
| 55 Large In-City Miles | 1.110 | - | - | - |
| 56 In-City Rides | 0.300 | - | - | - |
| 57 Family - To School | 0.250 | - | - | - |
| 58 Family - To Bus | 0.250 | - | - | - |
| 59 Not Reimbursable | - | - | - | - |
| 60 Total Transportation Reimbursement | | | | 91,294.56 |
| 61 Reimbursement Cap — 90% of transportation expenditures | | | | 127,604.54 |
| 62 Block Grant Total (lesser of 90% cap or total) | | | | 91,294.56 |

F. BASELINE FUNDING - MINIMUM AND MAXIMUM PAYMENTS

| | |
|---|--------------|
| 63 Baseline Funding (2018-19 State Aid Formula Payment, MLRG, GF levies and 75%-100% In-lieu) | 1,974,632.66 |
| 64 Baseline Weighted Student Units (2018-19) | 204.71 |
| 65 Baseline Funding Rate | \$9,646.00 |

| Adjustment for Minimum | Baseline Funding Rate | Minimum Percent | Weighted Student Units | |
|--|-----------------------|-----------------|------------------------|--------------|
| 66 Minimum Increase Per Student | \$9,646.00 | 102% | 204.71 | 2,014,125.31 |
| 67 WSUs Above Baseline | 11,072.00 | | 16.77 | 185,677.44 |
| 68 Baseline Funding Per Student | | | | 2,199,802.75 |
| 69 Baseline Funding (from line 63) | | | | 1,974,632.66 |
| 70 Minimum Funding Percentage | | | | 100% |
| 71 Minimum Funding Amount | | | | 1,974,632.66 |
| 72 Minimum Increase Amount (greater of line 68 or line 71) | | | | 2,199,802.75 |

G. On Time Funding Calculation Lines 12 & 13

| | |
|--|--------|
| 73 2023-24 K-12 ADM (Lines 2-6) | 134.57 |
| 74 2024-25 K-12 Fall Enrollment | 123.00 |
| 75 Line 12 (Line 74 - 73 Can't fall below 0) | 0.00 |
| 76 2023-24 On Time Funding (Line 12 2023-24 Worksheet) | 0.00 |
| 77 2023-24 Fall Enrollment | 139.00 |
| 78 2023-24 K-12 ADM (Lines 2-6) | 134.57 |
| 79 Line 13 | 0.00 |

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1214
2/12/2025

A Bill for an Act to provide an appropriation for defraying the expenses of School District transportation

10:53 a.m. Chairman Nathe called the meeting to order.

Members present: Chairman Nathe, Representatives Louser, Martinson, Richter, Sanford and Hanson

Members absent: Vice Chairman Swiontek

Discussion Topics:

- Transportation
- Mileage

10:53 Representative Louser moved a Do Pass.

10:54 Representative Martinson seconded the motion.

10:55 a.m. Roll call

| Representatives | Vote |
|----------------------------------|------|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | A |
| Representative Karla Rose Hanson | Y |
| Representative Scott Louser | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |

10:55 a.m. Motion passed 6-0-1

10:58 a.m. Chairman Nathe closed the meeting.

Steven Riehl, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1214
2/20/2025

A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota Century Code, relating to transportation weighted student unit equivalents; to amend and reenact section 15.1-31-05 of the North Dakota Century Code, relating to open enrollment transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1, and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

11:47 a.m. Chairman Vigesaa opened the meeting.

Members present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Committee Action

11:47 a.m. Representative Heinert Introduced the bill

11:47 a.m Representative O'Brien moved a Do Pass.

11:52 a.m. Representative Stemen seconded the motion.

11:52 a.m. Roll Call Vote

| Representatives | Vote |
|----------------------------------|------|
| Representative Don Vigesaa | Y |
| Representative Keith Kempenich | Y |
| Representative Bert Anderson | Y |
| Representative Mike Berg | Y |
| Representative Glen Bosch | Y |
| Representative Mike Brandenburg | Y |
| Representative Jay Fisher | Y |
| Representative Karla Rose Hanson | Y |
| Representative Scott Louser | Y |
| Representative Bob Martinson | Y |
| Representative Lisa Meier | Y |
| Representative Alisa Mitskog | Y |
| Representative David Monson | Y |
| Representative Eric J. Murphy | Y |

| | |
|-------------------------------|---|
| Representative Mike Nathe | Y |
| Representative Jon O. Nelson | Y |
| Representative Emily O'Brien | Y |
| Representative Brandy L. Pyle | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Gregory Stemen | Y |
| Representative Steve Swiontek | Y |
| Representative Scott Wagner | Y |

11:52 a.m. Motion passed 23-0-0.

11:52 a.m. Representative Hauck will carry.

11:53 a.m. Chaiman Vigesaa closed the meeting.

Krystal Eberle, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1214 ([25.0752.02000](#))**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **DO PASS** (23 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1214 was placed on the Eleventh order on the calendar.

2025 SENATE EDUCATION

HB 1214

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1214
3/17/2025

Relating to transportation weighted student unit equivalents; and to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

11:00 a.m. Chairman Beard called the meeting to order.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

Discussion Topics:

- K-12 budget
- Impact on local property tax
- Revise funding formula
- Geographic size
- Number of school buildings

11:00 a.m. Representative Richter, District #1, introduced the bill.

11:02 a.m. Steven Holen, Superintendent McKenzie County Public School District, testified in favor and submitted testimony #41957.

11:15 a.m. Brandt Dick, Acting Superintendent Glen Ullin School District and President ND Small Organized School Boards, testified in favor and referred to his testimony #42355 submitted for HB 1369.

11:24 a.m. Michael Heilman, Executive Director, ND Small Organized Schools, testified in favor and submitted testimony #42064.

11:27 a.m. Adam Tescher, School Finance Officer, ND Department of Public Instruction, answered questions from the committee.

11:31 a.m. Chairman Beard closed the meeting.

Susan Helbling, Committee Clerk

HB 1214
Chairman Beard
Senate Education Committee
March 17th, 2025

Good morning. Chairman Beard and members of the Senate Education Committee, for the record, my name is Steven Holen, and I am the Superintendent of Schools for the McKenzie County Public School District #1 in Watford City. I am here to testify in support of HB 1214 with its proposed revisions to the current K-12 transportation funding model. This concept was included in discussions with the North Dakota Interim School Funding Task Force in this past interim session for consideration to address the current funding model that has been in place for decades and is not meeting the needs of school districts and impacted families relying on school transportation to attend public school facilities across North Dakota.

There are many factors that have led to the K-12 transportation funding formula being reviewed and considered for revisions in HB 1214. Current levels of transportation funding cover less than 40% of school district expenditure, on average, across the state and has not kept up with inflation and increasing demands at the local level. The state's intent to provide 70% of school district educational expenditure does not include transportation costs which have a varying impact on an individual school district's operating budget (up to 18% in some cases). The Picus Odden & Associates research in 2008, which led to the current foundation aid formula structure, did NOT address transportation funding and provided the following comment: *"Transportation funding is an issue for North Dakota school districts...to avoid penalizing school districts based on geographic location by ensuring a disproportionate amount of local funding is not required to provide transportation services as part of the quality educational experience. Ideally, a funding system should consider factors such as geographics, topology, and student population density to ensure and attempt to meet the same parameters used in the K12 foundation aide formula to address adequacy and equity factors."*

It is generally accepted that the current block grant funding formula does not consider important factors impacting costs for local school districts and is diverting state funding targeted to educational obligations through the foundation aid formula to subsize transportation budgets. The current block grant program is simple to understand and administer, however, is antiquated and it does not address the increasing costs assumed by the local school districts. Other models exist in other states and essentially, the state of North Dakota can do better with its K-12 transportation funding model and HB 1214 is a step in this direction with opportunities to expand and improve on it in future legislative sessions.

The UND study funding by the 2023 Legislative Assembly was used to identify areas of potential improvement in the current funding model while identifying the challenges of variance and outliers that exist with the varied demographics present with approximately 170 K-12 school districts and the rural topography of North Dakota. The UND study verified the statistical significance of two additional data points that are already collected

by DPI and can be implemented in the formula to address unique factors impacting school district, both rural and urban. The two new factors included in HB 1214 are geographical size of the school district, in square miles, and the number of school buildings services by the school district. These two factors help to address correlations with school district size and transportation costs as well as the number of buildings served, both of which are not addressed in the current funding model. HB 1214 is a significant move forward to prioritizing the value of K-12 transportation and allowing for future adjustments to be made within this new structure through adjustments to weighted factors and potential new factors to be considered in the future.

The revisions offered in HB 1214 accomplish a few important goals: 1. HB 1214 provides a formula that is driven and set by the per-pupil payment established by the legislative assembly each session. Consistency and prioritization of transportation funding has been a challenge for decades which has led to the discrepancy in the funding levels and actual costs. The transportation formula proposed in HB 1214 is not formally a part of the K-12 Foundation Aid formula; it remains a separate worksheet as per the current model, however, the ability to apply weighted factors included in HB 1214 to the per-pupil payment ensures those increases are translated to K-12 transportation funding without a separate allocation or legislation required. 2. The two new factors implemented provide a greater capacity for equity based on geographic location and school district demographics. In addition to the new factors, the factor currently used regarding rides is eliminated due to lack of statistical significance and overall challenges in the recording of this data over time. Rides are often considered an efficiency component, however, rural districts are disadvantaged due to the distance covered and reasonable ride times. The elimination of rides and the addition of two new factors is a benefit for a vast majority of school districts in North Dakota and removes a factor often considered difficult to verify as accurate at the local and state level. 3. All school districts, with a few minor exceptions, will increase in K-12 transportation funding levels while maintaining a reasonable fiscal note for the legislature to consider. The current proposal will not require extensive hold harmless provisions as school districts will experience an increase in funding at varying levels based on the weighted factors. 4. The proposed formula in HB 1214 will not create excessive management responsibilities from DPI and may create less managerial obligations from DPI once implemented; Adam Tescher has been a critical partner in the development of the new formula proposed in HB 1214. 5. The use of weighting factors aligns the transportation funding formula with the foundation aid formula in terms of funding allocations and provides synergy between the two formulas in terms of the mechanism and philosophy.

The changes provided in HB 1214 are significant, however, they will not address all aspects of equity/adequacy in K-12 transportation funding provided to ND school districts. The formula does not include school district size factors included in the foundation aid formula and efficiency factors are not directly included in the new formula. These factors will require additional time to study as well as financial obligation in future sessions. However, the opportunity to address such factors is greater with the changes in HB 1214 and can remain a long-term goal. The percentage of reimbursement to total costs remains varied with some districts significantly below 20%

with the formula in HB 1214, leaving transportation costs to be subsidized at the local level. Aspects such as bus driver shortages and transportation infrastructure remain excluded from the funding formula as well and will need to be addressed in the future, if the legislature is interested in doing so. This first phase of change is significant but also opens opportunities for improvements that do not exist with the current block grant funding structure and can be addressed to higher levels with the new model.

A challenge for K-12 transportation funding in the past has been the variety of services offered across the state and the general “optional” consideration of transportation services for K-12 school districts. While NDCC may consider transportation services as “elective”, our patrons and students do not consider transportation an elective practice, but a necessity impacting their daily life and student attendance in a significant way. It is time for the ND Legislature to place a higher priority in the safe transportation of K-12 students in North Dakota with its extensive geographic and weather challenges. Funding for K-12 transportation helps to ensure funding for K-12 education in the foundation aid formula is directed to student education practices and is not used to subsidize transportation costs at increasingly higher proportions. North Dakota is ready for a change to the K-12 transportation funding. HB 1214 has seen significant work in the interim to be considered a vehicle for this change and to guide opportunities for continued improvements in the future.

The strong support experienced in the House of Representative for HB 1214 is a testament to the work done in the interim, the statistical study with UND, and the general vetting that has taken place to develop the formula proposed in HB 1214. I hope the Senate provides similar levels of support and consensus as to the value of HB 1214 to all school districts and patrons of North Dakota public school districts.

Thank you for your time and consideration and I will stand for any questions.



North Dakota Small Organized Schools

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701-465-3732

1 **Testimony in Support of North Dakota House Bill 1214**

2 Chairman Beard and Members of the Senate Education Committee,

3 I appreciate the opportunity to provide testimony in strong support of House Bill 1214, which seeks to
4 improve the state's transportation reimbursement system for schools by introducing a per-pupil factor.
5 This legislation represents a much-needed shift away from the current block grant model, which has
6 proven to be inefficient and inequitable for many school districts across North Dakota.

7 **Enhancing Efficiency and Equity** HB 1214 establishes a per-pupil factor that ensures transportation
8 reimbursements are distributed based on actual student transportation needs rather than a fixed block
9 grant. The current system does not account for variations in district size, geography, or student
10 population growth, leading to disparities in funding allocations. By transitioning to a reimbursement
11 model that ties funding to the number of students served, the state can more effectively allocate
12 resources where they are most needed, encouraging efficiency and fairness among all districts.

13 **A Thoughtful, Data-Driven Approach** This legislation is the result of extensive work by the interim
14 legislative committee on school funding and input from members of the education focus group. Their
15 research and discussions have provided a comprehensive understanding of the challenges school
16 districts face in covering transportation costs under the existing system. HB 1214 is a thoughtful and
17 data-driven solution that addresses these concerns while laying the groundwork for a more sustainable
18 and equitable funding model.

19 **Encouraging Fiscal Responsibility and Best Practices** By shifting toward a reimbursement system based
20 on a per-pupil factor, school districts will be incentivized to optimize their transportation services while
21 maintaining high standards for student safety and accessibility. This model supports responsible fiscal
22 management by ensuring that funds are directed toward real transportation costs, rather than being
23 locked into an outdated block grant structure that does not adjust to changes in enrollment or district
24 needs.

25 **Conclusion** HB 1214 is a critical first step toward modernizing North Dakota's school transportation
26 funding. It introduces a more equitable and efficient method of reimbursement that reflects the needs
27 of individual school districts while encouraging responsible resource management. I urge the committee
28 to support this legislation to ensure that all students, regardless of where they live, have access to safe
29 and reliable transportation to and from school.

Board of Directors

Region 1

Mr. Tim Holte, Supt. Stanley
Mr. Kris Kuehn, Supt. Ray

Region 2

Mr. Monte Mayer, Supt. Velva
Mr. Steven Heim, Anamoose & Drake

Region 3

Dr. Frank Schill, Supt. Edmore
Mr. David Wheeler, Supt. Manvel

Region 4

Mr. Brian Christopherson, Supt. New Salem
Mr. Russ Ziegler, Supt. Elgin-New Leipzig

Region 5

Mr. Rick Diegel, Supt. Kidder Co.
Mr. Brandt Dick, Supt. Burleigh County

Region 6

Mr. Mitch Carlson, Supt. LaMoure
Dr. Steven Johnson, Supt. Ft. Ransom

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.

30

31

32 Mr. Michael Heilman – Executive Director

33 North Dakota Small Organized Schools

34 mheilmandsos@gmail.com

35 701.527.4621

36



STATE AID TO SCHOOLS PAYMENT WORKSHEET

North Dakota Department of Public Instruction
Office of School Finance and Organization

| District Name | County District Number | Payment Month | School Year |
|----------------------|------------------------|---------------|-------------|
| Glen Ullin 48 | 30-048 | March | 2024-25 |

A. STATE AID FORMULA:

Student membership includes regular school year average daily membership (ADM). ADM for students attending school in Montana and Minnesota (NDCC 15.1-29.01), South Dakota students attending school in North Dakota (NDCC 15.1-29-02.1) under cross border attendance agreements, and students in private or out-of-state placements for purposes other than education (NDCC 15.1-29-14) are also included.

Student Membership

| | ADM | Weighting Factor | Weighted ADM |
|--|-------|------------------|--------------|
| 1 Pk Special Education | 0.08 | 1.000 | 0.08 |
| 2 Kindergarten | 7.88 | 1.000 | 7.88 |
| 3 Grade 1-6 | 58.55 | 1.000 | 58.55 |
| 4 Grade 7-8 | 14.23 | 1.000 | 14.23 |
| 5 Grade 9-12 | 53.91 | 1.000 | 53.91 |
| 6 Alternate High School | 0.00 | 1.000 | 0.00 |
| 7 Total Average Daily Membership (ADM) | | | 134.65 |

Other Program Membership

| | | | |
|---|--------|-------|-------|
| 8 Alt High School (from line 6) | 0.00 | 0.250 | 0.00 |
| 9 Special Ed ADM (from line 7) | 134.65 | 0.088 | 11.85 |
| 10 PK Special Ed ADM (from line 1) | 0.08 | 0.170 | 0.01 |
| 11 Regional Educational Association (if member from line 7) | 134.65 | 0.002 | 0.27 |
| 12 2024-2025 Fall Enrollment above 2024 ADM | 0.00 | 1.000 | 0.00 |
| 13 Spring 2024 ADM Adjustment | 0.00 | 1.000 | 0.00 |
| 14 ELL Level 1 | 0.00 | 0.400 | 0.00 |
| 15 ELL Level 2 | 1.00 | 0.280 | 0.28 |
| 16 ELL Level 3 | 0.00 | 0.070 | 0.00 |
| 17 At Risk | 58.98 | 0.025 | 1.47 |
| 18 Home-Education (district supervised) | 0.00 | 0.200 | 0.00 |
| 19 Alt Middle School | 0.00 | 0.150 | 0.00 |
| Summer Programs | | | |
| 20 Summer School | 1.86 | 0.600 | 1.12 |
| 21 Special Ed ESY | 0.00 | 1.000 | 0.00 |
| Isolated School District | | | |
| 22 > 275 sq miles and < 100 ADM | 0.00 | 0.100 | 0.00 |
| 23 > 600 sq miles and < 50 ADM | 0.00 | 1.100 | 0.00 |

| | |
|---|--------------|
| 24 Total Weighted Average Daily Membership (Add Lines 7 through 23) | 149.65 |
| 25 Virtual Average Daily Membership | 0.00 |
| 26 In Person Average Daily Membership | 149.65 |
| 27 School District Size Weighting Factor | 1.4800 |
| 28 In Person Weighted Student Units | 221.48 |
| 29 Total Weighted Student Units | 221.48 |
| 30 Per Student Payment Rate | 11,072.00 |
| 31 Total Formula Payment | 2,452,226.56 |

Formula Adjustments

| | | | |
|---|--------------|------|--------------|
| 32 Transition Minimum Adjustment (from line 72) 55% Reduction | 2,199,802.75 | 0.00 | 0.00 |
| 33 Total Adjusted Formula Amount (total lines 31 and 32) | | | 2,452,226.56 |
| 34 Contribution from Property Tax (from line 50) | | | 741,767.82 |
| 35 Contribution from Other Local Revenue (from line 43) | | | 492,526.43 |
| 36 State Aid Payment (line 33 minus lines 34 and 35) | | | 1,217,932.31 |

State School Aid Summary

| | Entitlement | EFB Offset | Net Entitlement |
|---|---------------------|------------|---------------------|
| 1 State Aid Formula Payment (from line 36) | 1,217,932.31 | - | 1,217,932.31 |
| 2 Transportation (from line 62) | 91,294.56 | - | 91,294.56 |
| 3 State Child Placement | 1,820.12 | - | 1,820.12 |
| 4 Special Education Contracts - Agency | - | - | - |
| 5 Special Education Contracts - School Placed | - | - | - |
| 6 Special Education - Boarding | - | - | - |
| 7 Special Education - Gifted and Talented | - | - | - |
| Total State Aid | 1,311,046.99 | - | 1,311,046.99 |

B. CONTRIBUTION FROM OTHER LOCAL REVENUE

| | Total Revenue | Apportioned Revenue | Percent | |
|---|---------------|---------------------|----------------------|------------|
| 37 1300 Tuition | 3,725.34 | 3,725.34 | 75% | 2,794.01 |
| 38 2999 County | 442.02 | 442.02 | 75% | 331.52 |
| 39 US Flood | - | - | 75% | - |
| 40 Electric Generation, Distribution and Transmission Tax | 624,706.32 | 624,706.32 | 75% | 468,529.74 |
| 41 Mobile Home and Other In-Lieu Taxes | 14,565.07 | 14,565.07 | 75% | 10,923.80 |
| 42 Telecommunications | 13,263.15 | 13,263.15 | 75% | 9,947.36 |
| 43 Contribution from Other Local Revenue | | | | 492,526.43 |
| | S & I Levy | Total Levy | Non S & I Percentage | |
| | - | 80.23 | 100.00 | |

C. CONTRIBUTION FROM PROPERTY TAX

| | | |
|--|------------|---------------|
| 44 District Taxable Valuation | | 12,362,797.00 |
| 45 Contribution Mill Rate | | 60.00 |
| 46 Contribution from Property Tax (line 44 times line 45 divided by 1000) | | 741,767.82 |
| 47 Minimum Local Effort Adjustment (NDCC 15.1-27-04.2) | - | - |
| 48 Maximum Contribution Increase Adjustment(NDCC15.1-27-04.1.4.a.) | 836,687.64 | - |
| 49 Local Effort Adjustment (NDCC 15.1-27-04.3) | | - |
| 50 Adjusted Contribution from Property Tax (total lines 46, 47, 48 and 49) | | 741,767.82 |

E. TRANSPORTATION WORKSHEET

| Transportation Statistics | Rate | Miles | Rides | Total |
|---|-------|----------|--------|------------|
| 51 Small Bus Miles | 0.520 | - | - | - |
| 52 Large Bus Miles | 1.110 | 74,256.0 | - | 82,424.16 |
| 53 Rural Rides | 0.300 | - | 29,568 | 8,870.40 |
| 54 Small In-City Miles | 0.520 | - | - | - |
| 55 Large In-City Miles | 1.110 | - | - | - |
| 56 In-City Rides | 0.300 | - | - | - |
| 57 Family - To School | 0.250 | - | - | - |
| 58 Family - To Bus | 0.250 | - | - | - |
| 59 Not Reimbursable | - | - | - | - |
| 60 Total Transportation Reimbursement | | | | 91,294.56 |
| 61 Reimbursement Cap --- 90% of transportation expenditures | | | | 127,604.54 |
| 62 Block Grant Total (lesser of 90% cap or total) | | | | 91,294.56 |

F. BASELINE FUNDING - MINIMUM AND MAXIMUM PAYMENTS

| | |
|---|--------------|
| 63 Baseline Funding (2018-19 State Aid Formula Payment, MLRG, GF levies and 75%-100% In-lieu) | 1,974,632.66 |
| 64 Baseline Weighted Student Units (2018-19) | 204.71 |
| 65 Baseline Funding Rate | \$9,646.00 |

| Adjustment for Minimum | Baseline Funding Rate | Minimum Percent | Weighted Student Units | |
|--|-----------------------|-----------------|------------------------|--------------|
| 66 Minimum Increase Per Student | \$9,646.00 | 102% | 204.71 | 2,014,125.31 |
| 67 WSUs Above Baseline | 11,072.00 | | 16.77 | 185,677.44 |
| 68 Baseline Funding Per Student | | | | 2,199,802.75 |
| 69 Baseline Funding (from line 63) | | | | 1,974,632.66 |
| 70 Minimum Funding Percentage | | | | 100% |
| 71 Minimum Funding Amount | | | | 1,974,632.66 |
| 72 Minimum Increase Amount (greater of line 68 or line 71) | | | | 2,199,802.75 |

G. On Time Funding Calculation Lines 12 & 13

| | |
|--|--------|
| 73 2023-24 K-12 ADM (Lines 2-6) | 134.57 |
| 74 2024-25 K-12 Fall Enrollment | 123.00 |
| 75 Line 12 (Line 74 - 73 Can't fall below 0) | 0.00 |
| 76 2023-24 On Time Funding (Line 12 2023-24 Worksheet) | 0.00 |
| 77 2023-24 Fall Enrollment | 139.00 |
| 78 2023-24 K-12 ADM (Lines 2-6) | 134.57 |
| 79 Line 13 | 0.00 |



STATE AID TO SCHOOLS PAYMENT WORKSHEET

North Dakota Department of Public Instruction
Office of School Finance and Organization

| District Name | County District Number | Payment Month | School Year |
|---------------|------------------------|---------------|-------------|
| Glen Ullin 48 | 30-048 | October | 2024-25 |

A. STATE AID FORMULA:

Student membership includes regular school year average daily membership (ADM). ADM for students attending school in Montana and Minnesota (NDCC 15.1-29.01), South Dakota students attending school in North Dakota (NDCC 15.1-29-02.1) under cross border attendance agreements, and students in private or out-of-state placements for purposes other than education (NDCC 15.1-29-14) are also included.

Student Membership

| | ADM | Weighting Factor | Weighted ADM |
|--|-------|------------------|--------------|
| 1 Pk Special Education | 0.95 | 1.000 | 0.95 |
| 2 Kindergarten | 9.00 | 1.000 | 9.00 |
| 3 Grade 1-6 | 58.00 | 1.000 | 58.00 |
| 4 Grade 7-8 | 14.00 | 1.000 | 14.00 |
| 5 Grade 9-12 | 58.00 | 1.000 | 58.00 |
| 6 Alternate High School | 0.00 | 1.000 | 0.00 |
| 7 Total Average Daily Membership (ADM) | | | 139.95 |

Other Program Membership

| | | | |
|---|--------|-------|-------|
| 8 Alt High School (from line 6) | 0.00 | 0.250 | 0.00 |
| 9 Special Ed ADM (from line 7) | 139.95 | 0.088 | 12.32 |
| 10 PK Special Ed ADM (from line 1) | 0.95 | 0.170 | 0.16 |
| 11 Regional Educational Association (if member from line 7) | 139.95 | 0.002 | 0.28 |
| 12 2024-2025 Fall Enrollment above 2024 ADM | 1.82 | 1.000 | 1.82 |
| 13 Spring 2024 ADM Adjustment | 0.00 | 1.000 | 0.00 |
| 14 ELL Level 1 | 0.00 | 0.400 | 0.00 |
| 15 ELL Level 2 | 1.00 | 0.280 | 0.28 |
| 16 ELL Level 3 | 0.00 | 0.070 | 0.00 |
| 17 At Risk | 58.92 | 0.025 | 1.47 |
| 18 Home-Education (district supervised) | 0.00 | 0.200 | 0.00 |
| 19 Alt Middle School | 0.00 | 0.150 | 0.00 |
| Summer Programs | | | |
| 20 Summer School | 14.63 | 0.600 | 8.78 |
| 21 Special Ed ESY | 0.00 | 1.000 | 0.00 |
| Isolated School District | | | |
| 22 > 275 sq miles and < 100 ADM | 0.00 | 0.100 | 0.00 |
| 23 > 600 sq miles and < 50 ADM | 0.00 | 1.100 | 0.00 |

| | |
|---|--------------|
| 24 Total Weighted Average Daily Membership (Add Lines 7 through 23) | 165.06 |
| 25 Virtual Average Daily Membership | 0.00 |
| 26 In Person Average Daily Membership | 165.06 |
| 27 School District Size Weighting Factor | 1.4600 |
| 28 In Person Weighted Student Units | 240.99 |
| 29 Total Weighted Student Units | 240.99 |
| 30 Per Student Payment Rate | 11,072.00 |
| 31 Total Formula Payment | 2,668,241.28 |

Formula Adjustments

| | | | |
|---|--------------|------|--------------|
| 32 Transition Minimum Adjustment (from line 72) 55% Reduction | 2,415,817.47 | 0.00 | 0.00 |
| 33 Total Adjusted Formula Amount (total lines 31 and 32) | | | 2,668,241.28 |
| 34 Contribution from Property Tax (from line 50) | | | 741,767.82 |
| 35 Contribution from Other Local Revenue (from line 43) | | | 476,372.37 |
| 36 State Aid Payment (line 33 minus lines 34 and 35) | | | 1,450,101.09 |

State School Aid Summary

| | Entitlement | EFB Offset | Net Entitlement |
|---|--------------|------------|-----------------|
| 1 State Aid Formula Payment (from line 36) | 1,450,101.09 | - | 1,450,101.09 |
| 2 Transportation (from line 62) | 110,224.80 | - | 110,224.80 |
| 3 State Child Placement | - | - | - |
| 4 Special Education Contracts - Agency | - | - | - |
| 5 Special Education Contracts - School Placed | - | - | - |
| 6 Special Education - Boarding | - | - | - |
| 7 Special Education - Gifted and Talented | - | - | - |
| Total State Aid | 1,560,325.89 | - | 1,560,325.89 |

B. CONTRIBUTION FROM OTHER LOCAL REVENUE

| | Total Revenue | Apportioned Revenue | Percent | |
|---|---------------|---------------------|----------------------|------------|
| 37 1300 Tuition | 16,688.27 | 16,688.27 | 75% | 12,516.20 |
| 38 2999 County | 817.35 | 817.35 | 75% | 613.01 |
| 39 US Flood | - | - | 75% | - |
| 40 Electric Generation, Distribution and Transmission Tax | 592,083.79 | 592,083.79 | 75% | 444,062.84 |
| 41 Mobile Home and Other In-Lieu Taxes | 12,310.61 | 12,310.61 | 75% | 9,232.96 |
| 42 Telecommunications | 13,263.15 | 13,263.15 | 75% | 9,947.36 |
| 43 Contribution from Other Local Revenue | | | | 476,372.37 |
| | S & I Levy | Total Levy | Non S & I Percentage | |
| | - | 80.23 | 100.00 | |

C. CONTRIBUTION FROM PROPERTY TAX

| | | |
|--|------------|---------------|
| 44 District Taxable Valuation | | 12,362,797.00 |
| 45 Contribution Mill Rate | | 60.00 |
| 46 Contribution from Property Tax (line 44 times line 45 divided by 1000) | | 741,767.82 |
| 47 Minimum Local Effort Adjustment (NDCC 15.1-27-04.2) | - | - |
| 48 Maximum Contribution Increase Adjustment(NDCC15.1-27-04.1.4.a.) | 836,687.64 | - |
| 49 Local Effort Adjustment (NDCC 15.1-27-04.3) | | - |
| 50 Adjusted Contribution from Property Tax (total lines 46, 47, 48 and 49) | | 741,767.82 |

E. TRANSPORTATION WORKSHEET

| Transportation Statistics | Rate | Miles | Rides | Total |
|---|-------|----------|--------|------------|
| 51 Small Bus Miles | 0.520 | - | - | - |
| 52 Large Bus Miles | 1.110 | 85,680.0 | - | 95,104.80 |
| 53 Rural Rides | 0.300 | - | 50,400 | 15,120.00 |
| 54 Small In-City Miles | 0.520 | - | - | - |
| 55 Large In-City Miles | 1.110 | - | - | - |
| 56 In-City Rides | 0.300 | - | - | - |
| 57 Family - To School | 0.250 | - | - | - |
| 58 Family - To Bus | 0.250 | - | - | - |
| 59 Not Reimbursable | - | - | - | - |
| 60 Total Transportation Reimbursement | | | | 110,224.80 |
| 61 Reimbursement Cap --- 90% of transportation expenditures | | | | 160,290.86 |
| 62 Block Grant Total (lesser of 90% cap or total) | | | | 110,224.80 |

F. BASELINE FUNDING - MINIMUM AND MAXIMUM PAYMENTS

| | |
|---|--------------|
| 63 Baseline Funding (2018-19 State Aid Formula Payment, MLRG, GF levies and 75%-100% In-lieu) | 1,974,632.66 |
| 64 Baseline Weighted Student Units (2018-19) | 204.71 |
| 65 Baseline Funding Rate | \$9,646.00 |

| Adjustment for Minimum | Baseline Funding Rate | Minimum Percent | Weighted Student Units | |
|--|-----------------------|-----------------|------------------------|--------------|
| 66 Minimum Increase Per Student | \$9,646.00 | 102% | 204.71 | 2,014,125.31 |
| 67 WSUs Above Baseline | 11,072.00 | | 36.28 | 401,692.16 |
| 68 Baseline Funding Per Student | | | | 2,415,817.47 |
| 69 Baseline Funding (from line 63) | | | | 1,974,632.66 |
| 70 Minimum Funding Percentage | | | | 100% |
| 71 Minimum Funding Amount | | | | 1,974,632.66 |
| 72 Minimum Increase Amount (greater of line 68 or line 71) | | | | 2,415,817.47 |

G. On Time Funding Calculation Lines 12 & 13

| | |
|--|--------|
| 73 2023-24 K-12 ADM (Lines 2-6) | 139.00 |
| 74 2024-25 K-12 Fall Enrollment | 140.82 |
| 75 Line 12 (Line 74 - 73 Can't fall below 0) | 1.82 |
| 76 2023-24 On Time Funding (Line 12 2023-24 Worksheet) | 0.00 |
| 77 2023-24 Fall Enrollment | 139.00 |
| 78 2023-24 K-12 ADM (Lines 2-6) | 139.00 |
| 79 Line 13 | 0.00 |

STATE AID TO SCHOOLS PAYMENT WORKSHEET - Projection

Preliminary Projections

| | |
|------------------------|---------------|
| District Name | Glen Ullin 48 |
| County District Number | 30-048 |
| School Year | 2025-2026 |

A STATE AID FORMULA:

Student membership includes regular school year average daily membership (ADM), ADM for students attending school in Montana and Minnesota (NDCC 15.1-29.01), South Dakota students attending school in North Dakota (NDCC 15.1-29.02, 1) under cross border attendance agreements, and students in private or out-of-state placements for purposes other than education (NDCC 15.1-29-14) are also included.

Student Membership

| Student Membership | ADDM | t-factor | Weighted ADDM |
|--|--------|----------|---------------|
| 1 PK Special Education 3 year Average | 0.73 | 1.000 | 0.73 |
| 2 Grades K-12 3 year Average | 140.91 | 1.000 | 140.91 |
| 3 Alternative High School 3 year Average | 141.64 | - | - |
| 4 PK special Education | 0.08 | 1.000 | 0.08 |
| 5 Grades K-12 | 123.00 | 1.000 | 123.00 |
| 6 Alternative High School | 123.08 | - | - |
| 7 Total Average Daily Membership (ADM) Greater of red cells lines 3 or 6 | 141.64 | | |

Other Program Membership

| | |
|----|--|
| 23 | < 600 sq miles and < 50 ADM |
| 22 | > 275 sq miles and < 100 ADM |
| 21 | Isolated School District |
| 20 | Special Ed ESY |
| 19 | Summer School |
| 18 | Summer Programs |
| 17 | Alt Middle School |
| 16 | Home-Education (district supervised) |
| 15 | At Risk |
| 14 | ELL Level 3 |
| 13 | ELL Level 2 |
| 12 | ELL Level 1 |
| 11 | Spring 2025 ADM Adjustment |
| 10 | 25-26 Fall Enrollment above 2025 ADM |
| 9 | Regional Education Association (if member from line 6) Red |
| 8 | PK Special Ed ADM (from line 4) |
| 7 | Special Ed ADM (from line 6) Red |
| 6 | Alt High School (from line 6) |

24 Total Weighted Average Daily Membership (add lines 7 through 23)

| | |
|---|--------------|
| 24 Total Weighted Average Daily Membership (add lines 7 through 23) | 157.02 |
| 25 Virtual Average Daily Membership | - |
| 26 In Person Average Daily Membership | 157.02 |
| 27 School District Size Weighting Factor | 1.4600 |
| 28 In Person Weighted Student Units | 229.25 |
| 29 Total Weighted Student Units | 229.25 |
| 30 Per Student Payment Rate | \$11,293.00 |
| 31 Total Formula Payment | 2,588,920.25 |

Formula Adjustments

32 Transition Minimum Adjustment (from line 76)
33 Total Adjusted Formula Amount (total lines 31, and 32)
34 Contribution from Property Tax (from line 50)
35 Contribution from Other Local Revenue (from line 43)
36 State Aid Payment (line 33 minus lines 34 and 35)

State School Aid Summary

State Aid Formula Payment (from line 36)
Transportation (from line 67)
State Child Placement
Special Education Contracts - Agency
Special Education Contracts - School Placed
Special Education Contracts - Boarding
Special Education - Gifted and Talented
Total State Aid
Excess Fund Balance Offset (from line 54)

Excess Fund Balance Offset (from line 54)

Department of Public Instruction

↓

Find Aid Formula 2025-2027 1.3 crossover.xlsm3/8/2025

SUPPORTING CALCULATIONS

| | | Apportioned Revenue (Total Revenue X lower % line 44 or 45) | | | Percent |
|--|--|---|-----------------------|------------|------------|
| B CONTRIBUTION FROM OTHER LOCAL REVENUE | | Total Revenue | | | |
| 37 | 1300 Tuition | 3,725.34 | 3,725.34 | 65% | 2,421.47 |
| 38 | 2999 County | 177.70 | 177.70 | 65% | 115.50 |
| 39 | US Flood | - | - | 65% | - |
| 40 | Electric Generation, Distribution and Transmission Tax | 624,706.32 | 624,706.32 | 65% | 406,059.11 |
| 41 | Mobile Home and Other In-Lieu Taxes | 14,565.07 | 14,565.07 | 65% | 9,467.30 |
| 42 | Telecommunications | 13,263.15 | 13,263.15 | 65% | 8,621.05 |
| 43 | Contribution from Other Local Revenue | S & I Levy | Total Levy | Percentage | 426,684.43 |
| 44 | Sinking and Interest Apportioned Revenue | - | 84.86 | 100.00% | |
| 45 | In Lieu of Property Tax Apportioned Revenue | In Lieu Rev | In Lieu Rev + line 48 | | |
| | | 656,437.58 | 1,369,623.44 | 52.07% | |

| C CONTRIBUTION FROM PROPERTY TAX | | |
|---|--|------------|
| 46 | District Taxable Valuation | 11,886,431 |
| 47 | Contribution Mill Rate | 60 |
| 48 | Contribution from Property Tax (line 46 times line 47 divided by 1000) | 713,185.86 |
| 49 | Minimum Local Effort Adjustment (NDCC 15.1-27-04.2) | - |
| 50 | Contribution from Property Tax (Max 48, 49) | 713,185.86 |

E TRANSPORTATION WORKSHEET

| Transportation Statistics | | Rate | | WSU | |
|---------------------------|------------------------------------|---------|----------|-------|-------------|
| 55 | Small Bus Miles | 0.00052 | 0.0 | xxxxx | - |
| 56 | Large Bus Miles | 0.0011 | 74,256.0 | xxxxx | 81.68 |
| 57 | Small Bus Runs | 0.00468 | xxxxx | 0 | - |
| 58 | Large Bus Runs | 0.01 | 1,008.0 | xxxxx | 10.08 |
| 59 | District Square Miles | 0.0120 | 425.8 | xxxxx | 5.11 |
| 60 | K-12 School Buildings | 2.00 | xxxxx | 1 | 2.00 |
| 61 | Family - To School | 0.00025 | 0.0 | xxxxx | - |
| 62 | Family - To Bus | 0.00025 | 0.0 | xxxxx | - |
| 63 | Not Reimbursable | - | 0.0 | 0 | |
| 64 | ADM | | | | 98.87 |
| 65 | WSU | | | 0.100 | 9.89 |
| 66 | Per Student Payment Rate (line 30) | | | | \$11,293.00 |
| 67 | Transportation Grant Total | | | | 111,687.77 |

F BASELINE FUNDING - MINIMUM AND MAXIMUM PAYMENTS

| | | |
|----|--|--------------|
| 68 | Baseline Funding (2018-19 State Aid Formula Payment, GF levies and 75%-100% In-lieu) | 1,974,632.66 |
| 69 | Baseline Weighted Student Units (2018-19) | 204.71 |
| 70 | Baseline Funding Rate | \$9,646.00 |

| | | Baseline Funding | | Baseline Weighted Student Units | |
|------------------------|--|------------------|-----------------|---------------------------------|--------------|
| Adjustment for Minimum | | Rate | Minimum Percent | | |
| 71 | Minimum Increase Per Student | \$9,646.00 | 1.02 | 204.71 | 2,014,125.31 |
| 72 | WSUs above baseline | \$11,293.00 | | 24.54 | 277,130.22 |
| 73 | Baseline Funding (from line 68) | | | | 1,974,632.66 |
| 74 | Minimum Funding Percentage | | | | 100% |
| 75 | Minimum Funding Amount | | | | 1,974,632.66 |
| 76 | Minimum Increase Amount (greater of line 71 and 72 or line 75) | | | | 2,291,255.53 |

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee Room JW216, State Capitol

HB 1214
3/26/2025

Relating to transportation weighted student unit equivalents; and to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

3:55 p.m. Chairman Beard called the meeting to order.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

Discussion Topics:

- Committee Action

3:56 p.m. Senator Axtman moved Do Pass and rerefer to Appropriations.

3:56 p.m. Senator Boschee seconded the motion.

| Senators | Vote |
|-------------------------|------|
| Senator Todd Beard | Y |
| Senator Randy D. Lemm | Y |
| Senator Michelle Axtman | Y |
| Senator Josh Boschee | Y |
| Senator Justin Gerhardt | Y |
| Senator Mike Wobbema | Y |

Motion Passed 6-0-0

Senator Beard will carry the bill.

3:58 p.m. Chairman Beard closed the meeting.

Susan Helbling, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1214 ([25.0752.02000](#))**

Education Committee (Sen. Beard, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1214 was rereferred to the **Appropriations Committee**. This bill does not affect workforce development.

2025 SENATE APPROPRIATIONS

HB 1214

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Sakakawea Room, State Capitol

HB 1214
4/2/2025

A BILL for an Act to create and enact a new section to chapter, to amend and reenact, to repeal sections of the North Dakota Century Code, relating to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

9:00 a.m. Chairman Sorvaag called the meeting to order.

Members Present: Chairman Ronald Sorvaag, Senator Cole Conley, Senator Donald Schaible, Senator Paul J. Thomas, Senator Scott Meyer.

Discussion Topics:

- Changes to Funding Formula.
- Funding multiplier in terms of Square Miles.
- Open Enrollment for Transportation.
- Family and Bus Transportation Pay Rate.

9:01 a.m. Representative Richter, District 1, introduced the bill in favor and answered committee questions.

9:22 a.m. Adam Tescher, School Finance Officer, ND Dept. of Public Instruction, testified in favor and answered committee questions.

9:34 a.m. Chairman Sorvaag closed the meeting.

Steven Hall, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division Sakakawea Room, State Capitol

HB 1214
4/9/2025

A BILL for an Act to create and enact a new section, to amend and reenact North Dakota Century Code, relating to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

9:57 a.m. Chairman Sorvaag called the meeting to order.

Members Present: Chairman Ronald Sorvaag, Senator Cole Conley, Senator Donald Schaible, Senator Paul J. Thomas, Senator Scott Meyer.

Discussion Topics:

- Costs associated with transportation.
- Hold Harmless Clause.

9:57 a.m. Senator Schaible discussed the proposed amendment to provide a \$2 million dollar increase to cost of transportation and submitted testimony in favor #44854.

9:59 a.m. Senator Schaible moved the amendment.

9:59 a.m. Senator Thomas seconded the motion.

| Senators | Vote |
|-------------------------|------|
| Senator Ronald Sorvaag | Y |
| Senator Cole Conley | Y |
| Senator Scott Meyer | Y |
| Senator Donald Schaible | Y |
| Senator Paul J. Thomas | Y |

Motion Passed: 5-0-0.

10:00 a.m. Senator Schaible moved a Do Pass as amended.

10:00 a.m. Senator Conley seconded the motion.

| Senators | Vote |
|-------------------------|------|
| Senator Ronald Sorvaag | Y |
| Senator Cole Conley | Y |
| Senator Scott Meyer | Y |
| Senator Donald Schaible | Y |
| Senator Paul J. Thomas | Y |

Motion Passed: 5-0-0.

Senate Appropriations Education and Environment Division
HB 1214
04/09/25
Page 2

Senator Schaible will carry the bill.

10:02 a.m. Chairman Sorvaag closed the meeting.

Steven Hall, Committee Clerk

25.0752.02001
Title.

Prepared by the Legislative Council
staff for Senator Schaible
April 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas
Senators Barta, Rummel, Schaible, Sickler

1 A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota
2 Century Code, relating to transportation weighted student unit equivalents; to amend and
3 reenact section 15.1-31-05 of the North Dakota Century Code, relating to open enrollment
4 transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
5 and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for school district
6 transportation of students, special education students, and career and technical education
7 students, the distribution of transportation payments in the event of school district closure, and
8 state transportation payments to school districts.

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

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

12 **Transportation average daily membership equivalents converted to weighted student**
13 **unit equivalents - Determination.**

14 1. The superintendent of public instruction shall determine transportation average daily
15 membership equivalents for eligible school districts providing schoolbus transportation
16 in contract schoolbuses, or in district-owned and operated schoolbuses, and for
17 eligible school districts with students riding commercial buses to and from a school
18 within the incorporated limits of a city. Transportation average daily membership
19 equivalents must be determined as follows:

20 a. 0.0011 multiplied by the number of eligible large bus miles;

Sixty-ninth
Legislative Assembly

- 1 b. 0.00052 multiplied by the number of eligible small bus miles;
- 2 c. 0.01 multiplied by the number of eligible large bus runs;
- 3 d. 0.00468 multiplied by the number of eligible small bus runs;
- 4 e. 0.012 multiplied by the number of square miles in the school district;
- 5 f. 2.0 multiplied by the number of educational school plants within the school district
- 6 boundary; and
- 7 g. 0.00025 multiplied by the number of eligible miles transported by a student's
- 8 family and reimbursed by the school district.
- 9 2. The superintendent of public instruction shall determine each school district's total
- 10 transportation average daily membership equivalent by adding the products derived
- 11 under subsection 1 and then multiplying the total transportation average daily
- 12 membership equivalent by ~~0.10~~0.091 to determine the school district's weighted student
- 13 unit equivalent.
- 14 3. Subject to legislative appropriation, the superintendent of public instruction shall pay
- 15 each school district providing school bus transportation in contract schoolbuses, or in
- 16 district-owned and operated schoolbuses, an amount equal to the school district's
- 17 weighted student unit equivalent multiplied by the per student payment rate for the
- 18 applicable school year in subsection 3 of section 15.1-27-04.1.
- 19 4. To be eligible, school districts must certify compliance with state law relating to
- 20 schoolbus standards and school vehicle driver requirements. The superintendent of
- 21 public instruction may adopt rules governing certification of compliance under this
- 22 subsection.
- 23 5. Each year, the superintendent of public instruction shall determine the school district's
- 24 transportation average daily membership equivalent based on the latest available
- 25 miles and runs. Eligible miles and runs include miles and runs transporting eligible
- 26 students to and from:
- 27 a. School, including miles students are transported by family transportation in
- 28 accordance with section 15.1-30-02;
- 29 b. Special education programs approved by the superintendent of public instruction,
- 30 regardless of whether the students transported live within the incorporated limits.

1 of the city in which the students' school is located, including miles students are
2 transported by family transportation pursuant to subsection 5; and

3 c. Career and technology centers and career and technical education courses,
4 either within the district or in other school districts offered through cooperative
5 arrangements approved by the state board for career and technical education,
6 regardless of whether the students transported live within the incorporated limits
7 of the city in which the students' school is located.

8 6. To be eligible for special education miles, a student transported by a family member
9 must:

10 a. Be a student with a disability as defined in chapter 15.1-32;

11 b. Have an individualized education plan that requires the student attend a public or
12 nonpublic school located outside the student's school district of residence; and

13 c. Be transported by an adult family member in family provided transportation
14 reimbursed by the school district for no more than two round trips per day
15 between the home of the student and the school.

16 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
17 in the first year after closure, the transportation average daily membership equivalents
18 of each school district in the state which enrolls students who attended the former
19 school. The superintendent of public instruction shall determine the transportation
20 average daily membership equivalents the former school district would have been
21 entitled to for providing transportation services during the school district's final year of
22 operation and shall prorate those transportation average daily membership
23 equivalents to each enrolling school district based on the number of students enrolled
24 from the former school. Transportation average daily membership equivalents of the
25 enrolling school districts after the first year will be based on reported transportation
26 average daily membership equivalents.

27 8. This section does not apply to miles and runs:

28 a. Incurred in providing transportation for students to attend extracurricular activities
29 or events; or

1 b. Related to students who are participating in open enrollment, or who are enrolled
2 pursuant to a written contract entered by the sending and admitting districts
3 which waives the charge and collection of tuition for the student.

4 9. The superintendent of public instruction may adopt rules relating to information
5 reported by school districts and reporting deadlines.

6 **SECTION 2. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-31-05. Open enrollment - Transportation.**

9 A school district of residence may provide transportation to a student participating in open
10 enrollment. If a district of residence does not provide transportation to a student participating in
11 open enrollment, transportation may be provided by the admitting district. A school district may
12 ~~not receive transportation aid disbursements under subdivision a of subsection 1 of section~~
13 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~include any factors associated with
14 transporting students who are participating in open enrollment, or who are enrolled pursuant to
15 a written contract entered by the sending and admitting districts which waives the charge and
16 collection of tuition for the student in the calculation of transportation average daily membership
17 equivalents under section 2 of this Act.

18 **SECTION 3. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
19 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1214
4/10/2025

Relating to transportation weighted student unit equivalents, open enrollment transportation, payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

8:35 a.m. Chairman Bekkedahl opened the hearing.

Members Present: Chairman Bekkedahl, Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Davison, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.

Discussion Topics:

- Per Pupil Payment Formula
- Turnback Cause
- Appropriation Increase

8:36 a.m. Senator Schaible introduced the bill and submitted testimony #44885.

8:40 a.m. Senator Schaible moved amendment LC 25.0752.02001.

8:40 a.m. Senator Sorvaag seconded the motion.

| Senators | Vote |
|----------------------------|------|
| Senator Brad Bekkedahl | Y |
| Senator Robert Erbele | Y |
| Senator Randy A. Burckhard | Y |
| Senator Sean Cleary | Y |
| Senator Cole Conley | Y |
| Senator Kyle Davison | Y |
| Senator Dick Dever | Y |
| Senator Michael Dwyer | Y |
| Senator Jeffery J. Magrum | Y |
| Senator Tim Mathern | Y |
| Senator Scott Meyer | Y |
| Senator Donald Schaible | Y |
| Senator Jonathan Sickler | Y |
| Senator Ronald Sorvaag | Y |
| Senator Paul J. Thomas | Y |
| Senator Terry M. Wanzek | Y |

Motion Passed 16-0-0.

8:50 a.m. Senator Schaible moved a Do Pass as Amended.

8:50 a.m. Senator Meyer seconded the motion.

| Senators | Vote |
|----------------------------|-------------|
| Senator Brad Bekkedahl | Y |
| Senator Robert Erbele | Y |
| Senator Randy A. Burckhard | Y |
| Senator Sean Cleary | Y |
| Senator Cole Conley | Y |
| Senator Kyle Davison | N |
| Senator Dick Dever | Y |
| Senator Michael Dwyer | Y |
| Senator Jeffery J. Magrum | Y |
| Senator Tim Mathern | Y |
| Senator Scott Meyer | Y |
| Senator Donald Schaible | Y |
| Senator Jonathan Sickler | Y |
| Senator Ronald Sorvaag | Y |
| Senator Paul J. Thomas | Y |
| Senator Terry M. Wanzek | Y |

Motion Passed 15-1-0.

Senator Schaible will carry the bill.

8:52 a.m. Chairman Bekkedahl closed the hearing.

Elizabeth Reiten, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

CO
4/10/25
10FY

A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota Century Code, relating to transportation weighted student unit equivalents; to amend and reenact section 15.1-31-05 of the North Dakota Century Code, relating to open enrollment transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1, and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

Transportation average daily membership equivalents converted to weighted student unit equivalents - Determination.

1. The superintendent of public instruction shall determine transportation average daily membership equivalents for eligible school districts providing schoolbus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, and for eligible school districts with students riding commercial buses to and from a school within the incorporated limits of a city. Transportation average daily membership equivalents must be determined as follows:

a. 0.0011 multiplied by the number of eligible large bus miles;

- 1 b. 0.00052 multiplied by the number of eligible small bus miles;
- 2 c. 0.01 multiplied by the number of eligible large bus runs;
- 3 d. 0.00468 multiplied by the number of eligible small bus runs;
- 4 e. 0.012 multiplied by the number of square miles in the school district;
- 5 f. 2.0 multiplied by the number of educational school plants within the school district
- 6 boundary; and
- 7 g. 0.00025 multiplied by the number of eligible miles transported by a student's
- 8 family and reimbursed by the school district.
- 9 2. The superintendent of public instruction shall determine each school district's total
- 10 transportation average daily membership equivalent by adding the products derived
- 11 under subsection 1 and then multiplying the total transportation average daily
- 12 membership equivalent by ~~0.1~~0.091 to determine the school district's weighted student
- 13 unit equivalent.
- 14 3. Subject to legislative appropriation, the superintendent of public instruction shall pay
- 15 each school district providing school bus transportation in contract schoolbuses, or in
- 16 district-owned and operated schoolbuses, an amount equal to the school district's
- 17 weighted student unit equivalent multiplied by the per student payment rate for the
- 18 applicable school year in subsection 3 of section 15.1-27-04.1.
- 19 4. To be eligible, school districts must certify compliance with state law relating to
- 20 schoolbus standards and school vehicle driver requirements. The superintendent of
- 21 public instruction may adopt rules governing certification of compliance under this
- 22 subsection.
- 23 5. Each year, the superintendent of public instruction shall determine the school district's
- 24 transportation average daily membership equivalent based on the latest available
- 25 miles and runs. Eligible miles and runs include miles and runs transporting eligible
- 26 students to and from:
- 27 a. School, including miles students are transported by family transportation in
- 28 accordance with section 15.1-30-02;
- 29 b. Special education programs approved by the superintendent of public instruction,
- 30 regardless of whether the students transported live within the incorporated limits

1 of the city in which the students' school is located, including miles students are
2 transported by family transportation pursuant to subsection 56; and

3 c. Career and technology centers and career and technical education courses,
4 either within the district or in other school districts offered through cooperative
5 arrangements approved by the state board for career and technical education,
6 regardless of whether the students transported live within the incorporated limits
7 of the city in which the students' school is located.

8 6. To be eligible for special education miles, a student transported by a family member
9 must:

10 a. Be a student with a disability as defined in chapter 15.1-32;

11 b. Have an individualized education ~~plan~~program that requires the student attend a
12 public or nonpublic school located outside the student's school district of
13 residence; and

14 c. Be transported by an adult family member in family provided transportation
15 reimbursed by the school district for no more than two round trips per day
16 between the home of the student and the school.

17 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
18 in the first year after closure, the transportation average daily membership equivalents
19 of each school district in the state which enrolls students who attended the former
20 school. The superintendent of public instruction shall determine the transportation
21 average daily membership equivalents the former school district would have been
22 entitled to for providing transportation services during the school district's final year of
23 operation and shall prorate those transportation average daily membership
24 equivalents to each enrolling school district based on the number of students enrolled
25 from the former school. Transportation average daily membership equivalents of the
26 enrolling school districts after the first year will be based on reported transportation
27 average daily membership equivalents.

28 8. This section does not apply to miles and runs:

29 a. Incurred in providing transportation for students to attend extracurricular activities
30 or events; or

1 b. Related to students who are participating in open enrollment, or who are enrolled
2 pursuant to a written contract entered by the sending and admitting districts
3 which waives the charge and collection of tuition for the student.

4 9. The superintendent of public instruction may adopt rules relating to information
5 reported by school districts and reporting deadlines.

6 **SECTION 2. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-31-05. Open enrollment - Transportation.**

9 A school district of residence may provide transportation to a student participating in open
10 enrollment. If a district of residence does not provide transportation to a student participating in
11 open enrollment, transportation may be provided by the admitting district. A school district may
12 ~~not receive transportation aid disbursements under subdivision a of subsection 1 of section~~
13 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~ include any factors associated with
14 transporting students who are participating in open enrollment, or who are enrolled pursuant to
15 a written contract entered by the sending and admitting districts which waives the charge and
16 collection of tuition for the student in the calculation of transportation average daily membership
17 equivalents under section 2 of this Act.

18 **SECTION 3. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
19 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1214**

Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS** ([25.0752.02001](#)) and when so amended, recommends **DO PASS** (15 YEAS, 1 NAY, 0 ABSENT OR EXCUSED AND NOT VOTING). Engrossed HB 1214 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

25.0752.02001
Title.

Prepared by the Legislative Council
staff for Senator Schaible
April 3, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

1 A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota
2 Century Code, relating to transportation weighted student unit equivalents; to amend and
3 reenact section 15.1-31-05 of the North Dakota Century Code, relating to open enrollment
4 transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
5 and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for school district
6 transportation of students, special education students, and career and technical education
7 students, the distribution of transportation payments in the event of school district closure, and
8 state transportation payments to school districts.

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

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

12 **Transportation average daily membership equivalents converted to weighted student**
13 **unit equivalents - Determination.**

14 1. The superintendent of public instruction shall determine transportation average daily
15 membership equivalents for eligible school districts providing schoolbus transportation
16 in contract schoolbuses, or in district-owned and operated schoolbuses, and for
17 eligible school districts with students riding commercial buses to and from a school
18 within the incorporated limits of a city. Transportation average daily membership
19 equivalents must be determined as follows:

20 a. 0.0011 multiplied by the number of eligible large bus miles;

Sixty-ninth
Legislative Assembly

- 1 b. 0.00052 multiplied by the number of eligible small bus miles;
- 2 c. 0.01 multiplied by the number of eligible large bus runs;
- 3 d. 0.00468 multiplied by the number of eligible small bus runs;
- 4 e. 0.012 multiplied by the number of square miles in the school district;
- 5 f. 2.0 multiplied by the number of educational school plants within the school district
- 6 boundary; and
- 7 g. 0.00025 multiplied by the number of eligible miles transported by a student's
- 8 family and reimbursed by the school district.
- 9 2. The superintendent of public instruction shall determine each school district's total
- 10 transportation average daily membership equivalent by adding the products derived
- 11 under subsection 1 and then multiplying the total transportation average daily
- 12 membership equivalent by 0.40.091 to determine the school district's weighted student
- 13 unit equivalent.
- 14 3. Subject to legislative appropriation, the superintendent of public instruction shall pay
- 15 each school district providing school bus transportation in contract schoolbuses, or in
- 16 district-owned and operated schoolbuses, an amount equal to the school district's
- 17 weighted student unit equivalent multiplied by the per student payment rate for the
- 18 applicable school year in subsection 3 of section 15.1-27-04.1.
- 19 4. To be eligible, school districts must certify compliance with state law relating to
- 20 schoolbus standards and school vehicle driver requirements. The superintendent of
- 21 public instruction may adopt rules governing certification of compliance under this
- 22 subsection.
- 23 5. Each year, the superintendent of public instruction shall determine the school district's
- 24 transportation average daily membership equivalent based on the latest available
- 25 miles and runs. Eligible miles and runs include miles and runs transporting eligible
- 26 students to and from:
- 27 a. School, including miles students are transported by family transportation in
- 28 accordance with section 15.1-30-02;
- 29 b. Special education programs approved by the superintendent of public instruction,
- 30 regardless of whether the students transported live within the incorporated limits

1 of the city in which the students' school is located, including miles students are
2 transported by family transportation pursuant to subsection 5; and

3 c. Career and technology centers and career and technical education courses,
4 either within the district or in other school districts offered through cooperative
5 arrangements approved by the state board for career and technical education,
6 regardless of whether the students transported live within the incorporated limits
7 of the city in which the students' school is located.

8 6. To be eligible for special education miles, a student transported by a family member
9 must:

10 a. Be a student with a disability as defined in chapter 15.1-32;

11 b. Have an individualized education plan that requires the student attend a public or
12 nonpublic school located outside the student's school district of residence; and

13 c. Be transported by an adult family member in family provided transportation
14 reimbursed by the school district for no more than two round trips per day
15 between the home of the student and the school.

16 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
17 in the first year after closure, the transportation average daily membership equivalents
18 of each school district in the state which enrolls students who attended the former
19 school. The superintendent of public instruction shall determine the transportation
20 average daily membership equivalents the former school district would have been
21 entitled to for providing transportation services during the school district's final year of
22 operation and shall prorate those transportation average daily membership
23 equivalents to each enrolling school district based on the number of students enrolled
24 from the former school. Transportation average daily membership equivalents of the
25 enrolling school districts after the first year will be based on reported transportation
26 average daily membership equivalents.

27 8. This section does not apply to miles and runs:

28 a. Incurred in providing transportation for students to attend extracurricular activities
29 or events; or

1 b. Related to students who are participating in open enrollment, or who are enrolled
2 pursuant to a written contract entered by the sending and admitting districts
3 which waives the charge and collection of tuition for the student.

4 9. The superintendent of public instruction may adopt rules relating to information
5 reported by school districts and reporting deadlines.

6 **SECTION 2. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-31-05. Open enrollment - Transportation.**

9 A school district of residence may provide transportation to a student participating in open
10 enrollment. If a district of residence does not provide transportation to a student participating in
11 open enrollment, transportation may be provided by the admitting district. A school district may
12 ~~not receive transportation aid disbursements under subdivision a of subsection 1 of section~~
13 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~ include any factors associated with
14 transporting students who are participating in open enrollment, or who are enrolled pursuant to
15 a written contract entered by the sending and admitting districts which waives the charge and
16 collection of tuition for the student in the calculation of transportation average daily membership
17 equivalents under section 2 of this Act.

18 **SECTION 3. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
19 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

2025 CONFERENCE COMMITTEE

HB 1214

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau AB Room, State Capitol

HB 1214
4/23/2025
Conference Committee

| |
|--|
| Related to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts. |
|--|

10:30 a.m. Chairman Heinert called the hearing to order.

Members Present: Chair Richter, Representatives Hanson, Schreiber- Beck Senators: Conley, Meyer, Schaible

Discussion Topics:

- Further amend
- Committee discussion on past amendments

10:43 a.m. Senator Schaible moved to further amend, amendment 25.0752.02002. By adding a sunset Clause ending this current Biennium. #45150

10:43 a.m. Senator Meyer seconded the motion.

Motion carried: 6-0-0

10:45 a.m. Chairman Heinert closed the hearing.

Leah Kuball, Committee Clerk

HB 1214 042425 1125 AM Roll Call Vote

Final Recommendation

HB 1214

Date Submitted: April 24, 2025, 11:25 a.m.

Recommendation: In Place Of

Amendment LC #: 25.0752.02003

Engrossed LC #: N/A

Description:

Motioned By: Schreiber-Beck, Cynthia

Seconded By: Schaible, Donald

House Carrier: Richter, David

Senate Carrier: Schaible, Donald

Emergency Clause: None

Vote Results: 6 - 0 - 0

| | |
|------------------------------|-----|
| Rep. Richter, David | Yea |
| Rep. Hanson, Karla Rose | Yea |
| Rep. Schreiber-Beck, Cynthia | Yea |
| Sen. Schaible, Donald | Yea |
| Sen. Conley, Cole | Yea |
| Sen. Meyer, Scott | Yea |

25.0752.02002
Title.

Prepared by the Legislative Council
staff for Representative Richter
April 21, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

In place of amendment (25.0752.02001) adopted by the Senate, Engrossed House Bill No. 1214 is amended by amendment (25.0752.02002) as follows:

- 1 A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota
- 2 Century Code, relating to transportation weighted student unit equivalents; to amend and
- 3 reenact section 15.1-31-05 of the North Dakota Century Code, relating to open enrollment
- 4 transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
- 5 and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for school district
- 6 transportation of students, special education students, and career and technical education
- 7 students, the distribution of transportation payments in the event of school district closure, and
- 8 state transportation payments to school districts.

9 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

12 Transportation average daily membership equivalents converted to weighted student

13 unit equivalents - Determination.

- 14 1. The superintendent of public instruction shall determine transportation average daily
- 15 membership equivalents for eligible school districts providing schoolbus transportation
- 16 in contract schoolbuses, or in district-owned and operated schoolbuses, and for
- 17 eligible school districts with students riding commercial buses to and from a school
- 18 within the incorporated limits of a city. Transportation average daily membership
- 19 equivalents must be determined as follows:

- 20 a. 0.0011 multiplied by the number of eligible large bus miles;

Sixty-ninth
Legislative Assembly

- 1 b. 0.00052 multiplied by the number of eligible small bus miles;
- 2 c. 0.01 multiplied by the number of eligible large bus runs;
- 3 d. 0.00468 multiplied by the number of eligible small bus runs;
- 4 e. 0.012 multiplied by the number of square miles in the school district;
- 5 f. 2.0 multiplied by the number of educational school plants within the school district
- 6 boundary; and
- 7 g. 0.00025 multiplied by the number of eligible miles transported by a student's
- 8 family and reimbursed by the school district.
- 9 2. The superintendent of public instruction shall determine each school district's total
- 10 transportation average daily membership equivalent by adding the products derived
- 11 under subsection 1 and then multiplying the total transportation average daily
- 12 membership equivalent by 0.40.091 to determine the school district's weighted student
- 13 unit equivalent.
- 14 3. Subject to legislative appropriation, the superintendent of public instruction shall pay
- 15 each school district providing school bus transportation in contract schoolbuses, or in
- 16 district-owned and operated schoolbuses, an amount equal to the school district's
- 17 weighted student unit equivalent multiplied by the per student payment rate for the
- 18 applicable school year in subsection 3 of section 15.1-27-04.1. For school districts
- 19 whose eligible bus miles and eligible bus runs remain the same, or increase from the
- 20 prior year, the transportation payment under this subsection may not be less than the
- 21 transportation payment received by the school district for the preceding year.
- 22 4. To be eligible, school districts must certify compliance with state law relating to
- 23 schoolbus standards and school vehicle driver requirements. The superintendent of
- 24 public instruction may adopt rules governing certification of compliance under this
- 25 subsection.
- 26 5. Each year, the superintendent of public instruction shall determine the school district's
- 27 transportation average daily membership equivalent based on the latest available
- 28 miles and runs. Eligible miles and runs include miles and runs transporting eligible
- 29 students to and from:
- 30 a. School, including miles students are transported by family transportation in
- 31 accordance with section 15.1-30-02;

- 1 b. Special education programs approved by the superintendent of public instruction,
2 regardless of whether the students transported live within the incorporated limits
3 of the city in which the students' school is located, including miles students are
4 transported by family transportation pursuant to subsection 56; and
5 c. Career and technology centers and career and technical education courses,
6 either within the district or in other school districts offered through cooperative
7 arrangements approved by the state board for career and technical education,
8 regardless of whether the students transported live within the incorporated limits
9 of the city in which the students' school is located.
- 10 6. To be eligible for special education miles, a student transported by a family member
11 must:
- 12 a. Be a student with a disability as defined in chapter 15.1-32;
13 b. Have an individualized education plan program that requires the student attend a
14 public or nonpublic school located outside the student's school district of
15 residence; and
16 c. Be transported by an adult family member in family provided transportation
17 reimbursed by the school district for no more than two round trips per day
18 between the home of the student and the school.
- 19 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
20 in the first year after closure, the transportation average daily membership equivalents
21 of each school district in the state which enrolls students who attended the former
22 school. The superintendent of public instruction shall determine the transportation
23 average daily membership equivalents the former school district would have been
24 entitled to for providing transportation services during the school district's final year of
25 operation and shall prorate those transportation average daily membership
26 equivalents to each enrolling school district based on the number of students enrolled
27 from the former school. Transportation average daily membership equivalents of the
28 enrolling school districts after the first year will be based on reported transportation
29 average daily membership equivalents.
- 30 8. This section does not apply to miles and runs:

- 1 a. Incurred in providing transportation for students to attend extracurricular activities
2 or events; or
3 b. Related to students who are participating in open enrollment, or who are enrolled
4 pursuant to a written contract entered by the sending and admitting districts
5 which waives the charge and collection of tuition for the student.
6 9. The superintendent of public instruction may adopt rules relating to information
7 reported by school districts and reporting deadlines.

8 **SECTION 2. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **15.1-31-05. Open enrollment - Transportation.**

11 A school district of residence may provide transportation to a student participating in open
12 enrollment. If a district of residence does not provide transportation to a student participating in
13 open enrollment, transportation may be provided by the admitting district. A school district may
14 not receive transportation aid disbursements under subdivision a of subsection 1 of section
15 ~~15.1-27-26.1~~ or subsection 3 of section ~~15.1-27-26.1~~ for include any factors associated with
16 transporting students who are participating in open enrollment, or who are enrolled pursuant to
17 a written contract entered by the sending and admitting districts which waives the charge and
18 collection of tuition for the student in the calculation of transportation average daily membership
19 equivalents under section 2 of this Act.

20 **SECTION 3. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
21 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau AB Room, State Capitol

HB 1214
4/24/2025
Conference Committee

Related to payments for school district transportation of students, special education students, and career and technical education students, the distribution of transportation payments in the event of school district closure, and state transportation payments to school districts.

11:01 a.m. Chairman Richter called the hearing to order.

Members Present: Chair Richter, Representatives Hanson, Schreiber- Beck
Senators: Conley, Meyer, Schaible

Discussion Topics:

- Amendment

11:04 a.m. Representative Shreiber-Beck Moved to adopt amendment LC 25.0752.02003 in place of amendment 25.0752.02001 (Testimony #45165)

11:04 Representative Schaible Seconded the motion

11:04 a.m. Roll Call Vote

11:04 a.m. Motion carried: 6-0-0

Senator Schaible and Chairman Richter will carry the bill.

11:05 a.m. Chairman Richter closed the hearing.

Leah Kuball, Committee Clerk by Risa Berube

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

CO
4/28/25
1047

ENGROSSED HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

*In place of amendment (25.0752.02001) adopted by the Senate, Engrossed House Bill
No. 1214 is amended by amendment (25.0752.02003) as follows:*

1 A BILL for an Act to create and enact a new section to chapter 15.1-27 section 15.1-27-31.2 of
2 the North Dakota Century Code, relating to transportation weighted student unit equivalents; to
3 amend and reenact section 15.1-31-05 of the North Dakota Century Code, relating to open
4 enrollment transportation; and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1,
5 15.1-27-30.1, and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for
6 school district transportation of students, special education students, and career and technical
7 education students, the distribution of transportation payments in the event of school district
8 closure, and state transportation payments to school districts: and to provide an effective date.

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

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

12 **SECTION 1.** Section 15.1-27-31.2 of the North Dakota Century Code is created and
13 enacted as follows:

14 **15.1-27-31.2. Transportation average daily membership equivalents converted to**
15 **weighted student unit equivalents - Determination.**

16 1. The superintendent of public instruction shall determine transportation average daily
17 membership equivalents for eligible school districts providing schoolbus transportation
18 in contract schoolbuses, or in district-owned and operated schoolbuses, and for
19 eligible school districts with students riding commercial buses to and from a school

within the incorporated limits of a city. Transportation average daily membership equivalents must be determined as follows:

- a. 0.0011 multiplied by the number of eligible large bus miles;
- b. 0.00052 multiplied by the number of eligible small bus miles;
- c. 0.01 multiplied by the number of eligible large bus runs;
- d. 0.00468 multiplied by the number of eligible small bus runs;
- e. 0.012 multiplied by the number of square miles in the school district;
- f. 2.0 multiplied by the number of educational school plants within the school district boundary; and
- g. 0.00025 multiplied by the number of eligible miles transported by a student's family and reimbursed by the school district.

2. The superintendent of public instruction shall determine each school district's total transportation average daily membership equivalent by adding the products derived under subsection 1 and then multiplying the total transportation average daily membership equivalent by 0.10.091 to determine the school district's weighted student unit equivalent.

3. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district providing school bus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, an amount equal to the school district's weighted student unit equivalent multiplied by the per student payment rate for the applicable school year in subsection 3 of section 15.1-27-04.1. For school districts whose eligible bus miles and eligible bus runs remain the same, or increase from the prior year, the transportation payment under this subsection may not be less than the transportation payment received by the school district for the preceding year.

4. To be eligible, school districts must certify compliance with state law relating to schoolbus standards and school vehicle driver requirements. The superintendent of public instruction may adopt rules governing certification of compliance under this subsection.

5. Each year, the superintendent of public instruction shall determine the school district's transportation average daily membership equivalent based on the latest available

miles and runs. Eligible miles and runs include miles and runs transporting eligible students to and from:

a. School, including miles students are transported by family transportation in accordance with section 15.1-30-02;

b. Special education programs approved by the superintendent of public instruction, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located, including miles students are transported by family transportation pursuant to subsection 56; and

c. Career and technology centers and career and technical education courses, either within the district or in other school districts offered through cooperative arrangements approved by the state board for career and technical education, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located.

6. To be eligible for special education miles, a student transported by a family member must:

a. Be a student with a disability as defined in chapter 15.1-32;

b. Have an individualized education plan **program** that requires the student attend a public or nonpublic school located outside the student's school district of residence; and

c. Be transported by an adult family member in family provided transportation reimbursed by the school district for no more than two round trips per day between the home of the student and the school.

7. If a school district ceases to exist, the superintendent of public instruction shall adjust, in the first year after closure, the transportation average daily membership equivalents of each school district in the state which enrolls students who attended the former school. The superintendent of public instruction shall determine the transportation average daily membership equivalents the former school district would have been entitled to for providing transportation services during the school district's final year of operation and shall prorate those transportation average daily membership equivalents to each enrolling school district based on the number of students enrolled from the former school. Transportation average daily membership equivalents of the

enrolling school districts after the first year will be based on reported transportation average daily membership equivalents.

8. This section does not apply to miles and runs:

- a. Incurred in providing transportation for students to attend extracurricular activities or events; or
- b. Related to 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.

9. The superintendent of public instruction may adopt rules relating to information reported by school districts and reporting deadlines.

SECTION 2. AMENDMENT. Section 15.1-27-31.2 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-31.2. Transportation average daily membership equivalents converted to weighted student unit equivalents - Determination.

1. The superintendent of public instruction shall determine transportation average daily membership equivalents for eligible school districts providing schoolbus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, and for eligible school districts with students riding commercial buses to and from a school within the incorporated limits of a city. Transportation average daily membership equivalents must be determined as follows:
 - a. 0.0011 multiplied by the number of eligible large bus miles;
 - b. 0.00052 multiplied by the number of eligible small bus miles;
 - c. 0.01 multiplied by the number of eligible large bus runs;
 - d. 0.00468 multiplied by the number of eligible small bus runs;
 - e. 0.012 multiplied by the number of square miles in the school district;
 - f. 2.0 multiplied by the number of educational school plants within the school district boundary; and
 - g. 0.00025 multiplied by the number of eligible miles transported by a student's family and reimbursed by the school district.
2. The superintendent of public instruction shall determine each school district's total transportation average daily membership equivalent by adding the products derived

under subsection 1 and then multiplying the total transportation average daily membership equivalent by 0.091 to determine the school district's weighted student unit equivalent.

3. Subject to legislative appropriation, the superintendent of public instruction shall pay each school district providing school bus transportation in contract schoolbuses, or in district-owned and operated schoolbuses, an amount equal to the school district's weighted student unit equivalent multiplied by the per student payment rate for the applicable school year in subsection 3 of section 15.1-27-04.1. ~~For school districts whose eligible bus miles and eligible bus runs remain the same, or increase from the prior year, the transportation payment under this subsection may not be less than the transportation payment received by the school district for the preceding year.~~
4. To be eligible, school districts must certify compliance with state law relating to schoolbus standards and school vehicle driver requirements. The superintendent of public instruction may adopt rules governing certification of compliance under this subsection.
5. Each year, the superintendent of public instruction shall determine the school district's transportation average daily membership equivalent based on the latest available miles and runs. Eligible miles and runs include miles and runs transporting eligible students to and from:
 - a. School, including miles students are transported by family transportation in accordance with section 15.1-30-02;
 - b. Special education programs approved by the superintendent of public instruction, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located, including miles students are transported by family transportation pursuant to subsection 6; and
 - c. Career and technology centers and career and technical education courses, either within the district or in other school districts offered through cooperative arrangements approved by the state board for career and technical education, regardless of whether the students transported live within the incorporated limits of the city in which the students' school is located.

- 1 6. To be eligible for special education miles, a student transported by a family member
2 must:
 - 3 a. Be a student with a disability as defined in chapter 15.1-32;
 - 4 b. Have an individualized education program that requires the student attend a
5 public or nonpublic school located outside the student's school district of
6 residence; and
 - 7 c. Be transported by an adult family member in family provided transportation
8 reimbursed by the school district for no more than two round trips per day
9 between the home of the student and the school.
- 10 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
11 in the first year after closure, the transportation average daily membership equivalents
12 of each school district in the state which enrolls students who attended the former
13 school. The superintendent of public instruction shall determine the transportation
14 average daily membership equivalents the former school district would have been
15 entitled to for providing transportation services during the school district's final year of
16 operation and shall prorate those transportation average daily membership
17 equivalents to each enrolling school district based on the number of students enrolled
18 from the former school. Transportation average daily membership equivalents of the
19 enrolling school districts after the first year will be based on reported transportation
20 average daily membership equivalents.
- 21 8. This section does not apply to miles and runs:
 - 22 a. Incurred in providing transportation for students to attend extracurricular activities
23 or events; or
 - 24 b. Related to students who are participating in open enrollment, or who are enrolled
25 pursuant to a written contract entered by the sending and admitting districts
26 which waives the charge and collection of tuition for the student.
- 27 9. The superintendent of public instruction may adopt rules relating to information
28 reported by school districts and reporting deadlines.

29 **SECTION 3. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
30 amended and reenacted as follows:

7047

1 **15.1-31-05. Open enrollment - Transportation.**

2 A school district of residence may provide transportation to a student participating in open
3 enrollment. If a district of residence does not provide transportation to a student participating in
4 open enrollment, transportation may be provided by the admitting district. A school district may
5 not receive transportation aid disbursements under subdivision a of subsection 1 of section
6 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~ include any factors associated with
7 transporting students who are participating in open enrollment, or who are enrolled pursuant to
8 a written contract entered by the sending and admitting districts which waives the charge and
9 collection of tuition for the student in the calculation of transportation average daily membership
10 equivalents under section 2 of this Act ~~15.1-27-31.2.~~

11 **SECTION 4. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
12 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

13 **SECTION 5. EFFECTIVE DATE.** Section 2 of this Act becomes effective on July 1, 2027.

HB 1214 042425 1125 AM Roll Call Vote

Final Recommendation

HB 1214

Date Submitted: April 24, 2025, 11:25 a.m.

Recommendation: In Place Of

Amendment LC #: 25.0752.02003

Engrossed LC #: N/A

Description:

Motioned By: Schreiber-Beck, Cynthia

Seconded By: Schaible, Donald

House Carrier: Richter, David

Senate Carrier: Schaible, Donald

Emergency Clause: None

Vote Results: 6 - 0 - 0

| | |
|------------------------------|-----|
| Rep. Richter, David | Yea |
| Rep. Hanson, Karla Rose | Yea |
| Rep. Schreiber-Beck, Cynthia | Yea |
| Sen. Schaible, Donald | Yea |
| Sen. Conley, Cole | Yea |
| Sen. Meyer, Scott | Yea |

**REPORT OF CONFERENCE COMMITTEE
ENGROSSED HB 1214**

Your conference committee (Sens. Schaible, Conley, Meyer and Reps. Richter, Hanson, Schreiber-Beck) recommends that in place of amendment [25.0752.02001](#) adopted by the Senate, Engrossed HB 1214 is amended by amendment [25.0752.02003](#).

Engrossed HB 1214 was placed on the Seventh order of business on the calendar.

25.0752.02003
Title.

Prepared by the Legislative Council
staff for Representative Richter
April 23, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1214

Introduced by

Representatives Richter, Heinert, Novak, J. Olson, Sanford, Murphy, Jonas

Senators Barta, Rummel, Schaible, Sickler

In place of amendment (25.0752.02001) adopted by the Senate, Engrossed House Bill No. 1214 is amended by amendment (25.0752.02003) as follows:

- 1 A BILL for an Act to create and enact ~~a new section to chapter 15.1-27~~ section 15.1-27-31.2 of
2 the North Dakota Century Code, relating to transportation weighted student unit equivalents; to
3 amend and reenact section 15.1-31-05 of the North Dakota Century Code, relating to open
4 enrollment transportation; ~~and to repeal sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1,~~
5 ~~15.1-27-30.1, and 15.1-27-31.1 of the North Dakota Century Code, relating to payments for~~
6 ~~school district transportation of students, special education students, and career and technical~~
7 ~~education students, the distribution of transportation payments in the event of school district~~
8 ~~closure, and state transportation payments to school districts; and to provide an effective date.~~

9 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

- 12 **SECTION 1.** Section 15.1-27-31.2 of the North Dakota Century Code is created and
13 enacted as follows:

- 14 **15.1-27-31.2. Transportation average daily membership equivalents converted to**
15 **weighted student unit equivalents - Determination.**

- 16 1. The superintendent of public instruction shall determine transportation average daily
17 membership equivalents for eligible school districts providing schoolbus transportation
18 in contract schoolbuses, or in district-owned and operated schoolbuses, and for
19 eligible school districts with students riding commercial buses to and from a school

- 1 within the incorporated limits of a city. Transportation average daily membership
- 2 equivalents must be determined as follows:
- 3 a. 0.0011 multiplied by the number of eligible large bus miles;
- 4 b. 0.00052 multiplied by the number of eligible small bus miles;
- 5 c. 0.01 multiplied by the number of eligible large bus runs;
- 6 d. 0.00468 multiplied by the number of eligible small bus runs;
- 7 e. 0.012 multiplied by the number of square miles in the school district;
- 8 f. 2.0 multiplied by the number of educational school plants within the school district
- 9 boundary; and
- 10 g. 0.00025 multiplied by the number of eligible miles transported by a student's
- 11 family and reimbursed by the school district.
- 12 2. The superintendent of public instruction shall determine each school district's total
- 13 transportation average daily membership equivalent by adding the products derived
- 14 under subsection 1 and then multiplying the total transportation average daily
- 15 membership equivalent by ~~0.10~~ 0.091 to determine the school district's weighted student
- 16 unit equivalent.
- 17 3. Subject to legislative appropriation, the superintendent of public instruction shall pay
- 18 each school district providing school bus transportation in contract schoolbuses, or in
- 19 district-owned and operated schoolbuses, an amount equal to the school district's
- 20 weighted student unit equivalent multiplied by the per student payment rate for the
- 21 applicable school year in subsection 3 of section 15.1-27-04.1. For school districts
- 22 whose eligible bus miles and eligible bus runs remain the same, or increase from the
- 23 prior year, the transportation payment under this subsection may not be less than the
- 24 transportation payment received by the school district for the preceding year.
- 25 4. To be eligible, school districts must certify compliance with state law relating to
- 26 schoolbus standards and school vehicle driver requirements. The superintendent of
- 27 public instruction may adopt rules governing certification of compliance under this
- 28 subsection.
- 29 5. Each year, the superintendent of public instruction shall determine the school district's
- 30 transportation average daily membership equivalent based on the latest available

- 1 miles and runs. Eligible miles and runs include miles and runs transporting eligible
2 students to and from:
- 3 a. School, including miles students are transported by family transportation in
4 accordance with section 15.1-30-02;
- 5 b. Special education programs approved by the superintendent of public instruction,
6 regardless of whether the students transported live within the incorporated limits
7 of the city in which the students' school is located, including miles students are
8 transported by family transportation pursuant to subsection 56; and
- 9 c. Career and technology centers and career and technical education courses,
10 either within the district or in other school districts offered through cooperative
11 arrangements approved by the state board for career and technical education,
12 regardless of whether the students transported live within the incorporated limits
13 of the city in which the students' school is located.
- 14 6. To be eligible for special education miles, a student transported by a family member
15 must:
- 16 a. Be a student with a disability as defined in chapter 15.1-32;
- 17 b. Have an individualized education ~~plan~~program that requires the student attend a
18 public or nonpublic school located outside the student's school district of
19 residence; and
- 20 c. Be transported by an adult family member in family provided transportation
21 reimbursed by the school district for no more than two round trips per day
22 between the home of the student and the school.
- 23 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
24 in the first year after closure, the transportation average daily membership equivalents
25 of each school district in the state which enrolls students who attended the former
26 school. The superintendent of public instruction shall determine the transportation
27 average daily membership equivalents the former school district would have been
28 entitled to for providing transportation services during the school district's final year of
29 operation and shall prorate those transportation average daily membership
30 equivalents to each enrolling school district based on the number of students enrolled
31 from the former school. Transportation average daily membership equivalents of the

- 1 enrolling school districts after the first year will be based on reported transportation
2 average daily membership equivalents.
- 3 8. This section does not apply to miles and runs:
- 4 a. Incurred in providing transportation for students to attend extracurricular activities
5 or events; or
- 6 b. Related to students who are participating in open enrollment, or who are enrolled
7 pursuant to a written contract entered by the sending and admitting districts
8 which waives the charge and collection of tuition for the student.
- 9 9. The superintendent of public instruction may adopt rules relating to information
10 reported by school districts and reporting deadlines.

11 **SECTION 2. AMENDMENT.** Section 15.1-27-31.2 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **15.1-27-31.2. Transportation average daily membership equivalents converted to**
14 **weighted student unit equivalents - Determination.**

- 15 1. The superintendent of public instruction shall determine transportation average daily
16 membership equivalents for eligible school districts providing schoolbus transportation
17 in contract schoolbuses, or in district-owned and operated schoolbuses, and for
18 eligible school districts with students riding commercial buses to and from a school
19 within the incorporated limits of a city. Transportation average daily membership
20 equivalents must be determined as follows:
- 21 a. 0.0011 multiplied by the number of eligible large bus miles;
22 b. 0.00052 multiplied by the number of eligible small bus miles;
23 c. 0.01 multiplied by the number of eligible large bus runs;
24 d. 0.00468 multiplied by the number of eligible small bus runs;
25 e. 0.012 multiplied by the number of square miles in the school district;
26 f. 2.0 multiplied by the number of educational school plants within the school district
27 boundary; and
28 g. 0.00025 multiplied by the number of eligible miles transported by a student's
29 family and reimbursed by the school district.
- 30 2. The superintendent of public instruction shall determine each school district's total
31 transportation average daily membership equivalent by adding the products derived

- 1 under subsection 1 and then multiplying the total transportation average daily
2 membership equivalent by 0.091 to determine the school district's weighted student
3 unit equivalent.
- 4 3. Subject to legislative appropriation, the superintendent of public instruction shall pay
5 each school district providing school bus transportation in contract schoolbuses, or in
6 district-owned and operated schoolbuses, an amount equal to the school district's
7 weighted student unit equivalent multiplied by the per student payment rate for the
8 applicable school year in subsection 3 of section 15.1-27-04.1. ~~For school districts-~~
9 ~~whose eligible bus miles and eligible bus runs remain the same, or increase from the~~
10 ~~prior year, the transportation payment under this subsection may not be less than the~~
11 ~~transportation payment received by the school district for the preceding year.~~
- 12 4. To be eligible, school districts must certify compliance with state law relating to
13 schoolbus standards and school vehicle driver requirements. The superintendent of
14 public instruction may adopt rules governing certification of compliance under this
15 subsection.
- 16 5. Each year, the superintendent of public instruction shall determine the school district's
17 transportation average daily membership equivalent based on the latest available
18 miles and runs. Eligible miles and runs include miles and runs transporting eligible
19 students to and from:
- 20 a. School, including miles students are transported by family transportation in
21 accordance with section 15.1-30-02;
- 22 b. Special education programs approved by the superintendent of public instruction,
23 regardless of whether the students transported live within the incorporated limits
24 of the city in which the students' school is located, including miles students are
25 transported by family transportation pursuant to subsection 6; and
- 26 c. Career and technology centers and career and technical education courses,
27 either within the district or in other school districts offered through cooperative
28 arrangements approved by the state board for career and technical education,
29 regardless of whether the students transported live within the incorporated limits
30 of the city in which the students' school is located.

- 1 6. To be eligible for special education miles, a student transported by a family member
2 must:
 - 3 a. Be a student with a disability as defined in chapter 15.1-32;
 - 4 b. Have an individualized education program that requires the student attend a
5 public or nonpublic school located outside the student's school district of
6 residence; and
 - 7 c. Be transported by an adult family member in family provided transportation
8 reimbursed by the school district for no more than two round trips per day
9 between the home of the student and the school.
- 10 7. If a school district ceases to exist, the superintendent of public instruction shall adjust,
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12 of each school district in the state which enrolls students who attended the former
13 school. The superintendent of public instruction shall determine the transportation
14 average daily membership equivalents the former school district would have been
15 entitled to for providing transportation services during the school district's final year of
16 operation and shall prorate those transportation average daily membership
17 equivalents to each enrolling school district based on the number of students enrolled
18 from the former school. Transportation average daily membership equivalents of the
19 enrolling school districts after the first year will be based on reported transportation
20 average daily membership equivalents.
- 21 8. This section does not apply to miles and runs:
 - 22 a. Incurred in providing transportation for students to attend extracurricular activities
23 or events; or
 - 24 b. Related to students who are participating in open enrollment, or who are enrolled
25 pursuant to a written contract entered by the sending and admitting districts
26 which waives the charge and collection of tuition for the student.
- 27 9. The superintendent of public instruction may adopt rules relating to information
28 reported by school districts and reporting deadlines.

29 **SECTION 3. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15.1-31-05. Open enrollment - Transportation.**

2 A school district of residence may provide transportation to a student participating in open
3 enrollment. If a district of residence does not provide transportation to a student participating in
4 open enrollment, transportation may be provided by the admitting district. A school district may
5 ~~not receive transportation aid disbursements under subdivision a of subsection 1 of section~~
6 ~~15.1-27-26.1 or subsection 3 of section 15.1-27-26.1 for~~include any factors associated with
7 transporting students who are participating in open enrollment, or who are enrolled pursuant to
8 a written contract entered by the sending and admitting districts which waives the charge and
9 collection of tuition for the student in the calculation of transportation average daily membership
10 equivalents under section 2 of this Act~~15.1-27-31.2.~~

11 **SECTION 4. REPEAL.** Sections 15.1-27-26.1, 15.1-27-27.1, 15.1-27-28.1, 15.1-27-30.1,
12 and 15.1-27-31.1 of the North Dakota Century Code are repealed.

13 **SECTION 5. EFFECTIVE DATE.** Section 2 of this Act becomes effective on July 1, 2027.