

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1013

That the Senate recede from its amendments as printed on pages 1438-1445 of the House Journal and pages 1158-1165 of the Senate Journal and that Engrossed House Bill No. 1013 be amended as follows:

Page 1, line 8, after the first semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 11 with:

"Salaries and wages	\$18,280,006	(\$840,830)	\$17,439,176
Operating expenses	30,517,072	(352,067)	30,165,005
Integrated formula payments	1,916,640,000	18,564,163	1,935,204,163
Grants - special education	17,300,000	2,000,000	19,300,000
Grants - transportation	57,000,000	(1,600,000)	55,400,000
Grants - other grants	267,807,227	(13,424,522)	254,382,705
Grants - program grants	0	6,210,000	6,210,000
Grants - passthrough grants	0	2,898,000	2,898,000
PowerSchool	6,000,000	(500,000)	5,500,000
Transportation efficiency	30,000	0	30,000
National board certification	<u>120,000</u>	<u>0</u>	<u>120,000</u>
Total all funds	\$2,313,694,305	\$12,954,744	\$2,326,649,049
Less estimated income	<u>624,685,766</u>	<u>266,361,299</u>	<u>891,047,065</u>
Total general fund	\$1,689,008,539	(\$253,406,555)	\$1,435,601,984"

Page 2, replace lines 17 through 22 with:

"Salaries and wages	\$4,019,839	\$132,919	\$4,152,758
Operating expenses	1,713,393	(109,318)	1,604,075
Grants	<u>2,785,500</u>	<u>(676,472)</u>	<u>2,109,028</u>
Total all funds	\$8,518,732	(\$652,871)	\$7,865,861
Less estimated income	<u>2,438,751</u>	<u>(191,191)</u>	<u>2,247,560</u>
Total general fund	\$6,079,981	(\$461,680)	\$5,618,301"

Page 2, remove lines 28 through 31

Page 3, replace lines 1 through 4 with:

"Salaries and wages	\$7,291,854	\$296,895	\$7,588,749
Operating expenses	1,925,163	101,380	2,026,543
Capital assets	227,174	664,504	891,678
Grants	<u>186,900</u>	<u>(6,900)</u>	<u>180,000</u>
Total all funds	\$9,631,091	\$1,055,879	\$10,686,970
Less estimated income	<u>1,089,210</u>	<u>2,109,234</u>	<u>3,198,444</u>
Total general fund	\$8,541,881	(\$1,053,355)	\$7,488,526
Full-time equivalent positions	45.61	(0.00)	45.61"

Page 3, replace lines 9 through 14 with:

"Salaries and wages	\$4,554,349	\$106,646	\$4,660,995
Operating expenses	739,169	34,037	773,206
Capital assets	<u>24,454</u>	<u>150,238</u>	<u>174,692</u>
Total all funds	\$5,317,972	\$290,921	\$5,608,893
Less estimated income	<u>569,325</u>	<u>645,422</u>	<u>1,214,747</u>
Total general fund	\$4,748,647	(\$354,501)	\$4,394,146"

Page 3, replace lines 20 through 22 with:

"Grand total general fund	\$1,708,379,048	(\$255,276,091)	\$1,453,102,957
Grand total special funds	<u>628,783,052</u>	<u>268,924,764</u>	<u>897,707,816</u>
Grand total all funds	\$2,337,162,100	\$13,648,673	\$2,350,810,773"

Page 3, line 25, replace "\$1,249" with "\$1,241"

Page 3, remove lines 28 through 31

Page 4, replace lines 1 and 2 with:

"Department of public instruction	\$65,196	\$181,686	\$246,882
State library	66,885	10,100	76,985
School for the deaf	117,494	3,584	121,078
North Dakota vision services - school for the blind	<u>82,223</u>	<u>70</u>	<u>82,293</u>
Total	\$331,798	\$195,440	\$527,238"

Page 4, replace lines 12 through 15 with:

"Regional education association merger grants		0	100,000
North Dakota governor's school science, technology, engineering, and mathematics programs		0	220,000
Integrated formula payments		<u>0</u>	<u>185,000,000</u>
Total department of public instruction - all funds	\$12,700,030		\$185,320,000
Total department of public instruction - estimated income		<u>0</u>	<u>185,320,000</u>
Total department of public instruction - general fund	\$12,700,030		\$0"

Page 5, replace lines 1 through 3 with:

"Grand total - all funds	\$13,606,030	\$186,188,500
Grand total - estimated income	<u>656,000</u>	<u>186,188,500</u>
Grand total - general fund	\$12,950,030	\$0"

Page 5, line 20, replace "\$270,000,000" with "\$295,100,000"

Page 5, line 21, after "fund" insert ". Of this amount, \$100,000 is for regional education association merger grants and \$295,000,000 is"

Page 5, line 22, replace "\$160,000,000" with "\$185,100,000"

Page 5, after line 22, insert:

"SECTION 7. ESTIMATED INCOME - ONE-TIME FUNDING - STUDENT LOAN TRUST FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$220,000 from the student loan trust fund for the purpose of providing a one-time grant for North Dakota governor's school science, technology, engineering, and mathematics programs."

Page 5, after line 29, insert:

"SECTION 9. EXEMPTION - ADVANCED PLACEMENT PROGRAM FUNDING. The unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as authorized in section 32 of chapter 137 of the 2015 Session Laws to enhance the delivery of and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium for the purpose of program grants, including leveraging the senior year, leadership program, continuing education grants, preschool continuing education grants, curriculum alignment grants, and teacher and principal evaluation system grants."

Page 7, line 1, replace "three" with "eleven"

Page 7, line 3, replace "Forty-eight" with "Fifty-two"

Page 7, line 5, replace "Forty-eight" with "Fifty"

Page 7, line 16, replace "Forty-eight" with "Fifty"

Page 7, line 23, replace "Twenty-eight" with "Thirty"

Page 7, line 30, replace "\$1,735,000" with "\$1,530,000"

Page 8, after line 17, insert:

"SECTION 15. REGIONAL EDUCATION ASSOCIATION MERGER GRANTS - ONE-TIME FUNDING - DISTRIBUTION. The grants - other grants line item included in subdivision 1 of section 1 of this Act includes \$100,000 from the foundation aid stabilization fund for the purpose of providing a one-time \$25,000 grant to each regional education association that merges with another regional education association to form a single entity with a single governing board during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 16. REGIONAL EDUCATION ASSOCIATION GRANTS - DISTRIBUTION. The integrated formula payments line item included in subdivision 1 of section 1 of this Act includes \$500,000 from the general fund for the purpose of providing annual grants to regional education associations for the biennium beginning July 1, 2017, and ending June 30, 2019. An annual grant of \$31,250 is provided to each regional education association that exists as of July 1, 2017. Regional education associations that merge during the 2017-19 biennium are entitled to the annual grants that would have been paid to each of the member associations."

Page 9, line 22, replace "\$2,378,000" with "\$2,100,000"

Page 9, line 22, after "grants" insert "for writing projects, an entrepreneur program, and a mentoring program"

Page 9, after line 29, insert:

"SECTION 22. LEGISLATIVE INTENT - TEACHER AND ADMINISTRATOR MENTORING. It is the intent of the sixty-fifth legislative assembly that school districts, in addition to mentoring services provided by the state, use federal title II funding for teacher and administrator mentoring."

Page 10, line 4, remove "the North Dakota leadership in educational administration the North Dakota leadership in educational administration"

Page 10, line 5, replace "development center" with "educational leadership"

Page 10, line 25, replace "7" with "8"

Page 10, line 25, replace "22" with "27"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1013 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Department of Public Instruction						
Total all funds	\$2,313,694,305	\$2,326,729,929	(\$80,880)	\$2,326,649,049	\$2,326,649,049	\$0
Less estimated income	624,685,766	865,741,257	25,305,808	891,047,065	865,827,065	25,220,000
General fund	\$1,689,008,539	\$1,460,988,672	(\$25,386,688)	\$1,435,601,984	\$1,460,821,984	(\$25,220,000)
State Library						
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861	\$7,865,861	\$0
Less estimated income	2,438,751	2,248,349	(789)	2,247,560	2,247,560	0
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301	\$5,618,301	\$0
School for the Deaf						
Total all funds	\$9,631,091	\$10,546,428	\$140,542	\$10,686,970	\$10,686,970	\$0
Less estimated income	1,089,210	3,198,724	(280)	3,198,444	3,198,444	0
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526	\$7,488,526	\$0
Vision Services - School for the Blind						
Total all funds	\$5,317,972	\$5,585,322	\$23,571	\$5,608,893	\$5,608,893	\$0
Less estimated income	569,325	1,214,753	(6)	1,214,747	1,214,747	0
General fund	\$4,748,647	\$4,370,569	\$23,577	\$4,394,146	\$4,394,146	\$0
Bill total						
Total all funds	\$2,337,162,100	\$2,350,733,554	\$77,219	\$2,350,810,773	\$2,350,810,773	\$0
Less estimated income	628,783,052	872,403,083	25,304,733	897,707,816	872,487,816	25,220,000
General fund	\$1,708,379,048	\$1,478,330,471	(\$25,227,514)	\$1,453,102,957	\$1,478,322,957	(\$25,220,000)

House Bill No. 1013 - Department of Public Instruction - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$18,280,006	\$17,464,178	(\$25,002)	\$17,439,176	\$17,439,176	
Operating expenses	30,517,072	30,165,005		30,165,005	30,165,005	
Integrated formula payments	1,916,640,000	1,940,295,041	(5,090,878)	1,935,204,163	1,935,204,163	
Grants - Special education contracts	17,300,000	19,300,000		19,300,000	19,300,000	
Grants - Transportation	57,000,000	51,300,000	4,100,000	55,400,000	55,400,000	
Grants - Other grants	267,807,227	254,062,705	320,000	254,382,705	254,162,705	220,000
PowerSchool	6,000,000	5,500,000		5,500,000	5,500,000	
Transportation efficiency	30,000	30,000		30,000	30,000	
National board certification	120,000	120,000		120,000	120,000	
Grants - Program grants		6,115,000	95,000	6,210,000	6,310,000	(100,000)
Grants - Passthrough grants		2,378,000	520,000	2,898,000	3,018,000	(120,000)
Total all funds	\$2,313,694,305	\$2,326,729,929	(\$80,880)	\$2,326,649,049	\$2,326,649,049	\$0
Less estimated income	624,685,766	865,741,257	25,305,808	891,047,065	865,827,065	25,220,000
General fund	\$1,689,008,539	\$1,460,988,672	(\$25,386,688)	\$1,435,601,984	\$1,460,821,984	(\$25,220,000)
FTE	99.75	91.75	0.00	91.75	91.75	0.00

Department No. 201 - Department of Public Instruction - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases¹	Adjusts Funding for Integrated Formula Payments²	Adjusts Funding Source for Integrated Formula Payments³	Restores Funding for Regional Education Association Grants⁴	Increases Funding for Transportation Grants⁵	Adds One-time Funding for Regional Education Association Merger Grants⁶
Salaries and wages	(\$25,002)					
Operating expenses						
Integrated formula payments		(5,590,878)		500,000		
Grants - Special education contracts						
Grants - Transportation					4,100,000	
Grants - Other grants						100,000
PowerSchool						
Transportation efficiency						
National board certification						
Grants - Program grants						
Grants - Passthrough grants						
Total all funds	(\$25,002)	(\$5,590,878)	\$0	\$500,000	\$4,100,000	\$100,000
Less estimated income	(14,192)	0	25,000,000	0	0	100,000
General fund	(\$10,810)	(\$5,590,878)	(\$25,000,000)	\$500,000	\$4,100,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for the Program Grant Pool⁷	Increases Funding for Adult Education Matching Grants⁸	Increases Funding for Passthrough Grants⁹	Adds One-time Funding for the Governor's School Program¹⁰	Total Conference Committee Changes
Salaries and wages					(\$25,002)
Operating expenses					
Integrated formula payments					(5,090,878)
Grants - Special education contracts					
Grants - Transportation					4,100,000
Grants - Other grants				220,000	320,000
PowerSchool					
Transportation efficiency					
National board certification					
Grants - Program grants	(5,000)	100,000			95,000
Grants - Passthrough grants			520,000		520,000
Total all funds	(\$5,000)	\$100,000	\$520,000	\$220,000	(\$80,880)
Less estimated income	0	0	0	220,000	25,305,808
General fund	(\$5,000)	\$100,000	\$520,000	\$0	(\$25,386,688)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

² Funding for integrated formula payments is adjusted to remove funding for changes made by the House affecting local revenue calculations in the formula, the same as the Senate version.

³ One-time funding from the foundation aid stabilization fund for integrated formula payments is increased by \$25 million and funding from the general fund is decreased, to provide total funding from the foundation aid stabilization fund of \$295 million for integrated formula payments, of which \$185 million is considered one-time funding.

⁴ Funding is restored for regional education association grants to provide a total of \$500,000, \$300,000 less than the base budget, and the same as the Senate version. The House removed funding for the regional education association coordinator grants. The Senate restored the grants as annual state aid to be distributed equally to all regional education associations that exist as of July 1, 2017, rather than grants for coordinators.

⁵ Funding for transportation grants is increased to provide a total of \$55.4 million, \$1.6 million less than the base budget, the same as the Senate version.

⁶ One-time funding is added from the foundation aid stabilization fund for regional education association merger grants, the same as the Senate version. This program was not included in the executive recommendation or the House version.

⁷ Funding for the program grant pool is adjusted to remove the free breakfast program from the grant pool (\$205,000) and provide a separate grant of \$200,000 for the free breakfast program in the program grants line item, the same as the Senate version, and \$5,000 less than the House version.

A total of \$1,530,000 from the general fund is provided for a grant pool for the following programs:

- Leveraging the senior year;
- Leadership program;
- Continuing education grants;
- Preschool continuing education grants;
- Curriculum alignment grants; and
- Teacher and principal evaluation system grants.

The Conference Committee did not include \$100,000 added to the program grant pool by the Senate to allow the Superintendent of Public Instruction to assume the operation and management of the North Dakota Leadership and Educational Administration Development Center.

In addition, the Conference Committee added a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of North Dakota Century Code Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool, the same as the Senate version.

⁸ Funding for adult education matching grants is increased to provide a total of \$3,100,000 from the general fund, \$1,010,411 less than the base budget and the same as the Senate version.

⁹ Funding for certain passthrough grants is increased as follows to provide a total of \$2,898,000 from the general fund for passthrough grants.

	Increase	Total
Teacher mentoring	\$50,000	\$2,050,000
Rural art outreach project	340,000	350,000
Global Bridges	100,000	200,000
Young entrepreneur education program	<u>30,000</u>	<u>30,000</u>
Total	\$520,000	\$2,630,000

The Senate version included \$2,100,000 for teacher mentoring and \$70,000 for the Pathfinders Parent project.

¹⁰ One-time funding is provided from the student loan trust fund for the Governor's school program. Funding provided by the state for the Governor's school must be used for science, technology, engineering, and mathematics programs. Funding for this program was not included in the House or Senate version.

This amendment also:

- Amends the section related to funding provided from the foundation aid stabilization fund to provide for a \$25.1 million increase in one-time funding from the fund for integrated formula payments (\$25 million) and regional education association merger grants (\$100,000). The increase in funding from the foundation aid stabilization fund for integrated formula payments was not included in the House or Senate version. The Senate version included \$100,000 of

one-time funding from the foundation aid stabilization fund for regional education association merger grants not included in the House version.

- Adds a section identifying one-time funding provided from the student loan trust fund for the Governor's school programs. The section was not included in the House or Senate version.
- Adds a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool, the same as the Senate version.
- Amends the section related to the distribution of transportation grants to update reimbursement rates, the same as the Senate version.
- Amends the section related to the distribution of the program grant pool to adjust the total of the grant pool. The Conference Committee removed the free breakfast program from the grant pool (\$205,000) to provide a separate appropriation for the program, the same as the Senate version. The Conference Committee did not add \$100,000 to the grant pool for the operation and management of the North Dakota Leadership and Educational Administration Development Center included in the Senate version.
- Adds a section related to the distribution of one-time regional education association merger grants, the same as the Senate version.
- Adds a section related to the distribution of regional education association grants included in the integrated formula payments line item, the same as the Senate version.
- Amends the section related to the distribution of passthrough grants to provide certain grantees, as a condition of receiving the grant, are required to establish performance measures. The House and Senate versions both included the requirement to establish performance measures.
- Adds a section to provide it is the intent of the Legislative Assembly that school districts, in addition to mentoring services provided by the state, use federal Title II funding for teacher and administrator mentoring.
- Amends the section related to the Legislative Management study to adjust the service providers included in the study.

House Bill No. 1013 - State Library - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,019,839	\$4,158,772	(\$6,014)	\$4,152,758	\$4,152,758	
Operating expenses	1,713,393	1,604,075		1,604,075	1,604,075	
Grants	2,785,500	2,109,028		2,109,028	2,109,028	
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861	\$7,865,861	\$0
Less estimated income	2,438,751	2,248,349	(789)	2,247,560	2,247,560	0
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301	\$5,618,301	\$0
FTE	29.75	28.75	0.00	28.75	28.75	0.00

Department No. 250 - State Library - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Conference Committee Changes
Salaries and wages	(\$6,014)	(\$6,014)
Operating expenses		
Grants		
Total all funds	(\$6,014)	(\$6,014)
Less estimated income	(789)	(789)
General fund	(\$5,225)	(\$5,225)

FTE

0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

House Bill No. 1013 - School for the Deaf - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$7,291,854	\$7,498,207	\$90,542	\$7,588,749	\$7,588,749	
Operating expenses	1,925,163	1,976,543	50,000	2,026,543	2,026,543	
Capital assets	227,174	891,678		891,678	891,678	
Grants	186,900	180,000		180,000	180,000	
Total all funds	\$9,631,091	\$10,546,428	\$140,542	\$10,686,970	\$10,686,970	\$0
Less estimated income	1,089,210	3,198,724	(280)	3,198,444	3,198,444	0
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526	\$7,488,526	\$0
FTE	45.61	44.61	1.00	45.61	45.61	0.00

Department No. 252 - School for the Deaf - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Restores 1 FTE Position ²	Increases Funding for Operating Expenses ³	Total Conference Committee Changes
Salaries and wages	(\$9,458)	\$100,000		\$90,542
Operating expenses			50,000	50,000
Capital assets				
Grants				
Total all funds	(\$9,458)	\$100,000	\$50,000	\$140,542
Less estimated income	(280)	0	0	(280)
General fund	(\$9,178)	\$100,000	\$50,000	\$140,822
FTE	0.00	1.00	0.00	1.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

² One FTE position and related funding of \$100,000 is restored, the same as the Senate version. The executive recommendation and House version removed 1 FTE position and related funding of \$120,000.

³ Funding for operating expenses is restored, the same as the Senate version. The executive recommendation and House version reduced funding for operating expenses by \$100,000.

House Bill No. 1013 - Vision Services - School for the Blind - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,554,349	\$4,667,424	(\$6,429)	\$4,660,995	\$4,660,995	
Operating expenses	739,169	743,206	30,000	773,206	773,206	
Capital assets	24,454	174,692		174,692	174,692	
Total all funds	\$5,317,972	\$5,585,322	\$23,571	\$5,608,893	\$5,608,893	\$0
Less estimated income	569,325	1,214,753	(6)	1,214,747	1,214,747	0
General fund	\$4,748,647	\$4,370,569	\$23,577	\$4,394,146	\$4,394,146	\$0
FTE	30.00	28.50	0.00	28.50	28.50	0.00

Department No. 253 - Vision Services - School for the Blind - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Increases Funding for Operating Expenses ²	Total Conference Committee Changes
Salaries and wages	(\$6,429)		(\$6,429)
Operating expenses		30,000	30,000
Capital assets			
Total all funds	(\$6,429)	\$30,000	\$23,571
Less estimated income	(6)	0	(6)
General fund	(\$6,423)	\$30,000	\$23,577
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

² Funding for operating expenses is increased, the same as the Senate version. The executive recommendation and House version did not include this increase.