

**HOUSE BILL NO. 1318**

Introduced by

Representatives Schatz, Kasper, Rohr, D. Ruby, Toman

Senators O. Larsen, Unruh

1 A BILL ~~for an Act to amend and reenact subdivisions x and y of subsection 2 of section~~  
2 ~~12-60-24, subdivision a of subsection 12 of section 15-39.1-04, sections 15-39.1-23,~~  
3 ~~15.1-02-08, 15.1-07-34, 15.1-18.2-07, 15.1-27-03.1, and 15.1-32-08, subsection 17 of section~~  
4 ~~65-01-02, and section 65-04-04 of the North Dakota Century Code, relating to regional~~  
5 ~~education associations; and to repeal chapter 15.1-09.1 of the North Dakota Century Code,~~  
6 ~~relating to regional education associations.~~ for an Act to provide for a legislative management  
7 study of all entities receiving appropriations for the delivery of education to preschool through  
8 grade twelve students.

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

10 ~~SECTION 1. AMENDMENT.~~ Subdivisions x and y of subsection 2 of section ~~12-60-24~~ of the  
11 ~~North Dakota Century Code~~ are amended and reenacted as follows:  
12 ~~x. (1) The board of a school district, for employees designated by the board,~~  
13 ~~provided the board is responsible for paying the costs associated with~~  
14 ~~obtaining a criminal history record check;~~  
15 ~~(2) The board of a multidistrict special education unit, for employees designated~~  
16 ~~by the board, provided the board is responsible for paying the costs~~  
17 ~~associated with obtaining a criminal history record check;~~  
18 ~~(3) The board of an area career and technology center, for employees~~  
19 ~~designated by the board, provided the board is responsible for paying the~~  
20 ~~costs associated with obtaining a criminal history record check; and~~  
21 ~~(4) The board of a regional education association, for employees designated by~~  
22 ~~the board, provided the board is responsible for paying the costs associated~~  
23 ~~with obtaining a criminal history record check; and~~

1 ~~\_\_\_\_\_ (5) The superintendent of public instruction in the case of a nonpublic school,~~  
2 ~~for employees designated by the nonpublic school, provided the nonpublic~~  
3 ~~school is responsible for paying the costs associated with obtaining a~~  
4 ~~criminal history record check.~~

5 ~~\_\_\_\_\_ y. (1) The board of a school district, for a final applicant seeking employment with~~  
6 ~~the district or otherwise providing services to the district, if that individual~~  
7 ~~has unsupervised contact with students, provided the board is responsible~~  
8 ~~for paying the costs associated with obtaining a criminal history record~~  
9 ~~check;.~~

10 ~~\_\_\_\_\_ (2) The board of a multidistrict special education unit, for a final applicant~~  
11 ~~seeking employment with the unit or otherwise providing services to the unit,~~  
12 ~~if that individual has unsupervised contact with students, provided the board~~  
13 ~~is responsible for paying the costs associated with obtaining a criminal~~  
14 ~~history record check;.~~

15 ~~\_\_\_\_\_ (3) The board of an area career and technology center, for a final applicant~~  
16 ~~seeking employment with the center or otherwise providing services to the~~  
17 ~~center, if that individual has unsupervised contact with students, provided~~  
18 ~~the board is responsible for paying the costs associated with obtaining a~~  
19 ~~criminal history record check;.~~

20 ~~\_\_\_\_\_ (4) The board of a regional education association, for a final applicant seeking~~  
21 ~~employment with the association or otherwise providing services to the~~  
22 ~~association if that individual has unsupervised contact with students,~~  
23 ~~provided the board is responsible for paying the costs associated with~~  
24 ~~obtaining a criminal history record check; and~~

25 ~~\_\_\_\_\_ (5) The superintendent of public instruction in the case of a nonpublic school,~~  
26 ~~for a final applicant seeking employment with the school or otherwise~~  
27 ~~providing services to the school, if that individual has unsupervised contact~~  
28 ~~with students, provided the board is responsible for paying the costs~~  
29 ~~associated with obtaining a criminal history record check.~~

30 ~~\_\_\_\_\_ (6)(5) For purposes of this subdivision, "unsupervised contact" with students~~  
31 ~~means being in proximity to one or more students, on school grounds or at~~

1 school functions, outside the presence of an individual who has been  
2 subject to a criminal history record check.

3 ~~— **SECTION 2. AMENDMENT.** Subdivision a of subsection 12 of section 15-39.1-04 of the~~  
4 ~~North Dakota Century Code is amended and reenacted as follows:~~

5 ~~— a. All persons licensed by the education standards and practices board who are~~  
6 ~~contractually employed in teaching, supervisory, administrative, or extracurricular~~  
7 ~~services by a state institution, multidistrict special education unit, area career and~~  
8 ~~technology center, regional education association, school board, or other~~  
9 ~~governing body of a school district of this state, including superintendents,~~  
10 ~~assistant superintendents, business managers, principals, assistant principals,~~  
11 ~~and special teachers. For purposes of this subdivision, "teacher" includes~~  
12 ~~persons contractually employed by one of the above employers to provide~~  
13 ~~teaching, supervisory, administrative, or extracurricular services to a separate~~  
14 ~~state institution, state agency, multidistrict special education unit, area career and~~  
15 ~~technology center, regional education association, school board, or other~~  
16 ~~governing body of a school district of this state under a third party contract.~~

17 ~~— **SECTION 3. AMENDMENT.** Section 15-39.1-23 of the North Dakota Century Code is~~  
18 ~~amended and reenacted as follows:~~

19 ~~— **15-39.1-23. Penalties for failure to make required reports and payments.**~~

20 ~~— Except for unintentional reporting errors, an employing body failing to file reports required~~  
21 ~~by the board or failing to pay over for credit to the fund the amounts required to be paid by this~~  
22 ~~chapter is subject to a civil penalty of two hundred fifty dollars and, as interest, one percent of~~  
23 ~~the amount due for each month of delay or fraction thereof after the report was required to be~~  
24 ~~filed or the payment became due. The board, if satisfied the delay or underpayment was~~  
25 ~~unintentional and excusable, may waive, or if paid, refund all or part of the two hundred fifty~~  
26 ~~dollar penalty and may reduce the interest rate charge to the investment return rate used in the~~  
27 ~~most recent actuarial valuation, compounded annually, but may not waive the entire amount of~~  
28 ~~the interest. The penalty must be paid to the fund and deposited in the same manner as other~~  
29 ~~receipts under this chapter.~~

30 ~~— In addition, a school district, multidistrict special education unit, and area career and~~  
31 ~~technology center, and regional education association may not share in the apportionment of~~

1 ~~any money from the state for any year unless the school district, multidistrict special education-~~  
2 ~~unit, or area career and technology center, or regional education association has made the~~  
3 ~~reports required by the board as permitted by this chapter, and has paid over for credit to the~~  
4 ~~fund the amounts required to be paid under this chapter.~~

5 ~~— **SECTION 4. AMENDMENT.** Section 15.1-02-08 of the North Dakota Century Code is~~  
6 ~~amended and reenacted as follows:~~

7 ~~— **15.1-02-08. Accounting and reporting system – Uniformity.**~~

8 ~~— The superintendent of public instruction shall implement a uniform system for the~~  
9 ~~accounting, budgeting, and reporting of data for all school districts in the state and for all~~  
10 ~~regional education associations governed by chapter 15.1-09.1. The superintendent of public~~  
11 ~~instruction shall designate the software standards to be used by the school districts and by the~~  
12 ~~regional education associations in their accounting, budgeting, and reporting functions.~~

13 ~~— **SECTION 5. AMENDMENT.** Section 15.1-07-34 of the North Dakota Century Code is~~  
14 ~~amended and reenacted as follows:~~

15 ~~— **15.1-07-34. Provision of youth mental health training to teachers, administrators, and**~~  
16 ~~**ancillary staff.**~~

17 ~~— 1. Once every two years, each school district shall provide a minimum of eight hours of~~  
18 ~~training on youth mental health to elementary, middle, and high school teachers and~~  
19 ~~administrators. Each school district shall encourage ancillary and support staff to~~  
20 ~~participate in the training. The training must include:~~

21 ~~— a. Understanding of the prevalence and impact of youth mental health disorders on~~  
22 ~~family structure, education, juvenile services, law enforcement, and health care~~  
23 ~~and treatment providers;~~

24 ~~— b. Knowledge of mental health symptoms, social stigmas, risks, and protective~~  
25 ~~factors; and~~

26 ~~— c. Awareness of referral sources and strategies for appropriate interventions.~~

27 ~~— 2. Each school district shall report the outcome of the training to the department of public~~  
28 ~~instruction.~~

29 ~~— 3. The superintendent of public instruction shall collaborate with regional education~~  
30 ~~associations to disseminate information, training materials, and notice of training~~  
31 ~~opportunities to school districts and nonpublic schools.~~

1 ~~— **SECTION 6. AMENDMENT.** Section 15.1-18.2-07 of the North Dakota Century Code is~~  
2 ~~amended and reenacted as follows:~~

3 ~~— **15.1-18.2-07. Teacher support program – Authorized service recipients.**~~

4 ~~— The education standards and practices board may provide support services to teachers~~  
5 ~~employed by:~~

6 ~~— 1. School districts;~~

7 ~~— 2. Special education units;~~

8 ~~— 3. Area career and technology centers; and~~

9 ~~— 4. Regional education associations; and~~

10 ~~— 5. Schools funded by the bureau of Indian education.~~

11 ~~— **SECTION 7. 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. (Effective through June 30, 2017) Weighted average daily membership –**~~  
14 ~~**Determination.**~~

15 ~~— 1. For each school district, the superintendent of public instruction shall multiply by:~~

16 ~~— a. 1.00 the number of full-time equivalent students enrolled in an extended~~  
17 ~~educational program in accordance with section 15.1-32-17;~~

18 ~~— b. 0.60 the number of full-time equivalent students enrolled in a summer education~~  
19 ~~program, including a migrant summer education program;~~

20 ~~— c. 0.33 the number of full-time equivalent students who:~~

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

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

25 ~~— d. 0.25 the number of full-time equivalent students under the age of twenty-one~~  
26 ~~enrolled in grades nine through twelve in an alternative high school;~~

27 ~~— e. 0.22 the number of full-time equivalent students who:~~

28 ~~— (1) On a test of English language proficiency approved by the superintendent of~~  
29 ~~public instruction are determined to be more proficient than students placed~~  
30 ~~in the first of six categories of proficiency and therefore placed in the second~~  
31 ~~of six categories of proficiency; and~~

- 1 ~~————— (2) — Are enrolled in a program of instruction for English language learners;~~  
2 ~~————— f. — 0.20 the number of full-time equivalent students enrolled in a home-based~~  
3 ~~education program and monitored by the school district under chapter 15.1-23;~~  
4 ~~————— g. — 0.17 the number of full-time equivalent students enrolled in an early childhood~~  
5 ~~special education program;~~  
6 ~~————— h. — 0.15 the number of full-time equivalent students in grades six through eight~~  
7 ~~enrolled in an alternative education program for at least an average of fifteen~~  
8 ~~hours per week;~~  
9 ~~————— i. — 0.10 the number of students enrolled in average daily membership, if the district~~  
10 ~~has fewer than one hundred students enrolled in average daily membership and~~  
11 ~~the district consists of an area greater than two hundred seventy-five square~~  
12 ~~miles [19424.9 hectares], provided that any school district consisting of an area~~  
13 ~~greater than six hundred square miles [155399 hectares] and enrolling fewer than~~  
14 ~~fifty students in average daily membership must be deemed to have an~~  
15 ~~enrollment equal to fifty students in average daily membership;~~  
16 ~~————— j. — 0.082 the number of students enrolled in average daily membership, in order to~~  
17 ~~support the provision of special education services;~~  
18 ~~————— k. — 0.07 the number of full-time equivalent students who:~~  
19 ~~————— (1) — On a test of English language proficiency approved by the superintendent of~~  
20 ~~public instruction are determined to be more proficient than students placed~~  
21 ~~in the second of six categories of proficiency and therefore placed in the~~  
22 ~~third of six categories of proficiency;~~  
23 ~~————— (2) — Are enrolled in a program of instruction for English language learners; and~~  
24 ~~————— (3) — Have not been in the third of six categories of proficiency for more than~~  
25 ~~three years; and~~  
26 ~~————— l. — 0.025 the number of students representing that percentage of the total number of~~  
27 ~~students in average daily membership which is equivalent to the three-year~~  
28 ~~average percentage of students in grades three through eight who are eligible for~~  
29 ~~free or reduced lunches under the Richard B. Russell National School Lunch Act~~  
30 ~~[42 U.S.C. 1751 et seq.]; and~~

- 1 ~~m. 0.002 the number of students enrolled in average daily membership in a school~~  
2 ~~district that is a participating member of a regional education association meeting~~  
3 ~~the requirements of chapter 15.1-09.1.~~
- 4 ~~2. The superintendent of public instruction shall determine each school district's weighted~~  
5 ~~average daily membership by adding the products derived under subsection 1 to the~~  
6 ~~district's average daily membership.~~
- 7 ~~**(Effective after June 30, 2017) Weighted average daily membership – Determination.**~~
- 8 ~~1. For each school district, the superintendent of public instruction shall multiply by:~~
- 9 ~~a. 1.00 the number of full-time equivalent students enrolled in an extended~~  
10 ~~educational program in accordance with section 15.1-32-17;~~
- 11 ~~b. 0.60 the number of full-time equivalent students enrolled in a summer education~~  
12 ~~program, including a migrant summer education program;~~
- 13 ~~c. 0.40 the number of full-time equivalent students who:~~
- 14 ~~(1) On a test of English language proficiency approved by the superintendent of~~  
15 ~~public instruction are determined to be least proficient and placed in the first~~  
16 ~~of six categories of proficiency; and~~
- 17 ~~(2) Are enrolled in a program of instruction for English language learners;~~
- 18 ~~d. 0.28 the number of full-time equivalent students who:~~
- 19 ~~(1) On a test of English language proficiency approved by the superintendent of~~  
20 ~~public instruction are determined to be more proficient than students placed~~  
21 ~~in the first of six categories of proficiency and therefore placed in the second~~  
22 ~~of six categories of proficiency; and~~
- 23 ~~(2) Are enrolled in a program of instruction for English language learners;~~
- 24 ~~e. 0.25 the number of full-time equivalent students under the age of twenty-one~~  
25 ~~enrolled in grades nine through twelve in an alternative high school;~~
- 26 ~~f. 0.20 the number of full-time equivalent students enrolled in a home-based~~  
27 ~~education program and monitored by the school district under chapter 15.1-23;~~
- 28 ~~g. 0.17 the number of full-time equivalent students enrolled in an early childhood~~  
29 ~~special education program;~~

- 1 ~~h. 0.15 the number of full-time equivalent students in grades six through eight~~  
2 ~~enrolled in an alternative education program for at least an average of fifteen~~  
3 ~~hours per week;~~
- 4 ~~i. 0.10 the number of students enrolled in average daily membership, if the district~~  
5 ~~has fewer than one hundred students enrolled in average daily membership and~~  
6 ~~the district consists of an area greater than two hundred seventy-five square~~  
7 ~~miles [19424.9 hectares], provided that any school district consisting of an area~~  
8 ~~greater than six hundred square miles [155399 hectares] and enrolling fewer than~~  
9 ~~fifty students in average daily membership must be deemed to have an~~  
10 ~~enrollment equal to fifty students in average daily membership;~~
- 11 ~~j. 0.082 the number of students enrolled in average daily membership, in order to~~  
12 ~~support the provision of special education services;~~
- 13 ~~k. 0.07 the number of full-time equivalent students who:~~
- 14 ~~(1) On a test of English language proficiency approved by the superintendent of~~  
15 ~~public instruction are determined to be more proficient than students placed~~  
16 ~~in the second of six categories of proficiency and therefore placed in the~~  
17 ~~third of six categories of proficiency;~~
- 18 ~~(2) Are enrolled in a program of instruction for English language learners; and~~
- 19 ~~(3) Have not been in the third of six categories of proficiency for more than~~  
20 ~~three years; and~~
- 21 ~~l. 0.025 the number of students representing that percentage of the total number of~~  
22 ~~students in average daily membership which is equivalent to the three-year~~  
23 ~~average percentage of students in grades three through eight who are eligible for~~  
24 ~~free or reduced lunches under the Richard B. Russell National School Lunch Act~~  
25 ~~[42 U.S.C. 1751 et seq.]; and~~
- 26 ~~m. 0.002 the number of students enrolled in average daily membership in a school~~  
27 ~~district that is a participating member of a regional education association meeting~~  
28 ~~the requirements of chapter 15.1-09.1.~~
- 29 ~~2. The superintendent of public instruction shall determine each school district's weighted~~  
30 ~~average daily membership by adding the products derived under subsection 1 to the~~  
31 ~~district's average daily membership.~~



1 ~~— **SECTION 8. AMENDMENT.** Section 15.1-32-08 of the North Dakota Century Code is~~  
2 ~~amended and reenacted as follows:~~

3 ~~— **15.1-32-08. School districts – Provision of special education.**~~

4 ~~— Each school district shall provide special education and related services as a single district,~~  
5 ~~or as a member of a multidistrict special education unit in accordance with chapter 15.1-33, or~~  
6 ~~as a participating district in a regional education association under chapter 15.1-09.1. Each~~  
7 ~~school district and entity providing special education shall cooperate with the director of special~~  
8 ~~education and with the institutions of this state in the provision of special education.~~

9 ~~— **SECTION 9. AMENDMENT.** Subsection 17 of section 65-01-02 of the North Dakota~~  
10 ~~Century Code is amended and reenacted as follows:—~~

11 ~~— 17. "Employer" means a person who engages or received the services of another for~~  
12 ~~remuneration unless the person performing the services is an independent contractor~~  
13 ~~under the common-law test. The term includes:~~

14 ~~— a. The state and all political subdivisions thereof.~~

15 ~~— b. All public and quasi-public corporations in this state.~~

16 ~~— c. Every person, partnership, limited liability company, association, and private~~  
17 ~~corporation, including a public service corporation.~~

18 ~~— d. The legal representative of any deceased employer.~~

19 ~~— e. The receiver or trustee of any person, partnership, limited liability company,~~  
20 ~~association, or corporation having one or more employees as herein defined.~~

21 ~~— f. The president, vice presidents, secretary, or treasurer of a business corporation,~~  
22 ~~but not members of the board of directors of a business corporation who are not~~  
23 ~~also officers of the corporation.~~

24 ~~— g. The managers of a limited liability company.~~

25 ~~— h. The president, vice presidents, secretary, treasurer, or board of directors of an~~  
26 ~~association or cooperative organized under chapter 6-06, 10-12, 10-13, 10-15,~~  
27 ~~36-08, or 49-21.~~

28 ~~— i. The clerk, assessor, treasurer, or any member of the board of supervisors of an~~  
29 ~~organized township, if the person is not employed by the township in any other~~  
30 ~~capacity.~~

31 ~~— j. A multidistrict special education unit.~~

1 ~~———— k. — An area career and technology center.~~

2 ~~———— l. — A regional education association.~~

3 ~~—— **SECTION 10. AMENDMENT.** Section 65-04-04 of the North Dakota Century Code is~~  
4 ~~amended and reenacted as follows:~~

5 ~~—— **65-04-04. Employers obligated to pay premiums – Premium and certificates to be**~~  
6 ~~**mailed.**~~

7 ~~—— Each employer subject to this title shall pay into the fund annually the amount of premiums~~  
8 ~~determined and fixed by the organization for the employment or occupation of the employer.~~

9 ~~The amount must be determined by the classifications, rules, and rates made and published by~~  
10 ~~the organization and must be based on a proportion of the annual expenditure of money by the~~  
11 ~~employer for the service of persons subject to the provisions of this title. The organization shall~~  
12 ~~mail to the employer a certificate specifying that the payment has been made. The certificate,~~  
13 ~~attested by the seal of the organization, is prima facie evidence of the payment of the premium.~~

14 ~~Notwithstanding the provisions of section 65-04-15, the certificate may reflect the employer has~~  
15 ~~paid the minimum premium and has no employees for the period indicated on the certificate. If~~  
16 ~~an employer defaults on premium payments after a certificate has been issued, the organization~~  
17 ~~may revoke that employer's certificate. The organization shall provide that premiums to be paid~~

18 ~~by school districts, multidistrict special education units, area career and technology centers, and~~  
19 ~~regional education associations, townships, and all public corporations or agencies, except~~  
20 ~~municipal corporations, fall due at the end of the fiscal year of that entity, and that premiums to~~  
21 ~~be paid by all municipal corporations fall due at the end of the calendar year, and may make~~

22 ~~provisions so that premiums of other employers fall due on different or specified dates. For the~~  
23 ~~purpose of effectuating different or specified due dates, the organization may carry new or~~  
24 ~~current risks for a period of less than one year and not to exceed eighteen months, either by~~  
25 ~~request of the employer or action of the organization. An employer subject to this chapter shall~~

26 ~~display in a conspicuous manner at the workplace and in a sufficient number of places to~~  
27 ~~reasonably inform employees of the fact, a certificate of premium payment showing compliance~~  
28 ~~with this chapter and the toll-free telephone number used to report unsafe working conditions~~  
29 ~~and actual or suspected workforce safety and insurance fraud. Any employer subject to this~~

30 ~~chapter is liable to pay a civil penalty of two hundred fifty dollars for failure to display the notice~~  
31 ~~of compliance and the toll-free telephone number as required by this section.~~

1 ~~SECTION 11. REPEAL. Chapter 15.1-09.1 of the North Dakota Century Code is repealed.~~

2 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ENTITIES RECEIVING**  
3 **APPROPRIATIONS AND PROVIDING EDUCATION TO PRESCHOOL THROUGH GRADE**  
4 **TWELVE STUDENTS.** During the 2017-18 interim, the legislative management shall consider  
5 studying all entities receiving an appropriation to provide education to preschool through grade  
6 twelve students. The study must include a comprehensive review of the establishment of the  
7 entities providing education, the purpose of the entities, the amount of the appropriation  
8 received by the entities, any additional sources of revenue received by the entities and the  
9 amount, the organizational structure and strategic plan of the entities, and performance  
10 measures as they relate to the purpose of the entities. The legislative management shall report  
11 its findings and recommendations, together with any legislation required to implement the  
12 recommendations, to the sixty-sixth legislative assembly.