

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1013

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	(13,644,522)	254,162,705
Grants - program grants	0	6,310,000	6,310,000
Grants - passthrough grants	0	3,018,000	3,018,000
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>241,141,299</u>	<u>865,827,065</u>
Total general fund	\$1,689,008,539	(\$228,186,555)	\$1,460,821,984"

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	(\$230,056,091)	\$1,478,322,957
Grand total special funds	<u>628,783,052</u>	<u>243,704,764</u>	<u>872,487,816</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, after line 11, insert:

"Regional education association merger grants	0	100,000"
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Page 4, replace lines 13 through 15 with:

"Total department of public instruction - all funds	\$12,700,030	\$160,100,000
Total department of public instruction - estimated income	<u>0</u>	<u>160,100,000</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	\$160,968,500
Grand total - estimated income	<u>656,000</u>	<u>160,968,500</u>
Grand total - general fund	\$12,950,030	\$0"

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

Page 5, line 21, after "fund" insert ". Of this amount, \$100,000 is for regional education association merger grants and \$270,000,000 is"

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

Page 5, after line 29, insert:

"SECTION 8. 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, and to assume the operation and management of the North Dakota leadership and educational administration development center."

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 "\$1,630,000"

Page 8, after line 17, insert:

"SECTION 14. REGIONAL EDUCATION ASSOCIATION MERGER GRANTS - ONE-TIME FUNDING - DISTRIBUTION. The line item entitled grants - other grants 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 15. REGIONAL EDUCATION ASSOCIATION GRANTS - DISTRIBUTION. The line item entitled integrated formula payments 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 "\$3,018,000"

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

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1013 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Department of Public Instruction				
Total all funds	\$2,313,694,305	\$2,326,729,929	(\$80,880)	\$2,326,649,049
Less estimated income	624,685,766	865,741,257	85,808	865,827,065
General fund	\$1,689,008,539	\$1,460,988,672	(\$166,688)	\$1,460,821,984
State Library				
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861
Less estimated income	2,438,751	2,248,349	(789)	2,247,560
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301
School for the Deaf				
Total all funds	\$9,631,091	\$10,546,428	\$140,542	\$10,686,970
Less estimated income	1,089,210	3,198,724	(280)	3,198,444
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526
Vision Services - School for the Blind				
Total all funds	\$5,317,972	\$5,585,322	\$23,571	\$5,608,893
Less estimated income	569,325	1,214,753	(6)	1,214,747
General fund	\$4,748,647	\$4,370,569	\$23,577	\$4,394,146
Bill total				
Total all funds	\$2,337,162,100	\$2,350,733,554	\$77,219	\$2,350,810,773

Less estimated income	<u>628,783,052</u>	<u>872,403,083</u>	<u>84,733</u>	<u>872,487,816</u>
General fund	\$1,708,379,048	\$1,478,330,471	(\$7,514)	\$1,478,322,957

House Bill No. 1013 - Department of Public Instruction - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$18,280,006	\$17,464,178	(\$25,002)	\$17,439,176
Operating expenses	30,517,072	30,165,005		30,165,005
Integrated formula payments	1,916,640,000	1,940,295,041	(5,090,878)	1,935,204,163
Grants - Special education contracts	17,300,000	19,300,000		19,300,000
Grants - Transportation	57,000,000	51,300,000	4,100,000	55,400,000
Grants - Other grants	267,807,227	254,062,705	100,000	254,162,705
PowerSchool	6,000,000	5,500,000		5,500,000
Transportation efficiency	30,000	30,000		30,000
National board certification	120,000	120,000		120,000
Grants - Program grants		6,115,000	195,000	6,310,000
Grants - Passthrough grants		2,378,000	640,000	3,018,000
Total all funds	\$2,313,694,305	\$2,326,729,929	(\$80,880)	\$2,326,649,049
Less estimated income	<u>624,685,766</u>	<u>865,741,257</u>	<u>85,808</u>	<u>865,827,065</u>
General fund	\$1,689,008,539	\$1,460,988,672	(\$166,688)	\$1,460,821,984
FTE	99.75	91.75	0.00	91.75

Department No. 201 - Department of Public Instruction - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Adjusts Funding for Integrated Formula Payments ²	Restores Funding for Regional Education Association Grants ³	Increases Funding for Transportation Grants ⁴	Adds One-time Funding for Regional Education Association Merger Grants ⁵	Adjusts Funding for the Program Grant Pool ⁶
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						95,000
Grants - Passthrough grants						
Total all funds	(\$25,002)	(\$5,590,878)	\$500,000	\$4,100,000	\$100,000	\$95,000
Less estimated income	<u>(14,192)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>0</u>
General fund	(\$10,810)	(\$5,590,878)	\$500,000	\$4,100,000	\$0	\$95,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for Adult Education Matching Grants ⁷	Increases Funding for Passthrough Grants ⁸	Total Senate 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			100,000
PowerSchool			
Transportation efficiency			
National board certification			

Grants - Program grants	100,000		195,000
Grants - Passthrough grants		640,000	640,000
Total all funds	\$100,000	\$640,000	(\$80,880)
Less estimated income	0	0	85,808
General fund	\$100,000	\$640,000	(\$166,688)
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. 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.

³ Funding is restored for regional education association grants to provide a total of \$500,000, \$300,000 less than the base budget. 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.

⁴ Funding for transportation grants is increased to provide a total of \$55.4 million, \$1.6 million less than the base budget.

⁵ One-time funding is added from the foundation aid stabilization fund for regional education association merger grants. This program was not included in the executive recommendation or the House version.

⁶ 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, \$5,000 less than the House version. The Senate also added \$100,000 to the program grant pool to allow the Superintendent of Public Instruction to assume the operation and management of the North Dakota Leadership and Educational Administration Development Center to provide a total of \$1,630,000 from the general fund for a grant pool for the following programs:

- Leveraging the senior year;
- Leadership program;
- Continuing education grants;
- Preschool continuing education grants;
- Curriculum alignment grants;
- Teacher and principal evaluation system grants; and
- North Dakota Leadership and Educational Administration Development Center.

In addition, the Senate 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.

⁷ 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.

⁸ Funding for passthrough grants is increased as follows:

	Increase	Total
Teacher mentoring	\$100,000	\$2,100,000
Rural art outreach project	340,000	350,000
Global Bridges	100,000	200,000
Young entrepreneur education program	30,000	30,000

Pathfinders Parent Project
Total

70,000	70,000
\$640,000	\$2,750,000

The executive recommendation included \$120,000 for the Pathfinders Parent Project. The remaining passthrough grants were not funded in the executive recommendation.

This amendment also:

- 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.
- Amends the section related to the distribution of transportation grants to update reimbursement rates.
- Amends the section related to the distribution of the program grant pool to adjust the total of the grant pool. The Senate added \$100,000 to the grant pool for the operation and management of the North Dakota Leadership and Educational Administration Development Center and removed the free breakfast program from the grant pool (\$205,000) to provide a separate appropriation for the program.
- Adds a section related to the distribution of one-time regional education association merger grants.
- Adds a section related to the distribution of regional education association grants included in the integrated formula payments line.
- Amends the section related to the distribution of passthrough grants to increase funding for certain passthrough grants.

House Bill No. 1013 - State Library - Senate Action

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

Department No. 250 - State Library - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate 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	0.00

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

House Bill No. 1013 - School for the Deaf - Senate Action

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

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

	Adjusts Funding for Health Insurance Increases ¹	Restores 1 FTE Position ²	Increases Funding for Operating Expenses ³	Total Senate 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. 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 executive recommendation and House version removed 1 FTE position and related funding of \$120,000.

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

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

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

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

	Adjusts Funding for Health Insurance Increases ¹	Increases Funding for Operating Expenses ²	Total Senate 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. Section 2 of the bill is also adjusted to reflect this change.

² Funding for operating expenses is increased. The executive recommendation and House version did not include this increase.