

March 22, 2017

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1324

Page 1, line 1, after "to" insert "create and enact a new section to chapter 15.1-09.1 of the North Dakota Century Code, relating to audits of regional education associations; to"

Page 1, line 1, after "sections" insert "15.1-01-03, 15.1-09.1-10,"

Page 1, line 2, after "the" insert "powers and duties of the state board of public school education and the"

Page 1, line 2, after "districts" insert "and regional education associations; to provide statements of legislative intent; to provide for a legislative management study; and to provide an appropriation;"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Section 15.1-01-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-03. State board of public school education - Powers and duties.

1. The state board of public school education shall:
 - a. Assist county committees in carrying out their duties.
 - b. Provide county committees with clerical assistance, plans of procedure, standards, data, maps, forms, and other materials, information, and services.
 - c. Appoint members to the county committee, if the county superintendent does not fulfill this duty, as provided for in section 15.1-10-01.
2. The state board of public school education shall provide oversight for regional education associations as required by chapter 15.1-09.1.
3. The state board of public school education may adopt rules regarding school district reorganizations, annexations, and dissolutions in accordance with chapter 28-32.

SECTION 2. A new section to chapter 15.1-09.1 of the North Dakota Century Code is created and enacted as follows:

Regional education association - Audit.

To be eligible for state funding, a regional education association must be audited, at least annually, by a certified public accountant or a licensed public accountant. The audit must be presented to the state board of public school education. If any irregularities are noted, the state board of public school education may direct the superintendent of public instruction to withhold all payments to a regional education association until the board determines the irregularities have been addressed.

SECTION 3. AMENDMENT. Section 15.1-09.1-10 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09.1-10. State aid - Payable to a regional education association - Obligation of district.

1. The superintendent of public instruction shall forward the portion of a school district's state aid which is payable by the superintendent under subdivision I of subsection 1 of section 15.1-27-03.1 as a result of the district's participation in a regional education association directly to the association in which the district participates. The superintendent shall forward the amount payable under this subsection at the same time and in the same manner as provided for other state aid payments under section 15.1-27-01, unless otherwise directed in accordance with section 2 of this Act.
2. If the superintendent of public instruction determines that a school district failed to meet any contractual or statutory obligation imposed upon it as a result of the district's participation in a regional education association, the superintendent shall notify the state board of public school education and shall subtract the amount for which the district was not eligible from any future distribution of state aid to the district under section 15.1-27-01."

Page 7, remove the overstrike over line 29

Page 7, line 30, remove the overstrike over "~~percent of all revenues listed in paragraphs 6, 8, and 9 of~~"

Page 8, after line 3, insert:

"SECTION 6. LEGISLATIVE MANAGEMENT STUDY - SERVICES PROVIDED TO SCHOOLS. During the 2017-18 interim, the legislative management shall consider studying entities that deliver kindergarten through grade twelve professional development services, distance curriculum, support for schools in achieving school improvement goals, assistance with analysis and interpretation of student achievement data, and technology support services. The study must focus on the funding, governance, nature, scope, and quality of services provided to schools. The study also must focus on the duplication of services across entities and the accountability for expenditures. The study must identify efficiencies and the desirability and feasibility of consolidating services. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly.

SECTION 7. APPROPRIATION - SUPERINTENDENT OF PUBLIC INSTRUCTION - REGIONAL EDUCATION ASSOCIATION MERGER. There is appropriated out of any moneys in the foundation aid stabilization fund in the state treasury, not otherwise appropriated, the sum of \$160,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing up to \$40,000 for each regional education association that merges with another regional education association to form a single entity with a single governing board, for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 8. LEGISLATIVE INTENT - REGIONAL EDUCATION ASSOCIATIONS. It is the intent of the sixty-fifth legislative assembly that, during the 2017-19 biennium, regional education associations merge with other regional

education associations to form four regional education associations each representing a quadrant in the northeast, southeast, southwest, and northwest portions of the state.

SECTION 9. LEGISLATIVE INTENT - TRANSPORTATION GRANTS. It is the intent of the sixty-fifth legislative assembly that \$55,400,000 be included in the transportation grants line item in House Bill No. 1013."

Renumber accordingly