

CHAPTER 15.1-27 STATE AID

15.1-27-01. Payments to school districts - Distribution.

1. The superintendent of public instruction shall estimate the total state payments to which a school district is entitled each year.
2. The superintendent of public instruction shall pay each district ten percent of the amount determined under subsection 1, within the limits of legislative appropriation, on or before August first and September first of each year. The superintendent shall pay each school district twenty percent of that amount, within the limits of legislative appropriation, on or before October first of each year.
3. The superintendent of public instruction shall estimate the amount that, in addition to the payments already made, is necessary to constitute the remainder of the amount due each district for the current school year.
4. On or before November first, the superintendent of public instruction shall pay to each district, within the limits of legislative appropriation, an amount that, in addition to the above payments, constitutes sixty percent of the sum due under this chapter.
5. On or before the first day of December, January, February, March, and April, payments equal to twenty percent of the total remaining payments must be made to each district.
6. If funds appropriated for distribution to districts as state aid become available after April first, the superintendent of public instruction shall distribute the newly available payments on or before June thirtieth.

15.1-27-02. Per student payments - Required reports.

1. The superintendent of public instruction may not forward state aid payments to a school district beyond the October payment unless the district has filed the following with the superintendent:
 - a. The June thirtieth student membership and attendance report;
 - b. An annual school district financial report;
 - c. The September tenth fall enrollment report; and
 - d. The personnel report forms for licensed and nonlicensed employees.
2. On or before December fifteenth, each school district shall file with the superintendent of public instruction the taxable valuation and mill levy certifications. If a district fails to file the taxable valuation and mill levy certifications by the required date, the superintendent of public instruction may not forward to the district any state aid payments to which the district is entitled, until the taxable valuation and mill levy certifications are filed.

15.1-27-03. Cost of education - Determination.

1. The superintendent of public instruction shall determine the educational cost per student.
2. In determining the educational cost per student, the superintendent may not use:

- a. Capital outlay for buildings.
- b. Capital outlay for sites.
- c. Capital outlay for debt service.
- d. Expenditures for school activities.
- e. Expenditures for school lunch programs.
- f. Expenditures for transportation costs, including schoolbuses.

15.1-27-03.1. (Effective through June 30, 2011) Weighted average daily membership - Determination.

1. For each school district, the superintendent of public instruction shall multiply by:
 - a. 1.00 the number of full-time equivalent students enrolled in a migrant summer program;
 - b. 1.00 the number of full-time equivalent students enrolled in an extended educational program in accordance with section 15.1-32-17;
 - c. 0.60 the number of full-time equivalent students enrolled in a summer education program;
 - d. 0.50 the number of full-time equivalent students enrolled in a home-based education program and monitored by the school district under chapter 15.1-23;
 - e. 0.30 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be least proficient and are enrolled in a program of instruction for English language learners;
 - f. 0.25 the number of full-time equivalent students enrolled in an alternative high school;
 - g. 0.25 the number of full-time equivalent students enrolled in an isolated elementary school;
 - h. 0.25 the number of full-time equivalent students enrolled in an isolated high school;
 - i. 0.20 the number of full-time equivalent students attending school in a bordering state in accordance with section 15.1-29-01;
 - j. 0.20 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be not proficient and are enrolled in a program of instruction for English language learners;
 - k. 0.17 the number of full-time equivalent students enrolled in an early childhood special education program;
 - l. 0.07 the number of students enrolled in average daily membership, in order to support the provision of special education services;
 - m. 0.07 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are

- determined to be somewhat proficient and are enrolled in a program of instruction for English language learners;
- n. 0.004 the number of students enrolled in average daily membership in a school district that is a participating member of a regional education association meeting the requirements of chapter 15.1-09.1; and
 - o. 0.002 the number of students enrolled in average daily membership, in order to support technology.
2. The superintendent of public instruction shall determine each school district's weighted average daily membership by adding the products derived under subsection 1 to the district's average daily membership.

(Effective after June 30, 2011) Weighted average daily membership - Determination.

- 1. For each school district, the superintendent of public instruction shall multiply by:
 - a. 1.00 the number of full-time equivalent students enrolled in a migrant summer program;
 - b. 1.00 the number of full-time equivalent students enrolled in an extended educational program in accordance with section 15.1-32-17;
 - c. 0.60 the number of full-time equivalent students enrolled in a summer education program;
 - d. 0.50 the number of full-time equivalent students enrolled in a home-based education program and monitored by the school district under chapter 15.1-23;
 - e. 0.30 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be least proficient and are enrolled in a program of instruction for English language learners;
 - f. 0.25 the number of full-time equivalent students enrolled in an alternative high school;
 - g. 0.25 the number of full-time equivalent students enrolled in an isolated elementary school;
 - h. 0.25 the number of full-time equivalent students enrolled in an isolated high school;
 - i. 0.20 the number of full-time equivalent students attending school in a bordering state in accordance with section 15.1-29-01;
 - j. 0.20 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be not proficient and are enrolled in a program of instruction for English language learners;
 - k. 0.17 the number of full-time equivalent students enrolled in an early childhood special education program;
 - l. 0.07 the number of students enrolled in average daily membership, in order to support the provision of special education services;

- m. 0.07 the number of full-time equivalent students who on a test of English language proficiency approved by the superintendent of public instruction are determined to be somewhat proficient and are enrolled in a program of instruction for English language learners;
 - n. 0.025 the number of students representing that percentage of the total number of students in average daily membership which is equivalent to the three-year average percentage of students in grades three through eight who are eligible for free or reduced lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.];
 - o. 0.004 the number of students enrolled in average daily membership in a school district that is a participating member of a regional education association meeting the requirements of chapter 15.1-09.1; and
 - p. 0.002 the number of students enrolled in average daily membership, in order to support technology.
2. The superintendent of public instruction shall determine each school district's weighted average daily membership by adding the products derived under subsection 1 to the district's average daily membership.

15.1-27-03.2. School district size weighting factor - Weighted student units.

1. For each high school district in the state, the superintendent of public instruction shall assign a school district size weighting factor of:
- a. 1.25 if the students in average daily membership number fewer than 185;
 - b. 1.24 if the students in average daily membership number at least 185 but fewer than 200;
 - c. 1.23 if the students in average daily membership number at least 200 but fewer than 215;
 - d. 1.22 if the students in average daily membership number at least 215 but fewer than 230;
 - e. 1.21 if the students in average daily membership number at least 230 but fewer than 245;
 - f. 1.20 if the students in average daily membership number at least 245 but fewer than 260;
 - g. 1.19 if the students in average daily membership number at least 260 but fewer than 270;
 - h. 1.18 if the students in average daily membership number at least 270 but fewer than 275;
 - i. 1.17 if the students in average daily membership number at least 275 but fewer than 280;
 - j. 1.16 if the students in average daily membership number at least 280 but fewer than 285;
 - k. 1.15 if the students in average daily membership number at least 285 but fewer than 290;

- l. 1.14 if the students in average daily membership number at least 290 but fewer than 295;
 - m. 1.13 if the students in average daily membership number at least 295 but fewer than 300;
 - n. 1.12 if the students in average daily membership number at least 300 but fewer than 305;
 - o. 1.11 if the students in average daily membership number at least 305 but fewer than 310;
 - p. 1.10 if the students in average daily membership number at least 310 but fewer than 320;
 - q. 1.09 if the students in average daily membership number at least 320 but fewer than 335;
 - r. 1.08 if the students in average daily membership number at least 335 but fewer than 350;
 - s. 1.07 if the students in average daily membership number at least 350 but fewer than 360;
 - t. 1.06 if the students in average daily membership number at least 360 but fewer than 370;
 - u. 1.05 if the students in average daily membership number at least 370 but fewer than 380;
 - v. 1.04 if the students in average daily membership number at least 380 but fewer than 390;
 - w. 1.03 if the students in average daily membership number at least 390 but fewer than 400;
 - x. 1.02 if the students in average daily membership number at least 400 but fewer than 600;
 - y. 1.01 if the students in average daily membership number at least 600 but fewer than 900; and
 - z. 1.00 if the students in average daily membership number at least 900.
2. For each elementary district in the state, the superintendent of public instruction shall assign a weighting factor of:
- a. 1.25 if the students in average daily membership number fewer than 125;
 - b. 1.17 if the students in average daily membership number at least 125 but fewer than 200; and
 - c. 1.00 if the students in average daily membership number at least 200.
3. The school district size weighting factor determined under this section and multiplied by a school district's weighted average daily membership equals the district's weighted student units.

4. Notwithstanding the provisions of this section, the school district size weighting factor assigned to a district may not be less than the factor arrived at when the highest number of students possible in average daily membership is multiplied by the school district size weighting factor for the subdivision immediately preceding the district's actual subdivision and then divided by the district's average daily membership.

15.1-27-04. Per student payment rate.

1.
 - a. The per student payment rate to which each school district is entitled for the first year of the biennium is three thousand two hundred dollars.
 - b. The per student payment rate to which each school district is entitled for the second year of the biennium is three thousand seven hundred seventy-nine dollars.
2. In order to determine the state aid payment to which each district is entitled, the superintendent of public instruction shall multiply each district's weighted student units by the per student payment rate set forth in subsection 1.

15.1-27-05. School district equalization factor. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-06. Per student payments - Weighting factors - High school students.
Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-07. Per student payments - Weighting factors - Elementary school students. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-07.1. Kindergarten payments - Determination. Notwithstanding the provisions of section 15.1-27-35, the superintendent of public instruction shall determine the payments to which a school district is entitled for providing full-time kindergarten during the 2008-09 school year by using the district's 2008 kindergarten fall enrollment count.

15.1-27-07.2. Baseline funding - Determination - Minimum and maximum allowable increases.

1. The superintendent of public instruction shall determine each school district's baseline funding per weighted student unit by:
 - a. Adding together all state aid received by the district during the 2006-07 school year;
 - b. Subtracting the amount received by the district during the 2006-07 school year for transportation aid, special education excess cost reimbursements, special education contracts, prior year funding adjustments, and per student payments for participation in educational associations governed by joint powers agreements; and
 - c. Dividing the amount determined under subdivision b by the district's 2007-08 weighted student units.
2.
 - a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for the 2009-10 school year, is at least equal to one hundred eight percent of the baseline funding per weighted student unit, as established in subsection 1.
 - b. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for each school year after the 2009-10 school year, is at least equal to one hundred twelve and

one-half percent of the baseline funding per weighted student unit, as established in subsection 1.

3. a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed, for the 2009-10 school year, one hundred twenty percent of the baseline funding per weighted student unit, as established in subsection 1.
- b. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed, for each school year after the 2009-10 school year, one hundred thirty-four percent of the baseline funding per weighted student unit, as established in subsection 1.

15.1-27-08. Per student payments - Unaccredited high schools.

1. If a high school becomes unaccredited, the superintendent of public instruction shall determine the per student payment to which the school district is entitled during the first year in which the high school is unaccredited by:
 - a. Applying the school district size weighting factor assigned under section 15.1-27-03.2 to all students in average daily membership in any public school in the district other than the unaccredited high school; and
 - b. Applying a weighting factor of 1.00 to all students in average daily membership in the unaccredited high school.
2. If the high school remains unaccredited for a second year, the superintendent of public instruction shall determine the per student payment to which the school district is entitled by:
 - a. Applying the school district size weighting factor assigned under section 15.1-27-03.2 to all students in average daily membership in any public school in the district other than the unaccredited high school;
 - b. Applying a weighting factor of 1.00 to all students in average daily membership in the unaccredited high school; and
 - c. Reducing any payment to which the school district is entitled for each student in average daily membership in the unaccredited high school by two hundred dollars.
3. If the high school remains unaccredited for a third year, and each year thereafter, the superintendent of public instruction shall determine the per student payment to which the school district is entitled as provided in subsection 2, and the superintendent shall reduce the payment for each student as provided in subdivision c of subsection 2 by two hundred dollars each year.
4. If the high school regains its accreditation, the school district is entitled to the per student payments provided for accredited schools for the entire school year in which the school becomes accredited.

15.1-27-09. Per student payments - Unaccredited elementary schools.

1. If an elementary school becomes unaccredited, the superintendent of public instruction may not reduce the per student payment to which the school district is entitled during the first year in which the school is unaccredited.
2. If an elementary school remains unaccredited for a second year, the superintendent of public instruction shall reduce the per student payment to which the school district is entitled for each student in average daily membership in the unaccredited elementary school by two hundred dollars.
3. If the elementary school remains unaccredited for a third year, and each year thereafter, the superintendent of public instruction shall reduce the payment for each student as provided in subsection 2 by two hundred dollars each year.
4. If the elementary school regains its accreditation, the school district is entitled to the per student payments provided for accredited schools for the entire school year in which the school becomes accredited.

15.1-27-10. Per student payments - Special education.

1. Upon the written request of a school district, the superintendent of public instruction may forward all or a portion of any per student special education payments to which a school district is entitled directly to the special education unit of which the school district is a member.
2. The superintendent of public instruction may withhold state special education funds due a school district if, in response to a complaint, the superintendent finds that the district is not providing a free appropriate public education to a student as required by law. Any withholding under this subsection may not exceed an amount equal to the cost of meeting the affected student's needs.

15.1-27-11. Equity payments.

1. The superintendent of public instruction shall:
 - a. Divide the imputed taxable valuation of the state by the total average daily membership of all school districts in the state in order to determine the state average imputed taxable valuation per student.
 - b. Divide the imputed taxable valuation of each school district by the district's total average daily membership in order to determine each district's average imputed taxable valuation per student.
2. If a school district's imputed taxable valuation per student is less than ninety percent of the statewide imputed taxable valuation per student, the superintendent of public instruction shall calculate the valuation deficiency by:
 - a. Determining the difference between ninety percent of the state average imputed taxable valuation per student and the district's average imputed taxable valuation per student; and
 - b. Multiplying that difference by the district's total average daily membership.
3. Except as provided in subsection 4, the equity payment to which a district is entitled under this section equals the district's valuation deficiency multiplied by the lesser of:
 - a. The district's general fund levy for the taxable year 2008; or
 - b. One hundred eighty-five mills.

4.
 - a. The equity payment to which a district is entitled may not exceed the district's taxable valuation multiplied by its general fund levy for the taxable year 2008.
 - b. If a district's general fund levy for the taxable year 2008 is less than one hundred eighty-five mills, the superintendent of public instruction shall subtract the district's general fund levy for the taxable year 2008 from one hundred eighty-five mills, multiply the result by the district's taxable valuation, and subtract that result from the equity payment to which the district is otherwise entitled.
 - c. If a district's imputed taxable valuation per student is less than fifty percent of the statewide imputed taxable valuation per student, the payment to which the district is entitled under this section may not be less than twenty percent of the statewide imputed taxable valuation per student times the school district's average daily membership, multiplied by one hundred eighty-five mills.
5. In determining the amount to which a school district is entitled under this section, the superintendent of public instruction may not include any payments received by the district as a result of Public Law No. 81-874 [64 Stat. 1100; 20 U.S.C. 236 et seq.] and may not include in the district's average daily membership students who are dependents of members of the armed forces and students who are dependents of civilian employees of the department of defense.
6. For purposes of this section:
 - a. "General fund levy" includes a district's high school transportation levy and its high school tuition levy.
 - b. "Imputed taxable valuation" means the valuation of all taxable real property in the district plus:
 - (1) An amount determined by dividing seventy percent of the district's mineral and tuition revenue, revenue from payments in lieu of property taxes on distribution and transmission of electric power, revenue from payments in lieu of taxes from electricity generated from sources other than coal, and revenue received on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3 by the district's general fund mill levy; and
 - (2) An amount determined by dividing the district's revenue from mobile home taxes and telecommunications taxes by the district's general fund mill levy.
 - c. "Mineral revenue" includes all revenue from county sources reported under code 2000 of the North Dakota school district financial accounting and reporting manual as developed by the superintendent of public instruction in accordance with section 15.1-02-08.
 - d. "Tuition revenue" includes all revenue reported under code 1300 of the North Dakota school district financial accounting and reporting manual as developed by the superintendent of public instruction in accordance with section 15.1-02-08. "Tuition revenue" does not include tuition income received specifically for the operation of an educational program provided at a residential treatment facility.

15.1-27-12. Per student payments - English language learners. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-13. Per student payments - Students on active duty. A school district is entitled to receive payments under this chapter for a student who is absent up to one semester because the student is a member of the North Dakota national guard and is engaged in active duty or training within or outside the state.

15.1-27-14. Per student payments - Students attending school out of state.
Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-15. Isolated schools.

1. a. An elementary school is isolated if it has fewer than fifty students in average daily membership and if fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.14-kilometer] radius from their residences in order to attend another school.
- b. For purposes of determining state aid, an elementary school that is isolated is presumed to have at least fifteen students in average daily membership.
2. a. A high school is isolated if it has fewer than thirty-five students in average daily membership and if fifteen percent or more of its students would have to travel beyond a fifteen-mile [24.14-kilometer] radius from their residences in order to attend another school.
- b. For purposes of determining state aid, a high school that is isolated is presumed to have at least twenty students in average daily membership.

15.1-27-16. Per student payments - Cooperating districts. If any school district receiving payments under this chapter cooperates with another school district for the joint provision of educational services under a plan approved by the superintendent of public instruction, the superintendent of public instruction shall, notwithstanding the provisions of section 15.1-27-03.2, create and assign a separate weighting factor that allows the cooperating districts to receive, for a period of four years, a payment rate equivalent to that which each district would have received had the cooperative plan not taken effect. The superintendent of public instruction shall compute the separate weighting factor to four decimal places and that weighting factor is effective for the duration of the cooperative plan.

15.1-27-17. Per student payments - Reorganization of school districts - Separate weighting factor.

1. Notwithstanding the provisions of section 15.1-27-03.2, the superintendent of public instruction shall create and assign a separate weighting factor to:
 - a. Any school district that reorganized on or before June 30, 2007, and which was receiving per student payments in accordance with section 15.1-27-17, as that section existed on June 30, 2007; and
 - b. Any school district that reorganizes on or after July 1, 2007.
2. a. The separate weighting factor must allow the reorganized school district to receive a payment rate equivalent to that which each separate school district would have received had the reorganization not taken place.
- b. The separate weighting factor must be computed to four decimal places.
- c. The provisions of this subsection are effective for a period of four years from the date of the reorganization.
3. At the beginning of the fifth and at the beginning of the sixth years after the date of the reorganization, the superintendent of public instruction shall make proportionate

adjustments in the assigned weighting factor so that beginning with the seventh year after the date of the reorganization, the weighting factor that will be applied to the reorganized district is that provided in section 15.1-27-03.2.

15.1-27-18. Per student payments - Eligibility.

1. In order to be counted for the purpose of calculating per student payments, as provided for by this chapter, a high school student must be enrolled in at least four high school units. The units may include career and technical education courses offered in accordance with chapter 15-20.1 and courses that are approved by the superintendent of public instruction and offered by another high school district.
2. If a student is enrolled for graduation in a nonpublic school or if a student is taking fewer than four high school units and is enrolled in an approved alternative high school education program, the school district in which the student is enrolled is entitled to receive proportionate payments.

15.1-27-19. Summer school courses and programs - Payments to school districts.

1. Before a weight may be assigned under section 15.1-27-03.1 for a student enrolled in a high school summer course, the superintendent of public instruction shall verify that the course meets the requirements of section 15.1-21-16.
2. Before a weight may be assigned under section 15.1-27-03.1 for a student enrolled in an elementary summer program, the superintendent of public instruction shall verify that the program meets the requirements of section 15.1-21-16 and complies with rules adopted by the superintendent of public instruction.

15.1-27-20. State aid payments - Claim by school district - Appeal.

1. Any school district claiming state aid payments under this chapter shall provide to the superintendent of public instruction, at the time and in the manner requested by the superintendent, all information necessary for the processing of the claim.
2. If the superintendent of public instruction denies a district's claim for state aid payments, in whole or in part, the district may appeal the determination of the superintendent by filing a written notice with the superintendent, within thirty days from the date on which the district received the original determination. The superintendent of public instruction may modify the original determination if the evidence submitted by the district justifies a modification. Upon appeal, or if a timely appeal is not made, the determination of the superintendent is final.

15.1-27-20.1. General fund levy - Impact on state aid. Repealed by S.L. 2009, ch. 535, § 8 and ch. 175, § 64.

15.1-27-20.2. Taxable valuation - Impact on state aid.

1. If a school district's imputed taxable valuation per student is greater than one hundred fifty percent of the state average imputed taxable valuation per student, the superintendent of public instruction shall:
 - a. Determine the difference between the district's imputed taxable valuation per student and one hundred fifty percent of the state average imputed taxable valuation per student;
 - b. Multiply the dollar amount determined under subdivision a by the district's average daily membership;

- c. Multiply the dollar amount determined under subdivision b by one hundred eighty-five mills;
 - d. Multiply the dollar amount determined under subdivision c by a factor of 0.75; and
 - e. Subtract the dollar amount determined under subdivision d from the total amount of state aid to which the district is otherwise entitled.
2. For purposes of this section, "imputed taxable valuation" means the valuation of all taxable real property in the district plus an amount determined by dividing the district's mineral and tuition revenue by sixty percent of the district's general fund mill levy. Beginning July 1, 2008, "imputed taxable valuation" means the valuation of all taxable real property in the district plus an amount determined by dividing seventy percent of the district's mineral and tuition revenue by the district's general fund mill levy.

15.1-27-21. Payment to school district - Property valuation changes. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-22. Insufficient moneys - Fractional payments. If moneys in the state general fund are insufficient to make all payments to school districts, the superintendent of public instruction shall prorate the payments on a fractional basis. As additional moneys come into the fund, payments may be made until the school districts receive all moneys to which they are entitled. If an appropriation made by the legislative assembly is inadequate to meet all claims against the appropriation and is therefore the cause of the insufficiency, the prorated fractional payments made under this section constitute payment in full.

15.1-27-23. Weather or other emergency conditions - Closure of schools - State payments to school districts. If because of severe weather or other emergency conditions a school or school district remains closed or provides less than a full day of instruction, the school or school district shall make every effort to reschedule classes so that students receive at least one hundred seventy-three full days of instruction. Any school or school district for which the rescheduling of classes would create undue hardship may request that, for purposes of calculating state payments to the school or school district, the governor waive the rescheduling in whole or in part. The governor may not grant a waiver for less than a full day of instruction.

15.1-27-24. Taylor Grazing Act funds - Disposition. The state treasurer shall apportion payments from the federal government to this state under the provisions of 43 United States Code 315i (the Taylor Grazing Act) among the counties in the state in the proportion that the number of acres [hectares] of Taylor Grazing Act land in each county bears to the total amount of Taylor Grazing Act land in the state. The state treasurer shall calculate each county's apportioned payment and provide the payment to the county treasurer of each county receiving payments. Each county treasurer receiving payments shall distribute the funds to school districts in that county on the basis of average daily membership of all students residing within the county.

15.1-27-25. Royalties available under federal law - Distribution to counties and school districts - Continuing appropriation.

1. Any money paid to the state by the secretary of the treasury of the United States under the provisions of an Act of Congress entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" [Pub. L. 66-146; 41 Stat. 437; 30 U.S.C. 181 et seq.] must be credited to the state general fund and must be distributed only pursuant to the terms of this section.
2. Within three months following the calendar quarters ending in March, June, September, and December, the state auditor shall certify to the state treasurer the amount of money the state received during the preceding calendar quarter for royalties under the Act of Congress cited in subsection 1.

3. The state treasurer shall allocate the percentage of the total moneys received as required by this section among the counties in which the minerals were produced based on the proportion each county's mineral royalty revenue bears to the total mineral royalty revenue received by the state for that calendar quarter. The state treasurer shall pay the amount calculated to each county.
4. The counties may use any money received under this section only for the planning, construction, and maintenance of public facilities and the provision of public services. As used in this section, public facilities include any facility used primarily for public use as determined by the board of county commissioners whether located on public or private property.
5. The percentage of money received by the state under the Act of Congress cited in subsection 1 which must be allocated and paid to the counties under this section is ten percent for collections in 2000, twenty percent for collections in 2001, thirty percent for collections in 2002, forty percent for collections in 2003, and fifty percent for collections in 2004 and thereafter.
6. Any remaining money received by the state under the Act of Congress cited in subsection 1 must be distributed to school districts as provided for in this chapter. Any moneys distributed under this subsection are deemed the first moneys withdrawn or expended from the general fund for the purpose of state aid to school districts.
7. The funds needed to make the distribution to counties, as provided for in this section, are hereby appropriated on a continuing basis.

15.1-27-26. School district transportation of students - Payments. Repealed by S.L. 2003, Sp., ch. 667, § 41.

15.1-27-27. School district transportation of special education students - Payments. Repealed by S.L. 2003, Sp., ch. 667, § 41.

15.1-27-28. School district transportation of career and technical education students - Payments. Repealed by S.L. 2003, Sp., ch. 667, § 41.

15.1-27-29. Transportation payments - Certification of information. Repealed by S.L. 2003, Sp., ch. 667, § 41.

15.1-27-30. School district closure - Distribution of transportation payments. Repealed by S.L. 2003, Sp., ch. 667, § 41.

15.1-27-31. State transportation payments to school districts. Repealed by S.L. 2003, Sp., ch. 667, § 41.

15.1-27-32. School district closure - Distribution of per student special education payments. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-33. Nonoperating school districts - Education of students - State payments. Repealed by S.L. 2005, ch. 172, § 1.

15.1-27-34. Transfer of funds prohibited - Youth correctional center. The superintendent of public instruction may not transfer any portion of the funds appropriated for state aid payments to the youth correctional center to support the provision of educational services by the youth correctional center.

15.1-27-35. Average daily membership - Calculation.

1. a. During the 2009-10 school year, average daily membership is calculated at the conclusion of the school year by adding the total number of days that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of days that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by the greater of:
 - (1) The school district's calendar; or
 - (2) One hundred eighty.
 - b. During the 2010-11 school year, average daily membership is calculated at the conclusion of the school year by adding the total number of days that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of days that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by the greater of:
 - (1) The school district's calendar; or
 - (2) One hundred eighty-one.
 - c. Beginning with the 2011-12 school year, average daily membership is calculated at the conclusion of the school year by adding the total number of days that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of days that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by the greater of:
 - (1) The school district's calendar; or
 - (2) One hundred eighty-two.
2. For purposes of calculating average daily membership, all students are deemed to be in attendance on:
 - a. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;
 - b. The two days set aside for professional development activities under section 15.1-06-04; and
 - c. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours.
 3. For purposes of calculating average daily membership:
 - a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
 - c. A student enrolled full time, as defined by the superintendent of public instruction, in an approved early childhood special education program may not

exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

15.1-27-35.1. Average daily membership - Reduction in grade levels. If a school district offers fewer grade levels than the district offered the previous school year, the superintendent of public instruction shall determine the district's average daily membership using only those grade levels that the district offers during the current school year.

15.1-27-35.2. Average daily membership - Dissolved school districts. For purposes of determining state aid, the superintendent of public instruction shall amend the average daily membership of any school district that enrolls students who attended a dissolved school district during the school year prior to the dissolution.

15.1-27-35.3. (Effective through June 30, 2011) Payments to school districts - Unobligated general fund balance - Report to legislative council.

1. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1, 2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars.
2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that:
 - a. (1) Were received by the district during the school year ending June 30, 2009, on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3; and
 - (2) Exceeded the amount received by the district during the school year ending June 30, 2008, for the purpose stated in paragraph 1;
 - b. Were received directly by the district from the United States government in accordance with the American Recovery and Reinvestment Act of 2009; or
 - c. Were received by the district as supplemental one-time grants under section 52 of S.L. 2009, ch. 175.
3. Any district having more than fifty thousand dollars excluded in the determination of its ending fund balance, as required by subsection 2, shall provide a report to the legislative council. The report, which must be presented at the time and in the manner directed by the legislative council, must address how the money was expended, including the number of mills by which the district was able to decrease its property taxes, if such was a permitted use.

(Effective after June 30, 2011) Payments to school districts - Unobligated general fund balance. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1, 2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding

June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars.

15.1-27-36. Definitions. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-38. Compensation of teachers - Distribution of reimbursements. Repealed by S.L. 2007, ch. 163, § 58.

15.1-27-39. Annual salary - Minimum amount.

1. Beginning with the 2005-06 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty-two thousand dollars.
2. Beginning with the 2006-07 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a minimum salary level for the contract period equal to at least twenty-two thousand five hundred dollars.

15.1-27-40. Approved joint powers agreement - Report of expenses. Repealed by S.L. 2007, ch. 162, § 18.

15.1-27-41. (Repealed effective December 31, 2010) North Dakota commission on education improvement - Membership - Duties - Report to legislative council - Reimbursement for expenses.

1. The North Dakota commission on education improvement consists of:
 - a. (1) The governor or an individual designated by the governor, who shall serve as the chairman;
 - (2) One individual, appointed by the chairman of the legislative management from a list of three nominees submitted by the North Dakota council of educational leaders, provided each nominee is employed as the superintendent of a high school district having more than one thousand students in average daily membership and has not served on the commission for more than one interim;
 - (3) One individual, appointed by the chairman of the legislative management from a list of three nominees submitted by the North Dakota council of educational leaders, provided each nominee is employed as the superintendent of a high school district having more than two hundred twenty but fewer than one thousand students in average daily membership and has not served on the commission for more than one interim;
 - (4) One individual, appointed by the chairman of the legislative management from a list of three nominees submitted by the North Dakota council of educational leaders, provided each nominee is employed as the superintendent of a high school district having fewer than two hundred twenty students in average daily membership and has not served on the commission for more than one interim;
 - (5) The chairman of the senate education committee or the chairman's designee;

- (6) The chairman of the house education committee or the chairman's designee;
 - (7) The senate minority leader or the leader's designee;
 - (8) One legislator appointed by the chairman of the legislative management;
 - (9) The superintendent of public instruction or an assistant superintendent designated by the superintendent of public instruction; and
 - (10) The director of the department of career and technical education or the director's designee; and
- b. The following nonvoting members:
- (1) One individual representing the North Dakota council of educational leaders;
 - (2) One individual representing the North Dakota education association;
 - (3) One individual representing the North Dakota school boards association;
 - (4) One individual who is or has served as the president of a private four-year institution of higher education, appointed by the chairman of the legislative management;
 - (5) One individual who is the owner or manager of a business located in this state, appointed by the chairman of the legislative management from a list of three nominees submitted by the North Dakota chamber of commerce; and
 - (6) The commissioner of higher education or the commissioner's designee.
2. The commission shall establish its own duties and rules of operation and procedure, including rules relating to appointments, terms of office, vacancies, quorums, and meetings, provided that the duties and the rules do not conflict with any provisions of this section.
3. a. The members of the commission are entitled to reimbursement for actual and necessary expenses incurred in the same manner as state officials.
- b. In addition, members of the legislative assembly who serve on the commission and the individual who is the owner or manager of a business located in this state are entitled to receive compensation in the amount of one hundred thirty-five dollars per day if they are attending meetings or performing duties directed by the commission. The superintendent of public instruction shall use up to forty thousand dollars from moneys appropriated in the grants - state school aid line item in the appropriation bill for the superintendent of public instruction, as approved by the legislative assembly, to provide the compensation and reimbursements.
4. The commission shall:
- a. Examine the current system of delivering and financing public elementary and secondary education and shall develop recommendations addressing educational adequacy, the equitable distribution of state education funds, the allocation of funding responsibility between federal, state, and local sources, and any other matters that could result in the improvement of elementary and secondary education in the state;

- b. Examine the state's high school graduation requirements, curricular standards, and assessments to ensure that students have the academic skills necessary to move seamlessly and without remediation from high schools to institutions of higher education or to meet the performance levels expected by employers;
 - c. Examine the measures enacted by the most recent legislative assembly to improve student performance, confirm their full implementation, and recommend future measures for continued improvement; and
 - d. Examine the measures enacted by the most recent legislative assembly to improve the quality of instruction, confirm their full implementation, and recommend future measures for continued improvement.
5. The commission shall provide periodic reports to the governor and to the legislative council.

15.1-27-42. Military installation school districts - Eligibility for state aid and equity payments. If at any time the board of a United States military installation school district assumes responsibility for the direct provision of education to its students, the superintendent of public instruction shall include all students being educated by the board in the district's average daily membership, both for purposes of determining any state aid to which the district is entitled and for purposes of determining any equity payments to which the district is entitled under section 15.1-27-11.

15.1-27-43. Reorganized district - Continuation of equity payment. If a school district that received an equity payment under section 15.1-27-11 becomes part of a reorganized district after June 30, 2010, the newly reorganized district is entitled to receive, for a period of two years, an amount equal to the greater of:

1. The equity payment received by each of the school districts during the school year immediately preceding the reorganization; or
2. The equity payment to which the newly reorganized school district is entitled under section 15.1-27-11.

15.1-27-44. Dissolved district - Continuation of equity payment. If a school district that received an equity payment under section 15.1-27-11 dissolves after June 30, 2009, any school district that receives a portion of the dissolved district's land is entitled to receive, for a period of two years, an amount equal to the greatest of:

1. That percentage of the dissolved school district's equity payment from the school year immediately preceding the dissolution which is the same as that percentage of the dissolved district's land which was attached to the receiving district;
2. The same equity payment to which the receiving school district was entitled in the school year immediately preceding the dissolution; or
3. The equity payment to which the receiving school district is entitled under section 15.1-27-11.