

EDUCATION

CHAPTER 129

HOUSE BILL NO. 1103

(Appropriations Committee)

(At the request of the Board of University and School Lands)

LAND BOARD EXPENSES CONTINUING APPROPRIATION

AN ACT to create and enact a new section to chapter 15-04, a new section to chapter 15-05, and a new section to chapter 15-07 of the North Dakota Century Code, relating to authority for payment of expenses by the board of university and school lands; to amend and reenact sections 15-03-01.2, 15-03-16, 15-04-23, 15-06-22, 15-08-04, and 47-30.1-23 of the North Dakota Century Code, relating to authority for the payment of expenses by the board of university and school lands; to repeal section 15-03-01.3 of the North Dakota Century Code, relating to apportionment of board of university and school lands maintenance fund balances; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-03-01.2 of the North Dakota Century Code is amended and reenacted as follows:

15-03-01.2. Payment of salaries and expenses from maintenance fund - Vouchers and warrants. All administrative salaries and operating expenses of the office of the commissioner of university and school lands must be paid from ~~said~~ the state lands maintenance fund upon itemized vouchers in duplicate, approved by the commissioner, setting forth the accounts covered ~~thereby, duly itemized~~, one copy to be retained in the commissioner's office and the other to be filed with the office of management and budget, and warrants for the payment ~~thereof~~ drawn by ~~said~~ the office of management and budget upon ~~said~~ the fund.

SECTION 2. AMENDMENT. Section 15-03-16 of the North Dakota Century Code is amended and reenacted as follows:

15-03-16. ~~Appropriation~~ Continuing appropriation for investments. There is ~~hereby~~ appropriated annually the sum amounts necessary ~~for the payment of fees for to pay costs related to~~ investments controlled by the board of university and school lands, including investment management fees, trustee fees, consulting fees, ~~appraisal fees, and~~ custodial fees, and the cost of capitalized building repairs and renovations as approved by the board. Each payment must be made from the trust fund for which the investment is made. ~~For the purpose of this section, the term investments includes all unclaimed property held in trust, financial securities, surface lands, and minerals for which the board is responsible.~~

SECTION 3. A new section to chapter 15-04 of the North Dakota Century Code is created and enacted as follows:

Appropriation for land expenses - Continuing appropriation. There is appropriated annually the amounts necessary to pay expenses for trust lands controlled by the board of university and school lands, including appraisal fees, survey costs, surface lease refunds, weed and insect control costs, clean-up costs, capital improvement rent credits, rural fire district reimbursements for fire protection, land rental or land value survey costs, and expenses determined by the board as necessary to manage, preserve, and enhance the value of the trust asset. Each payment must be made from the trust fund for which the land is held.

SECTION 4. AMENDMENT. Section 15-04-23 of the North Dakota Century Code is amended and reenacted as follows:

15-04-23. County services benefiting school trust lands - Payment - Continuing appropriation. On or before March first of each year, the board of university and school lands shall pay a fee to the board of county commissioners of each county in which the state retains original grant lands. The board of county commissioners shall forward a prorated portion of any fee received under this section to the organized townships in which the original grant lands are located for use in the repair, maintenance, and construction of roads and bridges and shall use the remainder of the fee for the repair, maintenance, and construction of roads and bridges in unorganized townships in which original grant lands are located. The total fees paid under this section may not exceed five percent of the net revenue generated from the original grant lands in that county during the year preceding the payment. For purposes of this section, net revenue means the gross revenue from surface management, less any administrative and operating expenses, but does not include any moneys that must be deposited in a permanent trust fund. There is appropriated annually the amounts necessary to pay all fees under this section. Each payment must be made from the trust fund for which the land is held.

SECTION 5. A new section to chapter 15-05 of the North Dakota Century Code is created and enacted as follows:

Appropriation for lease expenses - Continuing appropriation. There is appropriated annually the amounts necessary to pay expenses for minerals controlled by the board of university and school lands, including appraisal fees, consulting fees, refunds, and expenses determined by the board as necessary to manage, preserve, and enhance the value of the trust asset. Each payment must be made from the trust fund for which the land is held.

SECTION 6. AMENDMENT. Section 15-06-22 of the North Dakota Century Code is amended and reenacted as follows:

15-06-22. Offer to purchase original grant land - Appraisal - Continuing appropriation. When an offer to purchase any particular tract of original grant land has been made to the board of university and school lands, the commissioner shall request the county board of appraisers to appraise such tract. Upon receipt of such request by the county auditor, ~~he~~ the auditor shall immediately notify the members of the county board of appraisers, who shall, within ten days, proceed to view and appraise such tract. There is appropriated annually the amounts necessary to pay all expenses under this section. Each payment must be made from the trust fund for which the land is held.

SECTION 7. A new section to chapter 15-07 of the North Dakota Century Code is created and enacted as follows:

Appropriation for expenses - Continuing appropriation. There is appropriated annually the amounts necessary to pay expenses for trust land controlled by the board of university and school lands, including appraisal fees, survey costs, clean-up or demolition costs, weed and insect control costs, rural fire district reimbursements for fire protection, and expenses determined by the board as necessary to manage, preserve, and enhance the value of the trust asset. Each payment must be made from the trust fund for which the land is held.

SECTION 8. AMENDMENT. Section 15-08-04 of the North Dakota Century Code is amended and reenacted as follows:

15-08-04. Surveys to be made when necessary - Continuing appropriation for expenses. If it appears necessary in order to ascertain the true boundaries of any tract of land or to enable the commissioner of university and school lands to describe or dispose of the same in suitable and convenient lots, the board of university and school lands may order all necessary surveys to be made, and the expenses thereof must be paid out of the state treasury as other incidental expenses of the board are paid. There is appropriated annually the amounts necessary to pay all expenses under this section. Each payment must be made from the trust fund for which the land is held.

SECTION 9. AMENDMENT. Section 47-30.1-23 of the North Dakota Century Code is amended and reenacted as follows:

47-30.1-23. Deposit of funds - Continuing appropriation.

1. Except as otherwise provided by this section, the administrator shall promptly deposit in the state treasury to the credit of the common schools trust fund all funds received under this chapter, including the proceeds from the sale of abandoned property under section 47-30.1-22. ~~The administrator shall retain in a separate trust fund an amount not less than one hundred thousand dollars from which prompt payment of claims duly allowed must be made.~~
2. ~~Before making any deposit to the credit of the common schools trust fund, the administrator may deduct:~~ There is appropriated annually the amounts necessary to pay all expense deductions under this section, including:
 - a. Any costs in connection with the sale of abandoned property;
 - b. Costs of mailing and, publication, and outreach efforts in connection with any abandoned property;
 - c. Reasonable service charges; ~~and~~
 - d. Costs incurred in examining records of holders of property and in collecting the property from those holders;
 - e. Funds for the payment of claims; and
 - f. Funds for the payment of holder refunds.

SECTION 10. REPEAL. Section 15-03-01.3 of the North Dakota Century Code is repealed.

Approved April 14, 2003

Filed April 14, 2003

CHAPTER 130**SENATE BILL NO. 2094**

(Industry, Business and Labor Committee)

(At the request of the Board of University and School Lands)

**BOARD OF UNIVERSITY AND SCHOOL LANDS
SECURITIES**

AN ACT to amend and reenact section 15-03-04 of the North Dakota Century Code, relating to authority to pledge securities for securities lending transactions by the board of university and school lands.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-03-04 of the North Dakota Century Code is amended and reenacted as follows:

15-03-04. Legal investments. Subject to the provisions of section 15-03-05, the board of university and school lands shall apply the prudent investor rule in investing the permanent funds under its control. The "prudent investor rule" means that in making investments the board shall exercise the same judgment and care, under the circumstances then prevailing and limitations of North Dakota and federal law, that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation but in regard to the permanent disposition of funds, considering probable safety of capital as well as probable income. Notwithstanding any investments made before July 1, 1997, the board may not use any funds entrusted to it to purchase, as sole owner, commercial or residential real property in North Dakota without prior approval of the legislative assembly or the budget section of the legislative council. The board may also lend securities held by the permanent funds, including the authority to pledge a security interest in the securities in the possession of a custodian agent. These securities must be collateralized as directed by the board.

Approved March 14, 2003

Filed March 17, 2003

CHAPTER 131

HOUSE BILL NO. 1127

(Education Committee)

(At the request of the State Board of Higher Education)

TECHNOLOGY OCCUPATIONS STUDENT LOAN PROGRAM ELIGIBILITY

AN ACT to amend and reenact subsection 2 of section 15-10-37 of the North Dakota Century Code, relating to eligibility for the technology occupations student loan program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 15-10-37 of the North Dakota Century Code is amended and reenacted as follows:

2. Students of board-approved colleges may apply for the technology occupations student loan program. To be eligible to receive student loan grants under the program, the applicant:
 - a. Must have graduated from a board-approved college;
 - b. Must have successfully completed the board-approved technology-related courses;
 - c. Must have maintained at least a 3.0 grade point average, based on a 4.0 grading system, at a board-approved college;
 - d. Must have actively participated in a board-approved technology internship with a business in the state;
 - e. Must have a student loan with the Bank of North Dakota or other participating lender;
 - f. Following graduation must be employed in the state in a board-approved technology occupation; and
 - g. Must have met and shall continue to meet any requirements established by rule.

Approved March 13, 2003

Filed March 13, 2003

CHAPTER 132**HOUSE BILL NO. 1124**

(Education Committee)

(At the request of the State Board of Higher Education)

HIGHER EDUCATION ROOM AND MEAL FEES

AN ACT to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to higher education institution room and meal fees; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Fees - Room and meals - Authorization. An institution of higher education may charge a fee for room and meals when provided by the institution in connection with summer programs at the institution for which high school credit is awarded. If a student or the student's parent or guardian is unable to pay the fee for room and meals, the institution shall waive the fee.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 13, 2003

Filed March 13, 2003

CHAPTER 133**HOUSE BILL NO. 1378**

(Representatives Monson, D. Johnson, Maragos, Nelson, Svedjan)
(Senator Trenbeath)

WIND ENERGY HYDROGEN PRODUCTION STUDY

AN ACT to provide for a study of the generation of electricity from the state's wind resource to produce hydrogen for fuel.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Study of hydrogen production. The state board of higher education shall urge an institution under the board's jurisdiction to conduct a study of the feasibility and desirability of generating electricity from the state's wind energy resource for the purpose of producing hydrogen for fuel.

Approved March 26, 2003

Filed March 26, 2003

CHAPTER 134

SENATE BILL NO. 2383

(Senators Traynor, Nething)

RAMSEY COUNTY LAND CONVEYANCE

AN ACT to authorize the state board of higher education to convey certain land in Ramsey County, North Dakota, to the city of Devils Lake.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. TRANSFER OF LAND AUTHORIZED.

1. The state board of higher education for the benefit of lake region state college, formerly known as university of North Dakota - lake region and formerly known as lake region community college, may convey the land described in this subsection to the city of Devils Lake, North Dakota, for the price and on the terms as determined by the state board of higher education. The land to be conveyed is described as follows:

A parcel of land situated in the E1/2 of the W1/2 of Section 27, Township 154 North, Range 64 West of the 5th principal meridian, Ramsey County, North Dakota, being more particularly described as follows: All that portion of said section 27 lying west of the east line of the W1/2 of said Section 27 and east of the easterly right of way line of the Burlington Northern Railroad. Said parcel is approximately 8 feet in width and 2,900 feet in length. Said parcel contains 26,303 square feet, more or less.

2. The provisions of sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this Act.

Approved March 21, 2003

Filed March 21, 2003

CHAPTER 135**HOUSE BILL NO. 1393**

(Representative Svedjan)
(Senator Holmberg)

RALPH ENGELSTAD ARENA

AN ACT to create and enact a new section to chapter 15-11 of the North Dakota Century Code, relating to the naming of the Ralph Engelstad arena.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15-11 of the North Dakota Century Code is created and enacted as follows:

Ralph Engelstad arena. The hockey arena constructed on the campus of the university of North Dakota with funds donated by Ralph and Betty Engelstad is officially named the Ralph Engelstad arena.

Approved March 15, 2003
Filed March 17, 2003

CHAPTER 136

SENATE BILL NO. 2334

(Senators Bowman, O'Connell, Stenehjem)
(Representatives Berg, Boucher)

BEEF SYSTEMS CENTER OF EXCELLENCE

AN ACT to provide for a beef systems center of excellence.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. BEEF SYSTEMS CENTER OF EXCELLENCE.

1. North Dakota state university may establish a beef systems center of excellence in the department of animal and range science. The beef systems center of excellence may:
 - a. Create a model for the development of an integrated meat processing industry;
 - b. Enhance North Dakota state university's ability to provide research related to:
 - (1) The effects of genetics, management, and nutrition regimens on carcass yield, quality, and sensory characteristics;
 - (2) Food safety and nutrition of the resulting meat products;
 - (3) New and emerging technologies in slaughter, fabrication, processing and value-added products; and
 - (4) Meat and meat product marketing; and
 - c. Provide training, education, and outreach opportunities to students, businesses, and beef cattle producers.
2. North Dakota state university may accept gifts, grants, and donations from public and nonpublic sources to support and benefit the creation and efforts of the beef systems center of excellence, and any gifts, grants, and donations so received are appropriated to North Dakota state university for purposes of the beef systems center of excellence.

Approved April 18, 2003

Filed April 18, 2003

CHAPTER 137

SENATE BILL NO. 2040 (Legislative Council) (Information Technology Committee)

DIVISION OF INDEPENDENT STUDY FUNCTIONS

AN ACT to amend and reenact sections 15-19-01, 15-19-02, 15-19-04, and 15-19-06 of the North Dakota Century Code, relating to the division of independent study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-19-01 of the North Dakota Century Code is amended and reenacted as follows:

15-19-01. Correspondence courses - Establishment - Enrollment of students - Courses of instruction. The state shall provide correspondence courses through the division of independent study under the following provisions:

1. A complete curriculum by correspondence which has been specifically determined by the ~~state board~~ superintendent of public ~~school education~~ instruction as proper and suitable for instruction under correspondence methods, such determination and approval to be made not less than once in each school year, must be maintained upon the campus of one of the state institutions of higher education ~~by the state board of public school education~~.
2. Unless specifically excused in writing upon the course application forms by the superintendent or an administrator of the school approving the enrollment application, or as provided in subsection ~~6~~ 5, all students under the age of sixteen taking advantage of the provisions of this chapter must be required to attend their local district schools and to study their correspondence lessons under the supervision of a local supervisor. If not required to attend their local schools, their work may be done at a place designated by the state director ~~in accordance with the rules of the state board of public school education~~. If in attendance at a local school, students must be supplied with desk space in their respective school without charge and shall attend school regularly and be under the same disciplinary supervision of the teachers as the other school students.
3. The division of independent study may provide services to persons who are not North Dakota residents.
4. ~~The correspondence work must be completed in accordance with the rules established by the state board of public school education.~~
5. Correspondence students shall pay for books and materials used by them, postage required to mail reports to the division, and other fees as may be prescribed by the ~~board of public school education~~ state director.

- 6- 5. Students exempt from the compulsory school attendance laws pursuant to subdivision e of subsection 1 of section 15.1-20-02 may enroll in correspondence courses offered through the division of independent study. These students may study their correspondence lessons in their learning environment under the supervision of a parent. The tests for the correspondence study must be administered by an individual who is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and employed either by the public school district in which the parent resides or a state-approved private or nonpublic school.

SECTION 2. AMENDMENT. Section 15-19-02 of the North Dakota Century Code is amended and reenacted as follows:

15-19-02. Administration - Director of division of independent study - Appointment and duties. The program of and all activities related to the division of independent study are the responsibility of and under the supervision of the educational technology council. The educational technology council shall hire a state director of the division of independent study who must be classified under the state personnel merit system. The director shall carry out the director's responsibilities in the administration of the division of independent study in the manner approved by the ~~state board of public school education~~ educational technology council.

SECTION 3. AMENDMENT. Section 15-19-04 of the North Dakota Century Code is amended and reenacted as follows:

15-19-04. Duty of teachers, county and state officers, and institutions superintendent - Advertising. ~~The state board of public school education and the superintendent or a member an employee of the department of public instruction designated by the superintendent shall approve ensure that the content of courses offered, by the division of independent study meet state content standards and shall monitor compliance with sections 15.1-18-02 and 15.1-18-03, approve credits granted for each course, and do all other things necessary to integrate the correspondence program into other programs administered or supervised by the department of public instruction. The division of independent study may advertise its correspondence program, however, the state board of public school education and the superintendent of public instruction shall ensure that the program in no way competes with the public schools of this state for the enrollment of students, encourages students to leave the public schools, or duplicates the facilities of the public schools through offering correspondence courses to students having access to such courses in the public schools.~~

SECTION 4. AMENDMENT. Section 15-19-06 of the North Dakota Century Code is amended and reenacted as follows:

15-19-06. Special funds - Deposit of collections - Transfers from general fund appropriations.

1. A special operating fund for the division of independent study must be maintained within the state treasury and all income and fees collected by the division of independent study from any source must be remitted monthly by the director to the state treasurer and credited to the special operating fund. All expenditures from the fund must be within the limits of legislative appropriations and must be made upon vouchers, signed and approved by the technology director appointed by the educational

technology council. Upon approval of the vouchers by the office of the budget, warrant-checks must be prepared by the office of management and budget. The state treasurer shall make periodic transfers upon order of the director of the office of management and budget from the division of independent study general fund appropriation to the special operating fund whenever its balance falls so low as to require supplementation.

2. The educational technology council may establish an administrative operational fund, of not to exceed ten thousand dollars, out of the special operating fund for the division of independent study. The administrative operational fund must be deposited in the Bank of North Dakota and may be drawn upon by the state director of the division of independent study for the payment of necessary expenses in the administration and operation of the division of independent study within the limits and rules prescribed by the educational technology council. The director shall submit a full, minute, and itemized statement of every expenditure made during the month to the council in accordance with the rules adopted by the council, and thereafter the council may periodically authorize additional transfers to the administrative operational fund, but the balance in the fund may never exceed ten thousand dollars, and any unencumbered balance at the end of any biennium must revert to the state treasury. The administrative operational fund may not be used to pay salaries or expenses of the director. The council shall determine the amount of the bond to be posted by the director.
3. The ~~state board of public school education~~ educational technology council may establish a scholarship fund to provide financial grants to students enrolled in courses offered through the division of independent study. The scholarship fund may consist only of those funds specifically appropriated by the legislative assembly and property received by the ~~board council~~ council or the division of independent study as a gift, devise, or bequest. Any gift, devise, or bequest of property received by the ~~board council~~ council or division of independent study which is designated by the ~~board council~~ council and donor for the scholarship fund must be deposited in the scholarship fund at the Bank of North Dakota. The state director of the division of independent study may draw only on the interest earned by the scholarship fund for the award of scholarships within the limits and rules adopted by the ~~state board of public school education~~ educational technology council. The interest earned by the scholarship fund is appropriated to the division of independent study.

Approved March 14, 2003
Filed March 17, 2003

CHAPTER 138

HOUSE BILL NO. 1183

(Education Committee)

(At the request of the State Board for Vocational and Technical Education)

STATE BOARD FOR CAREER AND TECHNICAL EDUCATION

AN ACT to amend and reenact subsection 3 of section 4-14.2-03, subsection 1 of section 4-24-11.1, section 4-37-03, subsections 3 and 4 of section 6-09.10-02.1, subsection 1 of section 6-09.10-06, subsection 2 of section 12-44.1-01, sections 12-44.1-17 and 12-46-25, subsection 4 of section 12.1-32-07, sections 14-06.1-07 and 14-06.1-09, subsection 2 of section 14-08.1-05.1, subsection 1 of section 14-10.2-01, sections 15-10-18.3, 15-10-18.5, 15-20.1-01, 15-20.1-02, 15-20.1-03, 15-20.1-03.1, 15-20.1-04, 15-20.1-05, 15-20.1-06, 15-20.1-07, 15-20.1-11, 15-20.1-21, 15-20.2-01, 15-20.2-02, 15-20.2-03, 15-20.2-04, 15-20.2-05, 15-20.2-07, 15-20.2-08, 15-20.2-09, 15-20.2-10, 15-20.2-11, 15-20.2-12, 15-20.2-13, 15-20.2-14, 15-20.2-15, and 15-20.2-16, subsections 2 and 6 of section 15-20.4-01, subsection 11 of section 15-39.1-04, sections 15-63-02, 15-63-03, 15-63-04, 15-63-05, and 15.1-01-02, subsection 4 of section 15.1-02-13, subsection 7 of section 15.1-09-33, subsection 1 of section 15.1-09-36, subsection 1 of section 15.1-12-10, subsection 1 of section 15.1-13-01, subsection 4 of section 15.1-13-10, sections 15.1-14-23, 15.1-14-24, 15.1-14-25, 15.1-14-26, 15.1-14-27, 15.1-14-28, 15.1-14-29, 15.1-14-30, 15.1-14-31, and 15.1-14-32, subsection 5 of section 15.1-16-20, subsection 7 of section 15.1-21-02, section 15.1-25-01, subsection 1 of section 15.1-27-18, section 15.1-27-28, subsection 4 of section 15.1-27-37, subsections 3 and 6 of section 19-03.1-23, subsection 1 of section 19-03.1-23.1, sections 25-06-02, 25-07-04, 27-21-02, and 27-21-03, subsection 1 of section 27-21-06, sections 27-21-07, 27-21-09, 34-05-01.3, and 34-06-15, subsection 1 of section 37-07.1-02, section 40-57-02, subsection 3 of section 40-57-03, sections 40-57.2-01, 40-57.2-04, 43-35-13, 50-09-02.2, 50-11-01, 52-02-02.1, 52-02-08, and 52-08-12, subsection 2 of section 52-08.1-04, section 52-09-08, subsection 12 of section 54-10-14, section 54-56-01, subsection 2 of section 54-59-17, section 54-60-06, subsection 16 of section 57-15-06.7, subsection 15 of section 57-15-10, subsections 1 and 2 of section 57-15-14.2, section 57-15-17, subdivision m of subsection 1 of section 57-38-01.2, and subsection 2 of section 57-38-67 of the North Dakota Century Code, relating to changing the name of "state board for vocational and technical education" to "state board for career and technical education", changing the name of "area vocational and technology centers" to "area career and technology centers", authorizing area vocational and technology centers to accept property and grants from the federal government, and designating a department of career and technical education; and to repeal section 15-20.1-10 of the North Dakota Century Code, relating to the powers of the school board of a vocational school district.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 3 of section 4-14.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. Educational and ~~vocational~~ career and technical education training programs in milling, processing, manufacturing, purchasing methods, marketing procedures, product sales techniques, and other related subjects to be conducted for users of northern crops.

SECTION 2. AMENDMENT. Subsection 1 of section 4-24-11.1 of the North Dakota Century Code is amended and reenacted as follows:

1. The North Dakota agricultural hall of fame committee consists of the following individuals, each of whom must be selected by the governing body of the entity or the official to be represented:
 - a. A representative of the North Dakota winter show;
 - b. A representative of agricultural media;
 - c. A representative of ~~vocational~~ agriculture in the area of career and technical education;
 - d. A representative of the North Dakota stockmen's association;
 - e. A representative of the North Dakota grain growers association;
 - f. A representative of the North Dakota oilseed council;
 - g. A representative of county extension agents;
 - h. A representative of the agriculture commissioner;
 - i. A representative of the North Dakota pork producers;
 - j. A representative of the North Dakota sheep producers;
 - k. A representative of the national agricultural marketing association;
 - l. A representative of the North Dakota implement dealers association;
 - m. A representative of the North Dakota farm bureau;
 - n. A representative of the North Dakota farmers union; and
 - o. A representative of the national farmers organization.

⁵⁸ **SECTION 3. AMENDMENT.** Section 4-37-03 of the North Dakota Century Code is amended and reenacted as follows:

⁵⁸ Section 4-37-03 was also amended by section 8 of Senate Bill No. 2009, chapter 30.

4-37-03. Purpose - Powers and duties. The agriculture in the classroom council shall develop agricultural curriculum activities and train teachers in these agricultural curriculum activities for grades kindergarten through twelve in this state's public school system. The council shall work with all educators, including the superintendent of public instruction, the ~~state board for vocational~~ department of career and technical education, the United States department of agriculture, and the state agriculture commissioner in accomplishing its purpose. The council shall render services consistent with this purpose which include:

1. Consultations with the state superintendent of public instruction, the ~~state board for vocational~~ department of career and technical education, the state agriculture commissioner, and the United States department of agriculture.
2. Preparation of instructional, informational, and reference publications on the North Dakota agricultural economy and rural lifestyles.
3. Provide training programs for public school teachers in developed agricultural curriculum activities.
4. Encourage research on and identification of new instructional, informational, and reference publications relating to this state's agricultural economy and rural lifestyles.
5. Monitor the quality and condition of the agriculture in the classroom program.

SECTION 4. AMENDMENT. Subsections 3 and 4 of section 6-09.10-02.1 of the North Dakota Century Code are amended and reenacted as follows:

3. Recommend policies and procedures regarding the adult farm management program to the state board for ~~vocational~~ career and technical education.
4. Participate in a farm management delivery system coordinated by the state board for ~~vocational~~ career and technical education among the adult farm management program, agricultural mediation service, and North Dakota state university. The system must be available to any farmer and may be funded from moneys available in the fund described in this chapter, fees paid by farmers, or other sources.

SECTION 5. AMENDMENT. Subsection 1 of section 6-09.10-06 of the North Dakota Century Code is amended and reenacted as follows:

1. A revolving fund must be maintained at the Bank of North Dakota for the subsidy of interest rates on home-quarter purchases and coordination and operation of a farm management delivery system, as provided in this chapter. All moneys transferred into the fund, interest upon moneys in the fund, and payments to the fund are hereby appropriated for the purposes of this chapter. Any moneys generated by the farm management delivery system must be transferred to the state board for ~~vocational~~ career and technical education and allocated by the state board for ~~vocational~~ career and technical education to the adult farm management program, the agricultural mediation services, and North Dakota state university for expenses related to the jointly developed and implemented farm management delivery system.

SECTION 6. AMENDMENT. Subsection 2 of section 12-44.1-01 of the North Dakota Century Code is amended and reenacted as follows:

2. "Correctional facility" means a city or county jail or detention center, regional corrections center, or juvenile detention center for the detention or confinement of persons in accordance with law. The use of the term does not imply and may not be used to require the provision of services including treatment, counseling, ~~vocational~~ career and technical education, or other educational services, except as may otherwise be required or provided for under this chapter.

SECTION 7. AMENDMENT. Section 12-44.1-17 of the North Dakota Century Code is amended and reenacted as follows:

12-44.1-17. Inmate educational and counseling programs. A correctional facility may utilize the resources of the community to provide inmates with available educational, ~~vocational~~ career and technical education, counseling, and work release opportunities. A correctional facility may, if possible, and subject to reasonable safety, security, discipline, and correctional facility administration requirements, provide opportunities for access to available religious, mental health, alcoholism, and addiction counseling by inmates desirous of such counseling.

SECTION 8. AMENDMENT. Section 12-46-25 of the North Dakota Century Code is amended and reenacted as follows:

12-46-25. Youth correctional center ~~vocational~~ career and technical education shop revolving fund. There must be maintained in the Bank of North Dakota by the North Dakota youth correctional center a ~~vocational~~ career and technical education shop revolving fund to purchase required parts and supplies for student ~~vocational~~ career and technical education training projects. The amounts taken from the fund must be paid back to the fund from collections made on these projects. The provisions of section 54-27-10 do not apply to this fund and no part of the fund reverts at the expiration of any biennium.

⁵⁹ **SECTION 9. AMENDMENT.** Subsection 4 of section 12.1-32-07 of the North Dakota Century Code is amended and reenacted as follows:

4. When imposing a sentence to probation, probation in conjunction with imprisonment, or probation in conjunction with suspended execution or deferred imposition of sentence, the court may impose such conditions as it deems appropriate and may include any one or more of the following:
 - a. Work faithfully at a suitable employment or faithfully pursue a course of study or of ~~vocational~~ career and technical education training that will equip the defendant for suitable employment.
 - b. Undergo available medical or psychiatric treatment and remain in a specified institution if required for that purpose.

⁵⁹ Section 12.1-32-07 was also amended by section 2 of Senate Bill No. 2044, chapter 112.

- c. Attend or reside in a facility established for the instruction, recreation, or residence of persons on probation.
- d. Support the defendant's dependents and meet other family responsibilities.
- e. Make restitution or reparation to the victim of the defendant's conduct for the damage or injury which was sustained or perform other reasonable assigned work. When restitution, reparation, or assigned work is a condition of probation, the court shall proceed as provided in subsection 1 or 2, as applicable, of section 12.1-32-08.
- f. Pay a fine imposed after consideration of the provisions of section 12.1-32-05, except when imposition of sentence is deferred.
- g. Refrain from excessive use of alcohol or any use of narcotics or of another dangerous or abusable drug without a prescription.
- h. Permit the probation officer to visit the defendant at reasonable times at the defendant's home or elsewhere.
- i. Remain within the jurisdiction of the court, unless granted permission to leave by the court or the probation officer.
- j. Answer all reasonable inquiries by the probation officer and promptly notify the probation officer of any change in address or employment.
- k. Report to a probation officer at reasonable times as directed by the court or the probation officer.
- l. Submit to a medical examination or other reasonable testing for the purpose of determining the defendant's use of narcotics, marijuana, or other controlled substance whenever required by a probation officer.
- m. Refrain from associating with known users or traffickers in narcotics, marijuana, or other controlled substances.
- n. Submit the defendant's person, place of residence, or vehicle to search and seizure by a probation officer at any time of the day or night, with or without a search warrant.
- o. Serve a term of imprisonment of up to one-half of the maximum term authorized for the offense of which the defendant was convicted or one year, whichever is less.
- p. Reimburse the costs and expenses determined necessary for the defendant's adequate defense when counsel is appointed for the defendant. When reimbursement of indigent defense costs and expenses is imposed as a condition of probation, the court shall proceed as provided in subsection 3 of section 12.1-32-08.
- q. Provide community service for the number of hours designated by the court.

- r. Refrain from any subscription to, access to, or use of the internet.

SECTION 10. AMENDMENT. Section 14-06.1-07 of the North Dakota Century Code is amended and reenacted as follows:

14-06.1-07. Program goals. Each of the service centers shall develop a goal to serve a stated number of urban and rural displaced homemakers. In addition, the service centers shall develop plans for including displaced homemakers in existing job training and placement programs offered by job service, colleges, ~~vocational~~ career and technical education, or other suitable agencies.

SECTION 11. AMENDMENT. Section 14-06.1-09 of the North Dakota Century Code is amended and reenacted as follows:

14-06.1-09. Service programs. The service centers shall, in cooperation with other existing service programs, ensure that displaced homemakers receive information and referral services which include:

1. A health counseling and referral clinic based on principles of preventive health care and consumer health education.
2. Money management courses, including information and assistance in dealing with insurance programs (life, health, home, and automobile), taxes, mortgages, loans, and probate problems.
3. Information about other assistance programs, including concrete information and assistance with supplemental security income, social security, veterans administration benefits, welfare, food stamps, housing, unemployment insurance, medical assistance, and educational financial assistance.
4. Educational programs, including courses offered for credit through universities, colleges, or ~~vocational~~ career and technical education training programs, or leading toward a high school equivalency degree. These courses must be designed to supplement the usual academic course offerings with classes geared toward older persons to improve their self-image and abilities.

⁶⁰ **SECTION 12. AMENDMENT.** Subsection 2 of section 14-08.1-05.1 of the North Dakota Century Code is amended and reenacted as follows:

2. For purposes of this section, "work activities" may include:
 - a. Unsubsidized employment;
 - b. Subsidized private sector employment;
 - c. Subsidized public sector employment;

⁶⁰ Section 14-08.1-05.1 was also amended by section 1 of Senate Bill No. 2155, chapter 411.

- d. Work experience, including work associated with the refurbishing of publicly assisted housing, if sufficient private sector employment is not available;
- e. On-the-job training;
- f. Job search and job readiness assistance;
- g. Community service programs;
- h. ~~Vocational educational~~ Career and technical education training, not to exceed twelve months with respect to any individual;
- i. Job skills training directly related to employment;
- j. Education directly related to employment, in the case of an individual who has not received a high school diploma or a certificate of high school equivalency;
- k. Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of an individual who has not completed secondary school or received such a certificate;
- l. The provision of child care services to an individual who is participating in a community service program; and
- m. Postsecondary education and any other activity treated by the federal government as work for purposes of calculating a work participation rate under 42 U.S.C. 607(b).

SECTION 13. AMENDMENT. Subsection 1 of section 14-10.2-01 of the North Dakota Century Code is amended and reenacted as follows:

1. "Educational institution" means a university, college, community college, junior college, high school, technical, ~~vocational~~ career and technical education or professional school, or similar institution, wherever located, approved or accredited by the appropriate official, department, or agency of this state for the purposes of this chapter, or by the appropriate official, department, or agency of the state in which the institution is located.

SECTION 14. AMENDMENT. Section 15-10-18.3 of the North Dakota Century Code is amended and reenacted as follows:

15-10-18.3. Free tuition in North Dakota institutions of higher education.

Any dependent, as defined in section 15-10-18.2 upon being duly accepted for enrollment into any North Dakota state-supported institution of higher education or state-supported career and technical or vocational education school, must be allowed to obtain a bachelor's degree or certificate of completion, for so long as the dependent is eligible, free of any tuition and fee charges, except those charged to retire outstanding bonds; provided, however, that the bachelor's degree or certificate of completion is earned within a thirty-six-month or eight-semester period or its equivalent; and further provided that tuition and fee charges shall not include costs for aviation flight charges or expenses. Once a person qualifies as a dependent under sections 15-10-18.2 and 15-10-18.3, there shall be no removal from the

benefits of this section due to such an occurrence as the return of the prisoner of war or person missing in action.

SECTION 15. AMENDMENT. Section 15-10-18.5 of the North Dakota Century Code is amended and reenacted as follows:

15-10-18.5. Free tuition in North Dakota institutions of higher education for survivor of firefighter or peace officer. Should a firefighter or peace officer die as a direct result of injuries received while engaged in the performance of official duties under circumstances dangerous to human life, the survivor, upon being duly accepted for enrollment into any North Dakota state-supported institution of higher education or state-supported career and technical or vocational education school, must be allowed to obtain a bachelor's degree or certificate of completion, for so long as the dependent is eligible, free of any tuition and fee charges, except those charged to retire outstanding bonds; provided, however, that the bachelor's degree or certificate of completion is earned within a thirty-six-month or eight-semester period or its equivalent; and further provided that tuition and fee charges may not include costs for aviation flight charges or expenses.

SECTION 16. AMENDMENT. Section 15-20.1-01 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-01. Definitions. In this chapter, unless the context otherwise requires:

1. "Career and technical education" includes vocational education.
2. "Department" means the department of career and technical education, which consists of the director and other persons appointed or designated by the state board or the director to carry out the duties of the state board.
3. "Director" means the director of ~~vocational~~ career and technical education.
- ~~2-~~ 4. "Regulations" means regulations made by the director with the approval of the state board.
- ~~3-~~ 5. "State board" means the state board for ~~vocational~~ career and technical education.

SECTION 17. AMENDMENT. Section 15-20.1-02 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-02. State board for ~~vocational~~ career and technical education - Director of ~~vocational~~ career and technical education - Appointment, qualifications, assistants, duties. The state board for ~~vocational~~ career and technical education consists of the members of the state board of public school education, the executive director of job service North Dakota, and the commissioner of higher education or the commissioner's designee. The state board shall oversee the department and appoint a director and executive officer of ~~vocational~~ career and technical education who are charged with the administration, under the direction and supervision of the board, of the provisions of this chapter relating to ~~vocational~~ career and technical education. The state board shall designate such assistants to the director as may be necessary to carry out the provisions of this chapter. The duties, terms of office, and compensation of the director and of ~~his~~ the director's

assistants must be determined by the state board. The director shall hold as a minimum a baccalaureate degree received from a recognized college or university. The director shall enforce such rules and regulations as the state board may adopt and shall prepare such reports concerning ~~vocational~~ career and technical education as the state board may require.

SECTION 18. AMENDMENT. Section 15-20.1-03 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-03. Powers and duties of state board relating to ~~vocational~~ career and technical education. The state board shall have all authority necessary to cooperate with the United States department of education, or other department or agency of the United States of America in the administration of acts of Congress relating to ~~vocational~~ career and technical education, including the following powers and duties:

1. To administer any legislation enacted by the legislative assembly of this state pursuant to or in conformity with acts of Congress relating to ~~vocational~~ career and technical education.
2. To administer the funds provided by the federal government and by this state for the promotion of ~~vocational~~ career and technical education, and to contract with:
 - a. Any public or private institution or agency, board of trustees of any agricultural and training school, or school district of this state; or
 - b. Any public or private institution or agency, or political subdivision, of another state.
3. To formulate plans for the promotion of ~~vocational~~ career and technical education in such subjects as are an essential and integral part of the public school system of education in this state.
4. To provide for the preparation of teachers.
5. To fix the compensation of such officers and assistants as may be necessary to administer the federal acts and the provisions of this chapter relating to ~~vocational~~ career and technical education and to pay the same and other necessary expenses of administration from any funds appropriated for such purpose.
6. To make studies and investigations relating to ~~vocational~~ career and technical education.
7. To promote and aid in the establishment of schools, departments, or classes, and to cooperate with local communities in the maintenance of ~~vocational~~ career and technical education schools, departments, or classes.
8. To prescribe the qualifications and provide for the certification of teachers, directors, and supervisors.
9. To cooperate with governing bodies of school districts and with organizations and communities in the maintenance of classes for the preparation of teachers, directors, and supervisors of ~~vocational~~ career

and technical education, to maintain classes for such purposes under its own direction and control, and to establish and control, by general regulations, the qualifications to be possessed by persons engaged in the training of ~~vocational~~ career and technical education teachers.

10. To coordinate new and existing farm management programs offered by any state agency or entity.
11. To create and expand marketing clubs as adjuncts to new and existing farm management programs.

SECTION 19. AMENDMENT. Section 15-20.1-03.1 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-03.1. Postsecondary ~~vocational~~ career and technical education reciprocity with Minnesota. The state board may enter into agreements with the Minnesota higher education coordinating board or with the governing board of any public postsecondary ~~vocational~~ career and technical institute in that state to enable, on a reciprocal basis, any resident of North Dakota to attend an approved ~~vocational~~ career and technical education program in Minnesota and to permit any resident of Minnesota to attend an approved ~~vocational~~ career and technical education program in North Dakota without being required to pay nonresident tuition fees. For the purposes of this section, "approved ~~vocational~~ career and technical education program" means any postsecondary ~~vocational~~ or career and technical program offered by a Minnesota area ~~vocational~~ career and technical institute or a district-operated junior college in North Dakota. Any agreement made pursuant to this section may provide for the transfer of funds between the states and any payment to Minnesota by North Dakota must be within the limitations of the payment due North Dakota from Minnesota under the authority contained in chapter 15-10.1. Any payment to North Dakota by Minnesota must be deposited in the state's general fund.

SECTION 20. AMENDMENT. Section 15-20.1-04 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-04. Acceptance of benefits of federal acts in ~~vocational~~ career and technical education - Cooperation with federal government. The state of North Dakota hereby accepts all of the provisions and benefits of the acts of Congress to assist states to maintain, extend, and improve existing programs and develop new programs in ~~vocational~~ career and technical education.

SECTION 21. AMENDMENT. Section 15-20.1-05 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-05. Custody and payment of ~~vocational~~ career and technical education funds. The state board is charged with the duty of administering all funds that are received from federal and state sources and shall accept and use gifts made unconditionally by will or otherwise for purposes of carrying out this chapter for ~~vocational~~ career and technical education. All such moneys received must be placed in the custody of the state treasurer, and must be paid in accordance with legislative appropriations by the office of management and budget as directed by the director of ~~vocational~~ career and technical education.

SECTION 22. AMENDMENT. Section 15-20.1-06 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-06. Reimbursement of schools teaching subjects in ~~vocational~~ career and technical education. The state board may reimburse approved public or private institutions or agencies, or political subdivisions of this state or of another state, giving instruction in ~~vocational~~ career and technical education from funds allocated for that purpose. The state board may prorate the sums available if funds are insufficient to reimburse at the rate established by the state board.

SECTION 23. AMENDMENT. Section 15-20.1-07 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-07. Cooperation of school boards in ~~vocational~~ career and technical education. The governing body of any school district may cooperate with the state board in the establishment and maintenance of schools, departments, or classes giving instruction in ~~vocational~~ career and technical education as approved by the state board, and may use any moneys raised by public taxation for such purposes in the same manner as the moneys for other school purposes are used for the maintenance and support of public schools. When any school, department, or class giving instruction in ~~vocational~~ career and technical education has been approved by the state board, it may be entitled to share in any federal and state funds available for ~~vocational~~ career and technical education.

SECTION 24. AMENDMENT. Section 15-20.1-11 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-11. Curriculum - General powers and duties. The curriculum offered students by a ~~vocational school~~ an area career and technology center must be as determined by the school board; provided, that such curriculum must be submitted annually to the state board for approval, and only an approved curriculum may be offered.

SECTION 25. AMENDMENT. Section 15-20.1-21 of the North Dakota Century Code is amended and reenacted as follows:

15-20.1-21. Biennial report. The state board may submit a biennial report to the governor and the secretary of state in accordance with section 54-06-04. If submitted, the report must set forth the condition of ~~vocational~~ career and technical education in the state, a list of the schools to which federal and state aid for ~~vocational~~ career and technical education has been given, and a detailed statement of the expenditures of federal and state funds for that purpose.

SECTION 26. AMENDMENT. Section 15-20.2-01 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-01. Area centers - Definition of terms. In this chapter, unless the context otherwise requires:

1. "Area ~~vocational~~ career and technology center" means a program of ~~vocational~~ career and technical education conducted at one or more attendance centers by three or more participating public school districts.
2. "Center board" means the governing board of an area ~~vocational~~ career and technology center.
3. "Participating district" means a public school district whose students are attending an area ~~vocational~~ career and technology center.

4. "School board" means a participating public school district board.
5. "State board" means the state board for ~~vocational~~ career and technical education.

SECTION 27. AMENDMENT. Section 15-20.2-02 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-02. Submission of plan for area center - Approval by state board. The school boards of three or more school districts may submit to the state board a proposed plan to establish an area ~~vocational~~ career and technology center. Such proposal must be consistent with the state plan for ~~vocational~~ career and technical education and meet the requirements, rules, standards, and procedures as adopted by the state board. The state board upon receipt of a proposed plan to establish an area ~~vocational~~ career and technology center shall examine such plan and receive testimony for the purpose of examining supporting and nonsupporting evidence submitted therewith. The state board shall process the proposed plan according to procedures consistent with the state plan. Nothing in this chapter may be interpreted to prohibit school districts from entering into other kinds of administrative structures for ~~vocational~~ career and technology centers approved by the state board pursuant to other provisions of law.

SECTION 28. AMENDMENT. Section 15-20.2-03 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-03. Agreement of participation in area center - Resolution of agreement. After approval of a plan pursuant to this chapter, all participating school districts of an area ~~vocational~~ career and technology center shall enter into an agreement of participation which must receive a vote of approval of the school board of each participating school district. Prior to the effective date of an approved plan, a resolution of agreement must be adopted by a majority vote of each participating school board and such resolution must be published once in the official newspaper of each county or counties of the participating school districts.

SECTION 29. AMENDMENT. Section 15-20.2-04 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-04. Center boards - Appointment of members - Terms - Compensation - Vacancies. An area ~~vocational~~ career and technology center must be operated by a center board of not less than five members nor more than a total of one member for each participating district; provided, however, that each participating school district with three hundred or more high school students must be allowed one member for each three hundred high school students or fraction thereof with a limitation of not more than three members from any one school district. Center board members must be members of the school boards. The terms of office of the members of center boards must be for at least one year and terminate upon the expiration of their terms on their respective school boards. Members are eligible for reappointment to center boards. Center board members shall receive the same compensation and expenses for attending center board meetings or for otherwise engaging in official business for the center as provided in section 15.1-09-06 for members of school boards. Compensation and expenses of center board members must be paid out of center funds.

Vacancies on a center board must be filled by the school board whose representation was lost when the vacancy occurred.

SECTION 30. AMENDMENT. Section 15-20.2-05 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-05. Special board plan for small center. If four or fewer school districts comprise an area ~~vocational~~ career and technology center and if enrollment within such school district is insufficient to provide five members in accordance with section 15-20.2-04, the boards of such school district shall agree upon the number and manner of selection of members of the center board and shall submit their plan of selection for approval by the state board pursuant to section 15-20.2-02.

SECTION 31. AMENDMENT. Section 15-20.2-07 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-07. Powers and duties of center boards. The powers and duties of a center board are as follows:

1. To supervise, manage, and control an area ~~vocational~~ career and technology center established by the cooperating school districts pursuant to this chapter.
2. To provide ~~vocational~~ career and technical education programs approved by the state board.
3. To contract with, employ, and pay personnel to administer the affairs and to teach in the area ~~vocational~~ career and technology center, and to remove for cause any personnel when the interests of the area ~~vocational~~ career and technology center may require it; provided, that personnel employed by a center board shall have the same statutory rights as provided by law for personnel employed by public school districts.
4. To lease, acquire, or purchase ~~vocational~~ career and technical education equipment for an area ~~vocational~~ career and technology center.
5. To lease, acquire, purchase, or sell ~~vocational~~ career and technical education facilities, including real property, for an area ~~vocational~~ career and technology center; provided, that any purchase or sale of real property must first be approved by two-thirds of the school boards of the participating school districts.
6. To receive and administer any private, local, state, or federal funds provided for the operation and maintenance of an area ~~vocational~~ career and technology center.
7. To enter into contracts consistent with the other powers and duties provided for by this chapter.
8. To accept real or personal property available for distribution by the United States or any of its departments or agencies and also to accept federal grants that may be made available in the field of career and technical education.

SECTION 32. AMENDMENT. Section 15-20.2-08 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-08. Assessment of participating districts for proportionate share of center expenses - Allocation of students - Civil penalty for failure to remit payment. A center board shall, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred, assess each participating school district its proportionate share based upon its high school enrollment as compared to the total high school enrollment of all participating school districts in the area ~~vocational~~ career and technology center and shall assess each nonparticipating school district receiving services its proportionate share based upon its utilization of programs. A center board shall, as nearly as possible, allocate the number of students from each participating district to be served in an area ~~vocational~~ career and technology center on the same proportionate basis as is used for the assessment of expenses.

A center board utilizing mobile units solely shall, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred, assess each participating school district its proportionate share based upon its utilization of programs as compared to total program utilization of all participating school districts in such center. A center board utilizing mobile units solely shall, as nearly as possible, determine the program utilization of each participating school district to be served based upon its high school enrollment as compared to the total high school enrollment of all participating school districts in such center and the school's accessibility to those programs.

Each participating school district shall remit payment of the assessment of its share of expenses to the center board promptly after receipt of the assessment notice, or within a period of time determined by the center board, but no later than sixty days after the official date of receipt as noted on the assessment notice. A civil penalty of one percent per month must accrue on all assessments not paid when due.

SECTION 33. AMENDMENT. Section 15-20.2-09 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-09. Distribution of state funds to area centers - Rules and regulations. Funds which may be made available to the state board for distribution to area ~~vocational~~ career and technology centers must be apportioned and distributed by the state board to the area ~~vocational~~ career and technology centers to assist such centers in defraying the cost involved in maintaining and operating such centers. The use of such funds is subject to such rules and regulations as may be prescribed by the state board, and must be in accordance with the approved state plan for ~~vocational~~ career and technical education.

SECTION 34. AMENDMENT. Section 15-20.2-10 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-10. Appropriated and federal funds used for distribution. The funds distributed to the area ~~vocational~~ career and technology centers under the provisions of section 15-20.2-09 must be paid out of moneys appropriated to the state board for ~~vocational~~ career and technical education, including federal funds allotted to the state to promote and attain the purposes of state and federal legislation on ~~vocational~~ career and technical education.

SECTION 35. AMENDMENT. Section 15-20.2-11 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-11. District becoming participant in established center - Procedure. After an area ~~vocational~~ career and technology center has been established, any other school district may become a participant in the center and may be governed by the provisions of this chapter upon following a process similar to that pursued by the school districts originally forming the center, including approval of the vote of the district board, the center board, and the state board according to the procedure set forth in sections 15-20.2-12 and 15-20.2-13.

SECTION 36. AMENDMENT. Section 15-20.2-12 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-12. District board resolution to participate in established center - Publication. A school district board may request that the state board and the center board approve such school district as a participating district in an established area ~~vocational~~ career and technology center upon approval of a resolution by the school district board. When such resolution has been adopted by the school district board, it must be published once in the official newspaper of the county or counties in which the district is located.

SECTION 37. AMENDMENT. Section 15-20.2-13 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-13. Referendum on district participation in area center - Majority required for approval. A school district board may not proceed to obtain approval as a participating district in an area ~~vocational~~ career and technology center if a petition for referendum of the question of said school district participating in an area ~~vocational~~ career and technology center signed by twenty percent of the qualified electors of said school district voting at the last annual school election is filed with the school board within sixty days of the publication of the resolution provided for in section 15-20.2-12. When such petition is filed, the school board may not obtain approval as a participating district in an area ~~vocational~~ career and technology center until the question of whether the district shall enter into an area ~~vocational~~ career and technology center has been submitted to the qualified electors of the district. If a majority of the total number of votes cast on the question within the school district is in favor of the question, the school board may proceed to obtain approval as a participating district in an area ~~vocational~~ career and technology center.

SECTION 38. AMENDMENT. Section 15-20.2-14 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-14. Withdrawal of district from participation in center - Submission to voters - Effect of withdrawals. The procedure for withdrawal is the same as for joining as provided for in sections 15-20.2-11 through 15-20.2-13, except that when a participating district is unable to obtain an approval of withdrawal from the center board, or the state board, or both, the participating district may submit the question to withdraw from the area ~~vocational~~ career and technology center to the voters of the school district. If a majority of the total number of votes cast on the question is in favor of withdrawal, the participating school district must be released from the area ~~vocational~~ career and technology center. Such withdrawal may become effective at the end of the next school year or on such a date as determined by the state board, but such withdrawal does not affect the liability of the withdrawing school district for obligations incurred during its participation.

SECTION 39. AMENDMENT. Section 15-20.2-15 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-15. Dissolution of established center. An established area ~~vocational~~ career and technology center may be dissolved in accordance with rules and procedures adopted by the state board.

SECTION 40. AMENDMENT. Section 15-20.2-16 of the North Dakota Century Code is amended and reenacted as follows:

15-20.2-16. Rules, regulations, and standards for area centers. The state board is ~~hereby~~ authorized and empowered to establish and adopt rules, regulations, standards, and procedures set forth in the state plan pertaining to the creation, operation, control, supervision, and approval of area ~~vocational~~ career and technology centers.

SECTION 41. AMENDMENT. Subsections 2 and 6 of section 15-20.4-01 of the North Dakota Century Code are amended and reenacted as follows:

2. "Board" means the state board for ~~vocational~~ career and technical education.
6. "Executive officer" means the director of ~~vocational~~ career and technical education.

⁶¹ **SECTION 42. AMENDMENT.** Subsection 11 of section 15-39.1-04 of the North Dakota Century Code is amended and reenacted as follows:

11. "Teacher" means:
 - a. All persons licensed by the education standards and practices board who are contractually employed in teaching, supervisory, administrative, or extracurricular services by a state institution, special education unit, school board, or other governing body of a school district of this state, including superintendents, assistant superintendents, business managers, principals, assistant principals, and special teachers. For purposes of this subdivision, "teacher" includes persons contractually employed by one of the above employers to provide teaching, supervisory, administrative, or extracurricular services to a separate state institution, state agency, special education unit, school board, or other governing body of a school district of this state under a third-party contract.
 - b. The superintendent of public instruction, assistant superintendents of public instruction, county superintendents, assistant superintendents, supervisors of instruction, the professional staff of the ~~state board for vocational~~ department of career and technical education, the professional staff of the division of independent study, the executive director and professional staff of the North Dakota education association who are members of the fund on July 1, 1995, the professional staff of an interim school district, and the professional staff of the North Dakota high school activities association who are members of the fund on July 1, 1995.

⁶¹ Section 15-39.1-04 was also amended by section 1 of Senate Bill No. 2057, chapter 140.

- c. The executive director and professional staff of the North Dakota council of school administrators who are members of the fund on July 1, 1995, and licensed staff of teachers centers, but only if the person was previously a member of and has credits in the fund.
- d. Employees of institutions under the control and administration of the state board of higher education who are members of the fund on July 16, 1989.

SECTION 43. AMENDMENT. Section 15-63-02 of the North Dakota Century Code is amended and reenacted as follows:

15-63-02. Duties of board. The state board for Indian scholarships shall:

1. Award scholarship grants as provided in this chapter.
2. Make necessary rules and establish standards, requirements, and procedures for the administration of this chapter.
3. Encourage members of Indian tribes to attend and be graduated from any institution of higher learning or state ~~vocational~~ career and technical education program within this state, and to make application for scholarships.

SECTION 44. AMENDMENT. Section 15-63-03 of the North Dakota Century Code is amended and reenacted as follows:

15-63-03. Number and nature of scholarships. The state board for Indian scholarships shall provide scholarships each year for resident members of federally recognized Indian tribes to entitle persons so selected to enter and attend any institution of higher learning or state ~~vocational~~ career and technical education program within this state upon compliance with all requirements for admission and to pursue any course or courses offered in such institutions or programs.

SECTION 45. AMENDMENT. Section 15-63-04 of the North Dakota Century Code is amended and reenacted as follows:

15-63-04. Eligibility of candidates - Determination. The initial and continuing scholarship eligibility of state residents who are enrolled members of federally recognized Indian tribes must be determined by the state board for Indian scholarships after the candidate has gained admission to any institution of higher learning or state ~~vocational~~ career and technical education program within this state and has had this fact certified to the board. Factors to be considered in the award of these scholarships are the candidate's financial need and probable and continuing success as a student.

SECTION 46. AMENDMENT. Section 15-63-05 of the North Dakota Century Code is amended and reenacted as follows:

15-63-05. Scholarship payments - Conditions. Upon the granting of a scholarship and acceptance thereof, the recipient is eligible for a credit in fees in the enrolling institution of higher learning or state ~~vocational~~ career and technical education program to apply toward the cost of registration, health, activities, board, books, and other necessary items of not to exceed six hundred sixty-seven dollars per quarter for three quarters, or one thousand dollars per semester for two semesters, in any academic year. The board for Indian scholarships may reduce the

amount of any scholarship to accord with individual financial need or funds available. After the enrolling institution or program has deducted the amount due such institution, the remaining balance must be given to the recipient for necessary expenses during the quarter or semester. At the beginning of each quarter or semester of a regular academic year, the board for Indian scholarships shall certify to the director of the office of management and budget the name of each recipient and the amount payable, and the director of the office of management and budget shall issue ~~his~~ a warrant to the state treasurer who shall pay the amount of the scholarship to the institution of higher learning or state ~~vocational~~ career and technical education program in which the recipient is enrolled. Renewal of the scholarship award is subject to the maintenance of a minimum grade average of "C" in the courses taken.

SECTION 47. AMENDMENT. Section 15.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-02. Joint meetings - State board of public school education - State board of higher education - Education standards and practices board - State board for ~~vocational~~ career and technical education. The state board of public school education, the state board of higher education, the education standards and practices board, and the state board for ~~vocational~~ career and technical education shall meet together at least once each year at the call of the superintendent of public instruction, the commissioner of higher education, the executive director of the education standards and practices board, and the director of ~~vocational~~ career and technical education for the purposes of:

1. Coordinating elementary and secondary education programs, ~~vocational~~ career and technical education programs, and higher education programs.
2. Cooperating in the provision of professional growth and development opportunities for elementary and secondary teachers and administrators.
3. Ensuring cooperation in any other jointly beneficial project or program.

⁶² **SECTION 48. AMENDMENT.** Subsection 4 of section 15.1-02-13 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section:
 - a. "Administrator" means an individual employed by a school district in an administrative position and includes a school district superintendent, an assistant or associate superintendent, a principal, an assistant principal, a special education director, a ~~vocational~~ career and technical education director, and any other individual whose position requires an administrator's credential.
 - b. "Teacher" means an individual, other than an administrator, who is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices

⁶² Section 15.1-02-13 was also amended by section 1 of House Bill No. 1295, chapter 145.

board and who is employed by the board of a school district in a position classified by the superintendent of public instruction as of July 1, 2001, as:

- (1) A class 22 coordinator;
- (2) A class 37 guidance counselor or school counselor;
- (3) A class 38 guidance counselor designate;
- (4) A class 40 instructional programmer;
- (5) A class 41 library media specialist;
- (6) A class 56 pupil personnel service provider;
- (7) A class 59 school psychologist;
- (8) A class 62 speech-language pathologist;
- (9) A class 68 supervisor;
- (10) A class 70 teacher or special education teacher; or
- (11) A class 72 tutor in training.

SECTION 49. AMENDMENT. Subsection 7 of section 15.1-09-33 of the North Dakota Century Code is amended and reenacted as follows:

7. Lease real property for a maximum of one year except in the case of a ~~vocational~~ career and technical education facility constructed in whole or in part with financing acquired under chapter 40-57, which may be leased for up to twenty years.

⁶³ **SECTION 50. AMENDMENT.** Subsection 1 of section 15.1-09-36 of the North Dakota Century Code is amended and reenacted as follows:

1. A school board may:
 - a. Require that a student pay a security deposit for the return of textbooks, materials, supplies, or equipment.
 - b. Assess a student a use charge if a textbook or other item covered under subsection 1 has received undue wear.
 - c. Require that a student furnish personal or consumable items.
 - d. Require that a student pay an admission fee or other charges for extracurricular or noncurricular activities if the student's attendance is optional.

⁶³ Section 15.1-09-36 was also amended by section 1 of Senate Bill No. 2169, chapter 154.

- e. Require that a student pay a fee or a premium for any authorized student health and accident benefit plan.
- f. Require that a student pay a fee for personal athletic equipment and apparel; provided the board shall allow a student to use the student's own equipment and apparel if it meets reasonable health and safety standards established by the board.
- g. Require that a student pay a fee in any program which generates a product that becomes the personal property of the student.
- h. Require that a student pay a fee for behind-the-wheel driver's education instruction.
- i. Require that a student pay a fee for goods, including textbooks, and services provided in connection with any postsecondary level program or any program established outside regular elementary, middle school, or secondary school programs, including ~~vocational~~ career and technical programs, and adult or continuing education programs.
- j. Require that a student pay any other fees and charges permitted by statute.

SECTION 51. AMENDMENT. Subsection 1 of section 15.1-12-10 of the North Dakota Century Code is amended and reenacted as follows:

1. The reorganization plan required by section 15.1-12-09 must:
 - a. Include a map showing the boundaries of each participating district and of the proposed new district;
 - b. Include the demographic characteristics of each participating district, including the population per age group;
 - c. Include the number of students enrolled in each participating district during the current school year and during the ten preceding school years;
 - d. Include projected student enrollments for the ensuing ten years;
 - e. Include the location and condition of all school buildings and facilities in each participating district and intended uses for the buildings and facilities;
 - f. Address planned construction, modification, or improvement of school buildings and facilities located within the boundaries of the new district;
 - g. Address planned course offerings by the new district;
 - h. Include the planned administrative structure of the new district and the number of full-time equivalent personnel to be employed by the new district;

- i. Include the planned number of members who will constitute the board of the new district and the manner in which the members are to be elected;
- j. Address plans regarding student transportation;
- k. Identify other governmental entities, including multidistrict special education units and area ~~vocational~~ career and technology centers, which may provide services to the new district;
- l. Include the taxable valuation and per student valuation of each participating district and the taxable valuation and per student valuation of the new district;
- m. Include the amount of all bonded and other indebtedness incurred by each participating district;
- n. Address the planned disposition of all property, assets, debts, and liabilities of each participating district, taking into consideration section 15.1-12-18;
- o. Include a proposed budget for the new district and a proposed general fund levy and any other levies, provided that tax levies submitted to and approved by the state board as part of a reorganization plan are not subject to mill levy limitations otherwise provided by law; and
- p. Include any other information that the participating school districts wish to have considered by the county committee or the state board.

SECTION 52. AMENDMENT. Subsection 1 of section 15.1-13-01 of the North Dakota Century Code is amended and reenacted as follows:

1. "Administrator" means an individual who holds an administrator's credential and who is employed by the board of a school district for the primary purpose of providing administrative services to the schools of the district. The term includes a school district superintendent, an assistant or associate school district superintendent, a school principal, an assistant or associate school principal, a special education director, a director of a multidistrict special education unit, a ~~vocational~~ career and technical education director, and a director of a ~~vocational~~ an area career and technology center. The term may include an athletic or activity director who meets the requirements of this subsection.

SECTION 53. AMENDMENT. Subsection 4 of section 15.1-13-10 of the North Dakota Century Code is amended and reenacted as follows:

4. This section does not affect the qualifications for ~~vocational~~ career and technical education certificates, as otherwise established by law.

SECTION 54. AMENDMENT. Section 15.1-14-23 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-23. Area ~~vocational~~ career and technology center - Director - Evaluation.

1. Before December fifteenth of each year, the board of an area ~~vocational~~ career and technology center shall conduct a formative evaluation of the director's performance.
2. Before March fifteenth of each year, the board shall conduct a formal evaluation of the director's performance. The board shall place a copy of the evaluation report in the director's file and shall provide a copy of the evaluation report to the director.
3. If the board finds the director's performance to be unsatisfactory in any area, the board shall detail its findings regarding the director's performance in the report and shall make recommendations.
4. Upon receiving the report, the director may provide a written response to the board. The board shall place the director's written response in the director's personnel file.
5. The board shall meet with the director to discuss the evaluation.

SECTION 55. AMENDMENT. Section 15.1-14-24 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-24. Area ~~vocational~~ career and technology center - Director - Grounds for dismissal. The board of an area ~~vocational~~ career and technology center may dismiss a director prior to the expiration of the individual's contract for any of the following causes:

1. Immoral conduct.
2. Insubordination.
3. Conviction of a felony.
4. Conduct unbecoming the position of a director.
5. Failure to perform contracted duties without justification.
6. Gross inefficiency that the director has failed to correct after written notice.
7. Continuing physical or mental disability that renders the director unfit or unable to perform the director's duties.

SECTION 56. AMENDMENT. Section 15.1-14-25 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-25. Area ~~vocational~~ career and technology center - Director - Discharge for cause - Notice of hearing - Legal expenses.

1. If the board of an area ~~vocational~~ career and technology center intends to discharge a director for cause prior to the expiration of the director's contract, the board shall:

- a. Provide the director with a written description of the reasons for the discharge; and
 - b. Provide the director with written notice specifying the date and time at which the board will conduct a hearing regarding the discharge.
2. If the director chooses to be accompanied by an attorney, the legal expenses attributable to that representation are the responsibility of the director.

SECTION 57. AMENDMENT. Section 15.1-14-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-26. Area ~~vocational~~ career and technology center - Director - Discharge for cause - Hearing.

1. At the hearing, the director may produce evidence and witnesses to rebut any reasons given by the board of the area ~~vocational~~ career and technology center for its discharge of the director.
2. The hearing must be conducted in accordance with chapter 28-32.
3. All witnesses are subject to cross-examination.
4. Unless otherwise agreed to by the board and the director, the hearing must be conducted as an executive session of the board, except that:
 - a. The director may invite to the hearing any two representatives to speak on behalf of the director and may invite the director's spouse or one other family member.
 - b. The board may invite to the hearing any two representatives to speak on behalf of the board and may invite the center's business manager.
5. If a continuance is requested by the director, the board shall grant a continuance for a period not in excess of seven days. The board may grant a continuance in excess of seven days upon a showing of good cause.
6. No cause of action for libel or slander may be brought regarding any communication made at an executive session held by the board for the purposes provided in this section.

SECTION 58. AMENDMENT. Section 15.1-14-27 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-27. Area ~~vocational~~ career and technology center - Director - Discharge for cause - Report to the education standards and practices board. If the board of an area ~~vocational~~ career and technology center discharges a director for cause, the board shall report the discharge to the education standards and practices board.

SECTION 59. AMENDMENT. Section 15.1-14-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-28. Area ~~vocational~~ career and technology center - Director - Suspension during discharge proceeding - Compensation. The board of an area ~~vocational~~ career and technology center may suspend a director if, by unanimous vote, the board determines that suspension is appropriate during the period in which a discharge for cause is pursued. If the director is ultimately discharged for cause, the board may determine the amount of compensation, if any, due the director during the period of suspension. If the director is ultimately not discharged, the board may not apply any reduction to the director's salary for the period of suspension.

SECTION 60. AMENDMENT. Section 15.1-14-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-29. Area ~~vocational~~ career and technology center - Director - Nonrenewal of contract - Reasons - Notice.

1. If the board of an area ~~vocational~~ career and technology center contemplates not renewing the contract of a director who has been employed by the board in that position for at least two consecutive years, the board shall on or before April fifteenth:
 - a. Provide written notification of the contemplated nonrenewal to the director.
 - b. Schedule a hearing to be held on or before April twenty-first for the purpose of discussing and acting upon the contemplated nonrenewal.
 - c. Provide written notification of the date, time, and place for the hearing to the director.
 - d. Provide written notification of the reasons for the contemplated nonrenewal to the director.
2.
 - a. The reasons for the contemplated nonrenewal of the director's contract must:
 - (1) Be sufficient to justify the contemplated nonrenewal;
 - (2) Relate to the ability, competence, or qualifications of the director; and
 - (3) Originate from specific findings documented in the formal and written evaluations of the director's performance required by section 15.1-14-23.
 - b. The provisions of this section do not apply if the contemplated nonrenewal is based on a necessary reduction in personnel.

SECTION 61. AMENDMENT. Section 15.1-14-30 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-30. Area ~~vocational~~ career and technology center - Director - Nonrenewal of contract - Hearing.

1. At the hearing required by section 15.1-14-29, the board of the area ~~vocational~~ career and technology center shall present testimony or

documentary evidence to substantiate the reasons for the contemplated nonrenewal of a director who has been employed by the board in that position for at least two consecutive years.

2. The director may call witnesses and present evidence necessary to refute the reasons for nonrenewal.
3. Each witness appearing on behalf of the board or the director may be questioned for the purpose of clarification.
4. Unless otherwise agreed to by the board and the director, the hearing must be conducted as an executive session of the board, except that:
 - a. The director may invite to the hearing any two representatives to speak on behalf of the director and may invite the director's spouse or one other family member.
 - b. The board may invite to the hearing any two representatives to speak on behalf of the board and may invite the center's business manager.
5. If the director chooses to be accompanied by an attorney, the legal expenses attributable to that representation are the responsibility of the director.
6. If a continuance is requested by the director, the board shall grant a continuance for a period not to exceed seven days.
7. No cause of action for libel or slander may be brought regarding any communication made at an executive session held by the board for the purposes provided in this section.
8. If, after considering the testimony and evidence presented at the hearing, the board chooses not to renew the contract of the director, the board shall provide written notice of its decision to the director on or before May first.

SECTION 62. AMENDMENT. Section 15.1-14-31 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-31. Area ~~vocational~~ career and technology center - Director - Contract - Failure to provide notice of nonrenewal. The contract of an area ~~vocational~~ career and technology center director is deemed to be renewed for a period of one year from its termination date if:

1. On or before April fifteenth, the board of the center has not provided written notification to the director regarding a contemplated nonrenewal of the director's contract; and
2. On or before June first, the director has not provided to the board a written resignation.

SECTION 63. AMENDMENT. Section 15.1-14-32 of the North Dakota Century Code is amended and reenacted as follows:

15.1-14-32. Area ~~vocational~~ career and technology center - Director - Employed for less than two years - Notification of nonrenewal. If the board of an area ~~vocational~~ career and technology center elects not to renew the contract of a director who has been employed by the board in that position for less than two years, the board shall provide written notice of the nonrenewal to the director before May first. At the request of the director, the board shall meet with the director to convey the reasons for the nonrenewal.

SECTION 64. AMENDMENT. Subsection 5 of section 15.1-16-20 of the North Dakota Century Code is amended and reenacted as follows:

5. For purposes of this section, "teacher" means a contracted state employee who:
 - a. Holds a teaching license or is approved to teach by the education standards and practices board;
 - b. Is employed primarily to provide classroom instruction or individualized instruction;
 - c. Has a work schedule set in accordance with the school calendar;
 - d. Is a guidance counselor, school librarian, itinerant outreach teacher, or a ~~vocational~~ career and technological technical resource person required to meet teaching and licensure requirements; and
 - e. Is not a superintendent, assistant superintendent, principal, supervisor, substitute, or paraprofessional.

SECTION 65. AMENDMENT. Subsection 7 of section 15.1-21-02 of the North Dakota Century Code is amended and reenacted as follows:

7. Any six units selected from business education, economics and the free enterprise system, foreign language, American sign language, and ~~vocational~~ career and technical education courses including family and consumer sciences, agriculture, business and office technology, marketing, diversified occupations, trade and industrial education, technology education, and health careers. The ~~vocational~~ career and technical education courses may be offered through cooperative arrangements approved by the state board for ~~vocational~~ career and technical education.

SECTION 66. AMENDMENT. Section 15.1-25-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-25-01. Postsecondary enrollment options program. Any North Dakota student enrolled in grade eleven or twelve in a public high school is eligible to receive high school and postsecondary credit for the successful completion of an academic course offered by any postsecondary institution accredited by a regional accrediting organization or a ~~vocational~~ career and technical education course offered by a postsecondary institution in a program accredited by a national or regional accrediting organization recognized by the United States department of education.

SECTION 67. AMENDMENT. Subsection 1 of section 15.1-27-18 of the North Dakota Century Code is amended and reenacted as follows:

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 ~~vocational~~ 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.

SECTION 68. AMENDMENT. Section 15.1-27-28 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-28. School district transportation of ~~vocational~~ career and technical education students - Payments.

1. Each school district is entitled to receive an amount for transporting students to and from schools in other districts and to and from schools within the district for ~~vocational~~ career and technical education courses offered through cooperative arrangements approved by the state board for ~~vocational~~ career and technical education. The amount must be the same for mileage and per day payments as that provided in subdivisions a through c of subsection 1 of section 15.1-27-26.
2. A school district may not receive more than one per student payment for transportation of a student regardless of the frequency with which the student is transported during any one day.
3. Notwithstanding any other law, the superintendent of public instruction shall make the payments due a school district under this section directly to an area ~~vocational~~ career and technology center if requested to do so by the school district.

SECTION 69. AMENDMENT. Subsection 4 of section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area ~~vocational~~ career and technology center to which the district belongs.

SECTION 70. AMENDMENT. Subsections 3 and 6 of section 19-03.1-23 of the North Dakota Century Code are amended and reenacted as follows:

3. For second or subsequent offenders, in addition to any other penalty imposed under this section, a person who violates this chapter, except a person who manufactures, delivers, or possesses with the intent to manufacture or deliver marijuana, is subject to, and the court shall impose, the following penalties to run consecutively to any other sentence imposed:
 - a. Any person, eighteen years of age or older, who violates this section by willfully manufacturing, delivering, or possessing with intent to manufacture or deliver a controlled substance in or on, or

within one thousand feet [300.48 meters] of the real property comprising a public or private elementary or secondary school or a public ~~vocational~~ career and technical education school is subject to an eight-year term of imprisonment.

- b. If the defendant was at least twenty-one years of age at the time of the offense, and delivered a controlled substance to a person under the age of eighteen, the defendant must be sentenced to imprisonment for at least eight years. It is not a defense that the defendant did not know the age of a person protected under this subdivision.
6. It is unlawful for any person to willfully, as defined in section 12.1-02-02, possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of the practitioner's professional practice, or except as otherwise authorized by this chapter, but any person who violates section 12-46-24 or 12-47-21 may not be prosecuted under this subsection. Except as provided in this subsection, any person who violates this subsection is guilty of a class C felony. If the person is in or on, or within one thousand feet [300.48 meters] of the real property comprising a public or private elementary or secondary school or a public ~~vocational~~ career and technical education school, the person is guilty of a class B felony. Any person who violates this subsection regarding possession of one-half ounce [14.175 grams] to one ounce [28.35 grams] of marijuana is guilty of a class A misdemeanor. Any person, except a person operating a motor vehicle, who violates this subsection regarding possession of less than one-half ounce [14.175 grams] of marijuana is guilty of a class B misdemeanor. Any person who violates this subsection regarding possession of less than one-half ounce [14.175 grams] of marijuana while operating a motor vehicle is guilty of a class A misdemeanor.

SECTION 71. AMENDMENT. Subsection 1 of section 19-03.1-23.1 of the North Dakota Century Code is amended and reenacted as follows:

1. A person who violates section 19-03.1-23 is subject to the penalties provided in subsection 2 if:
 - a. The offense involved the manufacture or distribution of a controlled substance in or on, or within one thousand feet [300.48 meters] of, the real property comprising a public or private elementary or secondary school, public ~~vocational~~ career and technical education school, or a public or private college or university;
 - b. The defendant was at least sixteen years of age at the time of the offense and the offense involved the delivery of a controlled substance to a minor; or
 - c. The offense involved:
 - (1) Fifty grams or more of a mixture or substance containing a detectable amount of heroin;
 - (2) Fifty grams or more of a mixture or substance containing a detectable amount of:

- (a) Coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives of ecgonine or their salts have been removed;
 - (b) Cocaine, its salts, optical and geometric isomers, and salts of isomers;
 - (c) Ecgonine, its derivatives, their salts, isomers, and salts of isomers; or
 - (d) Any compound, mixture, or preparation that contains any quantity of any of the substance referred to in subparagraphs a through c;
- (3) Five grams or more of a mixture or substance described in paragraph 2 which contains cocaine base;
 - (4) Ten grams or more of phencyclidine or one hundred grams or more of a mixture or substance containing a detectable amount of phencyclidine;
 - (5) One gram, one hundred dosage units, or one-half liquid ounce or more of a mixture or substance containing a detectable amount of lysergic acid diethylamide;
 - (6) Forty grams or more of a mixture or substance containing a detectable amount of N-phenyl-N-[1-(2-phenylethyl)-4-piperidinyl] propanamide or ten grams or more of a mixture or substance containing a detectable amount of any analog of N-phenyl-N-[1-(2-phenylethyl)-4-piperidinyl] propanamide;
 - (7) Fifty grams or more of a mixture or substance containing a detectable amount of methamphetamine;
 - (8) Ten grams, one hundred dosage units, or one-half liquid ounce or more of a mixture of substance containing a detectable amount of 3,4-methylenedioxy-N-methylamphetamine, $C_{11}H_{15}NO_2$;
 - (9) One hundred dosage units or one-half liquid ounce of a mixture or substance containing a detectable amount of gamma-hydroxybutyrate or gamma-butyrolactone or 1,4 butanediol or any substance that is an analog of gamma-hydroxybutyrate;
 - (10) One hundred dosage units or one-half liquid ounce of a mixture or substance containing a detectable amount of flunitrazepam; or
 - (11) Five hundred grams or more of marijuana.

SECTION 72. AMENDMENT. Section 25-06-02 of the North Dakota Century Code is amended and reenacted as follows:

25-06-02. Duties and responsibilities of North Dakota vision services - school for the blind. Within the limits of legislative appropriation, North Dakota vision services - school for the blind shall:

1. Provide vision-specific services that include consultations, evaluations, information, training, and educational services, including instruction in orientation, mobility, braille, braille music, daily living skills, technology, ~~vocational~~ career and technical education training, and recreation.
2. Collect and distribute information on vision services and resources available in the state.
3. Coordinate loans of adaptive devices, equipment, and materials.
4. Maintain a data base of residents who are blind or have a visual impairment.
5. Facilitate collaboration with agencies and programs providing services to individuals who are blind or have a visual impairment.
6. Assist residents to access appropriate services, including services available from the vocational rehabilitation division, independent living centers, infant development programs, developmental disabilities programs, the state library, local education programs, and advocacy programs.

SECTION 73. AMENDMENT. Section 25-07-04 of the North Dakota Century Code is amended and reenacted as follows:

25-07-04. Qualifications for admission to school for deaf - Residents of state entitled to free education. Each applicant who is a resident of this state and who, because of hearing impairment, is unable to receive an education in the public schools, is entitled to receive an education in the school for the deaf at the expense of the state. The North Dakota school for the deaf serves deaf or hearing-impaired children from birth through age twenty-one. The North Dakota school for the deaf shall furnish application blanks upon request and no child will be admitted until application is completed and approved. Students enrolled must be furnished transportation by the school for the deaf as indicated in the student's individual education plan. All deaf or hearing-impaired children who are residents of the state are entitled to receive special education and related services based on a completed individual education program, which considers the academic, independent living skills, ~~vocational~~ career and technical education, recreational, and leisure needs of each child.

SECTION 74. AMENDMENT. Section 27-21-02 of the North Dakota Century Code is amended and reenacted as follows:

27-21-02. Division of juvenile services - Powers and duties. The division of juvenile services is the administrative agency which shall take custody of delinquent and unruly children committed to its care by the juvenile courts. Upon committing a child to the custody of the division of juvenile services, the juvenile court, law enforcement officers, and other public officials shall make available to the division of juvenile services all pertinent data in their possession with respect to the child. Upon taking custody or if authorized by the court prior to receiving custody of a child, the division of juvenile services shall process the child through such diagnostic testing and evaluation programs as may be necessary to determine the treatment

and rehabilitation which is in the best interest of the child and in the best interest of the state. In doing so, the division of juvenile services may utilize the psychological, addiction, psychiatric, ~~vocational~~ career and technical education, medical, and other diagnostic and testing services that are available, examine all the pertinent circumstances, and review the reasons for the child's commitment. Upon completion of the diagnostic testing and evaluation of a child committed to its custody, the division shall make disposition under subsection 1, 2, or 3 and inform the court of its disposition. Upon completion of the diagnostic testing and evaluation of a child not in its custody, the division shall develop and recommend to the juvenile court an individualized treatment and rehabilitation plan for the child. This plan must include recommendations for the disposition of the child as follows:

1. Placement in the care of the child's parent, relative, guardian, or in a foster home or suitable private institution licensed by the state for the care or treatment and rehabilitation of children;
2. Placement in the care of the North Dakota youth correctional center or in a ~~vocational~~ career and technical education, training, or other treatment and rehabilitation institution for children or young adults within this state; or
3. Placement in the care of a ~~vocational~~ career and technical education, training, or other treatment and rehabilitation institution for children or young adults in another state in the event that adequate facilities for the child's treatment and rehabilitation are not available within this state and the committing juvenile court concurs in the placement.

SECTION 75. AMENDMENT. Section 27-21-03 of the North Dakota Century Code is amended and reenacted as follows:

27-21-03. Temporary care. The division of juvenile services may, if other means are unavailable, place a child committed to its custody in the temporary care of the North Dakota youth correctional center, a ~~vocational~~ career and technical education, training, medical, psychiatric, psychological, or other institution suitable for children within this state for not more than sixty days, in order to provide for diagnostic testing and evaluation and other assessments pending disposition under section 27-21-02.

SECTION 76. AMENDMENT. Subsection 1 of section 27-21-06 of the North Dakota Century Code is amended and reenacted as follows:

1. The division of juvenile services ~~is hereby empowered to~~ may contract and make placements with the appropriate agencies or departments of other states in order that they may receive care of committed children for ~~vocational~~ career and technical education, training, or other treatment and rehabilitation purposes contemplated by this chapter. Before contracting with any agency or department of another state, the director of the division, or the director's designee, shall assess the facilities that are offered by such department or agency, and, after contracting, forward to the committing juvenile court a summary on the facilities that are furnished by such agency or department and such other information pertaining thereto as may reasonably be requested.

SECTION 77. AMENDMENT. Section 27-21-07 of the North Dakota Century Code is amended and reenacted as follows:

27-21-07. Report by caretaker to division of juvenile services. Any person, agency, department, or ~~vocational~~ career and technical education, training, or other treatment and rehabilitation institution, either within or outside of this state, that has received care of a child under this chapter, other than temporary care, shall:

1. Submit to the director of the division, in such form as the director may reasonably prescribe, a quarterly report of the progress of the child; and
2. Submit to the director of the division, in such form as the director may reasonably prescribe, any interim report of the progress of the child that the director deems necessary in the interest of the child.

Quarterly and interim reports must be made available to the committing juvenile court.

SECTION 78. AMENDMENT. Section 27-21-09 of the North Dakota Century Code is amended and reenacted as follows:

27-21-09. Cooperation with other agencies and departments of the state - Right to inspect facilities of state institutions - Right to examine children. The division of juvenile services shall cooperate with and receive the cooperation of the department of human services, the department of public instruction, the ~~board for vocational~~ department of career and technical education, the juvenile courts, the state department of health, and such other agencies and departments of the state as may be necessary to carry out the objectives of this chapter. The division of juvenile services may inspect at all reasonable times the facilities of those institutions within the state it is authorized to utilize under this chapter, and may examine any child it has placed in the care of such institution, and may contract with public and private agencies to provide services for them or to retain from them required services to meet the purpose and objective of this chapter.

SECTION 79. AMENDMENT. Section 34-05-01.3 of the North Dakota Century Code is amended and reenacted as follows:

34-05-01.3. Duties of commissioner of labor. The commissioner of labor shall:

1. Improve working conditions and living conditions of employees and advance their opportunities for profitable employment.
2. Foster, promote, and develop the welfare of both wage earners and industries in North Dakota.
3. Promote friendly and cooperative relations between employers and employees.
4. Cooperate with other state agencies to encourage the development of new industries and the expansion of existing industries.
5. Represent the state of North Dakota in dealings with the United States department of labor, with the federal mediation and conciliation service, and with the United States veterans' administration with respect to job training programs.

6. Acquire and disseminate information on the subjects connected with labor, relations between employers and employees, hours of labor, and working conditions.
7. Encourage and assist in the adoption of practical methods of ~~vocational~~ career and technical education training, retraining, and ~~vocational guidance~~ career development counseling.
8. Report biennially to the governor and to the legislative assembly concerning activities of the department of labor, including in such report recommendations for legislation deemed necessary or desirable to effectuate the purposes of this chapter.
9. Administer the provisions of chapter 34-06 relating to wages and hours, chapter 34-07 relating to child labor, and the provisions of chapter 34-12 relating to labor-management relations.
10. Perform such other duties as may be required by law.

SECTION 80. AMENDMENT. Section 34-06-15 of the North Dakota Century Code is amended and reenacted as follows:

34-06-15. Special license to employ at less than minimum wage. The commissioner may issue to an employee whose productive capacity for the work to be performed is impaired by physical or mental disability, or to any student or learner enrolled in a ~~vocational~~ career and technical education or related program, a special license authorizing the employment of that licensee at less than the minimum wage. The commissioner may also issue special licenses to community rehabilitation programs for the handicapped which engage in the occupation and responsibility of representing and placing for the purpose of training, learning, or employment of those employees whose productive capacity for the work to be performed is impaired by physical or mental disability. The commissioner shall issue such licenses under rules adopted by the commissioner.

SECTION 81. AMENDMENT. Subsection 1 of section 37-07.1-02 of the North Dakota Century Code is amended and reenacted as follows:

1. "School" means any university, college, ~~vocational~~ career and technical education school, technical school, or postsecondary educational institution.

⁶⁴ **SECTION 82. AMENDMENT.** Section 40-57-02 of the North Dakota Century Code is amended and reenacted as follows:

40-57-02. "Project" and "municipality" defined. As used in this chapter, unless a different meaning clearly appears from the context, the term "municipality" includes counties as well as municipalities of the types listed in subsection 4 of section 40-01-01 and, in the case of parking projects, municipal parking authorities created pursuant to section 40-61-02; and the term "project" means any real property, buildings, and improvements on real property or the buildings thereon, and

⁶⁴ Section 40-57-02 was also amended by section 1 of Senate Bill No. 2388, chapter 349.

any equipment located on such real property or in such buildings, or elsewhere, or personal property which is used or useful in connection with a revenue-producing enterprise, or any combination of two or more such enterprises, engaged or to be engaged in:

1. Assembling, fabricating, manufacturing, mixing, or processing of any agricultural, mineral, or manufactured products, or any combination thereof.
2. Storing, warehousing, distributing, or selling any products of agriculture, mining, or manufacture.
3. Providing hospital, nursing home, or other health care facilities and service.
4. Improvements or equipment used or to be used for the abatement or control of environmental pollution in connection with any new or existing revenue-producing enterprise.
5. Public ~~vocational~~ career and technical education.
6. Any other industry or business not prohibited by the constitution or laws of the state of North Dakota.

In no event, however, does the term "project" include those undertakings defined in chapter 40-35, with the exception of projects referred to in subsections 3, 4, and 5.

⁶⁵ **SECTION 83. AMENDMENT.** Subsection 3 of section 40-57-03 of the North Dakota Century Code is amended and reenacted as follows:

3. Lease projects to any industrial or commercial enterprise or nonprofit corporation or to any school district for ~~vocational~~ career and technical education purposes, in such manner that rents to be charged for the use of such projects shall be fixed, and revised from time to time as necessary, so as to produce income and revenue sufficient to provide for the prompt payment of interest upon all bonds issued hereunder, to create a sinking fund to pay the principal of such bonds when due, and to provide for the operation, maintenance, insurance on, and depreciation of such projects, and any taxes thereon.

SECTION 84. AMENDMENT. Section 40-57.2-01 of the North Dakota Century Code is amended and reenacted as follows:

40-57.2-01. Cities and counties may enter into agreements for surveys for industrial development and ~~vocational~~ career and technical education and on-the-job training. The governing body of any city or county of this state is authorized in accordance with the provisions of this chapter to enter into contracts with any person, firm, association, corporation, or limited liability company for the purpose of obtaining site surveys and site development plans, structural and mechanical plans and surveys, market surveys, and similar plans and surveys

⁶⁵ Section 40-57-03 was also amended by section 2 of Senate Bill No. 2388, chapter 349.

relating to industrial development and plant location, design, construction, equipment, and operation. Similar contracts may be entered into by such political subdivisions in accordance with the provisions of this chapter for the providing of ~~vocational~~ career and technical education and on-the-job training for residents of this state in industries located within this state. Such agreements shall be entered into only with a financially and educationally reliable person, firm, association, corporation, or limited liability company that has been approved for such agreement by a local development organization located in such city or county and organized to encourage industrial and commercial development and growth.

SECTION 85. AMENDMENT. Section 40-57.2-04 of the North Dakota Century Code is amended and reenacted as follows:

40-57.2-04. City or county may make tax levy. Any city or county, after resolution by its governing body that the question be submitted to its electors shall upon approval of the question at a regular or special election by sixty percent of the qualified electors of the city or county voting in the election may levy a tax not exceeding the limitations in subsection 16 of section 57-15-06.7 and subsection 15 of section 57-15-10 for the purpose of providing funds for ~~vocational~~ career and technical education and on-the-job training services and surveys and otherwise implementing this chapter. No levy for a specific year shall be made if the balance in the fund remaining from levies in prior years is in excess of ten thousand dollars.

SECTION 86. AMENDMENT. Section 43-35-13 of the North Dakota Century Code is amended and reenacted as follows:

43-35-13. Certificate - How obtained - Fee - Bond. Any person desiring to take the examination to become a certified water well contractor shall first have completed a minimum of one-year apprenticeship or experience in water well drilling and construction under the direct supervision of a certified water well contractor or have completed a ~~vocational school~~ career and technical education program of at least one year in water well construction and shall make application to the board. Any person desiring to take the examination to become a certified water well pump and pitless unit installer shall first have completed a minimum of one-year apprenticeship or experience in water well pump and pitless unit installation under the direct supervision of a certified water well pump and pitless unit installer or have completed a ~~vocational school~~ career and technical education program of at least one year in water well pump and pitless unit installation. Any person desiring to take the examination to become a certified monitoring well contractor shall first have completed a minimum of one-year apprenticeship or experience in monitoring well construction under the direct supervision of a certified water well contractor or a certified monitoring well contractor or have completed a ~~vocational school~~ career and technical education program of at least one year in water well construction or hold a bachelor's degree in engineering or geology from an approved school and shall make application to the board. A person applying to take a certification examination shall pay to the board treasurer a nonrefundable examination fee in the amount of ten dollars. If upon examination the applicant is found to be qualified as a water well contractor or a water well pump and pitless unit installer, the board shall issue to that person an appropriate certificate upon the applicant's executing and filing with the board a bond as required in this chapter. The board may offer a combined examination for certification of a person as a water well contractor and a water well pump and pitless unit installer and may issue a single certificate for successful completion of the combined examination. Certificates issued under this chapter are not transferable.

⁶⁶ **SECTION 87. AMENDMENT.** Section 50-09-02.2 of the North Dakota Century Code is amended and reenacted as follows:

50-09-02.2. Assistance for adopted children with special needs.

Assistance provided under this chapter or chapter 50-24.1 after adoption to a child with special needs must be provided without regard to the income or resources of the adopting parents. Except as provided in this section, such assistance continues until the adopted child becomes eighteen years of age, is emancipated, or dies; the adoption is terminated; or a determination of ineligibility is made by the county agency, whichever occurs earlier. If sufficient funds are available, the county agency may continue assistance for an adopted child until the child reaches twenty-one years of age if the agency determines that the adopted child is a student regularly attending a secondary, postsecondary, or ~~vocational~~ career and technical education school in pursuance of a course of study leading to a diploma, degree, or gainful employment. Assistance provided to an adopted child must continue regardless of the residence of the adopting parents. A state or county agency may require, as a condition of receiving assistance under this chapter or chapter 50-24.1, that the adopting parents enter into a contract or agreement regarding the type of assistance to be received; the amount of assistance; the identity of the physical, mental, or emotional condition for which medical assistance is received; or any conditions for continued receipt of assistance. A child with special needs is a child legally available for adoptive placement whose custody has been awarded to the department or a county social service board and who is five years of age or older; under eighteen years of age with a physical, emotional, or mental handicap; a member of a minority; or a member of a sibling group.

SECTION 88. AMENDMENT. Section 50-11-01 of the North Dakota Century Code is amended and reenacted as follows:

50-11-01. Foster care for children - License required. No person may furnish foster care for children for more than thirty days during a calendar year without first procuring a license to do so from the department. The mandatory provisions of this section requiring licensure do not apply when the care is provided in:

1. The home of a person related to the child by blood or marriage.
2. A home or institution under the management and control of the state or a political subdivision.
3. A home or facility furnishing room and board primarily to accommodate the child's educational or ~~vocational~~ career and technical education needs.

SECTION 89. AMENDMENT. Section 52-02-02.1 of the North Dakota Century Code is amended and reenacted as follows:

52-02-02.1. Adult education and training - Grants to students. Job service North Dakota may make grants of up to five hundred dollars per person to Job Training Partnership Act eligible students enrolled in adult basic and secondary

⁶⁶ Section 50-09-02.2 was also amended by section 1 of Senate Bill No. 2036, chapter 412.

education programs and training programs for adults approved by job service North Dakota. No grants may be made unless federal funds received by the state for job training services as defined in the Job Training Partnership Act [Pub. L. 97-300; 96 Stat. 1361; 29 U.S.C. 1604] have been obligated. Job service may collect an administrative fee not to exceed ten percent of the amount of grants made under this section. Job service North Dakota shall, in cooperation with the superintendent of public instruction, the ~~board for vocational~~ department of career and technical education, and any other state agency providing or administering adult education services, coordinate the grant program established under this section. Job service North Dakota shall adopt rules to implement the grant program established under this section including rules regarding eligibility requirements and use of grant proceeds.

SECTION 90. AMENDMENT. Section 52-02-08 of the North Dakota Century Code is amended and reenacted as follows:

52-02-08. Bureau and advisory councils to take steps to stabilize employment. The bureau, with the advice and aid of its advisory councils, and through its appropriate divisions, shall take appropriate steps to:

1. Reduce and prevent unemployment.
2. Encourage and assist in the adoption of practical methods of ~~vocational career and technical education~~ training, retraining, and vocational guidance career development counseling.
3. Investigate, recommend, advise, and assist in the establishment and operation, by municipalities, counties, school districts, and the state, of reserves for public works to be used in times of business depression and unemployment.
4. Promote the reemployment of unemployed workers throughout the state in every other way that may be feasible.
5. Carry on and publish the results of investigations and research studies.

⁶⁷ **SECTION 91. AMENDMENT.** Section 52-08-12 of the North Dakota Century Code is amended and reenacted as follows:

52-08-12. (Effective July 1, 2003) Workforce training funds - Distribution. Within the limits of legislative appropriations, workforce training funds must be distributed by the state board for ~~vocational~~ career and technical education as follows:

1. During the first fiscal year of each biennium, the state board for ~~vocational~~ career and technical education shall distribute up to one-half of the total amount appropriated for the biennium. The funds must be divided among the institutions of higher education assigned primary responsibility for workforce training pursuant to business plans approved by the state board of higher education and filed annually with

⁶⁷ Section 52-08-12 was repealed by section 1 of Senate Bill No. 2109, chapter 445.

the state board for ~~vocational~~ career and technical education and the division of workforce development of the department of commerce.

2. To be eligible to receive state funding for the second fiscal year of each biennium, each institution of higher education assigned primary responsibility for workforce training must provide certification to the workforce development division of the department of commerce that at least fifty percent of the regional funds included in the approved business plan for the biennium have been received, or are pledged to be received, prior to the end of the biennium. These funds may not be distributed to an institution of higher education assigned primary responsibility for workforce training until the workforce development division notifies the state board for ~~vocational~~ career and technical education that the institution has met the requirements of this subsection.

SECTION 92. AMENDMENT. Subsection 2 of section 52-08.1-04 of the North Dakota Century Code is amended and reenacted as follows:

2. Programs must be conducted in cooperation with appropriate state board for ~~vocational~~ career and technical education approved training providers and institutions.

SECTION 93. AMENDMENT. Section 52-09-08 of the North Dakota Century Code is amended and reenacted as follows:

52-09-08. Default in taxes - Interest - Action to collect - Levy of tax by political subdivisions. Taxes unpaid on the date on which they are due and payable, as prescribed by the bureau, must bear interest at the rate of one-half of one per centum per month from and after that date until payment plus accrued interest is received by the bureau; provided, that the bureau may prescribe fair and reasonable regulations pursuant to which interest does not accrue with respect to taxes required. The amount of interest imposed may not be less than five dollars. Interest collected pursuant to this section must be paid into the old-age and survivors' fund. A political subdivision, except a school district, a multidistrict special education board, or a center board of an area ~~vocational~~ career and technology center, shall levy a tax sufficient to meet its obligations under this chapter, up to a maximum levy not exceeding the limitation in section 57-15-28.1 or, for counties, the limitation in subsection 36 of section 57-15-06.7. Within the levy limitations set out in subsection 6 of section 57-15-28.1 and subsection 36 of section 57-15-06.7, the governing body of a county may levy a tax for comprehensive health care insurance employee benefit programs duly established by the governing body. Any obligations under this chapter over and above the amount raised by the maximum levy permitted in this section must be paid out of the general fund of the political subdivision. All payments by a school district for obligations incurred under this chapter must be made out of the school district's general fund established pursuant to section 57-15-14.2.

SECTION 94. AMENDMENT. Subsection 12 of section 54-10-14 of the North Dakota Century Code is amended and reenacted as follows:

12. Area ~~vocational~~ career and technology centers.

SECTION 95. AMENDMENT. Section 54-56-01 of the North Dakota Century Code is amended and reenacted as follows:

54-56-01. Children's services coordinating committee - Membership.

The children's services coordinating committee consists of the governor or a designee of the governor, the superintendent of public instruction, a representative of juvenile courts appointed by the chief justice of the supreme court, the executive director of the department of human services, the state health officer, the director of the department of corrections and rehabilitation, or a designee of the director of the department of corrections and rehabilitation, the director of ~~vocational~~ career and technical education, and a representative of the Indian affairs commission. The governor or the governor's designee shall act as chairperson.

⁶⁸ **SECTION 96. AMENDMENT.** Subsection 2 of section 54-59-17 of the North Dakota Century Code is amended and reenacted as follows:

2. The educational technology council consists of:
 - a. The chief information officer.
 - b. The superintendent of public instruction or the superintendent's designee.
 - c. The commissioner of higher education or the commissioner's designee.
 - d. A representative appointed by the state board for ~~vocational~~ career and technical education.
 - e. A representative appointed by the governor from a list of three nominees submitted by the North Dakota association of technology leaders.
 - f. A representative appointed by the governor from a list of three nominees submitted by the North Dakota council of educational leaders.
 - g. A representative appointed by the governor from a list of three nominees submitted by the North Dakota school boards association.
 - h. A representative appointed by the governor from a list of three nominees submitted by the North Dakota association of special education directors.
 - i. Two representatives of school districts, one of which has an enrollment in kindergarten through grade twelve of fewer than four hundred, appointed by the governor.
 - j. The director of technology for the department of public instruction.
 - k. A representative appointed by the governor from a list of three nominees submitted by the state association of non public schools.

⁶⁸ Section 54-59-17 was also amended by section 1 of House Bill No. 1444, chapter 504.

SECTION 97. AMENDMENT. Section 54-60-06 of the North Dakota Century Code is amended and reenacted as follows:

54-60-06. Commerce cabinet. The North Dakota commerce cabinet is created. The cabinet is composed of the directors of each of the department divisions and of the executive heads, or other authorized representatives, of the state board for ~~vocational career~~ and technical education, the state board of higher education, the Bank of North Dakota, the department of agriculture, the workers compensation bureau, the department of transportation, job service North Dakota, the game and fish department, and of any other state agency appointed by the commissioner. The commissioner is the chairman of the cabinet and shall determine which agencies are members of the cabinet. The cabinet shall:

1. Coordinate and communicate economic development and tourism efforts of the agencies represented.
2. Meet at times determined by the commissioner.
3. Develop and make available before each regular session of the legislative assembly a list that identifies economic development moneys included in budget requests of cabinet agencies.

⁶⁹ **SECTION 98. AMENDMENT.** Subsection 16 of section 57-15-06.7 of the North Dakota Century Code is amended and reenacted as follows:

16. A county levying a tax to provide for ~~vocational~~ career and technical education and on-the-job training services as provided in section 40-57.2-04 may levy a tax not exceeding one mill.

⁷⁰ **SECTION 99. AMENDMENT.** Subsection 15 of section 57-15-10 of the North Dakota Century Code is amended and reenacted as follows:

15. Taxes levied for the purpose of ~~vocational~~ career and technical education and on-the-job training services in accordance with section 40-57.2-04 may be levied in an amount not exceeding one mill.

SECTION 100. AMENDMENT. Subsections 1 and 2 of section 57-15-14.2 of the North Dakota Century Code are amended and reenacted as follows:

1. A school board of any school district may levy an amount sufficient to cover general expenses including the costs of the following:
 - a. Board and lodging for high school students as provided in section 15.1-30-04.
 - b. The teachers' retirement fund as provided in section 15-39.1-28.

⁶⁹ Section 57-15-06.7 was also amended by section 2 of House Bill No. 1207, chapter 95, section 16 of House Bill No. 1426, chapter 96, and section 3 of Senate Bill No. 2173, chapter 92.

⁷⁰ Section 57-15-10 was also amended by section 3 of House Bill No. 1207, chapter 95, and section 17 of House Bill No. 1426, chapter 96.

- c. Tuition for students in grades seven through twelve as provided in section 15.1-29-15.
- d. Special education program as provided in section 15.1-32-20.
- e. The establishment and maintenance of an insurance reserve fund for insurance purposes as provided in section 32-12.1-08.
- f. A final judgment obtained against a school district.
- g. The district's share of contribution to the old-age survivors' fund and matching contribution for the social security fund as provided by chapter 52-09 and to provide the district's share of contribution to the old-age survivors' fund and matching contribution for the social security fund for contracted employees of a multidistrict special education board.
- h. The rental or leasing of buildings, property, or classroom space. Minimum state standards for health and safety applicable to school building construction shall apply to any rented or leased buildings, property, or classroom space.
- i. Unemployment compensation benefits.
- j. The removal of asbestos substances from school buildings or the abatement of asbestos substances in school buildings under any method approved by the United States environmental protection agency and any repair, replacement, or remodeling that results from such removal or abatement, any remodeling required to meet specifications set by the Americans with Disabilities Act accessibility guidelines for buildings and facilities as contained in the appendix to 28 CFR 36, any remodeling required to meet requirements set by the state fire marshal during the inspection of a public school, and for providing an alternative education program as provided in section 57-15-17.1.
- k. Participating in cooperative ~~vocational~~ career and technical education programs approved by the state board.
- l. Maintaining a ~~vocational~~ career and technical education program approved by the state board and established only for that school district.
- m. Paying the cost of purchasing, contracting, operating, and maintaining schoolbuses.
- n. Establishing and maintaining school library services.
- o. Equipping schoolbuses with two-way communications and central station equipment and providing for the installation and maintenance of such equipment.
- p. Establishing free public kindergartens in connection with the public schools of the district for the instruction of resident children below school age during the regular school term.

- q. Establishing, maintaining, and conducting a public recreation system.
 - r. The district's share of contribution to finance an interdistrict cooperative agreement authorized by section 15.1-09-40.
2. This limitation does not apply to mill levies pursuant to subdivisions a, c, f, and j of subsection 1. If a school district maintained a levy to finance either its participation in a cooperative ~~vocational career and technical~~ education program or its sponsorship of single-district ~~vocational career and technical~~ education programs prior to July 1, 1983, and the district discontinues its participation in or sponsorship of those ~~vocational career and technical~~ education programs, that district must reduce the proposed aggregated expenditure amount for which its general fund levy is used by the dollar amount raised by its prior levy for the funding of those programs.

SECTION 101. AMENDMENT. Section 57-15-17 of the North Dakota Century Code is amended and reenacted as follows:

57-15-17. Disposition of building fund tax. Revenue raised for building purposes shall be disposed of as follows:

1. a. All revenue accruing from appropriations or tax levies for a school building fund together with such amounts as may be realized for building purposes from all other sources must be placed in a separate fund known as a school building fund and must be deposited, held, or invested in the same manner as the sinking funds of such school district or in the purchase of shares or securities of federal or state-chartered savings and loan associations within the limits of federal insurance.
- b. The funds may only be used for the following purposes:
 - (1) The erection of new school buildings or facilities, or additions to old school buildings or facilities, or the making of major repairs to existing buildings or facilities, or improvements to school land and site. For purposes of this paragraph, facilities may include parking lots, athletic complexes, or any other real property owned by the school district.
 - (2) The payment of rentals upon contracts with the state board of public school education.
 - (3) The payment of rentals upon contracts with municipalities for ~~vocational career and technical~~ education facilities financed pursuant to chapter 40-57.
 - (4) Within the limitations of school plans as provided in subsection 2 of section 57-15-16.
 - (5) The payment of principal, premium, if any, and interest on bonds issued pursuant to subsection 7 of section 21-03-07.

- (6) The payment of premiums for fire and allied lines, liability, and multiple peril insurance on any building and its use, occupancy, fixtures, and contents.
 - c. The custodian of the funds may pay out the funds only upon order of the school board, signed by the president and the business manager of the school district. The order must recite upon its face the purpose for which payment is made.
2. Any moneys remaining in a school building fund after the completion of the payments for any school building project which has cost seventy-five percent or more of the amount in such building fund at the time of letting the contracts therefor shall be returned to the general fund of the school district upon the order of the school board.
3. The governing body of any school district may pay into the general fund of the school district any moneys which have remained in the school building fund for a period of ten years or more, and such district may include the same as a part of its cash on hand in making up its budget for the ensuing year. In determining what amounts have remained in said fund for ten years or more, all payments which have been paid from the school building fund for building purposes shall be considered as having been paid from the funds first acquired.
4. Whenever collections from the taxes levied for the current budget and other income are insufficient to meet the requirements for general operating expenses, a majority of the governing body of a school district may transfer unobligated funds from the school building fund into the general fund of the school district if the school district has issued certificates of indebtedness equal to fifty percent of the outstanding uncollected general fund property tax. No school district may transfer funds from the school building fund into the general fund for more than two years.

⁷¹ **SECTION 102. AMENDMENT.** Subdivision m of subsection 1 of section 57-38-01.2 of the North Dakota Century Code is amended and reenacted as follows:

- m. Reduced by the amount of interest received during that taxable year on a contract for deed on the sale of eighty or more acres [32.37 or more hectares] of agricultural land to a beginning farmer. The contract for deed must extend for not less than ten years and have an annual interest rate equal to or less than the minimum rate allowed by the internal revenue service before interest is imputed. In order for an individual, estate, or trust to qualify for this reduction, the taxpayer must obtain a statement from the buyer stating that the buyer meets all requirements of the beginning farmer definition, together with such other information as the state tax commissioner may require. The value placed on any real property located in North Dakota and owned by the buyer must be the amount listed as the true and full value on the most recent real

⁷¹ Section 57-38-01.2 was also amended by section 1 of Senate Bill No. 2367, chapter 526, and section 3 of Senate Bill No. 2099, chapter 529.

estate tax statement for that particular piece of property. In determining the net worth of any person, including the person's dependents and spouse, if any, for purposes of this subdivision, the value of their equity in their principal residence, the value of one personal or family motor vehicle, and the value of their household goods, including furniture, appliances, musical instruments, clothing, and other personal belongings may not be included. This statement must be filed along with the income tax return. For the purposes of this subdivision, "beginning farmer" means any person who is:

- (1) A resident of this state.
- (2) Receiving more than one-half of that person's gross annual income from farming, unless the person initially commences farming during the tax year for which an adjustment will be claimed under this subdivision.
- (3) Intending to use any farmland to be purchased or rented for agricultural purposes.
- (4) Except for contracts for deed entered into prior to July 1, 1985, having adequate training by education in the type of farming operation which the person wishes to begin through satisfactory participation in the adult farm management education program of the state board for ~~vocational~~ career and technical education or an equivalent program approved by the agriculture commissioner.
- (5) Having, including the net worth of any dependents and spouse, a net worth of less than one hundred thousand dollars.

SECTION 103. AMENDMENT. Subsection 2 of section 57-38-67 of the North Dakota Century Code is amended and reenacted as follows:

2. "Beginning farmer" means any person who is:
 - a. A resident of this state;
 - b. Receiving more than half of that person's gross annual income from farming, unless the person initially commences farming during the tax year for which a deduction will be claimed under sections 57-38-67 through 57-38-70;
 - c. Intending to use any farmland to be purchased or rented for agricultural purposes;
 - d. Except for tax-exempt transactions entered into prior to July 1, 1985, having adequate training by education in the type of farming operation which the person wishes to begin on the purchased or rented land referred to in subdivision c through satisfactory participation in the adult farm management education program of the state board for ~~vocational~~ career and technical education or an equivalent program approved by the agriculture commissioner; and

- e. Having, including the net worth of any dependents and spouse, a net worth of less than one hundred thousand dollars, not including the value of their equity in their principal residence, the value of one personal or family motor vehicle, and the value of their household goods, including furniture, appliances, musical instruments, clothing, and other personal belongings.

SECTION 104. REPEAL. Section 15-20.1-10 of the North Dakota Century Code is repealed.

Approved March 17, 2003

Filed March 17, 2003

CHAPTER 139

HOUSE BILL NO. 1068

(Representative R. Kelsch)

(At the request of the State Board for Vocational and Technical Education)

ACADEMIC CREDENTIAL FALSIFICATION

AN ACT to create and enact three new sections to chapter 15-20.4 of the North Dakota Century Code, relating to the issuance, manufacture, and use of false academic degrees or certificates; and to provide a penalty.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15-20.4 of the North Dakota Century Code is created and enacted as follows:

Unlawful to issue, manufacture, or use false academic degrees - Penalty.

1. It is unlawful for a person to knowingly issue or manufacture a false academic degree. A person that violates this subsection is guilty of a class C felony.
2. a. It is unlawful for an individual to knowingly use or claim to have a false academic degree:
 - (1) To obtain employment;
 - (2) To obtain a promotion of higher compensation in employment;
 - (3) To obtain admission to an institution of higher learning; or
 - (4) In connection with any business, trade, profession, or occupation.
- b. An individual who violates this subsection is guilty of a class A misdemeanor.
3. As used in this section, "false academic degree" means a document such as a degree or certification of completion of a degree, coursework, or degree credit, including a transcript, that provides evidence or demonstrates completion of a course of instruction or coursework that results in the attainment of a rank or level of associate or higher which is issued by a person that is not a duly authorized institution of higher learning.
4. As used in this section, "duly authorized institution of higher learning" means an institution that:
 - a. Has accreditation recognized by the United States secretary of education or has the foreign equivalent of such accreditation;

- b. Has an authorization to operate under this chapter;
- c. Operates in this state and is exempt from this chapter under section 15-20.4-02;
- d. Does not operate in this state and is:
 - (1) Licensed by the appropriate state agency; and
 - (2) An active applicant for accreditation by an accrediting body recognized by the United States secretary of education; or
- e. Has been found by the state board for career and technical education to meet standards of academic quality comparable to those of an institution located in the United States that has accreditation recognized by the United States secretary of education to offer degrees of the type and level claimed.

SECTION 2. A new section to chapter 15-20.4 of the North Dakota Century Code is created and enacted as follows:

Unlawful to use degree or certificate when coursework not completed - Penalty.

1. An individual may not knowingly use a degree, certificate, diploma, transcript, or other document purporting to indicate that the individual has completed an organized program of study or completed courses when the individual has not completed the organized program of study or the courses as indicated on the degree, certificate, diploma, transcript, or document:
 - a. To obtain employment;
 - b. To obtain a promotion or higher compensation in employment;
 - c. To obtain admission to an institution of higher learning; or
 - d. In connection with any business, trade, profession, or occupation.
2. An individual who violates this section is guilty of a class A misdemeanor.

SECTION 3. A new section to chapter 15-20.4 of the North Dakota Century Code is created and enacted as follows:

Consumer protection - False academic degrees. The state board for career and technical education, in collaboration with the North Dakota university system, shall provide via internet web sites, information to protect students, businesses, and others from persons that issue, manufacture, or use false academic degrees.

Approved April 14, 2003
Filed April 14, 2003

CHAPTER 140

SENATE BILL NO. 2057

(Government and Veterans Affairs Committee)
(At the request of the Teachers' Fund for Retirement)

TFFR ADMINISTRATION

AN ACT to create and enact a new section to chapter 15-39.1 of the North Dakota Century Code, relating to the purchase of service credit by employers under the teachers' fund for retirement; and to amend and reenact subsection 9 of section 15-39.1-04, sections 15-39.1-10.3, 15-39.1-10.6, 15-39.1-15, 15-39.1-16, 15-39.1-18, 15-39.1-19.1, and 15-39.1-20, and subsection 11 of section 15-39.1-24 of the North Dakota Century Code, relating to definition of salary, dual membership, benefit limitations, withdrawal, benefit options, disability retirement, discontinuance of retirement benefits, and acceptance of rollovers under the teachers' fund for retirement.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁷² **SECTION 1. AMENDMENT.** Subsection 9 of section 15-39.1-04 of the North Dakota Century Code is amended and reenacted as follows:

9. "Salary" means a member's earnings in eligible employment under this chapter for teaching, supervisory, administrative, and extracurricular services during a school year reported as salary on the member's federal income tax withholding statements plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 132(f), 401(k), 403(b), 414(h), or 457. "Salary" with respect to a member who begins participation in the plan under former chapter 15-39, or chapter 15-39.1 or 15-39.2 after June 30, 1996, includes bonus amounts paid to members for performance, retention, experience, and other service-related bonuses, unless amounts are conditioned on or made in anticipation of an individual member's retirement or termination. The annual salary of each member taken into account in determining benefit accruals and contributions may not exceed the annual compensation limits established under 26 U.S.C. 401(a)(17)(B), as amended by the Omnibus Budget Reconciliation Act of 1993 [Pub. L. 103-66; 107 Stat. 312]. The annual compensation limit is one hundred fifty thousand dollars, as adjusted by the commissioner of the internal revenue service for increases in the cost of living in accordance with 26 U.S.C. 401(a)(17)(B). A salary maximum is not applicable to members whose participation began before July 1, 1996. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave, housing allowances, transportation expenses, early retirement incentive pay, severance pay, medical insurance, workers' compensation benefits, disability insurance premiums or benefits,

⁷² Section 15-39.1-04 was also amended by section 42 of House Bill No. 1183, chapter 138.

~~referee pay, busdriver pay, janitorial pay, or salary received by a member in lieu of previously employer-provided fringe benefits.:~~

- a. Fringe benefits or side, nonwage, benefits that accompany or are in addition to a member's employment, including insurance programs, annuities, transportation allowances, housing allowances, meals, lodging, or expense allowances, or other benefits provided by a member's employer.
- b. Insurance programs, including medical, dental, vision, disability, life, long-term care, workers' compensation, or other insurance premiums or benefits.
- c. Payments for unused sick leave, personal leave, vacation leave, or other unused leave.
- d. Early retirement incentive pay, severance pay, or other payments conditioned on or made in anticipation of retirement or termination.
- e. Teacher's aide pay, referee pay, busdriver pay, or janitorial pay.
- f. Amounts received by a member in lieu of previously employer-provided benefits or payments that are made on an individual selection basis.
- g. Recruitment bonuses.
- h. Other benefits or payments not defined in subdivisions a through g which the board determines to be ineligible teachers' fund for retirement salary.

SECTION 2. AMENDMENT. Section 15-39.1-10.3 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-10.3. Multiple plan membership - Eligibility for benefits - Amount of benefits.

1. a. For the purpose of determining vesting of rights and eligibility for benefits under this chapter, a teacher's years of service credit is the total of the years of service credit earned in the fund and the years, with twelve months of compensation equal to a year, of service employment earned in any number of the following alternate plans:
 - (1) The public employees retirement system.
 - (2) The highway patrolmen's retirement system.

Service credit may not exceed one year of service in any fiscal year in determining vesting and benefit eligibility.

- b. If a teacher terminates eligible employment under the fund, if that teacher has not received a refund of member ~~assessments~~ contributions, and if that teacher begins eligible employment in a plan described in paragraph 1 or 2 of subdivision a, that teacher may elect to remain an inactive member of the fund without refund

of ~~assessments~~ ~~contributions~~. The board shall terminate the inactive status of a teacher under this subdivision if the teacher gains eligible employment under this chapter or if the teacher terminates eligible employment under a plan described in paragraph 1 or 2 of subdivision a.

- c. ~~A Pursuant to rules adopted by the board, a teacher who has service credit in the fund and in any number of the alternate plans described in paragraphs 1 and 2 of subdivision a is entitled to benefits under this chapter, calculated by using the certified salaries of the retirement plan of last membership in the computation of final average monthly salary. The board shall calculate benefits for a teacher under this section by using only those years of service credit earned under this chapter. A teacher may elect to have benefits calculated using the benefit formula in subsection 2 of section 15-39.1-10 under either of the following calculation methods:~~

~~(1) Using the three highest certified fiscal year salaries of this plan in the computation of final average salary and all service credit earned in this plan; or~~

~~(2) Using the three highest certified fiscal year salaries of this plan combined with the alternate plan in the computation of final average salary and service credit not to exceed one year in any fiscal year when combined with the service credit earned in the alternate retirement plan.~~

2. ~~a. If a teacher, who is a member of the eligible to participate in this fund, is also employed in any position where membership in the public employees eligible to participate in an alternate retirement system is required, then for purposes of current employment the teacher is a member of the retirement system in which the teacher has the most years of service credit. If the teacher has an equal amount of service credit in both the fund and the public employees retirement system, the teacher is a member of the public employees retirement system. The board of trustees of the teachers' fund for retirement and the state retirement board shall jointly certify to the appropriate employers of the teacher the fact of the beginning and termination of eligibility for dual membership in the respective retirement systems and the retirement system to which the teacher is required to be a member under this subsection, the employee is a member of the teachers' fund for retirement for duties covered under this fund, and the employee is also a member of the public employees retirement system or highway patrolmen's retirement system for duties covered by those alternate retirement systems. The employers upon receipt of this certification shall pay over to that retirement system the member assessments and employer contributions at the rates currently existing for that the applicable system. If the teacher is required to be a member of the public employees retirement system, the board, at the teacher's election, shall designate the teacher an inactive member of the fund without refund of the teacher's accumulated assessments with interest until the teacher ceases the employment which requires membership in both the fund and the public employees retirement system.~~

b. If a teacher described in subdivision a was employed prior to August 1, 2003, and has dual member rights, the teacher may elect to begin participation in the alternate plan pursuant to the plan provisions on August 1, 2003, or may continue participation pursuant to the plan provisions in effect on July 31, 2003. A plan participation election is required by five p.m. on October 31, 2003. If an election is not received by the retirement plan, the participation and benefit calculation requirements of this chapter as of July 31, 2003, continue to be in effect for the teacher.

3. Under rules adopted by the board, an individual whose service credit was canceled when that individual received a refund of assessments at termination of employment under this chapter may, while that individual participates in a plan described in paragraph 1 or 2 of subdivision a of subsection 1, repurchase that service credit that was canceled.

SECTION 3. AMENDMENT. Section 15-39.1-10.6 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-10.6. Benefit limitations. Benefits with respect to a member participating under former chapter 15-39 or chapter 15-39.1 or 15-39.2 may not exceed the maximum benefits specified under section 415 of the Internal Revenue Code [26 U.S.C. 415] in effect on August 1, 2003, for governmental plans. This section does not constitute an election under section 415(b)(10)(C) of the Internal Revenue Code [26 U.S.C. 415(b)(10)(C)] in effect on August 1, 2003.

SECTION 4. AMENDMENT. Section 15-39.1-15 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-15. Withdrawal from fund - Return to teaching. Any teacher who has withdrawn from the fund as set forth in this chapter may, by returning to teach in a public school or state institution of this state, regain credit for prior teaching by making the required payment. The required payment, if made within five years of returning to teach, is the amount that was withdrawn with interest. In all other cases, the purchase cost must be on an actuarial equivalent basis. ~~The fund may accept rollovers from other qualified plans under rules adopted by the board for the repurchase of refunds previously taken, but only to the extent the transfer is a rollover contribution that meets the requirements of section 408 of the Internal Revenue Code.~~

SECTION 5. AMENDMENT. Section 15-39.1-16 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-16. Option of teachers eligible to receive annuities. The board shall adopt rules providing for the receipt of retirement benefits in the following optional forms:

Option one. Upon the death of the teacher, the reduced retirement allowance must be continued throughout the life of, and paid to, ~~the person as the teacher has nominated by written designation filed with the board~~ teacher's designated beneficiary named at the time of retirement. If the person designated to receive the teacher's reduced retirement allowance predeceases the teacher, the reduced retirement allowance must be converted to a single life retirement annuity under which benefit payments, if the person designated died prior to July 1, 1989, must begin on July 1, 1989, or, if the person designated dies on or after July 1, 1989, must begin on the first day of the month following the death of the person designated.

Option two. Upon the death of the teacher, one-half of the reduced retirement allowance must be continued throughout the life of, and paid to, the person as the teacher has nominated by written designation filed with the board teacher's designated beneficiary named at the time of retirement. If the person designated to receive the teacher's reduced retirement allowance predeceases the teacher, the reduced retirement allowance must be converted to a single life retirement annuity under which benefit payments, if the person designated died prior to July 1, 1989, must begin on July 1, 1989, or, if the designated beneficiary dies on or after July 1, 1989, must begin on the first day of the month following the death of the person designated.

Option three. Upon the death of the teacher within ~~five~~ twenty years of the commencement of annuity payments, the payments must be continued for the remainder of the ~~five-year~~ twenty-year period to the ~~person as the teacher has nominated by written designation filed with the board~~ teacher's designated beneficiary. This payment option is available to teachers who retire after July 31, 2003.

Option four. Upon the death of the teacher within ten years of the commencement of annuity payments, the payments must be continued for the remainder of the ten-year period to the ~~person as the teacher has nominated by written designation filed with the board~~ teacher's designated beneficiary.

Option five. Level retirement income with social security option, which is available to teachers retiring before social security is payable.

Option six. Partial lump sum distribution option. A member who is eligible for an unreduced service retirement annuity under section 15-39.1-10 and who retires after July 31, 2003, may make a one-time election to receive a portion of the retirement annuity paid in a lump sum distribution upon retirement, pursuant to rules adopted by the board.

1. The eligible member may select a standard service retirement annuity or an optional service retirement annuity described in this section, together with a partial lump sum distribution. The partial lump sum distribution option is not available to members who have selected option five, the level income retirement option. This option is not available to disabled members or beneficiaries of deceased members. The partial lump sum distribution option may be elected only once by a member and may not be elected by a retiree.
2. The amount of the partial lump sum distribution under this section is twelve months of a standard service retirement annuity computed under section 15-39.1-10 and payable at the same time that the first monthly payment of the annuity is paid.
3. The service retirement annuity selected by the member must be actuarially reduced to reflect the partial lump sum distribution option selected by the member.
4. Before a retiring member selects a partial lump sum distribution under this section, the fund shall provide a written notice to the member of the amount by which the member's annuity will be reduced because of the selection.

The amount of the reduced retirement allowance payable upon the exercise of any of these options must be computed upon an actuarial basis through the use of standard actuarial tables and based upon the ages of the teacher and the teacher's designated beneficiary. A member's spouse, if designated as beneficiary, must consent in writing to the member's choice of benefit payment option for any benefit payments commencing after June 30, 1999. The board may rely on the member's representations about that person's marital status in determining the member's marital status. The spouse's written consent must be witnessed by a notary or a plan representative. If the spouse does not consent, or cannot be located, the member's annuity benefit must be paid using option two, the fifty percent joint and survivor option.

SECTION 6. AMENDMENT. Section 15-39.1-18 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-18. Disability retirements.

1. Any member may also retire and receive a disability annuity if, after a period of at least one year of service as a member in this state, the member suffers from total disability as determined by the board.
2. The amount of the disability annuity is the greater of the amount computed by the retirement formula in section 15-39.1-10 without consideration of age or the amount computed by that formula without consideration of age but assuming the member had twenty years of credited service. A member determined eligible for a disability annuity under this section may elect to receive an annuity under any of the options allowed in section 15-39.1-16, except the level retirement income with social security option or the partial lump sum option.
3. The disability annuity continues until the death or prior recovery of the disabled annuitant. The board shall ascertain by periodic medical examinations the continued disability status of a disabled annuitant.
4. If a disabled annuitant recovers and returns to active teaching, that annuitant is entitled to the retirement benefit credits which the annuitant earned prior to the time of disablement, and the credits which the annuitant earned after returning to active teaching must be added to those earned prior to disablement.

SECTION 7. AMENDMENT. Section 15-39.1-19.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-39.1-19.1. (Effective from January 29, 2001, through July 31, 2005)
Annuities discontinued on resumption of teaching.**

1. Except as otherwise provided in section 15-39.1-19.2, a retired teacher who is receiving a retirement annuity under chapter 15-39, 15-39.1, or 15-39.2 may not return to covered employment until thirty calendar days have elapsed from the member's retirement date. Except as otherwise provided in this section, a retired member may then return to covered employment for a maximum of seven hundred hours per year under an annual hour limit and continue receiving a monthly retirement benefit. The annual hour limit is based on the length of the reemployed retiree's contract as follows:

- a. Retiree reemployment of nine months or less, annual limit is seven hundred hours;
- b. Retiree reemployment of ten months, annual limit is eight hundred hours;
- c. Retiree reemployment of eleven months, annual limit is nine hundred hours; or
- d. Retiree reemployment of twelve months, annual limit is one thousand hours.

Employment as a substitute teacher does not apply to the ~~seven hundred-hour restriction~~. ~~The board may waive this restriction in emergency situations~~ annual hour limit. Professional development and extracurricular duties do not apply to the annual hour limit. Should the retired member's employment exceed the ~~seven hundred-hour maximum~~ annual hour limit, the retired member must immediately notify the fund office in writing. Failure to notify the fund office results in the loss of one month's annuity benefit. Except as otherwise provided in this section, the retired member's monthly benefit must be discontinued the first of the month following the date the member reaches the ~~seven hundred-hour maximum~~ annual hour limit. A retired member who returns to teaching shall pay the required ~~assessments~~ contributions on those earnings received by the retired member after reaching the seven hundred-hour maximum annual hour limit. The employer shall pay the required contributions in a like manner.

2. A retired member may return to teaching for up to one year without losing any benefits provided at least fifty percent of the salary earned by that person is placed in a school district's educational foundation or a private educational foundation. Employee and employer ~~assessments~~ contributions under this arrangement must be paid by the person's employer. ~~Assessments~~ Contributions must be paid on the total salary earned by the retired member without regard to the amount of money placed in an educational foundation. A retired member reemployed under the provisions of this subsection must be treated as retired for all other purposes under this chapter. Notwithstanding subdivision a of subsection 3, a retired member may not earn any additional service during the period of reemployment. The member's benefits may not be adjusted to reflect changes in the member's age or final average monthly salary at the end of the period of reemployment, any optional form of payment elected under section 15-39.1-16 remains effective during and after the period of reemployment, additional benefits normally available to an active member, such as disability benefits, are not available to a retired member reemployed under this subsection, and refunds may not be made to a retired member at the end of that person's period of reemployment. For purposes of this subsection, a school district's educational foundation must be a nonprofit or charitable organization exempt from federal income taxation under section 501(c)(3) of the United States Internal Revenue Code [26 U.S.C. 501(c)(3)].
3. Upon the retired teacher's subsequent retirement, the member's benefit must be resumed as follows:

- a. If the teacher subsequently retires with less than two years of additional earned credited service, the teacher's ~~assessments contributions~~ paid to the fund must be refunded in accordance with section 15-39.1-20 and the teacher is entitled to receive the discontinued annuity, plus any postretirement benefit adjustments granted during the period of reemployment, the first day of the month following the teacher's re-retirement.
- b. If the teacher subsequently retires with two or more but less than five years of additional earned credited service, the retired person's annuity is the greater of the sum of the discontinued annuity, plus an additional annuity computed according to this chapter based upon years of service and average salaries earned during the period of reemployment plus any postretirement benefit adjustments granted during the period of reemployment, or a recalculated annuity computed according to this chapter based on total years of service credit earned during both employment periods offset by the actuarial value of payments already received. The new annuity is payable the first day of the month following the member's re-retirement.
- c. If the teacher subsequently retires with five or more years of additional earned credited service, the retired person's annuity is the greater of the sum of the discontinued annuity plus an additional annuity based upon years of service and average salaries earned during the period of reemployment plus any postretirement benefit adjustments granted during the period of reemployment, or a recalculated annuity based on all years of service computed under subsection 2 of section 15-39.1-10. The new annuity is payable the first day of the month following the member's re-retirement.

(Effective after July 31, 2005) Annuities discontinued on resumption of teaching.

1. Except as otherwise provided in section 15-39.1-19.2, a retired teacher who is receiving a retirement annuity under chapter 15-39, 15-39.1, or 15-39.2 may not return to covered employment until thirty calendar days have elapsed from the member's retirement date. A retired member may then return to covered employment ~~for a maximum of seven hundred hours per year~~ under an annual hour limit and continue receiving a monthly retirement benefit. The annual hour limit is based on the length of the reemployed retiree's contract as follows:
 - a. Retiree reemployment of nine months or less, annual limit is seven hundred hours;
 - b. Retiree reemployment of ten months, annual limit is eight hundred hours;
 - c. Retiree reemployment of eleven months, annual limit is nine hundred hours; or
 - d. Retiree reemployment of twelve months, annual limit is one thousand hours.

Employment as a substitute teacher does not apply to the ~~seven hundred-hour restriction~~. ~~The board may waive this restriction in emergency situations~~ annual hour limit. Professional development and extracurricular duties do not apply to the annual hour limit.

Should the retired member's employment exceed the ~~seven hundred-hour maximum~~ annual hour limit, the retired member must immediately notify the fund office in writing. Failure to notify the fund office results in the loss of one month's annuity benefit. The retired member's monthly benefit must be discontinued the first of the month following the date the member reaches the ~~seven hundred-hour maximum~~ annual hour limit.

A retired member who returns to teaching shall pay the required ~~assessments~~ contributions on those earnings received by the retired member after reaching the seven hundred-hour maximum annual hour limit. The employer shall pay the required contributions in a like manner.

2. Upon the retired teacher's subsequent retirement, the member's benefit must be resumed as follows:
 4. a. If the teacher subsequently retires with less than two years of additional earned credited service, the teacher's ~~assessments~~ contributions paid to the fund must be refunded in accordance with section 15-39.1-20 and the teacher is entitled to receive the discontinued annuity, plus any postretirement benefit adjustments granted during the period of reemployment, the first day of the month following the teacher's re-retirement.
 2. b. If the teacher subsequently retires with two or more but less than five years of additional earned credited service, the retired person's annuity is the greater of the sum of the discontinued annuity, plus an additional annuity computed according to this chapter based upon years of service and average salaries earned during the period of reemployment plus any postretirement benefit adjustments granted during the period of reemployment, or a recalculated annuity computed according to this chapter based on total years of service credit earned during both employment periods offset by the actuarial value of payments already received. The new annuity is payable the first day of the month following the member's re-retirement.
 3. c. If the teacher subsequently retires with five or more years of additional earned credited service, the retired person's annuity is the greater of the sum of the discontinued annuity plus an additional annuity based upon years of service and average salaries earned during the period of reemployment plus any postretirement benefit adjustments granted during the period of reemployment, or a recalculated annuity based on all years of service computed under subsection 2 of section 15-39.1-10. The new annuity is payable the first day of the month following the member's re-retirement.

SECTION 8. AMENDMENT. Section 15-39.1-20 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-20. Withdrawal from fund. When a member of the fund ceases to be eligible under the terms of this chapter to participate in the fund, the member may, after a period of one hundred twenty days, withdraw from the fund and is then entitled to receive a refund of assessments accumulated with interest. The one-hundred-twenty-day requirement may be waived by the board when it has evidence the teacher will not be returning to teach in North Dakota. The refund is in lieu of any other benefits to which the member may be entitled under the terms of this chapter. The accumulated assessments of a member who ceases to be eligible to participate in the fund before becoming vested must be automatically refunded. The assessments plus interest earned, if not claimed by the member, must be returned in the fiscal year following the date of termination. The automatic refund must be waived provided the member presents the board with a statement of intent to return to teach in North Dakota within thirty-six months after eligibility to participate in the fund ceases. The board may waive the automatic refund for members who present to the board a statement of intent to return to teach in North Dakota within a period exceeding thirty-six months after eligibility to participate in the fund ceases. A member may elect, at the time and under rules adopted by the board, to have any portion of an eligible rollover distribution paid directly in a direct rollover to an eligible retirement plan specified by the member as allowed under section 401(a)(31) of the Internal Revenue Code in effect on August 1, 2003.

SECTION 9. AMENDMENT. Subsection 11 of section 15-39.1-24 of the North Dakota Century Code is amended and reenacted as follows:

11. The fund may accept rollovers from other qualified plans under rules adopted by the board for the purchase of additional service credit, but only to the extent the transfer is a rollover contribution that meets the requirements of section 408 of the Internal Revenue Code eligible rollovers, direct rollovers, and trustee-to-trustee transfers from eligible retirement plans specified under Internal Revenue Code section 402(c)(8)(B) to purchase refunded service credit under section 15-39.1-15 and to purchase additional service credit under section 15-39.1-24. The board shall adopt rules to ensure that the rollovers and transfers comply with the requirements of the Internal Revenue Code and internal revenue service regulations. The total amount rolled over or transferred into the fund may not exceed the amount due to purchase service credit.

SECTION 10. A new section to chapter 15-39.1 of the North Dakota Century Code is created and enacted as follows:

Employer service purchases. A participating employer may purchase additional service credit on behalf of a member under the following conditions:

1. The member may not be given the option to choose between an employer service purchase and an equivalent amount paid in cash.
2. The member must meet one of the following conditions at the time the purchase is made:
 - a. The member's age plus service credit must be equal to or greater than seventy-seven; or
 - b. The member's age must be at least fifty-five and the member must have at least three years of service credit.

3. The board must determine the purchase price on an actuarially equivalent basis.
4. The purchase must be completed before the member's retirement.
5. The employer may purchase a maximum of three years of service credit on behalf of the member.
6. The employer must pay the purchase price for the service credit purchased under this section in a lump sum.

Approved March 26, 2003
Filed March 26, 2003

CHAPTER 141

SENATE BILL NO. 2282

(Senator Kilzer)
(Representative Svedjan)

MEDICAL CENTER COUNCIL AND LOANS

AN ACT to amend and reenact sections 15-52-03, 15-52-04, 15-52-16, 15-52-17, 15-52-18, and 15-52-20 of the North Dakota Century Code, relating to the membership and duties of the medical center advisory council and medical center loans; and to repeal sections 15-52-19 and 15-52-24 of the North Dakota Century Code, relating to medical center loan payments and loan insurance.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁷³ **SECTION 1. AMENDMENT.** Section 15-52-03 of the North Dakota Century Code is amended and reenacted as follows:

15-52-03. Medical center advisory council - Members, terms, meetings.

In order to

1. To assure the proper coordination and integration of the North Dakota state medical center with all other health and welfare activities of the state, a permanent medical center advisory council is hereby established to advise, consult, and make recommendations to the university administration, and to the several agencies represented on the council concerning the program of the North Dakota state medical center, the adaptation thereof of the medical center to the needs of the state and to the requirements and facilities of the several agencies involved, and the use of the North Dakota state medical center and its facilities by the various institutions and agencies of the state and its political subdivisions.
2. The council ~~shall consist~~ consists of fourteen members: ~~two~~
 - a. Two members of the senate and two members of the house of representatives to be named by the governor; one to be named by and from the membership of selected by the chairman of the legislative council;
 - b. One member selected by each of the following: the
 - (1) The department of human services; the
 - (2) The state board of higher education, or such boards or departments as shall succeed them or any of them; the

⁷³ Section 15-52-03 was also amended by section 14 of Senate Bill No. 2015, chapter 36.

- (3) The state health officer of the state department of health; ~~the~~
- (4) The North Dakota medical association; ~~the~~
- (5) The North Dakota hospital healthcare association; ~~the and~~
- (6) The veterans administration hospital in Fargo; ~~the house of representatives, appointed by the speaker; and the senate, appointed by the president of the senate; with the remaining four members to be~~

c. One member selected by the dean of the university of North Dakota medical school from each of the four campus areas of the medical school with headquarters in Bismarck, Fargo, Grand Forks, and Minot. One member from each quadrant will be selected by the board to serve a three-year term with a two-term limit. The initial appointments must be staggered.

- 3. The representatives named by the state agencies and boards ~~above referred to~~ must be selected to serve as members of the medical center advisory council for periods of at least one year, but ~~in no instance~~ may ~~they~~ not serve longer than their term of office on the public agency. The representatives from the North Dakota state medical association and the North Dakota hospital healthcare association ~~shall~~ serve a term of three years or until their successors are named and qualified. ~~The two members appointed by the governor shall serve for three-year terms as representatives of the public at large.~~
- 4. The council shall name its own chairman and the dean of the university of North Dakota medical school shall serve as executive secretary ~~thereof of the council~~. The council shall meet not less than twice each year, and, from time to time, on its own motion or upon request of the university administration, to consider plans and programs of action for the North Dakota state medical center and make its recommendations ~~thereon~~ to the several agencies of the state and ~~its~~ political subdivisions involved and to the legislative assembly.

SECTION 2. AMENDMENT. Section 15-52-04 of the North Dakota Century Code is amended and reenacted as follows:

15-52-04. Duties of council. The medical center advisory council shall study, consider, and formulate plans for facilitating and implementing, through ~~the instrumentality of~~ the North Dakota state medical center, a unified program for the improvement and maintenance of the health of the people of ~~North Dakota~~ the state in all of its phases, ~~and such.~~ The study must include specifically ways and means of bringing about the complete training of adequate numbers of qualified physicians and surgeons for the people of North Dakota the state, both in the general practice of medicine and surgery and the field of public health, the training of nurses and public health nurses, of allied health professionals, of sanitary engineers, of public health administrators, and all other personnel concerned with the improvement and preservation of the health of the people of North Dakota this state.

SECTION 3. AMENDMENT. Section 15-52-16 of the North Dakota Century Code is amended and reenacted as follows:

15-52-16. Qualifications of loan applicants. An applicant is deemed qualified only if the applicant:

1. Has been a resident of ~~the this~~ state of North Dakota at least one year ~~prior to~~ before the date of entering medical school or dental school;
2. Has successfully completed the first year of the curriculum in medicine at the university of North Dakota or has successfully completed the first year of the curriculum in dentistry in a qualified and reputable an accredited dental school; and
3. Can present to the university satisfactory proof that the applicant ~~has been accepted~~ is enrolled as a student in the second, third, or fourth year of a qualified and reputable four-year school of medicine accredited by the liaison committee on medical education or a school of dentistry accredited by the commission on dental accreditation, or will be ~~so accepted~~ enrolled upon payment of tuition.

SECTION 4. AMENDMENT. Section 15-52-17 of the North Dakota Century Code is amended and reenacted as follows:

15-52-17. Loan investigations. The university shall make a careful investigation to ascertain the truth of all matters set forth in applications received by it, ~~and for that purpose may propound such examinations and questions for each applicant as it deems proper. The investigation must include~~ including a study of the ability of the applicant or the applicant's parents ~~to pay the applicant's expenses at the university of North Dakota school of medicine or an out-of-state medical or dental school, and preference~~ financial need of the applicant. Preference must be given to qualified applicants ~~who, or whose parents, are unable to pay the applicant's expenses at such medical or dental school~~ with demonstrated financial need.

SECTION 5. AMENDMENT. Section 15-52-18 of the North Dakota Century Code is amended and reenacted as follows:

15-52-18. Amount of loans. Loans may be granted to qualified applicants by the university in amounts not in excess of ~~four~~ six thousand dollars each year for the purpose of completing the second, third, and fourth year of medical or dental study in a qualified and reputable four-year an accredited school of medicine or dentistry.

SECTION 6. AMENDMENT. Section 15-52-20 of the North Dakota Century Code is amended and reenacted as follows:

15-52-20. Loan conditions. ~~Loans~~ A loan granted by the university under section 15-52-10 and sections 15-52-15 through 15-52-28 ~~are to~~ must be upon the condition that the full amount ~~thereof~~ of the loan must be repaid in cash with interest not to exceed six percent ~~interest~~ annually from the date of each payment pursuant to a loan agreement, ~~the~~ The medical center advisory council may annually establish an interest rate at a level lower than six percent. The repayment to must be in yearly installments on a schedule set by the university ~~and~~ with the first installment becoming due and payable one year from the date on which the applicant begins practice, but ~~under no circumstances to~~ may not exceed five years from the date of graduation or one year from the date of graduation from a dental school if a dental student.

SECTION 7. REPEAL. Sections 15-52-19 and 15-52-24 of the North Dakota Century Code are repealed.

Approved April 18, 2003

Filed April 18, 2003

CHAPTER 142

HOUSE BILL NO. 1125

(Education Committee)

(At the request of the State Board of Higher Education)

STATE SCHOLARS PROGRAM

AN ACT to amend and reenact subsection 1 of section 15-62.2-00.1 and sections 15-62.2-03.2 and 15-62.2-03.3 of the North Dakota Century Code, relating to the state scholars program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 15-62.2-00.1 of the North Dakota Century Code is amended and reenacted as follows:

1. "Eligible candidate" means a graduate of a high school in this state or a resident of this state for tuition purposes whose assessment composite scores on the test of academic achievement administered by the American college testing program place the student in at least the ninety-fifth percentile of all students taking the test by ~~November~~ July first of the year preceding ~~January~~ first of the year in which the student is applying for a scholarship, and who ranks in the upper twentieth percentile of the student's high school class.

SECTION 2. AMENDMENT. Section 15-62.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

15-62.2-03.2. Reapplication eligibility - Amount of scholarships - Duration. Scholars are eligible to ~~reapply~~ for scholarships for subsequent academic years provided they maintain a ~~3.6~~ at least a 3.50 cumulative grade point average based upon a 4.0 grading system. ~~Scholars entering the scholars program during or after the 1994 fall semester are eligible to reapply for scholarships for subsequent academic years provided they maintain a 3.50 grade point average.~~ The amount of the scholarship must equal the tuition charged at the scholar's eligible institution ~~but may, not to exceed the amount charged for highest resident undergraduate tuition at the state universities rate in the North Dakota university system.~~ In addition, a state scholar may receive an annual stipend of not more than two thousand dollars. A state scholar may receive a scholarship for not more than eight semesters or twelve quarters of undergraduate study, or until the attainment of the student's baccalaureate degree, whichever comes first.

⁷⁴ **SECTION 3. AMENDMENT.** Section 15-62.2-03.3 of the North Dakota Century Code is amended and reenacted as follows:

⁷⁴ Section 15-62.2-03.3 was also amended by section 1 of Senate Bill No. 2200, chapter 143.

15-62.2-03.3. Selection of scholars. All eligible candidates must be ranked by their composite scores on the test of academic achievement administered by the American college testing program. If two or more eligible students have the same scores, they must be ranked by their high school class rank calculated on a percentile basis. Scholarships must be offered to students in descending order according to this ranking until available funds have been expended, or until the pool of eligible applicants has been exhausted. ~~Scholarships must be awarded in January of each year for the following academic year, or as soon thereafter as practical.~~

Approved March 12, 2003

Filed March 12, 2003

CHAPTER 143

SENATE BILL NO. 2200

(Senators Holmberg, G. Lee, Trenbeath)
(Representatives R. Kelsch, Monson, Mueller)

STUDENT FINANCIAL ASSISTANCE AND SCHOLARS PROGRAMS

AN ACT to amend and reenact section 15-62.2-03.3 of the North Dakota Century Code, relating to the student financial assistance and scholars programs.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁷⁵ **SECTION 1. AMENDMENT.** Section 15-62.2-03.3 of the North Dakota Century Code is amended and reenacted as follows:

15-62.2-03.3. Selection of scholars.

1. All eligible candidates must be ranked by their composite scores on the test of academic achievement administered by the American college testing program.
2. If two or more eligible students have the same composite scores, they must be ranked by the numeric sum of the four scale scores on the test of academic achievement administered by the American college testing program.
3. If two or more eligible students have the same numeric sum of the four scale scores, they must be ranked by their high school class rank calculated on a percentile basis.
4. Scholarships must be offered to students in descending order according to this ranking until available funds have been expended, or until the pool of eligible applicants has been exhausted.
5. Scholarships must be awarded in January of each year for the following academic year, or as soon thereafter as practical.

Approved March 26, 2003

Filed March 26, 2003

⁷⁵ Section 15-62.2-03.3 was also amended by section 3 of House Bill No. 1125, chapter 142.

CHAPTER 144

HOUSE BILL NO. 1119

(Education Committee)

(At the request of the Board of University and School Lands)

INDIAN CULTURAL EDUCATION TRUST

AN ACT to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to establishing the Indian cultural education trust; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new chapter to title 15 of the North Dakota Century Code is created and enacted as follows:

Trust establishment. The Indian cultural education trust is established for the purpose of generating income to benefit Indian culture.

Powers and duties of board. The board of university and school lands may accept and administer any gift, grant, bequest, or devise of land or money, on behalf of the state, for the purposes of the Indian cultural education trust. The board may refuse to accept any gift, grant, devise, or bequest that is upon terms or circumstances unacceptable to the board. The board shall manage all land and money in the trust in the same manner that it manages its other trust land and money except as is otherwise provided in this chapter, in the donor agreement, or as may otherwise be required to satisfy the purposes of this chapter.

The board, in its sole discretion, may divest any land or money acquired under this chapter. The donor agreement which placed the land and money into the trust must provide to whom the land is to be conveyed and money disbursed in the event the board decides to divest the land or money.

Donation. A person proposing to donate land or money for the benefit of the trust must present to the board an application and an executed donor agreement between the donor and tribal government of a federally recognized Indian tribe located in North Dakota, South Dakota, Montana, Minnesota, or Wyoming. In accepting the donor agreement, the board is not subject to the provisions of chapter 54-40.2. The board is not responsible for determining which lands have cultural resource significance or for any site preservation or maintenance measures deemed necessary by the donor or the affected tribe. The donor agreement must also make any provision deemed necessary for access to the land by Indians for educational, cultural, or religious purposes.

Trust management. The board must be reimbursed from trust proceeds for all reasonable costs and expenses in managing land and investing trust proceeds. Such reimbursements are to be placed in the state lands maintenance fund. The net income derived from the land and money donated to the trust must be used for trust purposes, except the donor agreement may dedicate a percentage of the net income to trust principal.

The lands placed in the trust may be leased by the board only for grazing or haying purposes.

The board may maintain separate accounts in the trust if a donor agreement requires.

The donor agreement must designate the tribe entitled to receive trust proceeds. The net income from each account must be remitted annually to the designated tribe. The designated tribe is responsible for disbursements of trust proceeds. A dispute over a tribe's use of the disbursements must be resolved by the government of the designated tribe to which the disbursement has been made.

Payments in lieu of taxation. Net income from land and money in the trust must be used in part to pay to the county where the land is located the same amount that would have been assessed against the land for real property taxes if the land was privately owned.

Continuing appropriation. There is appropriated annually the amounts necessary to pay expenses for lands donated under this chapter and managed by the board of university and school lands, including survey costs, surface lease refunds, weed and insect control, cleanup costs, capital improvement rent credits, in lieu of tax payments, or expenses determined by the board as necessary to manage, preserve, and enhance the value of the trust asset. Each payment must be made from the trust fund account for which the land is held.

Approved March 26, 2003

Filed March 26, 2003

CHAPTER 145

HOUSE BILL NO. 1295

(Representatives Hawken, Delmore, Haas, N. Johnson)
(Senators J. Lee, Wardner)

SCHOOL DISTRICT EMPLOYEE COMPENSATION REPORTS

AN ACT to amend and reenact section 15.1-02-13 of the North Dakota Century Code, relating to school district employee compensation reports.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁷⁶ **SECTION 1. AMENDMENT.** Section 15.1-02-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-13. School district employee compensation report.

1. Before September eleventh of each year, ~~beginning in 2002,~~ each school district shall ~~provide~~ report the following information to the superintendent of public instruction, with respect to each teacher and class of teachers and with respect to each administrator and class of administrators:
 - a. ~~The total amount of base salary.~~
 - b. ~~The total amount of compensation reportable as gross income under the Internal Revenue Code.~~
 - c. ~~Any other compensation paid or provided to or on behalf of individuals employed as teachers and as administrators.~~
 - d. ~~Health insurance benefits paid to or on behalf of individuals employed as teachers and as administrators.~~
 - e. ~~Retirement contributions and assessments paid on behalf of individuals employed as teachers and as administrators, and including individual shares if paid by the district.~~
 - f. ~~Any other benefits paid or provided to or on behalf of individuals employed as teachers and as administrators.~~
 - a. The number of days each was employed during the preceding school year.
 - b. The base salaries.

⁷⁶ Section 15.1-02-13 was also amended by section 48 of House Bill No. 1183, chapter 138.

- c. The amount of compensation provided for extended contracts.
 - d. The amount of compensation provided for cocurricular activities.
 - e. The amount expended for contract buyouts.
 - f. The amount of compensation provided in lieu of salaries.
 - g. The amount paid for signing bonuses.
 - h. The amount of compensation provided for substitute teaching and workload adjustment.
 - i. The amount of compensation provided for any other purposes.
 - j. The amount expended for health insurance benefits.
 - k. The amount expended for dental, vision, and cancer insurance benefits.
 - l. The amount expended for life and long-term disability insurance benefits.
 - m. The amount of retirement contributions and assessments, including individual shares if paid by the district.
 - n. The district's share of Federal Insurance Contributions Act taxes.
 - o. The amount of dues or membership fees paid by the district.
 - p. Any other benefits provided by the district.
2. In addition to the requirements of subsection 1, each school district shall also indicate:
- a. Whether each teacher and administrator is employed on a full-time or a part-time basis.
 - b. The number of days used to determine the base salary of each teacher and administrator.
3. The superintendent of public instruction shall:
- a. Compile the information required by ~~subsection 4~~ this section in a manner that allows for accurate comparisons ~~based on:~~
 - (1) ~~Full-time versus part-time personnel;~~
 - (2) ~~A normal schoolday versus an extended schoolday; and~~
 - (3) ~~A regular school calendar of approximately one hundred eighty days versus an extended school year.; and~~
 - b. Forward a copy of the compiled information to the governor and the chairman of the legislative council.

3. 4. The superintendent of public instruction may not expand the reporting requirements of this section.
5. If any school district fails without good cause to provide the information required by this section on or before September tenth and in the manner directed by the superintendent of public instruction, the superintendent shall withhold all state aid until the information is received.
4. 6. For purposes of this section:
- a. "Administrator" ~~means~~ includes an individual who is employed by a school district in an administrative position and ~~includes a~~ who is classified by the superintendent of public instruction as:
- (1) A class 67 school district superintendent; ~~an~~;
 - (2) A class 66 assistant or associate superintendent; ~~a~~;
 - (3) A class 53 principal; ~~an~~;
 - (4) A class 05 assistant principal; ~~a~~;
 - (5) A class 29 director, including a special education director, and a vocational education director; ~~and any~~;
 - (6) A class 04 assistant director; and
 - (7) Any other individual whose position requires an administrator's credential.
- b. "Teacher" means an individual, other than an administrator, who is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and who is employed by the board of a school district in a position classified by the superintendent of public instruction as ~~of July 1, 2001, as~~:
- (1) A class 22 coordinator;
 - (2) A class 37 guidance counselor or school counselor;
 - (3) A class 38 guidance counselor designate;
 - (4) A class 40 instructional programmer;
 - (5) A class 41 library media specialist;
 - (6) A class 56 pupil personnel service provider;
 - (7) A class 59 school psychologist;
 - (8) A class 62 speech-language pathologist;
 - (9) A class 68 supervisor;
 - (10) A class 70 teacher or special education teacher; or

(11) A class 72 tutor in training.

Approved May 2, 2003

Filed May 2, 2003

CHAPTER 146**SENATE BILL NO. 2414**

(Senator Freborg)

(Approved by the Delayed Bills Committee)

NO CHILD LEFT BEHIND INFORMATION

AN ACT to require the superintendent of public instruction to provide information on the No Child Left Behind Act; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**SECTION 1. NO CHILD LEFT BEHIND ACT - INFORMATION REQUIRED.**

Whenever the superintendent of public instruction determines that any bill or amendment under consideration by an interim committee of the legislative council or by a standing committee or a conference committee of the legislative assembly contains a provision required by the No Child Left Behind Act of 2001 [Pub. L. 107-110; 115 Stat. 1425; 20 U.S.C. 6301, et seq.] or by federal regulations promulgated to implement that Act, the superintendent shall provide the members of the appropriate committee with the specific language of the No Child Left Behind Act which sets forth the requirement, together with the statutory citation for that language, or the specific language of the federal regulations which sets forth the requirement, together with the citation for the regulations.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 26, 2003

Filed March 26, 2003

CHAPTER 147

HOUSE BILL NO. 1079

(Education Committee)

(At the request of the Superintendent of Public Instruction)

TEACHER AND ADMINISTRATOR CREDENTIALS

AN ACT to create and enact a new section to chapter 15.1-02 of the North Dakota Century Code, relating to teacher and administrator credentials.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-02 of the North Dakota Century Code is created and enacted as follows:

Superintendent of public instruction - Issuance of credentials to teachers and administrators. The superintendent of public instruction may adopt rules governing the issuance of:

1. Credentials for teachers of driver's education;
2. Credentials for teachers of early childhood special education;
3. Credentials for elementary school principals;
4. Credentials for teachers of students who are emotionally disturbed;
5. Credentials for teachers of students who are gifted and talented;
6. Credentials for secondary school principals;
7. Credentials for library media;
8. Credentials for teachers of title I;
9. Credentials for teachers of students who are mentally retarded;
10. Credentials for teachers of students who are physically disabled;
11. Credentials for coordinators of programs for students with limited English proficiency;
12. Credentials for school counselors;
13. Credentials for special education directors;
14. Credentials for special education strategists;
15. Credentials for teachers of students who have specific learning disabilities;
16. Credentials for superintendents;

17. Credentials for teachers of students who have vision impairments;
18. Credentials for teachers of students who are deaf or hard of hearing;
and
19. Certificate of completion for paraprofessionals.

Approved April 18, 2003
Filed April 18, 2003

CHAPTER 148**SENATE BILL NO. 2066**

(Education Committee)

(At the request of the Superintendent of Public Instruction)

**SCHOOL DISTRICT REVOLVING EQUIPMENT AND
SOFTWARE FUND REPEAL**

AN ACT to repeal section 15.1-03-02 of the North Dakota Century Code, relating to the revolving school district equipment and software fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REPEAL. Section 15.1-03-02 of the North Dakota Century Code is repealed.

Approved March 14, 2003

Filed March 17, 2003

CHAPTER 149**HOUSE BILL NO. 1325**

(Representatives Devlin, Nelson, Severson)
(Senators Andrist, G. Lee, Mutch)

NATIONAL MOTTO DISPLAY IN SCHOOLS

AN ACT to create and enact a new section to chapter 15.1-06 of the North Dakota Century Code, relating to the display of the national motto in schools.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-06 of the North Dakota Century Code is created and enacted as follows:

National motto - Display in schools. The motto of the United States of America "IN GOD WE TRUST" may be displayed in each public school.

Approved April 7, 2003

Filed April 7, 2003

CHAPTER 150

HOUSE BILL NO. 1166

(Education Committee)

(At the request of the Superintendent of Public Instruction)

SCHOOL CENSUS AND TRANSPORTATION REPORTS

AN ACT to amend and reenact sections 15.1-07-16, 15.1-09-46, 15.1-27-20, and 15.1-27-29 of the North Dakota Century Code, relating to reports made to the county superintendent of schools and the superintendent of public instruction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-07-16 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-16. New district - Enumeration. The board of a school district organized after the annual enumeration has been taken shall proceed immediately to take the enumeration, as provided by law, and after receipt of the enumeration by the superintendent of public instruction ~~through the county superintendent of schools,~~ the newly organized district shall receive its share of apportioned funds.

SECTION 2. AMENDMENT. Section 15.1-09-46 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-46. School district census. The board of a school district shall conduct a census during the month of May in each odd-numbered year. The census must enumerate all district residents under age eighteen as of August thirty-first and include their names and the names and addresses of their parents. The board shall approve the census and forward a copy, in the form and manner prescribed by the superintendent of public instruction, of the approved census to the ~~county superintendent of public instruction~~ prior to ~~July fifteenth~~ June thirtieth of the year in which the census is taken. ~~The county superintendent shall submit a summary of the census to the superintendent of public instruction.~~

SECTION 3. AMENDMENT. Section 15.1-27-20 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-20. Per student payments - Claim by school district - Appeal.

1. Upon the completion of student registration and in no event later than September tenth of each year, the business manager of a school district claiming payments from state funds under the provisions of this chapter shall file a claim in the form and manner prescribed by the superintendent of public instruction. The business manager must provide the number of registered high school and elementary school students for whom payments are claimed and any other information requested by the superintendent of public instruction.
2. The superintendent of public instruction shall compute the per student payments on the basis of the previous year's average daily membership less the number of students attending school during the current school year in another district under the provisions of open enrollment or the

current year's fall enrollment, whichever provides the greater total payment. The superintendent shall make adjustments in the subsequent year according to a comparison between the average daily membership for the year for which the adjusted payment is being made and the year preceding the year for which the adjusted payment is being made, whichever is greater, for grade levels that existed in both years. The greater of the two preceding years' average daily membership must be used in computing any adjustment in a district's per student aid payments.

3. School districts educating children of agricultural migratory workers and school districts offering ~~high school~~ approved summer courses during the months of June, July, and August are not restricted to payments for a one hundred eighty-day school term.
4. Upon termination of the school year ~~and in no event later than July fifteenth~~, the business manager of each school district that has received payments from state funds under the provisions of this chapter shall file with the ~~county superintendent of schools~~ school board a verified statement of the name, residence, and membership of each student and the units of high school work taken by each enrolled student ~~enrolled during the previous school year~~. The ~~county superintendent~~ shall ~~investigate the validity of the statement and shall determine the residence and other qualifications of each student named in the statement~~. The ~~county superintendent of schools~~ shall attest to the statement. On or before September first of each year, the county superintendent shall certify to the superintendent of public instruction the number of students enrolled in each district in the county for the previous school year upon which any adjustment may be based. If the county superintendent disallows any statement in whole or in part, the county superintendent shall provide notice of the disallowance, together with the names of the affected students, to the superintendent of public instruction and to the school district filing the statement.
5. On or before June thirtieth of each year, the school board shall certify to the superintendent of public instruction, in the form and manner prescribed by the superintendent, the students in average daily membership for the recently completed school year. The superintendent shall notify the school district of any student average daily membership that is disallowed.
6. A district may appeal the determination of a ~~county~~ the superintendent by submitting a written appeal to the superintendent of public instruction on or before September fifteenth of the year in which the determination is made. The superintendent of public instruction may modify the determination ~~of the county superintendent~~ if the evidence submitted by the district justifies a modification. The judgment Upon appeal, or in a case when no timely appeal is made, the determination of the superintendent of public instruction is final.

SECTION 4. AMENDMENT. Section 15.1-27-29 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-29. Transportation payments - Certification of information.

1. ~~On or before July fifteenth of each~~ Upon termination of the school year, the business manager of a school district shall certify to the ~~county superintendent of schools~~ school board the following information regarding the buses that transported students residing outside the incorporated limits of the city in which their school was located:
 - a. The number of buses operated on a contract basis or owned and operated by the district;
 - b. The manufacturer's listed passenger capacity of each bus; and
 - c. The daily mileage that each bus traveled in transporting students.
2. ~~On or before July fifteenth of each~~ Upon termination of the school year, the business manager of a school district shall certify to the ~~county superintendent of schools~~ school board the following information regarding the schoolbuses or commercial buses that transported students residing within the incorporated limits of the city in which their school was located:
 - a. A city plat indicating the location of each school building;
 - b. The route traveled by each bus;
 - c. The manufacturer's listed passenger capacity of each bus; and
 - d. The number of one-way bus trips taken during the school year by students residing within the city limits.
3. ~~On or before July fifteenth of each~~ Upon termination of the school year, the business manager of each school district shall certify to the ~~county superintendent of schools~~ school board the amount of transportation payments claimed and any other information required by the superintendent of public instruction.
4. On or before ~~September first~~ June thirtieth of each year, the ~~county superintendent of schools~~ school board shall:
 - a. ~~Certify~~ certify to the superintendent of public instruction in the form and manner prescribed by the superintendent all claims for transportation payments ~~submitted by each school district in the county;~~ and
 - b. ~~Notify a.~~ The superintendent shall notify the school district of any claims for transportation payments that have been disallowed.
5. A district may appeal the decision of a ~~county~~ the superintendent under subsection 4 by submitting a written appeal to the superintendent of public instruction on or before September fifteenth of the year in which the determination is made. The superintendent of public instruction may modify the determination ~~of the county superintendent.~~ The judgment if the facts and law justify the modification. Upon appeal, or in a case

when no timely appeal is made, the determination of the superintendent of public instruction is final.

6. For purposes of this section, daily mileage means twice the distance computed to the nearest tenth of a mile [160.93 meters] traveled in a single trip by each bus over its scheduled route.

Approved April 14, 2003

Filed April 14, 2003

CHAPTER 151**SENATE BILL NO. 2372**

(Senator Freborg)

**SCHOOL BOARD NEPOTISM AND TEACHER
EMPLOYMENT**

AN ACT to amend and reenact subsection 2 of section 15.1-08-06 of the North Dakota Century Code, relating to a cross-reference to a school board nepotism statute; and to repeal section 15.1-09-38 of the North Dakota Century Code, relating to the employment of teachers related to school board members.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 15.1-08-06 of the North Dakota Century Code is amended and reenacted as follows:

2. The duties set forth in sections 15.1-09-33, and 15.1-09-35, ~~and 15.1-09-38~~ are applicable to a school board governing a military installation school district established under this chapter unless other agreements have been reached.

SECTION 2. REPEAL. Section 15.1-09-38 of the North Dakota Century Code is repealed.

Approved March 26, 2003

Filed March 26, 2003

CHAPTER 152**HOUSE BILL NO. 1259**

(Representatives Meier, Delmore, Haas, Hawken)
(Senators Dever, Flakoll)

SCHOOL BOARD MEMBER COMPENSATION

AN ACT to amend and reenact section 15.1-09-06 of the North Dakota Century Code, relating to the salary of school board members.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-09-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-06. School board members - Compensation. Each school board shall set a level of compensation for services payable to its members, ~~provided that no member may receive more than one thousand dollars annually for this purpose.~~ In addition to compensation for services, each member may be reimbursed for all necessary meals and lodging and travel expenses actually incurred while engaged in official business of the board, at the same rate as provided for state officers and employees. Any mileage claimed may not exceed the number of miles [kilometers] between the points traveled as measured by the most usual route.

Approved March 25, 2003
Filed March 25, 2003

CHAPTER 153

HOUSE BILL NO. 1273

(Representatives Meier, Haas, Hawken, Nottestad)
(Senators Dever, Wardner)

TEACHER SIGNING BONUSES

AN ACT to create and enact a new section to chapter 15.1-09 of the North Dakota Century Code, relating to the payment of signing bonuses by school boards.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-09 of the North Dakota Century Code is created and enacted as follows:

School board authority - Payment of signing bonuses.

1. The board of a school district may offer and, upon the signing of the contract by both parties, pay a signing bonus to an individual who:
 - a. Is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;
 - b. Has signed a contract of employment to serve as a classroom teacher in the district; and
 - c. Was not employed as a classroom teacher by the board of a school district in this state during the previous school year.
2. The board may pay to the individual the signing bonus authorized by subsection 1 in:
 - a. One lump sum upon the individual signing a contract of employment; or
 - b. Installments over a period of time not to exceed three years from the date the individual signed a contract of employment.
3. A signing bonus paid under this section:
 - a. Is in addition to any amount payable under a negotiated teachers' contract;
 - b. May not be included in the district's negotiated salary schedule; and
 - c. May not be included as salary for continuing contract purposes.

CHAPTER 154

SENATE BILL NO. 2169

(Senators Cook, Christenson, Freborg)
(Representatives Delmore, R. Kelsch, Monson)

STUDENT FEES

AN ACT to amend and reenact section 15.1-09-36 of the North Dakota Century Code, relating to prohibiting a school board from charging fees for textbooks and to student fees for the use of musical instruments.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁷⁷ **SECTION 1. AMENDMENT.** Section 15.1-09-36 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-36. School board - Authority over student fees.

1. A school board may not charge a fee for textbooks or other items necessary for completion of a specific course required for grade advancement or graduation.
2. A school board may:
 - a. Require that a student pay a security deposit for the return of textbooks, materials, supplies, or equipment.
 - b. Assess a student a use charge if a textbook or other item covered under subsection 1 has received undue wear.
 - c. Require that a student furnish personal or consumable items.
 - d. Require that a student pay an admission fee or other charges for extracurricular or noncurricular activities if the student's attendance is optional.
 - e. Require that a student pay a fee or a premium for any authorized student health and accident benefit plan.
 - f. Require that a student pay a fee for personal athletic equipment and apparel; provided the board shall allow a student to use the student's own equipment and apparel if it meets reasonable health and safety standards established by the board.
 - g. Require that a student pay a fee in any program which generates a product that becomes the personal property of the student.

⁷⁷ Section 15.1-09-36 was also amended by section 50 of House Bill No. 1183, chapter 138.

- h. Require that a student pay a fee for behind-the-wheel driver's education instruction.
 - i. Require that a student pay a fee for goods, including textbooks, and services provided in connection with any postsecondary level program or any program established outside regular elementary, middle school, or secondary school programs, including vocational and technical programs, and adult or continuing education programs.
 - j. Require that a student pay a fee for the use of a musical instrument owned or rented by the school district, provided that the total fee payable by the student for a school year does not exceed the annual rental cost to the district or the annual depreciation plus actual maintenance cost for the instrument.
 - k. Require that a student pay any other fees and charges permitted by statute.
- ~~2.~~ 3. A board may waive any fee if a student or the student's parent or guardian is unable to pay the fee.
- ~~3.~~ 4. A board may not deny or abridge a student's rights or privileges, including the receipt of grades and diplomas, because of the nonpayment of fees. A board, however, may withhold a student's diploma for failure to pay for costs incurred by the student's own negligence or choice, including fines for damaged textbooks and school equipment, library fines, and materials purchased from the school at the option of the student.
4. 5. This section does not preclude the operation of a school store where students may purchase school supplies and materials.
- ~~5.~~ 6. If a board charges fees not authorized by law and refuses to discontinue the charges when directed to do so by the superintendent of public instruction, the superintendent shall withhold the per student and transportation aid payments to which the district is entitled for each student charged an unauthorized fee.

Approved March 21, 2003

Filed March 21, 2003

CHAPTER 155

HOUSE BILL NO. 1258

(Representatives N. Johnson, Froseth, Hawken)

TEACHERS' CONTRACTS IN REORGANIZED DISTRICTS

AN ACT to amend and reenact sections 15.1-12-14 and 15.1-12-15 of the North Dakota Century Code, relating to teachers' contracts in newly reorganized districts; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-12-14 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-14. School district reorganization - School boards - Assumption of duties.

1. Upon approval of a reorganization plan by the electors, in accordance with section 15.1-12-11, a school board for the reorganized district must be elected at the next regular school district election or at a special election called by the county superintendent of schools for that purpose. The first school board election in a newly reorganized district is governed by chapter 15.1-09.
2. Members of newly formed school boards representing reorganized districts may not enter upon the duties of office until the time specified in section 15.1-12-18, except as provided in sections 15.1-12-15 and 15.1-12-16. Before the completion of a reorganization, the board of an existing district may not contract or obligate the district, except with the approval of the county committee or unless authorized by law.

SECTION 2. AMENDMENT. Section 15.1-12-15 of the North Dakota Century Code is amended and reenacted as follows:

15.1-12-15. School district reorganization - School board - Duties.

1. The board of a reorganized school district established under this chapter shall negotiate with the district's teachers and may contract with the teachers' representative organization prior to the effective date of the reorganization.
2. Upon the completion of negotiations and the signing of a negotiated agreement under subsection 1, the board may offer contracts of employment to individual teachers and establish a time certain by which the individual teachers must accept or reject the offers.
3. If by five p.m. on July first of the year the reorganized district begins operations, a negotiated agreement has not been entered between the board and the teachers pursuant to statute, no teacher employed by the board may receive less in salary and benefits than that teacher received

for the preceding school year. For purposes of this section, "salary and benefits" means salary, insurance benefits, teachers' fund for retirement contributions, personal leave, sick leave, accumulated sick leave, extracurricular salary, reduction-in-force policy, grievance procedures, and recall procedures.

- ~~2.~~ 4. On or before February first of the year in which the reorganization becomes effective, the board of the reorganized school district shall hold a public hearing to present the curriculum, course offerings, and staff positions to be available during the coming school year. The board shall publish notice of the hearing in the official newspaper of each county having land in the reorganized district, at least fourteen days before the date of the hearing.
- ~~3.~~ 5. By five p.m. on April fifteenth of the year in which the reorganization becomes effective, the board of the reorganized school district shall notify in writing each teacher employed by the districts being reorganized, whether or not the teacher will be offered a contract of employment with the reorganized district.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 25, 2003
Filed March 25, 2003

CHAPTER 156**SENATE BILL NO. 2136**

(Education Committee)

(At the request of the Education Standards and Practices Board)

**EDUCATION STANDARDS AND PRACTICES BOARD
COMPENSATION**

AN ACT to amend and reenact section 15.1-13-03 of the North Dakota Century Code, relating to compensation of members of the education standards and practices board.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-13-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-13-03. Board compensation. Each member of the board is entitled to receive compensation in the amount of ~~twenty-five~~ sixty-two dollars and fifty cents per day and to reimbursement for expenses as provided by law for other state officers while attending meetings or performing duties directed by the board. A member of the board may not lose the member's regular salary and may not be required to refuse the compensation to which the member is entitled under this section for serving on the board.

Approved March 14, 2003

Filed March 17, 2003

CHAPTER 157

HOUSE BILL NO. 1489

(Representatives R. Kelsch, Hawken, Monson)
(Senators Cook, Freborg, Holmberg)

TEACHER QUALIFICATIONS

AN ACT to create and enact four new sections to chapter 15.1-18 of the North Dakota Century Code, relating to teacher qualifications; to amend and reenact sections 15.1-13-08, 15.1-18-01, and 15.1-18-02 of the North Dakota Century Code, relating to teacher qualifications; to provide for a report; to repeal section 15.1-18-03 of the North Dakota Century Code, relating to high school teacher qualifications; to provide directives; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-13-08 of the North Dakota Century Code is amended and reenacted as follows:

15.1-13-08. Board duties. The board shall:

1. Supervise the licensure of teachers.
2. Set standards for and approve teacher preparation programs.
3. Seek the advice of teachers, administrators, school board members, teacher education professors, and other interested citizens in developing and updating codes or standards of ethics, conduct, professional performance, and professional practices.
4. Adopt, in accordance with chapter 28-32, codes or standards of ethics, conduct, professional performance, and professional practices.
5. Make recommendations for the inservice education of individuals engaged in the profession of teaching.
6. Issue major equivalency endorsements and minor equivalency endorsements.
7. Appoint an executive director to serve at its discretion.
8. Authorize the executive director to employ personnel, subject to approval by the board.

SECTION 2. AMENDMENT. Section 15.1-18-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-01. Early childhood education teaching license. The education standards and practices board shall ~~develop and implement~~ issue an optional early childhood education teaching license or endorsement to an applicant who meets the requirements set by the board. The optional early childhood education teaching

license may be used in nonparental settings such as early childhood programs, preschool programs, and head start programs.

SECTION 3. AMENDMENT. Section 15.1-18-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-02. Kindergarten through grade eight - Teacher Prekindergarten and kindergarten teacher qualifications - Exceptions.

4. In order to teach prekindergarten and kindergarten, an individual must:
 - a. ~~Be be~~ licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and have a kindergarten endorsement; or
 - b. Be licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and demonstrate to the satisfaction of the education standards and practices board that the individual will obtain a kindergarten endorsement within two years from the date of the assignment to teach kindergarten.
2. In order to teach any grade from one through eight, an individual must:
 - a. Be licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and have a major, a minor, or an endorsement in elementary education; or
 - b. Be licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and demonstrate to the satisfaction of the education standards and practices board that the individual will obtain an endorsement in elementary education within two years from the date of the assignment to teach any grade from one through eight.
3. Notwithstanding subsection 2, an individual may teach any grade from five through eight if the individual:
 - a. Is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and has a major or an endorsement in middle school education; or
 - b. Is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and demonstrates to the satisfaction of the education standards and practices board that the individual will obtain an endorsement in middle school education within two years from the date of assignment to teach any grade from five through eight.
4. Notwithstanding subsection 2, an individual may teach grade seven or eight if the individual is licensed to teach by the education standards and practices board or approved to teach by the education standards

and practices board and has a major or a minor in the assigned course area or field.

5. Notwithstanding subsection 2, an individual may teach special education, foreign language, art, music, physical education, business education, and computer education at any grade level from kindergarten through eight, provided the individual is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and meets the requirements imposed by the superintendent of public instruction.
6. An individual may obtain an endorsement by completing teaching requirements and the minimum number of credit hours in courses prescribed by the education standards and practices board.
7. This section does not apply to an eminence-credentialed teacher and:
 1. Have a major in elementary education and a kindergarten endorsement;
 2. Have a major equivalency in elementary education and a kindergarten endorsement;
 3. Have a major in elementary education and an early childhood education endorsement;
 4. Have a major equivalency in elementary education and an early childhood education endorsement;
 5. Have a major in early childhood education; or
 6. Have a major equivalency in early childhood education.

SECTION 4. A new section to chapter 15.1-18 of the North Dakota Century Code is created and enacted as follows:

Elementary school teacher qualifications.

1. In order to teach any grade from one through six in an elementary school, an individual must be licensed to teach by the education standards and practices board and:
 - a. Have a major in elementary education; or
 - b. Have a major equivalency in elementary education.
2. Notwithstanding the provisions of subsection 1, an individual may teach any grade from one through three in an elementary school provided the individual is licensed to teach by the education standards and practices board and:
 - a. Has a major in early childhood education; or
 - b. Has a major equivalency in early childhood education.

3. In order to teach any grade from one through eight in a self-contained classroom, an individual must be licensed to teach by the education standards and practices board and:
 - a. Have a major in elementary education; or
 - b. Have a major equivalency in elementary education.

SECTION 5. A new section to chapter 15.1-18 of the North Dakota Century Code is created and enacted as follows:

Middle school teacher qualifications. In order to teach any grade from five through eight in a middle school, an individual must be licensed to teach by the education standards and practices board and:

1. Have a major in middle level education, with content in the areas taught by the individual and defined by the education standards and practices board as core academic areas;
2. Have a major equivalency in middle level education, with content in the areas taught by the individual and defined by the education standards and practices board as core academic areas; or
3. Have a major, a major equivalency, a minor, or a minor equivalency in each area taught by the individual and not defined by the education standards and practices board as a core academic area.

SECTION 6. A new section to chapter 15.1-18 of the North Dakota Century Code is created and enacted as follows:

High school qualifications. In order to teach grades seven through twelve, an individual must be licensed to teach by the education standards and practices board and:

1. Have a major in the areas taught by the individual and defined by the education standards and practices board as core academic areas;
2. Have a major equivalency in the areas taught by the individual and defined by the educational standards and practices board as core academic areas; or
3. Have a major, a major equivalency, a minor, or a minor equivalency in each area taught by the individual and not defined by the education standards and practices board as a core academic area.

SECTION 7. A new section to chapter 15.1-18 of the North Dakota Century Code is created and enacted as follows:

Specialty areas - Teacher qualification. Notwithstanding the requirements of this chapter:

1. An individual may teach art, business education, computer education, a foreign language, music, physical education, and special education at any grade level from one through eight, provided the individual:

- a. Is licensed to teach by the education standards and practices board;
 - b. Is approved to teach in that area by the education standards and practices board; and
 - c. Meets all requirements set forth in rule by the superintendent of public instruction.
2. An individual may teach Native American languages provided the individual is an eminence credentialed teacher.
 3. An individual may teach in the areas of trade, industry, technical occupations, or health occupations, provided the individual has been issued a license to teach in such areas by the education standards and practices board.

SECTION 8. TEACHER QUALIFICATIONS - ACCREDITATION RULES - DIRECTIVES. For purposes of accreditation, the superintendent of public instruction may not establish teacher qualification requirements that exceed those established by the education standards and practices board.

SECTION 9. CONTINUING EDUCATION - PAYMENT - DIRECTIVES. A school board's right to reimburse teachers for the cost of continuing education activities undertaken in connection with the No Child Left Behind Act of 2001 may not be contractually curtailed.

SECTION 10. REPORT - TEACHER LICENSURE PROCESS. On or before July 1, 2004, the education standards and practices board shall report to a committee designated by the legislative council regarding potential changes to the licensure process and the impact of those changes.

SECTION 11. REPEAL. Section 15.1-18-03 of the North Dakota Century Code is repealed.

SECTION 12. EFFECTIVE DATE. Sections 2 through 7 and section 11 of this Act become effective on July 1, 2006.

Approved May 2, 2003
Filed May 2, 2003

CHAPTER 158

SENATE BILL NO. 2135

(Education Committee)

(At the request of the Education Standards and Practices Board)

NATIONAL TEACHER CERTIFICATION

AN ACT to provide for national certification of teachers; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Definitions. As used in this Act, unless the context otherwise requires:

1. "Board" means the education standards and practices board.
2. "Certification" means national board certification as provided by the national board.
3. "National board" means the national board for professional teaching standards.

SECTION 2. Board duties. The board shall:

1. Inform teachers of the national board certification program and the scholarships and services the national board provides to teachers seeking certification.
2. Collect and review in the order received scholarship applications from individuals who are licensed to teach by the board or approved to teach by the board.
3.
 - a. Approve no more than seventeen applications per year;
 - b. During each year of the biennium, reserve three of the available scholarships for individuals teaching at low-performing schools;
 - c. During each year of the biennium, award no more than two of the remaining fourteen available scholarships to applicants employed by the same school district;
 - d. Require the recipient to serve during the school year as a full-time classroom teacher in a public or nonpublic school in this state; and
 - e. Require the recipient to participate in mentoring programs and teacher evaluation programs developed and implemented in the employing school or school district.
4. Ensure that all scholarship recipients receive adequate information regarding the level of commitment required to acquire certification.

5. If any individual who receives a scholarship under this section does not complete the certification process within the time allotted by the board, the individual must reimburse the state an amount equal to one-half of the amount awarded to the individual as a scholarship.

SECTION 3. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$40,000, or so much of the sum as may be necessary, to the education standards and practices board for the purpose of procuring federal matching grants to provide for the national board certification of teachers, for the biennium beginning July 1, 2003 and ending June 30, 2005.

Approved April 24, 2003

Filed April 24, 2003

CHAPTER 159

HOUSE BILL NO. 1237

(Representatives Nottestad, Aarsvold, Haas)
(Senator Espegard)

SCHOOL DISTRICT WEAPONS POLICIES

AN ACT to amend and reenact sections 15.1-19-09 and 15.1-19-10 of the North Dakota Century Code, relating to the suspension and expulsion of students and school district weapons policies.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-19-09 of the North Dakota Century Code is amended and reenacted as follows:

15.1-19-09. Students - Suspension and expulsion - Rules.

1. The board of a school district shall adopt rules regarding the suspension and expulsion of a student. The rules for expulsion must provide for a procedural due process hearing in the manner provided for in subsection 2 of section 15.1-19-10, before the determination to expel a student is made. A student's parent or representative must be allowed to participate in the expulsion hearing.
2. A student may be suspended for up to ten days for insubordination, habitual indolence, disorderly conduct, or for violating a school district weapons policy.
3. A student enrolled in an alternative education program for which state per student payments are available may be suspended for up to twenty days for insubordination, habitual indolence, disorderly conduct, or for violating a school district weapons policy.
4. A student, including one enrolled in an alternative education program, may be expelled from school for insubordination, habitual indolence, or disorderly conduct; provided the expulsion does not last beyond the termination of the current school year. A student who violates the school district's weapons policy may be expelled for up to twelve months.

SECTION 2. AMENDMENT. Section 15.1-19-10 of the North Dakota Century Code is amended and reenacted as follows:

15.1-19-10. Possession of a weapon - Policy - Expulsion from school.

1. The board of each school district shall adopt a policy governing the possession of weapons and firearms on school property or at a school function and provide for the punishment of any student found to be in violation of the policy.
2. The ~~weapons~~ policy must prohibit the possession of a weapon or a firearm by a student on school property and at school functions and

provide for the punishment of any student found to be in violation. Punishment must include immediate suspension from school and expulsion. A student who possesses a firearm in violation of this section must be expelled for at least one year. The school district firearms policy must authorize the school district superintendent or the school principal, if the school district does not have a superintendent, to modify an expulsion for firearms possession under this section on a case-by-case basis in accordance with criteria established by the board. Before expelling a student, a school board or its designated hearing officer, within ten days of the student's suspension, shall provide the student with a hearing before the school board at which time the school board or its designated hearing officer shall take testimony and consider evidence, including the existence of mitigating circumstances. If a designated hearing officer orders that a student be expelled, the student may seek a review of the decision by the school board, based on the record of the expulsion hearing.

3. If a ~~board~~ school district expels a student under this section, the ~~board~~ district may authorize the provision of educational services to the student in an alternative setting.
4. Actions under this section may not conflict with state special education laws or with the Individuals With Disabilities Education Act [Pub. L. 91-230; 84 Stat. 121; 20 U.S.C. 1400 et seq.].
5. This section does not apply to any student participating in a school-sponsored shooting sport, provided the student informs the school principal of the student's participation and the student complies with all requirements set by the principal regarding the safe handling and storage of the firearm.
6. For purposes of this section:
 - a. "Firearm" has the meaning provided in Public Law No. 90-351 [82 Stat. 197; 18 U.S.C. 921].
 - b. "School property" includes all land within the perimeter of the school site and all school buildings, structures, facilities, and school vehicles, whether owned or leased by a school district, and the site of any school-sponsored event or activity.

Approved March 31, 2003

Filed March 31, 2003

CHAPTER 160

HOUSE BILL NO. 1033

(Legislative Council)
(Education Committee)

HIGH SCHOOL GRADUATION REQUIREMENTS

AN ACT to create and enact a new section to chapter 15.1-21 of the North Dakota Century Code, relating to high school graduation requirements; to amend and reenact section 15.1-23-17 of the North Dakota Century Code, relating to high school graduation requirements for students receiving home education; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

High school coursework requirements. Before a school district, a nonpublic high school, or the North Dakota division of independent study issues a high school diploma to a student, the student must have successfully completed at least twenty-one units of high school coursework from the minimum required curriculum offerings established by section 15.1-21-02.

SECTION 2. AMENDMENT. Section 15.1-23-17 of the North Dakota Century Code is amended and reenacted as follows:

15.1-23-17. Home education - High school diplomas.

1. A child's school district of residence, an approved nonpublic high school, or the North Dakota division of independent study may issue a high school diploma to a child who, through home education, has met the issuing entity's requirements for high school graduation provided the child's parent submits to the issuing entity a description of the course material covered in each high school subject, a description of the course objectives and how the objectives were met, and a transcript of the child's performance in grades nine through twelve.
2. In the alternative, a high school diploma may be issued by the child's school district of residence, an approved nonpublic high school, or the North Dakota division of independent study provided the child, through home education, has completed at least ~~seventeen~~ twenty-one units of high school coursework from the minimum required curriculum offerings established by law for public and nonpublic schools and the child's parent or legal guardian submits to the issuing entity a description of the course material covered in each high school subject, a description of the course objectives and how the objectives were met, and a transcript of the child's performance in grades nine through twelve. The issuing entity may indicate on a diploma issued under this subsection that the child was provided with home education.
3. If for any reason the documentation required in subsection 1 or 2 is unavailable, the entity issuing the diploma may accept any other

reasonable proof that the child has met the applicable requirements for high school graduation.

SECTION 3. EFFECTIVE DATE. This Act becomes effective on July 1, 2005.

Approved March 7, 2003

Filed March 7, 2003

CHAPTER 161**SENATE BILL NO. 2177**

(Senators Wardner, Urlacher)
(Representatives Haas, N. Johnson, Wald)

HIGH SCHOOL UNIT INSTRUCTIONAL TIME

AN ACT to amend and reenact section 15.1-21-03 of the North Dakota Century Code, relating to instructional time for high school units.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-21-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-21-03. High school unit - Instructional time.

1. Except as provided in subsection 2, each unit must consist of at least one hundred twenty hours of instruction per school calendar.
2. The following units must consist of at least one hundred fifty hours of instruction per school calendar: natural sciences, agriculture, business and office technology, marketing, diversified occupations, trade and industrial education, technology education, and health careers.
3. The hour requirements of this section are subject to reductions resulting from the holidays and nonstudent contact days provided for in section 15.1-06-04.
4. This section does not apply to schools or school districts having block schedules approved by the superintendent of public instruction.

Approved March 21, 2003
Filed March 21, 2003

CHAPTER 162

SENATE BILL NO. 2065

(Education Committee)

(At the request of the Superintendent of Public Instruction)

TESTING PUBLIC SCHOOL STUDENT ACHIEVEMENT

AN ACT to amend and reenact sections 15.1-21-08 and 15.1-21-10 of the North Dakota Century Code, relating to the state assessment of public school students in reading, mathematics, and science.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-21-08 of the North Dakota Century Code is amended and reenacted as follows:

15.1-21-08. Reading and, mathematics, and science - Administration of test. ~~Beginning during the second half of the 2001-02 school year and annually thereafter, the~~

1. The superintendent of public instruction shall administer to public school students a test that is aligned to the state content and achievement standards in reading and mathematics. This test must be administered to all public school students in at least one grade level selected within each of the following grade spans: grades three through five; grades six through nine; and grades ten through twelve. Beginning no later than the 2005-06 school year and annually thereafter, the superintendent of public instruction shall administer the reading and mathematics test to all public school students in grades three, four, five, six, seven, eight, and eleven.
2. Beginning no later than the 2007-08 school year and annually thereafter, the superintendent of public instruction shall administer a test that is aligned to the state content and achievement standards in science. This test must be administered to all public school students in at least one grade level selected from three through five; in at least one grade level selected from six through nine; and in grade eleven. The superintendent of public instruction may not administer the grade eleven test after December first of each school year.

SECTION 2. AMENDMENT. Section 15.1-21-10 of the North Dakota Century Code is amended and reenacted as follows:

15.1-21-10. Test scores - Publication. Upon receiving notice that the compilation of test scores has been completed, the superintendent of public instruction shall inform the legislative council. The superintendent shall present the test scores publicly for the first time at a meeting of a legislative committee designated by the legislative council. At the meeting, the superintendent and representatives of the testing service that created the tests shall provide detailed testimony regarding the testing instrument, the methodology used to test and assess the students, the established cut scores, the methodology used to determine the cut scores, the validation of all test products, and the significance of the test scores.

Approved April 24, 2003

Filed April 24, 2003

CHAPTER 163**HOUSE BILL NO. 1296**

(Representatives Hawken, Delmore, Haas)
(Senators J. Lee, Wardner)

**SCHOOL DISTRICT PROFESSIONAL DEVELOPMENT
EXPENDITURE REPORTS**

AN ACT to amend and reenact subsection 1 of section 15.1-21-12 of the North Dakota Century Code, relating to the reporting of professional development funds and expenditures by school districts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 15.1-21-12 of the North Dakota Century Code is amended and reenacted as follows:

1. On or before October first of each year, each school district shall file a report with the superintendent of public instruction indicating:
 - a. The amount and source of funds that were made available to the district for professional development during the preceding school year;
 - b. The amount and source of funds that were expended by the district for professional development during the preceding school year; and
 - c. ~~The number of district teachers who participated in professional development activities during the preceding school year;~~
 - d. ~~The source of funding for~~ A separate list of the professional development activities in which the ~~teachers~~ district participated during the preceding school year; and the amount of time committed to the activities.
 - e. ~~The nature and scope of the professional development activities in which the teachers participated.~~

Approved April 4, 2003
Filed April 7, 2003

CHAPTER 164**SENATE BILL NO. 2332**

(Senators Christenson, Cook)
(Representatives Grande, S. Kelsh)

MINORS' TOBACCO CITATION REPORTS

AN ACT to amend and reenact section 15.1-24-05 of the North Dakota Century Code, relating to law enforcement reports to schools of minors' tobacco citations.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-24-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-24-05. Law enforcement agencies - Duty to inform team.

1. A law enforcement agency shall notify a school principal in writing if the agency has probable cause to believe that a student enrolled in the school has violated section 5-01-08, section 12.1-31-03, chapter 19-03.1, chapter 19-03.2, chapter 19-03.4, section 39-08-01, or section 39-08-18. The law enforcement agency shall provide the notice within two weeks of an incident.
2. The principal shall forward the notice to the school's chemical abuse preassessment team or support team referenced in section ~~15.1-25-03~~ 15.1-24-03.
3. Subsection 1 does not apply if, in the opinion of the law enforcement agency, providing the notice would jeopardize the conclusion of a criminal investigation.

Approved March 25, 2003
Filed March 25, 2003

CHAPTER 165

HOUSE BILL NO. 1383

(Representatives Hawken, Delmore, Herbel, Meier)
(Senators Flakoll, Holmberg)

ENGLISH LANGUAGE LEARNER STUDENT PAYMENTS

AN ACT to amend and reenact section 15.1-27-12 of the North Dakota Century Code, relating to per student payments for English language learners.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-27-12 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-12. Per student payments - Limited English proficient students language learners.

1. In addition to any other payments provided for by this chapter, each school district is entitled to receive:
 - a. ~~Four hundred twenty-five dollars for each student who has been assessed by the student's school district and found to have negligible limited English language skills, as evidenced by a classification of level I using the Woodcock-Munoz language survey;~~
 - b. ~~Three hundred twenty-five dollars for each student who has been assessed by the student's school district and determined to have very limited English language skills, as evidenced by a classification of level II using the Woodcock-Munoz language survey; and~~
 - c. ~~Two hundred twenty-five dollars for each student who has been assessed by the student's school district and determined to have limited English language skills, as evidenced by a classification of level III using the Woodcock-Munoz language survey. The amount of money that results from multiplying the per student amount calculated under subsection 5 by 10.0 for each English language learner determined to have preliterate English language skills and a proficiency level of I;~~
 - b. The amount of money that results from multiplying the per student amount calculated under subsection 5 by 8.0 for each English language learner determined to have beginning English language skills and a proficiency level of II;
 - c. The amount of money that results from multiplying the per student amount calculated under subsection 5 by 4.0 for each English language learner determined to have intermediate English language skills and a proficiency level of III; and

- d. The per student amount calculated under subsection 5 for each English language learner determined to have basic English language skills and a proficiency level of IV.
2. In order to be eligible for assessment under this section, a student:
 - a. Must be at least five years of age but must not have reached the age of twenty-two;
 - b. Must be enrolled in a school district in this state;
 - c. Must have a primary language other than English or come from an environment in which a language other than English significantly impacts the individual's level of English language proficiency; and
 - d. Must have difficulty speaking, reading, writing, and understanding English, as evidenced by a language proficiency test approved by the superintendent of public instruction and aligned to the state English language proficiency standards.
3. In order to be eligible for the payment provided for in this section, a school district must provide an approved program of instruction for students who have ~~negligible limited~~ preliterate English language skills, very limited beginning English language skills, or limited intermediate English language skills, or basic English language skills.
4.
 - a. In order to receive the full payment provided for in this section, a school district must ~~complete the student assessment required by subsection 4 and forward the results to the superintendent of public instruction on or before December first of each school year~~ assess each eligible student using a proficiency test that is aligned to the state English language proficiency standards and the state language proficiency test.
 - b. On or before December first of each year, a school district shall submit to the superintendent of public instruction an application for payment. The application must include:
 - (1) A description of the district's English language learner program;
 - (2) The result of the district's annual student assessment required under subdivision a; and
 - (3) Any other information requested by the superintendent of public instruction.
5.
 - a. Each year of the biennium the superintendent of public instruction shall calculate the total weighted number of students eligible for payment during that year by determining the sum of all English language learner students weighted as follows:
 - (1) Ten times the number of level I students;
 - (2) Eight times the number of level II students;

- (3) Four times the number of level III students; and
 - (4) The number of level IV students.
 - b. The superintendent of public instruction shall determine the per student amount used to calculate payments under this section during the first year of the biennium by dividing the total weighted number of students eligible for payment under this section into forty-nine percent of the total amount appropriated for this section.
 - c. The superintendent of public instruction shall determine the per student dollar amount used to calculate payments under this section during the second year of the biennium by dividing the total weighted number of students eligible for payment under this section into fifty-one percent of the total amount appropriated for this section.
6. The superintendent shall distribute the payments no later than May thirtieth of each school year. ~~The superintendent shall prorate payments under this section for any students registering in the school district after the start of the school year or departing from the school district prior to the completion of the school year.~~

Approved March 25, 2003

Filed March 25, 2003

CHAPTER 166

HOUSE BILL NO. 1331

(Representatives Timm, Haas, R. Kelsch)

STUDENT TRANSPORTATION AFTER SCHOOL CLOSURE

AN ACT to amend and reenact section 15.1-30-01 of the North Dakota Century Code, relating to the transportation of students.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-30-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-30-01. Transportation or meals and lodging - Options of school board.

1. The board of a school district may:
 - a. Provide for the transportation of a student to and from school; or
 - b. If acceptable to the student's parent, reimburse the parent for expenses incurred in providing meals and lodging to the student outside the student's home, provided that the reimbursement may not exceed the amount permitted under subsection 4 of section 15.1-27-27.
2. A parent receiving payments under section 15.1-30-02 is not eligible to receive payments under this section.
3. If the board elects to provide for the transportation of students by public transit, the board shall establish eligibility criteria based on a minimum distance between a student's residence and the school. Except as otherwise provided by law, the board shall apply the criteria equally to all students in the district.
4. If the board closes one of several schools in the district, nothing in this section precludes the board from agreeing to provide transportation to those students who were placed in another school in the district because of the closure.
5. Benefits under this section are available even if a student is transported to another school district in or outside this state, provided the student's attendance meets all other conditions established by law.

Approved March 31, 2003
Filed March 31, 2003

CHAPTER 167

HOUSE BILL NO. 1086

(Education Committee)

(At the request of the Superintendent of Public Instruction)

OPEN ENROLLMENT AND STUDENT TRANSFERS

AN ACT to create and enact a new section to chapter 15.1-31 of the North Dakota Century Code, relating to open enrollment and the transfer of students from certain schools.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-31 of the North Dakota Century Code is created and enacted as follows:

Open enrollment - Transfer of students - Responsibility of district of residence.

1. Notwithstanding the provisions of chapter 15.1-31, a student's parent may apply to a contiguous school district for admission of the student at any time during the school year if:
 - a. The student was a victim of violence occurring within the school in which the student was enrolled and the violence was documented;
 - b. The superintendent of public instruction has declared the school in which the student was enrolled to be an unsafe school; or
 - c. The superintendent of public instruction has identified the school in which the student was enrolled as one that requires program improvement for six consecutive years.
2. The school district receiving an application under subsection 1 shall review the application to ensure compliance with the provisions of subsection 1 and shall notify the student's parent and the student's school district of residence of the arrangements for the student's transfer within five days from the date the application was received.
3. The student's school district of residence shall consider the student transferred as of the date of enrollment by the admitting district.
4. Upon transfer of a student under this section, the board of the admitting district and the board of the student's school district of residence shall enter into a tuition agreement. The student's school district of residence shall reimburse the admitting district for all costs incurred by the admitting district in providing education for the student.
5. The student's school district of residence shall transport the student to school in the admitting district or shall reimburse the admitting district for all costs incurred in transporting the student or providing for the transportation of the student to school in the admitting district. These

transportation costs are not reimbursable through state transportation funds.

6. The provisions of this section are applicable to a student until the conclusion of the school year in which the superintendent of public instruction declares that the school in the student's district of residence is no longer an unsafe school or that the school no longer requires program improvement.

Approved April 18, 2003

Filed April 18, 2003

CHAPTER 168

HOUSE BILL NO. 1080

(Education Committee)

(At the request of the Superintendent of Public Instruction)

INCARCERATED DISABLED STUDENT DEFINITION

AN ACT to amend and reenact subsection 4 of section 15.1-32-01 of the North Dakota Century Code, relating to the definition of students with disabilities who are incarcerated.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 4 of section 15.1-32-01 of the North Dakota Century Code is amended and reenacted as follows:

4. "Student with disabilities" means an individual who is at least three years of age but who has not reached the age of twenty-one before September first of the year in which the individual turns twenty-one and who because of mental, physical, emotional, or learning characteristics requires regular or special education and related services designed to meet the individual's educational needs. The term includes an individual with mental retardation, hearing impairment, deafness, deafness-blindness, a speech or language impairment, a visual impairment, emotional disturbance, an orthopedic impairment, or autism, and an individual who has a specific learning disability, a traumatic brain injury, or other health impairment. ~~The term does not include an individual who is at least eighteen but not yet twenty-one years of age and incarcerated in an adult correctional facility unless, in the individual's last educational placement prior to incarceration, the individual was identified as being a student with a disability and had an individualized education program or services plan.~~ The term includes a student aged eighteen through twenty-one who is incarcerated in an adult correctional facility and who, in the last educational placement prior to incarceration, was identified as being a student with a disability and did not have an individualized education program or was identified as being a student with a disability and had an individualized education program.

Approved March 13, 2003

Filed March 13, 2003

CHAPTER 169**HOUSE BILL NO. 1397**

(Representative R. Kelsch)

SCHOOL DISTRICT FOOD SERVICE

AN ACT to create and enact a new section to chapter 15.1-35 of the North Dakota Century Code, relating to contracts for the preparation and provision of meals.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-35 of the North Dakota Century Code is created and enacted as follows:

Contract - Preparation and provision of meals.

1. The board of a school district may enter into a contract to prepare and provide meals, snacks, or other food services for persons or programs not affiliated with the school district, provided any person that wishes to enter a contract with the board under this section first demonstrates to the satisfaction of the board that there are no private entities able and willing to enter into such a contract.
2. The board of a school district may not advertise to the general public its willingness to provide meals, snacks, or other food services for persons or programs not affiliated with the district.
3. An institution under the control of the state board of higher education may not advertise to the general public its willingness to provide meals, snacks, or other food services for persons or programs not affiliated with the institution.

Approved April 21, 2003

Filed April 22, 2003

CHAPTER 170**SENATE BILL NO. 2404**

(Senators Cook, Kringstad)
(Representatives R. Kelsch, Porter)

**YOUTH CORRECTIONAL CENTER TEACHER
APPROPRIATION**

AN ACT to amend and reenact subsection 2 of section 15 of chapter 173 of the 2001 Session Laws, relating to the use of contingent payments for the compensation of teachers employed at the youth correctional center; to provide an appropriation; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$66,000, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for the purpose of providing \$3,000 in additional compensation to twenty-two eligible individuals who are employed as teachers at the youth correctional center, for the period beginning January 1, 2001, and ending June 30, 2003.
2. For purposes of this section, "teacher" means an individual, other than an administrator, who is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and who has been employed full-time at the youth correctional center for at least the period from July 1, 2001, through the effective date of this Act, in a position classified by the superintendent of public instruction as:
 - a. A class 22 coordinator;
 - b. A class 37 guidance counselor or school counselor;
 - c. A class 38 guidance counselor or designate;
 - d. A class 40 instructional programmer;
 - e. A class 41 library media specialist;
 - f. A class 56 pupil personnel service provider;
 - g. A class 59 school psychologist;
 - h. A class 62 speech-language pathologist;
 - i. A class 68 supervisor;
 - j. A class 70 teacher or special education teacher; or

- k. A class 72 tutor in training.

SECTION 2. AMENDMENT. Subsection 2 of section 15 of chapter 173 of the 2001 Session Laws is amended and reenacted as follows:

2. If funds appropriated by the legislative assembly to the grants-teacher compensation payments line item in House Bill No. 1013, as approved by the fifty-seventh legislative assembly, remain after completion of all statutory obligations, to the extent of legislative appropriations, the superintendent of public instruction shall distribute all of the remaining funds, except sixty-six thousand dollars, as additional per student payments under chapter ~~15-40.4~~ or 15.1-27. The state treasurer shall transfer the sixty-six thousand dollars to the state general fund for the purposes as provided in section 1.

SECTION 3. DEPARTMENT OF CORRECTIONS - 2005-07 BUDGET PREPARATION. In compiling the departmental budget for the 2005-07 biennium, the department of corrections and rehabilitation shall consider the increase in teacher compensation provided for by this Act as a portion of the base salary payable to the teachers employed at the youth correctional center.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 8, 2003
Filed April 9, 2003