

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1324

Introduced by

Representatives Owens, Monson, Nathe, Sanford, Schreiber-Beck

Senators Rust, Schaible

1 A BILL for an Act to amend and reenact sections 15.1-27-03.1 and 15.1-27-04.1 of the North
2 Dakota Century Code, relating to the determination of state aid payable to school districts.

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

4 **SECTION 1. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15.1-27-03.1. (~~Effective through June 30, 2017~~) ~~Weighted average daily membership~~**
7 **~~Determination.~~**

- 8 1. ~~For each school district, the superintendent of public instruction shall multiply by:~~
- 9 a. ~~1.00 the number of full-time equivalent students enrolled in an extended-~~
10 ~~educational program in accordance with section 15.1-32-17;~~
- 11 b. ~~0.60 the number of full-time equivalent students enrolled in a summer education-~~
12 ~~program, including a migrant summer education program;~~
- 13 c. ~~0.33 the number of full-time equivalent students who:~~
- 14 (1) ~~On a test of English language proficiency approved by the superintendent of~~
15 ~~public instruction are determined to be least proficient and placed in the first~~
16 ~~of six categories of proficiency; and~~
- 17 (2) ~~Are enrolled in a program of instruction for English language learners;~~
- 18 d. ~~0.25 the number of full-time equivalent students under the age of twenty-one-~~
19 ~~enrolled in grades nine through twelve in an alternative high school;~~
- 20 e. ~~0.22 the number of full-time equivalent students who:~~
- 21 (1) ~~On a test of English language proficiency approved by the superintendent of~~
22 ~~public instruction are determined to be more proficient than students placed~~
23 ~~in the first of six categories of proficiency and therefore placed in the second-~~
24 ~~of six categories of proficiency; and~~

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

1 m. ~~0.002 the number of students enrolled in average daily membership in a school-~~
2 ~~district that is a participating member of a regional education association meeting-~~
3 ~~the requirements of chapter 15.1-09.1.~~

4 ~~2. The superintendent of public instruction shall determine each school district's weighted-~~
5 ~~average daily membership by adding the products derived under subsection 1 to the-~~
6 ~~district's average daily membership.~~

7 **~~(Effective after June 30, 2017) Weighted average daily membership - Determination.~~**

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

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

11 b. 0.60 the number of full-time equivalent students enrolled in a summer education
12 program, including a migrant summer education program;

13 c. 0.40 the number of full-time equivalent students who:

14 (1) On a test of English language proficiency approved by the superintendent of
15 public instruction are determined to be least proficient and placed in the first
16 of six categories of proficiency; and

17 (2) Are enrolled in a program of instruction for English language learners;

18 d. 0.28 the number of full-time equivalent students who:

19 (1) On a test of English language proficiency approved by the superintendent of
20 public instruction are determined to be more proficient than students placed
21 in the first of six categories of proficiency and therefore placed in the second
22 of six categories of proficiency; and

23 (2) Are enrolled in a program of instruction for English language learners;

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

26 f. 0.20 the number of full-time equivalent students enrolled in a home-based
27 education program and monitored by the school district under chapter 15.1-23;

28 g. 0.17 the number of full-time equivalent students enrolled in an early childhood
29 special education program;

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

1 **SECTION 2. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid.**

4 1. ~~In order to~~To determine the amount of state aid payable to each district, the
5 superintendent of public instruction shall establish each district's baseline funding. A
6 district's baseline funding consists of:

- 7 a. All state aid received by the district in accordance with chapter 15.1-27 during the
8 2012-13 school year;
- 9 b. The district's 2012-13 mill levy reduction grant, as determined in accordance with
10 chapter 57-64, as it existed on June 30, 2013;
- 11 c. An amount equal to that raised by the district's 2012 general fund levy or that
12 raised by one hundred ten mills of the district's 2012 general fund levy, whichever
13 is less;
- 14 d. An amount equal to that raised by the district's 2012 long-distance learning and
15 educational technology levy;
- 16 e. An amount equal to that raised by the district's 2012 alternative education
17 program levy; and
- 18 f. An amount equal to:
- 19 (1) Seventy-five percent of all revenue received by the school district and
20 reported under code 2000 of the North Dakota school district financial
21 accounting and reporting manual, as developed by the superintendent of
22 public instruction in accordance with section 15.1-02-08;
- 23 (2) Seventy-five percent of all mineral revenue received by the school district
24 through direct allocation from the state treasurer and not reported under
25 code 2000 of the North Dakota school district financial accounting and
26 reporting manual, as developed by the superintendent of public instruction
27 in accordance with section 15.1-02-08;
- 28 (3) Seventy-five percent of all tuition received by the school district and
29 reported under code 1300 of the North Dakota school district financial
30 accounting and reporting manual, as developed by the superintendent of
31 public instruction in accordance with section 15.1-02-08, with the exception

- 1 of revenue received specifically for the operation of an educational program
2 provided at a residential treatment facility and tuition received for the
3 provision of an adult farm management program;
- 4 (4) Seventy-five percent of all revenue received by the school district from
5 payments in lieu of taxes on the distribution and transmission of electric
6 power;
- 7 (5) Seventy-five percent of all revenue received by the school district from
8 payments in lieu of taxes on electricity generated from sources other than
9 coal;
- 10 (6) All revenue received by the school district from mobile home taxes;
- 11 (7) Seventy-five percent of all revenue received by the school district from the
12 leasing of land acquired by the United States for which compensation is
13 allocated to the state under 33 U.S.C. 701(c)(3);
- 14 (8) All telecommunications tax revenue received by the school district; and
- 15 (9) All revenue received by the school district from payments in lieu of taxes
16 and state reimbursement of the homestead credit and disabled veterans
17 credit.
- 18 2. The superintendent shall divide the district's total baseline funding by the district's
19 2012-13 weighted student units ~~in order~~ to determine the district's baseline funding per
20 weighted student unit.
- 21 3. a. In ~~2015-16~~2017-18, the superintendent shall multiply the district's weighted
22 student units by nine thousand ~~threesix~~ hundred ~~sixty-five~~forty-six dollars.
- 23 (1) The superintendent shall adjust the product to ensure ~~that~~ the product is at
24 least equal to the greater of:
- 25 (a) One hundred ~~six~~eight percent of the district's baseline funding per
26 weighted student unit, as established in subsection 2, multiplied by
27 the district's 2013-14 weighted student units; or
- 28 (b) One hundred percent of the district's baseline funding as established
29 in subsection 1.
- 30 (2) The superintendent also shall ~~also~~ adjust the product to ensure ~~that~~ the
31 product does not exceed one hundred ~~thirty~~forty percent of the district's

- 1 baseline funding per weighted student unit multiplied by the district's
2 2013-14 weighted student units, as established in subsection 2.
- 3 b. In ~~2016-17~~2018-19, the superintendent shall multiply the district's weighted
4 student units by nine thousand six hundred forty-six dollars.
- 5 (1) The superintendent shall adjust the product to ensure ~~that~~ the product is at
6 least equal to the greater of:
- 7 (a) One hundred eight percent of the district's baseline funding per
8 weighted student unit, as established in subsection 2, multiplied by
9 the district's 2014-15 weighted student units; or
- 10 (b) One hundred percent of the district's baseline funding as established
11 in subsection 1.
- 12 (2) The superintendent also shall ~~also~~ adjust the product to ensure ~~that~~ the
13 product does not exceed one hundred forty percent of the district's baseline
14 funding per weighted student unit, as established in subsection 2, multiplied
15 by the district's 2014-15 weighted student units.
- 16 4. After determining the product in accordance with subsection 3, the superintendent of
17 public instruction shall:
- 18 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
19 school district, ~~provided that after 2013, except~~ the amount in dollars subtracted
20 for purposes of this subdivision may not exceed the previous year's amount in
21 dollars subtracted for purposes of this subdivision by more than twelve percent;
22 and
- 23 b. Subtract an amount equal to seventy-five percent of all revenues listed in
24 ~~paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one hundred-~~
25 ~~percent of all revenues listed in paragraphs 6, 8, and 9 of subdivision f of~~
26 ~~subsection 1.~~
- 27 5. The amount remaining after the computation required under subsection 4 is the
28 amount of state aid to which a school district is entitled, subject to any other statutory
29 requirements or limitations.