

Introduced by

Senator Bekkedahl

1 A BILL for an Act to amend and reenact section 15.1-27-04.1 of the North Dakota Century
2 Code, relating to state foundation aid payments to school districts; and to provide a continuing
3 appropriation.

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

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

7 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid -**
8 **Continuing appropriation.**

- 9 1. To determine the amount of state aid payable to each district, the superintendent of
10 public instruction shall establish each district's baseline funding. A district's baseline
11 funding consists of:
- 12 a. All state aid received by the district in accordance with chapter 15.1-27 during the
13 2012-13 school year;
 - 14 b. The district's 2012-13 mill levy reduction grant, as determined in accordance with
15 chapter 57-64, as it existed on June 30, 2013;
 - 16 c. An amount equal to that raised by the district's 2012 general fund levy or that
17 raised by one hundred ten mills of the district's 2012 general fund levy, whichever
18 is less;
 - 19 d. An amount equal to that raised by the district's 2012 long-distance learning and
20 educational technology levy;
 - 21 e. An amount equal to that raised by the district's 2012 alternative education
22 program levy; and
 - 23 f. An amount equal to:

- 1 (1) Seventy-five percent of all revenue received by the school district and
2 reported under code 2000 of the North Dakota school district financial
3 accounting and reporting manual, as developed by the superintendent of
4 public instruction in accordance with section 15.1-02-08;
- 5 (2) Seventy-five percent of all mineral revenue received by the school district
6 through direct allocation from the state treasurer and not reported under
7 code 2000 of the North Dakota school district financial accounting and
8 reporting manual, as developed by the superintendent of public instruction
9 in accordance with section 15.1-02-08;
- 10 (3) Seventy-five percent of all tuition received by the school district and
11 reported under code 1300 of the North Dakota school district financial
12 accounting and reporting manual, as developed by the superintendent of
13 public instruction in accordance with section 15.1-02-08, with the exception
14 of revenue received specifically for the operation of an educational program
15 provided at a residential treatment facility and tuition received for the
16 provision of an adult farm management program;
- 17 (4) Seventy-five percent of all revenue received by the school district from
18 payments in lieu of taxes on the distribution and transmission of electric
19 power;
- 20 (5) Seventy-five percent of all revenue received by the school district from
21 payments in lieu of taxes on electricity generated from sources other than
22 coal;
- 23 (6) All revenue received by the school district from mobile home taxes;
- 24 (7) Seventy-five percent of all revenue received by the school district from the
25 leasing of land acquired by the United States for which compensation is
26 allocated to the state under 33 U.S.C. 701(c)(3);
- 27 (8) All telecommunications tax revenue received by the school district; and
- 28 (9) All revenue received by the school district from payments in lieu of taxes
29 and state reimbursement of the homestead credit and disabled veterans
30 credit.

- 1 2. The superintendent shall divide the district's total baseline funding by the district's
2 2012-13 weighted student units to determine the district's baseline funding per
3 weighted student unit.
- 4 3. a. In 2017-18, the superintendent shall multiply the district's weighted student units
5 by nine thousand six hundred forty-six dollars.
- 6 (1) The superintendent shall adjust the product to ensure the product is at least
7 equal to the greater of:
- 8 (a) One hundred eight percent of the district's baseline funding per
9 weighted student unit, as established in subsection 2, multiplied by
10 the district's weighted student units from the previous school year; or
- 11 (b) One hundred percent of the district's baseline funding as established
12 in subsection 1.
- 13 (2) The superintendent also shall adjust the product to ensure the product does
14 not exceed one hundred forty percent of the district's baseline funding per
15 weighted student unit multiplied by the district's weighted student units from
16 the previous school year, as established in subsection 2.
- 17 b. In 2018-19, the superintendent shall multiply the district's weighted student units
18 by nine thousand six hundred forty-six dollars.
- 19 (1) The superintendent shall adjust the product to ensure the product is at least
20 equal to the greater of:
- 21 (a) One hundred eight percent of the district's baseline funding per
22 weighted student unit, as established in subsection 2, multiplied by
23 the district's weighted student units from the previous school year; or
- 24 (b) One hundred percent of the district's baseline funding as established
25 in subsection 1.
- 26 (2) The superintendent also shall adjust the product to ensure the product does
27 not exceed one hundred forty percent of the district's baseline funding per
28 weighted student unit, as established in subsection 2, multiplied by the
29 district's weighted student units from the previous school year.
- 30 4. After determining the product in accordance with subsection 3, the superintendent of
31 public instruction shall:

- 1 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
2 school district, except the amount in dollars subtracted for purposes of this
3 subdivision may not exceed the previous year's amount in dollars subtracted for
4 purposes of this subdivision by more than twelve percent; and
- 5 b. ~~Subtract~~Except as provided in subdivision c, subtract an amount equal to
6 seventy-five percent of all ~~revenues~~revenue types listed in paragraphs 1
7 through 5, and 7 of subdivision f of subsection 1 and one hundred percent of all
8 ~~revenues~~revenue types listed in paragraphs 6, 8, and 9 of subdivision f of
9 subsection 1.
- 10 c. Subtract an amount equal to seventy-five percent of all revenue types listed in
11 paragraphs 1, 3, 4, 5, and 7 of subdivision f of subsection 1, one hundred percent
12 of all revenue types listed in paragraphs 6, 8, and 9 of subdivision f of
13 subsection 1, and fifty percent of the revenue type listed in paragraph 2 of
14 subdivision f of subsection 1 for school districts that:
- 15 (1) Are located in an oil-producing county;
16 (2) Are eligible to receive gross production tax revenue in lieu of property taxes;
17 (3) Are located in cities with populations over twenty-four thousand;
18 (4) Have a tax base fewer than twenty square miles;
19 (5) Levy greater than sixty mills for local property taxes;
20 (6) Have student enrollments greater than four thousand;
21 (7) Have average student growth of over two hundred per year over the
22 preceding five years;
23 (8) Use portable classrooms; and
24 (9) Have enrollment exceeding school facility capacity.
- 25 5. The amount remaining after the computation required under subsection 4 is the
26 amount of state aid to which a school district is entitled, subject to any other statutory
27 requirements or limitations.
- 28 6. School districts that qualify under subdivision c of subsection 4 shall place twenty-five
29 percent of the revenue type listed in paragraph 2 of subdivision f of subsection 1 into
30 the school district building fund for new school construction or renovation debt. In
31 school districts that qualify under subdivision c of subsection 4, the superintendent of

1 public instruction shall determine the additional revenue that would be subtracted
2 under subdivision b of subsection 4. There is appropriated on a continuing basis from
3 the strategic investment and improvements fund to the superintendent of public
4 instruction, an amount equal to the additional revenue that would be subtracted for
5 school districts that qualify under subdivision c of subsection 4.