

Sixty-sixth
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2265

Introduced by

Senators Schaible, Davison, Rust

Representatives Owens, Schreiber-Beck

1 A BILL for an Act to create and enact a new section to chapter 15.1-02 and section 15.1-27-04.3
 2 of the North Dakota Century Code, relating to state school aid local property tax effort and
 3 credentialing of title I certified teachers and coordinators; to amend and reenact sections
 4 15.1-06-04 and 15.1-07-34, the new section to chapter 15.1-09, as created by section 1 of
 5 Senate Bill No. 2230, as approved by the sixty-sixth legislative assembly, and sections
 6 15.1-18-10, 15.1-21-03, 15.1-27-02, 15.1-27-03.1-and, 15.1-27-04.1, 15.1-27-23, 15.1-27-35,
 7 15.1-29-02.1, 15.1-29-12, and 57-15-14.2 of the North Dakota Century Code, relating to teacher
 8 professional development days in the school calendar, youth behavioral health training, school
 9 board membership, teaching licenses, high school unit instructional time, per student payments,
 10 the determination of weighted average daily membership ~~and~~, state aid payable to school
 11 districts, weather emergencies, the calculation of average daily membership, a cross-border
 12 attendance contract with South Dakota, the determination of tuition payments, and school
 13 district levies; to repeal section 15.1-06-05 of the North Dakota Century Code, relating to
 14 applications for reconfiguration of instructional days; to provide for a ~~legislative management-~~
 15 ~~study~~ report to legislative management; to provide an appropriation; ~~and~~ to provide an effective
 16 date; to provide an expiration date; and to declare an emergency.

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

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

20 **Credentials for teachers and coordinators of title I.**

21 The superintendent of public instruction shall create a process to reinstate and recertify
 22 title I credentials for individuals in the state who held a valid certification, issued by the
 23 department of public instruction, as of July 1, 2018, and continue the process in perpetuity. A
 24 school district may advertise employment for a title I certified teacher each year until the

1 position is filled. The board of a school district may authorize the hiring of a teacher who is not
2 certified as a title I teacher for the school year if the school district fails to receive applications
3 from qualified applicants to fill the advertised position by July 1.

4 **SECTION 2. AMENDMENT.** Section 15.1-06-04 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15.1-06-04. School calendar - Length.**

7 1. A school district shall provide for a school calendar that includes:

8 a. At least ~~one hundred seventy-five days~~ nine hundred sixty-two and one-half hours
9 of instruction for elementary school students and one thousand fifty hours of
10 instruction for middle and high school students;

11 b. Three holidays, as selected by the board in consultation with district teachers
12 from the list provided for in subdivisions b through j of subsection 1 of section
13 15.1-06-02;

14 c. No more than two days for:

15 (1) Parent-teacher conferences; or

16 (2) Compensatory time for parent-teacher conferences held outside of regular
17 school hours; and

18 d. At least ~~two~~ three days of professional development not including meals or
19 breaks.

20 2. ~~a.~~ A For the first three days of professional development required under
21 subdivision d of subsection 1, a day of professional development must consist of:

22 ~~(1)~~ a. Six hours of professional development, exclusive of meals and other breaks,
23 conducted within a single day;

24 ~~(2)~~ b. Six hours of cumulative professional development conducted under the auspices
25 of a professional learning community; or

26 ~~(3)~~ c. Two four-hour periods of professional development, exclusive of meals and other
27 breaks, conducted over two days.

28 ~~b.~~ If a school district offers a four-hour period of professional development, as

29 permitted in this subsection, the school district may schedule instruction during
30 other available hours on that same day and be credited with providing one-half

31 day of instruction to students. This subdivision does not apply unless the one-half

~~day of instruction equals at least one-half of the time required for a full day of instruction, as defined in this section.~~

3. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction if the dismissal will result in the school failing to meet the requirements of subdivision a of subsection 1.

4. For purposes of this section, a full day of instruction consists of:

- a. At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
- b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

5. If a school district intends to operate under a school calendar that consists of four days of instruction per week, the school district shall apply and be approved for a waiver by the superintendent of public instruction.

SECTION 3. AMENDMENT. Section 15.1-07-34 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-34. Provision of youth behavioral health training to teachers, administrators, and ancillary staff.

1. Every two years, each school district shall provide a minimum of eight hours of professional development on youth behavioral health to elementary, middle, and high school teachers, and administrators. Each school district shall encourage ancillary and support staff to participate in the professional development. Based on the annual needs assessment of the school district, these hours must be designated from the following categories:

- a. Trauma;
- b. Social and emotional learning, including resiliency;
- c. Suicide prevention;
- d. Bullying;

- e. Understanding of the prevalence and impact of youth behavioral health wellness on family structure, education, juvenile services, law enforcement, and health care and treatment providers;
- f. Knowledge of behavioral health symptoms, and risks;
- g. Awareness of referral sources and evidence-based strategies for appropriate interventions;~~or~~
- h. Other evidence-based strategies to reduce risk factors for students;or
- i. Current or new evidence-based behavior prevention or mitigation techniques.

2. Each school district shall report the professional development hours to the department of public instruction.

3. The superintendent of public instruction shall collaborate with regional education associations to disseminate information, training materials, and notice of training opportunities to school districts and nonpublic schools.

SECTION 4. AMENDMENT. The new section to chapter 15.1-09, as created by section 1 of Senate Bill No. 2230, as approved by the sixty-sixth legislative assembly, is amended and reenacted as follows:

School board membership - Prohibition.

If a tribal government has prescribed by tribal law or resolution qualifications for eligibility for ~~candidates for~~ public office relating to criminal convictions which are more restrictive than the laws of this state, the qualifications ~~of candidates~~ for eligibility for membership of a public school board of a school district located on tribal land may not be less restrictive than the qualifications for eligibility prescribed by tribal law or resolution for public office relating to criminal convictions.

For purposes of this section, "tribal land" means that portion of the land within the exterior boundaries of an Indian reservation which is located in the state.

SECTION 5. AMENDMENT. Section 15.1-18-10 of the North Dakota Century Code is amended and reenacted as follows:

15.1-18-10. 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, special education, and technology education at any grade level from kindergarten through grade eight, provided the individual:

- 1 a. Is licensed to teach by the education standards and practices board;
- 2 b. Is approved to teach in that area by the education standards and practices board;
- 3 and
- 4 c. Meets all requirements set forth in rule by the superintendent of public instruction.
- 5 2. An individual may teach Native American languages provided the individual is an
- 6 eminence-credentialed teacher.
- 7 3. An individual may teach in the areas of trade, industry, technical occupations, or health
- 8 occupations, provided the individual has been issued a license to teach in such areas
- 9 by the education standards and practices board.
- 10 4. An individual may teach in any subject, except elementary education, special
- 11 education, mathematics, science, language arts, and social studies, if the individual:
- 12 a. Has a permit issued by the board and has a high school diploma; and
- 13 b. (1) Possesses at least four thousand hours over five years of relevant work
- 14 experience in the subject area to be taught;
- 15 (2) Possesses a certificate, permit, or degree in the subject area to be taught;
- 16 or
- 17 (3) Achieves a passing score on the Praxis content test.

18 **SECTION 6. AMENDMENT.** Section 15.1-21-03 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **15.1-21-03. High school unit - Instructional time.**

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

1 **SECTION 7. AMENDMENT.** Section 15.1-27-02 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15.1-27-02. Per student payments - Required reports.**

4 1. The superintendent of public instruction may not forward state aid payments to a
5 school district beyond the September payment unless the district has filed the
6 September tenth fall enrollment report with the superintendent.

7 2. The superintendent of public instruction may not forward state aid payments to a
8 school district beyond the October payment unless the district has filed the following
9 with the superintendent:

10 a. The June thirtieth student membership and attendance report;

11 b. An annual school district financial report; and

12 c. ~~The September tenth fall enrollment report; and~~

13 ~~d.~~ The personnel report forms for licensed and nonlicensed employees.

14 2.3. On or before December fifteenth, each school district shall file with the superintendent
15 of public instruction the taxable valuation and mill levy certifications. If a district fails to
16 file the taxable valuation and mill levy certifications by the required date, the
17 superintendent of public instruction may not forward to the district any state aid
18 payments to which the district is entitled, until the taxable valuation and mill levy
19 certifications are filed.

20 **SECTION 8. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15.1-27-03.1. Weighted average daily membership - Determination.**

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

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

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

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

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

- 1 (2) Are enrolled in a program of instruction for English language learners;
- 2 d. 0.28 the number of full-time equivalent students who:
- 3 (1) On a test of English language proficiency approved by the superintendent of
- 4 public instruction are determined to be more proficient than students placed
- 5 in the first of six categories of proficiency and therefore placed in the second
- 6 of six categories of proficiency; and
- 7 (2) Are enrolled in a program of instruction for English language learners;
- 8 e. 0.25 the number of full-time equivalent students under the age of twenty-one
- 9 enrolled in grades nine through twelve in an alternative high school;
- 10 f. 0.20 the number of full-time equivalent students enrolled in a home-based
- 11 education program and monitored by the school district under chapter 15.1-23;
- 12 g. 0.17 the number of full-time equivalent students enrolled in an early childhood
- 13 special education program;
- 14 h. 0.15 the number of full-time equivalent students in grades six through eight
- 15 enrolled in an alternative education program for at least an average of fifteen
- 16 hours per week;
- 17 i. 0.10 the number of students enrolled in average daily membership, if the district
- 18 has fewer than one hundred students enrolled in average daily membership and
- 19 the district consists of an area greater than two hundred seventy-five square
- 20 miles [19424.9 hectares], provided that any school district consisting of an area
- 21 greater than six hundred square miles [155399 hectares] and enrolling fewer than
- 22 fifty students in average daily membership must be deemed to have an
- 23 enrollment equal to fifty students in average daily membership;
- 24 j. 0.082 the number of students enrolled in average daily membership, in order to
- 25 support the provision of special education services;
- 26 k. 0.07 the number of full-time equivalent students who:
- 27 (1) On a test of English language proficiency approved by the superintendent of
- 28 public instruction are determined to be more proficient than students placed
- 29 in the second of six categories of proficiency and therefore placed in the
- 30 third of six categories of proficiency;
- 31 (2) Are enrolled in a program of instruction for English language learners; and

- 1 (3) Have not been in the third of six categories of proficiency for more than
2 three years;
- 3 l. 0.025 the number of students representing that percentage of the total number of
4 students in average daily membership which is equivalent to the three-year
5 average percentage of students in grades three through eight who are eligible for
6 free or reduced lunches under the Richard B. Russell National School Lunch Act
7 [42 U.S.C. 1751 et seq.]; ~~and~~
- 8 m. 0.002 the number of students enrolled in average daily membership in a school
9 district that is a participating member of a regional education association meeting
10 the requirements of chapter 15.1-09.1.; and
- 11 n. 1.000.50 the number of students by which the district's September tenth
12 enrollment report exceeds the number of students in the prior year's average
13 daily membership; ~~and~~
- 14 ~~o. For districts paid based on September tenth enrollment in the prior year, 1.00 the~~
15 ~~number of students determined by deducting the number of students in the prior~~
16 ~~year's September tenth enrollment from the prior year's average daily~~
17 ~~membership. If the prior year's September tenth enrollment exceeds the prior~~
18 ~~year's average daily membership, then a deduction of 1.00 the number of excess~~
19 ~~students.~~
- 20 2. The superintendent of public instruction shall determine each school district's weighted
21 average daily membership by adding the products derived under subsection 1 to the
22 district's average daily membership.

23 **SECTION 9. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15.1-27-03.1. Weighted average daily membership - Determination.**

- 26 1. For each school district, the superintendent of public instruction shall multiply by:
- 27 a. 1.00 the number of full-time equivalent students enrolled in an extended
28 educational program in accordance with section 15.1-32-17;
- 29 b. 0.60 the number of full-time equivalent students enrolled in a summer education
30 program, including a migrant summer education program;
- 31 c. 0.40 the number of full-time equivalent students who:

- 1 (1) On a test of English language proficiency approved by the superintendent of
2 public instruction are determined to be least proficient and placed in the first
3 of six categories of proficiency; and
- 4 (2) Are enrolled in a program of instruction for English language learners;
- 5 d. 0.28 the number of full-time equivalent students who:
- 6 (1) On a test of English language proficiency approved by the superintendent of
7 public instruction are determined to be more proficient than students placed
8 in the first of six categories of proficiency and therefore placed in the second
9 of six categories of proficiency; and
- 10 (2) Are enrolled in a program of instruction for English language learners;
- 11 e. 0.25 the number of full-time equivalent students under the age of twenty-one
12 enrolled in grades nine through twelve in an alternative high school;
- 13 f. 0.20 the number of full-time equivalent students enrolled in a home-based
14 education program and monitored by the school district under chapter 15.1-23;
- 15 g. 0.17 the number of full-time equivalent students enrolled in an early childhood
16 special education program;
- 17 h. 0.15 the number of full-time equivalent students in grades six through eight
18 enrolled in an alternative education program for at least an average of fifteen
19 hours per week;
- 20 i. 0.10 the number of students enrolled in average daily membership, if the district
21 has fewer than one hundred students enrolled in average daily membership and
22 the district consists of an area greater than two hundred seventy-five square
23 miles [19424.9 hectares], provided that any school district consisting of an area
24 greater than six hundred square miles [155399 hectares] and enrolling fewer than
25 fifty students in average daily membership must be deemed to have an
26 enrollment equal to fifty students in average daily membership;
- 27 j. 0.082 the number of students enrolled in average daily membership, in order to
28 support the provision of special education services;
- 29 k. 0.07 the number of full-time equivalent students who:
- 30 (1) On a test of English language proficiency approved by the superintendent of
31 public instruction are determined to be more proficient than students placed

- 1 in the second of six categories of proficiency and therefore placed in the
2 third of six categories of proficiency;
- 3 (2) Are enrolled in a program of instruction for English language learners; and
4 (3) Have not been in the third of six categories of proficiency for more than
5 three years;
- 6 l. 0.025 the number of students representing that percentage of the total number of
7 students in average daily membership which is equivalent to the three-year
8 average percentage of students in grades three through eight who are eligible for
9 free or reduced lunches under the Richard B. Russell National School Lunch Act
10 [42 U.S.C. 1751 et seq.];
- 11 m. 0.002 the number of students enrolled in average daily membership in a school
12 district that is a participating member of a regional education association meeting
13 the requirements of chapter 15.1-09.1; ~~and~~
- 14 n. ~~0.50~~ 0.60 the number of students by which the district's September tenth
15 enrollment report exceeds the number of students in the prior year's average
16 daily membership increasing the factor annually by 0.10, not to exceed 1.00; and
- 17 o. For districts paid based on September tenth enrollment in the prior year, 0.50 the
18 number of students determined by deducting the number of students in the prior
19 year's September tenth enrollment from the prior year's average daily
20 membership, increasing the factor annually by 0.10, not to exceed 1.00. If the
21 prior year's September tenth enrollment exceeds the prior year's average daily
22 membership, then a deduction of 0.50 the number of excess students, increasing
23 the factor annually by 0.10, not to exceed 1.00.
- 24 2. The superintendent of public instruction shall determine each school district's weighted
25 average daily membership by adding the products derived under subsection 1 to the
26 district's average daily membership.

27 **SECTION 10. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid.**

2 1. To determine the amount of state aid payable to each district, the superintendent of
3 public instruction shall establish each district's baseline funding. A district's baseline
4 funding consists of:

5 a. All state aid received by the district in accordance with chapter 15.1-27 during the
6 ~~2012-13~~2018-19 school year;

7 b. ~~The district's 2012-13 mill levy reduction grant, as determined in accordance with~~
8 ~~chapter 57-64, as it existed on June 30, 2013;~~

9 ~~c.~~ An amount equal to ~~that raised by the district's 2012 general fund levy or that~~
10 ~~raised by one hundred ten mills of the district's 2012 general fund levy, whichever~~
11 ~~is less~~the property tax deducted by the superintendent of public instruction to
12 determine the 2018-19 state aid payment;

13 ~~d.~~ An amount equal to ~~that raised by the district's 2012 long-distance learning and~~
14 ~~educational technology levy;~~

15 ~~e.~~ An amount equal to ~~that raised by the district's 2012 alternative education~~
16 ~~program levy; and~~

17 f.c. An amount equal to seventy-five percent of the revenue received by the school
18 district during the ~~2012-13~~2017-18 school year for the following revenue types:

19 (1) ~~Seventy-five percent of all revenue received by the school district~~
20 ~~and~~Revenue reported under code 2000 of the North Dakota school district
21 financial accounting and reporting manual, as developed by the
22 superintendent of public instruction in accordance with section 15.1-02-08;

23 (2) ~~Seventy-five percent of all mineral~~Mineral revenue received by the school
24 district through direct allocation from the state treasurer and not reported
25 under code 2000 of the North Dakota school district financial accounting
26 and reporting manual, as developed by the superintendent of public
27 instruction in accordance with section 15.1-02-08;

28 (3) ~~Seventy-five percent of all tuition received by the school district and~~Tuition
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~~Revenue
5 from payments in lieu of taxes on the distribution and transmission of
6 electric power;

7 (5) ~~Seventy-five percent of all revenue received by the school district~~Revenue
8 from payments in lieu of taxes on electricity generated from sources other
9 than 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~~Revenue
12 from the leasing of land acquired by the United States for which
13 compensation is allocated to the state under 33 U.S.C. 701(c)(3);

14 (8) ~~All telecommunications and~~

15 ~~g.d.~~ An amount equal to the total revenue received by the school district during the
16 2012-132017-18 school year for the following revenue types:

17 (1) Mobile home tax revenue;

18 (2) Telecommunications tax revenue received by the school district; and

19 (9)(3) ~~All revenue received by the school district~~Revenue from payments in lieu of
20 taxes and state reimbursement of the homestead credit and disabled
21 veterans credit.

22 e. Beginning with the 2020-21 school year, the superintendent shall reduce the
23 baseline funding for any school district that becomes an elementary district
24 pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must
25 be proportional to the number of weighted student units in the grades that are
26 offered through another school district relative to the total number of weighted
27 student units the school district offered in the year before the school district
28 became an elementary district. The reduced baseline funding applies to the
29 calculation of state aid for the first school year in which the school district
30 becomes an elementary district and for each year thereafter. For districts that
31 become an elementary district prior to the 2020-21 school year, the

1 superintendent shall use the reduced baseline funding to calculate state aid for
2 the 2020-21 school year and for each year thereafter.

3 2. a. The superintendent shall divide the district's ~~total~~ baseline funding determined in
4 subsection 1 by the district's ~~2012-13~~2017-18 weighted student units to
5 determine the district's baseline funding per weighted student unit.

6 b. For any school district that becomes an elementary district pursuant to section
7 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the
8 district's baseline funding per weighted student unit used to calculate state aid.
9 The superintendent shall divide the district's baseline funding determined in
10 subsection 1 by the district's weighted student units after the school district
11 becomes an elementary district to determine the district's adjusted baseline
12 funding per weighted student unit. The superintendent shall use the district's
13 adjusted baseline funding per weighted student unit in the calculation of state aid
14 for the first school year in which the school district becomes an elementary
15 district and for each year thereafter.

16 c. Beginning with the 2021-22 school year and for each school year thereafter, the
17 superintendent shall reduce the district's baseline funding per weighted student
18 unit. Each year the superintendent shall calculate the amount by which the
19 district's baseline funding per weighted student unit exceeds the payment per
20 weighted student unit provided in subsection 3. The superintendent shall reduce
21 the district's baseline funding per weighted student unit by fifteen percent of the
22 amount by which the district's baseline funding per weighted student unit exceeds
23 the payment per weighted student unit for the 2021-22 school year. For each
24 year thereafter, the reduction percentage is increased by an additional fifteen
25 percent. However, the district's baseline funding per weighted student unit, after
26 the reduction, may not be less than the payment per weighted student unit
27 provided in subsection 3.

28 3. a. ~~In 2017-18~~For the 2019-20 school year, the superintendent shall ~~multiply~~
29 ~~the~~calculate state aid as the greater of:

30 (1) The district's weighted student units multiplied by nine thousand ~~six~~eight
31 hundred ~~forty-six~~thirty-nine dollars.

- 1 ~~(1) The superintendent shall adjust the product to ensure the product is at least~~
2 ~~equal to the greater of:~~
- 3 (a) ~~(1)(2)~~ One hundred ~~eight~~one percent of the district's baseline funding per
4 weighted student unit, as established in subsection 2, multiplied by the
5 district's weighted student units ~~from the previous school year, not to exceed~~
6 the district's 2017-18 baseline weighted student units, plus any weighted
7 student units in excess of the 2017-18 baseline weighted student units
8 multiplied by nine thousand eight hundred thirty-nine dollars; or
- 9 (b) ~~(2)(3)~~ One hundred percent of the ~~The~~ district's baseline funding as established in
10 subsection 1.
- 11 (2) The superintendent also shall adjust the product to ensure the product does
12 not exceed one hundred forty percent of the district's baseline funding per
13 weighted student unit multiplied by the district's weighted student units from
14 the previous school year, as established in subsection 2.
- 15 b. ~~In 2018-19~~For the 2020-21 school year and each school year thereafter, the
16 superintendent shall ~~multiply the~~calculate state aid as the greater of:
- 17 (1) ~~The~~ district's weighted student units ~~multiplied by nineteen thousand six~~one
18 ~~hundred forty six~~thirty-fourthirty-six dollars.
- 19 (1) The superintendent shall adjust the product to ensure the product is at least
20 equal to the greater of: ~~or~~
- 21 (2) ~~The amount in paragraph 1 plus the greater of:~~
- 22 ~~(a)~~ One hundred ~~eight~~two percent of the district's baseline funding per
23 weighted student unit, as established in subsection 2, multiplied by
24 the district's weighted student units ~~from the previous school year less~~
25 ~~the amount in paragraph 1, with the difference reduced by five percent~~
26 ~~in 2020-21 and fifteen percent each year thereafter, not to exceed the~~
27 district's 2017-18 baseline weighted student units, plus any weighted
28 student units in excess of the 2017-18 baseline weighted student units
29 multiplied by ten thousand thirty-six dollars; or
- 30 (b) ~~(3)~~ One hundred percent of the ~~The~~ district's baseline funding as established in
31 subsection 1 ~~less the amount in paragraph 1, with the difference reduced by~~

1 fivefifteen percent in 2020-21 for the 2021-22 school year and fifteen percent
2 each school year thereafter, and then the difference added to the amount
3 determined in paragraph 1.

4 c. The superintendent also shall adjust state aid determined in this subsection:

5 (1) In For the 2019-20 school year, to ensure the amount does not exceed one
6 hundred forty-fivefive percent of the district's baseline funding per weighted
7 student unit, as established in subsection 2, multiplied by the district's
8 weighted student units from the previous school year.

9 (2) ~~The superintendent also shall adjust the product~~In For the 2020-21 school
10 year and each school year thereafter, to ensure the product amount does not
11 exceed one hundred fortyfiftyten percent of the district's baseline funding
12 per weighted student unit, as established in subsection 2, multiplied by the
13 district's weighted student units from the previous school year.

14 4. After determining the product in accordance with subsection 3, the superintendent of
15 public instruction shall:

16 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
17 school district, except the amount in dollars subtracted for purposes of this
18 subdivision may not exceed the previous year's amount in dollars subtracted for
19 purposes of this subdivision by more than twelve percent, adjusted pursuant to
20 section 15.1-27-04.3; and

21 b. Subtract an amount equal to seventy-five percent of all revenues ~~revenue types~~
22 ~~listed in paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one~~
23 ~~hundred percent of all revenues listed in paragraphs 6, 8, and 9 of~~
24 ~~subdivision f~~ subdivisions fc and gd of subsection 1. Before determining the
25 deduction for seventy-five percent of all revenue types, the superintendent of
26 public instruction shall adjust revenues as follows:

27 (1) Tuition revenue shall be adjusted as follows:

28 (a) In addition to deducting tuition revenue received specifically for the
29 operation of an educational program provided at a residential
30 treatment facility and tuition revenue received for the provision of an
31 adult farm management program as directed in paragraph 3 of

1 subdivision c of subsection 1, the superintendent of public instruction
2 also shall reduce the total tuition reported by the school district by the
3 amount of tuition revenue received for the education of students not
4 residing in the state and for which the state has not entered a cross-
5 border education contract; and

6 (b) The superintendent of public instruction also shall reduce the total
7 tuition reported by admitting school districts meeting the requirements
8 of subdivision e of subsection 2 of section 15.1-29-12 by the amount
9 of tuition revenue received for the education of students residing in an
10 adjacent school district.

11 (2) After adjusting tuition revenue as provided in paragraph 1, the
12 superintendent shall reduce all remaining revenues from all revenue types
13 by the percentage of mills levied in 2018 by the school district for sinking
14 and interest relative to the total mills levied in 2018 by the school district for
15 all purposes.

16 5. The amount remaining after the computation required under subsection 4 is the
17 amount of state aid to which a school district is entitled, subject to any other statutory
18 requirements or limitations.

19 6. On or before June thirtieth of each year, the school board shall certify to the
20 superintendent of public instruction the final average daily membership for the current
21 school year.

22 7. For purposes of the calculation in subsection 4, each county auditor, in collaboration
23 with the school districts, shall report the following to the superintendent of public
24 instruction on an annual basis:

25 a. The amount of revenue received by each school district in the county during the
26 previous school year for each type of revenue identified in subdivisions c and d of
27 subsection 1;

28 b. The total number of mills levied in the previous calendar year by each school
29 district for all purposes; and

30 c. The number of mills levied in the previous calendar year by each school district
31 for sinking and interest fund purposes.

1 **SECTION 11. AMENDMENT.** Subdivision a of subsection 4 of section 15.1-27-04.1 of the
2 North Dakota Century Code is amended and reenacted as follows:

- 3 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
4 school district, ~~except the amount in dollars subtracted for purposes of this~~
5 ~~subdivision may not exceed the previous year's amount in dollars subtracted for~~
6 ~~purposes of this subdivision by more than twelve percent, adjusted pursuant to~~
7 ~~section 15.1-27-04.3; and~~

8 **SECTION 12.** Section 15.1-27-04.3 of the North Dakota Century Code is created and
9 enacted as follows:

10 **15.1-27-04.3. Adjustment to state aid - Local property tax effort.**

11 If the amount subtracted from a school district's state aid payment under subdivision a of
12 subsection 4 of section 15.1-27-04.1 is less than the amount generated by sixty mills, the
13 superintendent of public instruction shall adjust the amount subtracted as follows:

- 14 1. For the 2020-21 school year, increase the amount subtracted by an amount equal to
15 ten percent of the difference between the amount generated by sixty mills and the
16 amount determined pursuant to subdivision a of subsection 4 of section 15.1-27-04.1
17 before adjustment under this section;
- 18 2. For the 2021-22 school year, increase the amount subtracted by an amount equal to
19 twenty percent of the difference between the amount generated by sixty mills and the
20 amount determined pursuant to subdivision a of subsection 4 of section 15.1-27-04.1
21 before adjustment under this section;
- 22 3. For the 2022-23 school year, increase the amount subtracted by an amount equal to
23 forty percent of the difference between the amount generated by sixty mills and the
24 amount determined pursuant to subdivision a of subsection 4 of section 15.1-27-04.1
25 before adjustment under this section;
- 26 4. For the 2023-24 school year, increase the amount subtracted by an amount equal to
27 sixty percent of the difference between the amount generated by sixty mills and the
28 amount determined pursuant to subdivision a of subsection 4 of section 15.1-27-04.1
29 before adjustment under this section; and
- 30 5. For the 2024-25 school year, increase the amount subtracted by an amount equal to
31 eighty percent of the difference between the amount generated by sixty mills and the

amount determined pursuant to subdivision a of subsection 4 of section 15.1-27-04.1 before adjustment under this section.

SECTION 13. AMENDMENT. Section 15.1-27-23 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-23. Weather or other emergency conditions - Closure of schools - State aid payments to school districts.

1. The board of each school district shall ~~include in the school calendar days that may be used for the rescheduling of instructional time lost as a result of severe weather or other emergency conditions.~~

~~2. a. The number of days required under subsection 1 must equal the average number of days per school year, as calculated using the previous five school years, during which the school district remained closed or provided less than a full day of instruction because of severe weather or other emergency conditions.~~

~~b. The number of days determined under subdivision a may be included within the calendar no earlier than the month of January.~~

~~3. If the number of days during which a public school or school district is closed or provides less than a full day of instruction exceeds the number of days determined under subdivision a of subsection 2, the public school or school district shall make every effort to reschedule the remaining classes, so that students receive at least the number of full instructional days required by section 15.1-06-04 or an equivalent period of instructional time, as determined by the superintendent of public instruction~~establish the length of a period, day, and week in accordance with the requirements of section 15.1-06-04. If a public school or school district is closed or provides less than a full day of instruction, the public school or school district shall reschedule those hours to ensure students receive at least the minimum number of instructional hours required by subdivision a of subsection 1 of section 15.1-06-04.

4.2. Any public school or school district for which the rescheduling of classes would create undue hardship may request that, for purposes of calculating state aid payments to the school district, the governor waive the rescheduling in whole or in part.

~~5. The governor may not grant a waiver for less than a full day of instruction. However, if a public school or school district closes for only a portion of its regular schoolday, the~~

~~hours during which the school or school district is closed may be added together to determine the number of additional full days of instruction that may be waived under this section.~~

SECTION 14. AMENDMENT. Section 15.1-27-35 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Average daily membership is calculated at the conclusion of the school year by adding the total number of ~~days~~ hours that each student in a given grade, school, or school district is in attendance during a school calendar and the total number of ~~days~~ hours that each student in a given grade, school, or school district is absent during a school calendar, and then dividing the sum by ~~the greater of:~~

- a. ~~The school district's calendar~~ Nine hundred sixty-two and one-half hours for elementary school students; or
- b. One ~~hundred eighty-two~~ thousand fifty hours for middle and high school students.

2. ~~For purposes of calculating average daily membership, all students are deemed to be in attendance on:~~

- ~~a. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;~~
- ~~b. The two days set aside for professional development activities under section 15.1-06-04; and~~
- ~~c. The two full days, or portions thereof, during which parent teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent teacher conferences held outside regular school hours.~~

~~3.~~ For purposes of calculating average daily membership:

- a. A student enrolled full time in any grade from one through twelve may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.
- b. A student enrolled full time in an approved regular education kindergarten program may not exceed an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.

- 1 c. A student enrolled full time, as defined by the superintendent of public instruction,
2 in an approved early childhood special education program may not exceed an
3 average daily membership of 1.00. The membership may be prorated for a
4 student who is enrolled less than full time.

5 **SECTION 15. AMENDMENT.** Section 15.1-29-02.1 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15.1-29-02.1. Cross-border attendance - Contract with South Dakota.**

- 8 1. A student who resides in a North Dakota school district contiguous to the South
9 Dakota border may attend school in South Dakota, and a student who resides in a
10 South Dakota school district contiguous to the North Dakota border may attend school
11 in North Dakota, provided the superintendent of public instruction has entered into a
12 contract with the secretary of the South Dakota department of education for the
13 cross-border attendance of eligible students.
- 14 2. A contract entered under subsection 1 must set forth:
- 15 a. An application procedure;
- 16 b. Causes for denial of an application; and
- 17 c. The manner and notification of acceptance.
- 18 3. A contract entered under subsection 1 must authorize the superintendent of public
19 instruction to count any South Dakota student participating in cross-border attendance
20 under this section for the purposes of determining the amount of state aid to which a
21 school district in this state is entitled. The superintendent of public instruction may not
22 count a North Dakota student participating in cross-border attendance in accordance
23 with the contract for purposes of determining the amount of state aid to which a school
24 district in this state is entitled.
- 25 4. A contract entered under subsection 1 must provide that if there are more students
26 from North Dakota than South Dakota participating in cross-border attendance under
27 this section, the superintendent of public instruction shall forward to the secretary of
28 the South Dakota department of education, on behalf of each excess student, an
29 amount annually agreed to by the superintendent and the secretary as reflecting the
30 average cost of education per student in the school districts participating in
31 cross-border attendance in accordance with the contract. The contract must also

1 provide that if there are more students from South Dakota than North Dakota
2 participating in cross-border attendance under this section, the secretary shall forward
3 to the superintendent, on behalf of each excess student, an amount annually agreed
4 to by the superintendent and the secretary as reflecting the average cost of education
5 per student in the school districts participating in cross-border attendance in
6 accordance with the contract. The superintendent shall pay the cost of cross-border
7 attendance from funds appropriated by the legislative assembly for state aid to
8 schools. Payments received by the superintendent under this subsection shall be
9 deposited in the general fund.

10 ~~5.—The superintendent of public instruction shall annually reconcile the number of~~
11 ~~students from each school district in this state who participate in cross-border~~
12 ~~attendance under this section with the number of students from school districts in~~
13 ~~South Dakota who participate in cross-border attendance under this section. The~~
14 ~~superintendent of public instruction shall withhold from each school district's state aid~~
15 ~~an amount equal to the cost incurred by the state on the part of the school district in~~
16 ~~permitting the cross-border attendance of students under this section.~~

17 ~~6.~~ A student who requires special education services may participate in cross-border
18 attendance under this section, provided the contract entered under subsection 1 sets
19 forth each school district's and each state's responsibilities for payment of any excess
20 costs incurred as a result of providing the services to the student.

21 ~~7.6.~~ Each school district may provide transportation to students participating in
22 cross-border attendance under this section. However, the superintendent of public
23 instruction may include only transportation provided within this state for purposes of
24 determining the state transportation aid to which a district is entitled.

25 ~~8.7.~~ Sections 15.1-29-01 through 15.1-29-13 do not apply to students participating in
26 cross-border attendance under this section.

27 **SECTION 16. AMENDMENT.** Section 15.1-29-12 of the North Dakota Century Code is
28 amended and reenacted as follows:

15.1-29-12. Tuition payments - Determination.

1. Except as provided in section 15.1-29-13, a school district sending a student to another district for purposes of education shall pay the full cost of education per student incurred by the admitting district.
2. a. The admitting district shall determine the cost of education per student for its kindergarten, elementary, and high school students on the basis of its average daily membership and those expenditures permitted in determining the cost of education per student in section 15.1-27-03.
- b. To the cost of education per student, the admitting district shall add the latest available statewide average per student cost for extracurricular activities and the state average capital outlay per student. The state average capital outlay per student is determined by dividing the total of all school districts' annual expenditures for sinking and interest funds, tax receipts to the building funds, and general fund expenditures for capital outlay by the average daily membership of the state.
- c. The admitting district shall subtract the following from the amount arrived at under subdivision b:
 - (1) The per student payment multiplied by the admitting district's school size weighting factor; and
 - (2) Any credit for taxes paid to the admitting district by the student's parent.
- d. The amount remaining is the full cost of education per student incurred by the admitting district. The tuition amount payable for the individual student is the lesser of:
 - (1) The full cost of education per student incurred by the admitting district; or
 - (2) One hundred fifty percent of the state average full cost of education per student.
- e. Admitting school districts shall charge the tuition amount payable determined in subdivision d multiplied by two hundred percent or four thousand dollars, whichever is greater, if the admitting school district:
 - (1) Is located in an oil-producing county;
 - (2) Is eligible to receive gross production tax revenue in lieu of property taxes;

1 (3) Is located in cities with populations over twenty-four thousand;

2 (4) Has a tax base fewer than twenty square miles;

3 (5) Levies greater than sixty mills for local property taxes;

4 (6) Has student enrollments of greater than four thousand;

5 (7) Has average student growth of over two hundred per year over the
6 preceding five years;

7 (8) Uses portable classrooms; and

8 (9) Has enrollment exceeding school facility capacity.

- 9 3. This section does not affect the right of a school board to charge and collect tuition
10 from students who are not residents of this state, in accordance with section
11 15.1-29-02.

12 **SECTION 17. AMENDMENT.** Section 57-15-14.2 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **57-15-14.2. School district levies.**

- 15 1. ~~For taxable years after 2013, the~~The board of a school district may levy a tax not
16 exceeding the amount in dollars that the school district levied for the prior year, plus
17 twelve percent and the dollar amount of the adjustment required in section
18 15.1-27-04.3, up to a levy of seventy mills on the taxable valuation of the district, for
19 any purpose related to the provision of educational services. The proceeds of this levy
20 must be deposited into the school district's general fund and used in accordance with
21 this subsection. The proceeds may not be transferred into any other fund.
- 22 2. ~~For taxable years after 2013, the~~The board of a school district may levy no more than
23 twelve mills on the taxable valuation of the district, for miscellaneous purposes and
24 expenses. The proceeds of this levy must be deposited into a special fund known as
25 the miscellaneous fund and used in accordance with this subsection. The proceeds
26 may not be transferred into any other fund.
- 27 3. The board of a school district may levy no more than three mills on the taxable
28 valuation of the district for deposit into a special reserve fund, in accordance with
29 chapter 57-19.
- 30 4. The board of a school district may levy no more than the number of mills necessary,
31 on the taxable valuation of the district, for the payment of tuition, in accordance with

1 section 15.1-29-15. The proceeds of this levy must be deposited into a special fund
2 known as the tuition fund and used in accordance with this subsection. The proceeds
3 may not be transferred into any other fund.

4 5. Nothing in this section limits the board of a school district from levying:

- 5 a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and
6 b. Mills necessary to pay principal and interest on the bonded debt of the district,
7 including the mills necessary to pay principal and interest on any bonded debt
8 incurred under section 57-15-17.1 before July 1, 2013.

9 **SECTION 18. AMENDMENT.** Subsection 1 of section 57-15-14.2 of the North Dakota
10 Century Code is amended and reenacted as follows:

- 11 1. The board of a school district may levy a tax not exceeding the amount in dollars that
12 the school district levied for the prior year, plus twelve percent ~~and the dollar amount~~
13 ~~of the adjustment required in section 15.1-27-04.3~~, up to a levy of seventy mills on the
14 taxable valuation of the district, for any purpose related to the provision of educational
15 services. The proceeds of this levy must be deposited into the school district's general
16 fund and used in accordance with this subsection. The proceeds may not be
17 transferred into any other fund.

18 **SECTION 19. REPEAL.** Section 15.1-06-05 of the North Dakota Century Code is repealed.

19 **SECTION 20. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION**

20 **FOUNDATION AID STABILIZATION FUND - RAPID ENROLLMENT GRANT ONE-TIME**

21 **FUNDING.** There is appropriated out of any moneys in the foundation aid stabilization fund in
22 the state treasury, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as
23 may be necessary, to the department of public instruction for the purpose of providing rapid
24 enrollment grants to school districts, for the biennium beginning July 1, 2019, and ending
25 June 30, 2021. The funding provided in this section is considered a one-time funding item. The
26 superintendent of public instruction shall award rapid enrollment grants to eligible districts only
27 during the first year of the 2019-21 biennium based on the following criteria:

- 28 1. A district is eligible to receive a grant under this section if the number of students
29 reflected in the district's September tenth enrollment report exceeds the number of
30 students in the prior year September tenth enrollment report. The increase must be at
31 least four percent or one hundred fifty students and must be at least twenty students.

- 1 2. The superintendent of public instruction shall calculate the amount to which an eligible
- 2 district is entitled as follows:
- 3 a. Determine the actual percentage increase in the number of students and subtract
- 4 two from the percentage calculated;
- 5 b. Determine the number of students represented by the difference determined in
- 6 subdivision a of this subsection;
- 7 c. Multiply the number of students determined in subdivision b of this subsection by
- 8 \$4,000.
- 9 3. If the amount of the appropriation provided for in this section is insufficient to meet the
- 10 obligations of this subsection, the superintendent of public instruction shall prorate the
- 11 payment based on the percentage of the total amount to which each school district is
- 12 entitled.
- 13 4. Any district that is precluded from receiving state aid under section 15.1-27-35.3 is not
- 14 eligible to receive a grant under this section.

15 **SECTION 21. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION -**
16 **FOUNDATION AID STABILIZATION FUND - MUSIC EDUCATION GRANTS.** There is
17 appropriated out of any moneys in the foundation aid stabilization fund in the state treasury, not
18 otherwise appropriated, the sum of \$800,000, or so much of the sum as may be necessary, to
19 the department of public instruction for the purpose of providing music education grants, for the
20 biennium beginning July 1, 2019, and ending June 30, 2021. At the beginning of the biennium,
21 each eligible school may receive a grant disbursement for kindergarten through grade five
22 based on the average daily membership of the school. Upon request, the department of public
23 instruction shall award an eligible school a music education grant. The department must report
24 to the sixty-seventh legislative assembly regarding the grants awarded and outcomes, including
25 the program's impact on student behavior and mental health. The funding provided in this
26 section is considered a one-time funding item.

27 **SECTION 22. APPROPRIATION.** There is appropriated out of any moneys in the general
28 fund in the state treasury, not otherwise appropriated, the sum of \$200,000, or so much of the
29 sum as may be necessary, to the department of commerce for the purpose of providing
30 ~~funding~~ **matching funds** to an organization providing research-based literacy intervention
31 services to students below grade four who score below proficient in reading ~~as matching funds~~

1 ~~for AmeriCorps funding~~, for the biennium beginning July 1, 2019, and ending June 30, 2021.

2 The department may spend the appropriated funds only as authorized in this section.

3 **SECTION 23. ~~LEGISLATIVE MANAGEMENT~~ EDUCATION FUNDING FORMULA -**

4 **STUDY.** There is created an education funding formula review committee. During the 2019-20
5 interim, the ~~legislative management~~education funding formula review committee shall ~~consider~~
6 ~~studying minimum and maximum payments to school districts included in the state school~~
7 ~~aid~~study the kindergarten through grade twelve education funding formula, including ~~how school~~
8 ~~districts could be transitioned from the minimum and maximum payments and the effects on~~
9 ~~school districts of transitioning from the minimum and maximum payments~~the components,
10 adjustments, and weighting factors of the formula. The membership of the committee consists
11 of the chairmen of the standing education committees of the house of representatives and the
12 senate; three additional members of the senate, two of which must be appointed by the majority
13 leader of the senate and one of which must be appointed by the minority leader of the senate;
14 and three additional members of the house of representatives, two of which must be appointed
15 by the majority leader of the house of representatives and one of which must be appointed by
16 the minority leader of the house of representatives. Members appointed to the committee must
17 have a secure knowledge of the current kindergarten through grade twelve funding formula. The
18 ~~legislative management~~committee shall report its findings and recommendations, together with
19 any legislation required to implement the recommendations, to the sixty-seventh legislative
20 assembly.

21 **SECTION 24. STUDY - EFFECT OF IMPACT AIDE ON THE FUNDING FORMULA.** During
22 the 2019-20 interim, the department of public instruction, the Indian affairs commission, and the
23 kindergarten through grade twelve coordinating council, shall study the effect of impact aide on
24 the funding formula to reservation schools. The department of public instruction, the Indian
25 affairs commission, and the kindergarten through grade twelve coordinating council shall report
26 their findings and recommendations, together with any legislation required to implement the
27 recommendations, to the sixty-seventh legislative assembly.

28 **SECTION 25. ALTERNATIVE TEACHER CERTIFICATION PROGRAM - REPORT TO**
29 **LEGISLATIVE MANAGEMENT.** The education standards and practices board shall provide the
30 legislative management a status report during the 2019-20 interim and during the 2021-22
31 interim regarding the number of teacher permits issued under an alternative teacher certification

1 program, the effectiveness of the program, the quality of instruction provided under the
2 program, and whether the program is accomplishing desired objectives. The report must include
3 a recommendation regarding continuation of the program.

4 **SECTION 26. EFFECTIVE DATE.** Section ~~4~~8 of this Act ~~is~~becomes effective on July 1,
5 2020. Section 9 of this Act becomes effective on July 1, 2021. Section 17 of this Act is effective
6 for taxable years beginning after December 31, 2018. Section 18 of this Act is effective for
7 taxable years beginning after December 31, 2024. Section 11 of this Act becomes effective on
8 July 1, 2025.

9 **SECTION 27. EXPIRATION DATE.** Section 12 of this Act is effective through June 30,
10 2025, and after that date is ineffective.

11 **SECTION 28. EMERGENCY.** Section 4 of this Act is declared to be an emergency
12 measure.