

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1027**

Introduced by

Legislative Management

(Education Funding Formula Review Committee)

1 A BILL for an Act to create and enact five new sections to chapter 15.1-27 of the North Dakota
2 Century Code, relating to school district transportation aid payments; and to amend and reenact
3 section 15.1-31-05 of the North Dakota Century Code, relating to the transportation of open
4 enrollment students.

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

6 **SECTION 1.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
7 and enacted as follows:

8 **School district transportation of students - Payments.**

9 1. The superintendent of public instruction shall pay each school district providing school
10 bus transportation in contract schoolbuses or in district-owned and operated
11 schoolbuses, and each school district with students riding commercial buses to and
12 from school within the incorporated limits of a city, the following amounts from state
13 funds:

14 a. For schoolbuses and school vehicles transporting students:

15 (1) Fifty-two cents per mile [1.61 kilometers] for vehicles that have a capacity of
16 fewer than ten students; and

17 (2) One dollar and eleven cents per mile [1.61 kilometers] for schoolbuses that
18 have a capacity of ten or more students; and

19 b. Thirty cents per one-way trip for each student transported.

20 2. The superintendent of public instruction shall provide per mileage payments if:

21 a. A school district qualifies to receive payment pursuant to subsection 1; and

22 b. The school district operates schoolbuses in accordance with state law relating to
23 schoolbus standards and school vehicle driver requirements. A school district
24 shall certify compliance with state law relating to schoolbus standards and school

1 vehicle driver requirements when applying for payment under this section. The
2 superintendent of public instruction may adopt rules governing certification of
3 compliance under this subdivision.

4 3. The superintendent of public instruction shall reimburse school districts fifty cents per
5 day per mile [1.61 kilometers] one-way for each mile over two miles [3.22 kilometers]
6 for students transported by family transportation in accordance with section
7 15.1-30-02, according to the distance between the home of the student and the
8 school. The distance must be measured by the route from the front door of the school
9 attended to the front door of the residence of the family of the student according to the
10 most convenient public course traveled.

11 4. The superintendent of public instruction shall use the latest available student
12 enrollment count in each school district in applying the provisions of this section, with
13 the exception of the 2021-22 and 2022-23 school years, for which the superintendent
14 of public instruction shall calculate each school district's payment based on the
15 district's miles and ridership data from the 2018-19 school year or the previous school
16 year, whichever is greater.

17 5. This section does not authorize the reimbursement of any costs incurred in providing
18 transportation for students to attend extracurricular activities or events.

19 **SECTION 2.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
20 and enacted as follows:

21 **School district transportation of special education students - Payments.**

22 1. The superintendent of public instruction shall pay each school district transporting
23 students enrolled in special education programs approved by the superintendent of
24 public instruction:

25 a. The amount provided in section 1 of this Act for vehicles that have a capacity of
26 fewer than ten students if the school district is transporting fewer than
27 ten students per vehicle;

28 b. The amount provided in section 1 of this Act for vehicles that have a capacity of
29 ten or more students if the school district is transporting ten or more students per
30 vehicle; and

- 1 c. The additional amount provided in section 1 of this Act, per one-way trip, for each
2 student transported.
- 3 2. A school district entitled to payments under this section is entitled to receive
4 transportation aid for all miles [kilometers] traveled and for all students transported,
5 regardless of whether the students transported live within the incorporated limits of the
6 city in which the students' school is located.
- 7 3. The superintendent of public instruction shall reimburse school districts fifty cents per
8 day per mile [1.61 kilometers] if:
- 9 a. The student being transported has a disability, as defined in chapter 15.1-32;
10 b. The student has an individualized education plan that requires the student attend
11 a public or nonpublic school located outside the student's school district of
12 residence;
- 13 c. The student is transported by an adult family member in family provided
14 transportation; and
- 15 d. The reimbursement does not exceed two round trips per day between the home
16 of the student and the school.
- 17 4. Notwithstanding any other provision of law, the superintendent of public instruction,
18 upon request from the school district, shall make the payments due to a school district
19 under this section directly to a multidistrict special education unit.

20 **SECTION 3.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
21 and enacted as follows:

22 **School district transportation of career and technical education students - Payments.**

- 23 1. The superintendent of public instruction shall pay each school district transporting
24 students to and from schools in other school districts, to and from area career and
25 technology centers, and to and from schools within the district for career and technical
26 education courses offered through cooperative arrangements approved by the state
27 board for career and technical education:
- 28 a. The amount provided in section 1 of this Act for vehicles that have a capacity of
29 fewer than ten students if the school district is transporting fewer than
30 ten students per vehicle;

1 b. The amount provided in section 1 of this Act for vehicles that have a capacity of
2 ten or more students if the school district is transporting ten or more students per
3 vehicle; and

4 c. The additional amount provided in section 1 of this Act, per one-way trip, for each
5 student transported.

6 2. A school district entitled to payments under this section is entitled to receive
7 transportation aid for all miles [kilometers] traveled and for all students transported,
8 regardless of whether the students transported live within the incorporated limits of the
9 city in which the students' school is located.

10 3. Notwithstanding any other provision of law, the superintendent of public instruction,
11 upon request from the school district, shall make the payments due to a school district
12 under this section directly to an area career and technology center.

13 **SECTION 4.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
14 and enacted as follows:

15 **School district closure - Distribution of transportation payments.**

16 1. If a school district ceases to exist, the superintendent of public instruction shall
17 calculate the amount of transportation payments to which the former school district
18 would have been entitled for providing transportation services during the school
19 district's final year of operation and shall pay a percentage of the amount certified to
20 each school district in the state which enrolls students who attended the former school
21 district during the prior school year. Each school district eligible for payment under this
22 section is entitled to receive the percentage of the total amount certified which is the
23 same as the percentage of the number of the district's students who attended the
24 former school district during the prior school year bears to the total number of students
25 who attended the former school district during the prior school year.

26 2. The superintendent of public instruction shall pay the amount to which a school district
27 is entitled under this section in the manner and at the time provided for other state
28 payments in section 15.1-27-01.

29 **SECTION 5.** A new section to chapter 15.1-27 of the North Dakota Century Code is created
30 and enacted as follows:

1 **State transportation payments to school districts.**

2 1. The superintendent of public instruction shall determine the total amount of payments
3 to be made to the school districts for the transportation of students and shall pay the
4 amount certified to each school district. Payments must be made in the same manner
5 and at the time provided for other state payments in section 15.1-27-01.

6 2. A school district may not receive more than ninety percent of the actual costs incurred
7 for the transportation of students.

8 3. For purposes of this section, actual costs include the transportation operating
9 expenditures reported to the superintendent of public instruction for the most recent
10 year plus the eight-year average cost of transportation equipment determined by the
11 superintendent of public instruction. Any district having contracted for transportation
12 services may determine the actual costs for the first year the district provides its own
13 transportation services by using the statewide average cost of transportation during
14 the first year.

15 **SECTION 6. AMENDMENT.** Section 15.1-31-05 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15.1-31-05. Open enrollment - Transportation.**

18 A school district of residence may provide transportation to a student participating in open
19 enrollment. If a district of residence does not provide transportation to a student participating in
20 open enrollment, transportation may be provided by the admitting district. A school district may
21 not receive transportation aid disbursements under subdivision a of subsection 1 of section 1 of
22 this Act or subsection 3 of section 1 of this Act for transporting students who are participating in
23 open enrollment, or who are enrolled pursuant to a written contract entered by the sending and
24 admitting districts which waives the charge and collection of tuition for the student.