

1999 HOUSE EDUCATION
HB 1466

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1466

House Education Committee

Conference Committee

Hearing Date 2-3-99

Tape Number	Side A	Side B	Meter #
Tape # 3	x		21.4 to end
Tape # 3		x	0.1 to 6.7
Committee Clerk Signature <i>Joan Diers</i>			

Minutes:

Chairman Kelsch, Vice Chair Drovdal, Rep Brandenburg, Rep Brusegaard Rep Haas, Rep Johnson, Rep Nelson, Rep Nottestad, Rep L Thoreson, Rep Grumbo, Rep Hanson, Rep Lundgren, Rep Mueller, Rep Nowatzki, Rep Solberg.

Chairman Kelsch: We will open the hearing on HB 1466 and ask the clerk to read the title.

Joe Kroeber: District 48. sponsor of HB 1466. (see written attached). (see amendments attached to testimony).

Rep Haas: This bill would not take effect April 2001.

Kroeber: Yes, that is correct.

Rep Haas: The amount of the foundation aid that was promised during the legislative session.

Rep Haas: That is where the debate comes in, is appropriated or determined per pupil payment.

Kroeber: This is the total amount that would be appropriated.

Rep Nowatzki: If this pertains only to this session, why do we need the emergency clause?

Rep Brandenburg: By doing this, what happens to any excess?

Kroeber: The money is divided by the ADM students and send that amount to each school district.

Chairman Kelsch: It would not effect the foundation aid payment, so it would not raise the bar.

Kroeber: Not to my knowledge.

Chairman Kelsch: Are you aware of the amendment that has been put on the funding bill for DPI, where it does say, that in the second year if we have additional dollars that they would be distributed on ADM?

Kroeber: I heard about that, but I know nothing about that.

Chairman Kelsch: Would you be willing to put a cap of one per cent on this?

Kroeber: What would that do?

Chairman Kelsch: You put a cap of one per cent on here, if there was a surplus, would be turned back to the general fund for the next biennium.

Kroeber: I would prefer to have it all go back to the local school districts, but I would consider whatever so that we can get more money back to the schools.

Vice Chair Drovdal: This is not subject to the mill deduct or the ending fund balance is it?

Kroeber: No

Joe Westby: NDEA we would lend our support to HB 1466.

Dean Laird: NDSOS. we appear in support of HB 1466.

Ron Torgeson: NDCEL, we appear in support of HB 1466.

Chairman Kelsch: Anyone that wishes to appear in opposition of HB 1466. We will close the hearing on HB 1466.

COMMITTEE ACTION

Chairman Kelsch: What are the wishes of the committee?

Rep Hanson: I move a DO PASS on HB 1466.

Rep Lundgren: Second.

Chairman Kelsch: Discussion.

Rep Haas: I would move to further amend the bill so that it would have a cap of one and one half per cent of the total appropriation for foundation aid.

Rep Nottestad: Second.

Chairman Kelsch: Any discussion on the amendments. Roll call vote on the amendments.

Amendment of cap passes with 10 YES 5 No 0 Absent

Chairman Kelsch: We will ask the clerk to read the roll on HB 1466 with DO PASS as amended. The vote 6 YES 9 NO) Absent--roll call vote #1 The motion fails.

Vice Chair Drovdal: I move a DO NOT PASS as amended.

Rep Brusegaard: Second.

Chairman Kelsch :Roll call vote #2 -DO NOT PASS AS AMENDED ask the clerk to read the roll. 9 YES 6 NO 0 Absent Floor assignment REP Brandenburg.

FISCAL NOTE

(Return original and 14 copies)

Bill/Resolution No.: _____

Amendment to: HB 1466

Requested by Legislative Council

Date of Request: 02/11/99

- 1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

This bill (as amended) authorizes the distribution of any unobligated funds appropriated foundation aid and transportation which exceed one and one-half percent of the funds appropriated to the grants-foundation aid and transportation line items at the end of the biennium. The distribution must be made on the basis of the average daily membership of each school district. The bill does not have an emergency clause.

The executive recommendation for foundation aid and transportation is \$475.9 million. One and one half percent equals \$7.14 million. Therefore unobligated funds exceeding \$7.14 million would be distributed to school districts on the basis of students in average daily membership. At this time, no distribution is anticipated.

- 2. State fiscal effect in dollar amounts:

Table with 6 columns: 1997-99 Biennium (General Fund, Special Fund), 1999-2001 Biennium (General Fund, Special Funds), 2001-03 Biennium (General Fund, Special Funds)

Revenues:

Expenditures: 0 0 0

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: 0
b. For the 1999-2001 biennium: 0
c. For the 2001-03 biennium: 0

- 4. County, City, and School District fiscal effect in dollar amounts:

Table with 9 columns: 1997-99 Biennium (Counties, Cities, School Districts), 1999-2001 Biennium (Counties, Cities, School Districts), 2001-03 Biennium (Counties, Cities, School Districts)

If additional space is needed, attach a supplemental sheet.

Signed [Signature]

Typed Name Jerry Coleman

Department ND Dept of Public Instruction

Phone Number 328-4051

Date Prepared: 02/11/99

FISCAL NOTE

(Return original and 14 copies)

Bill/Resolution No.: HB 1466

Amendment to:

Requested by Legislative Council

Date of Request: 01/21/99

- 1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

This bill authorizes the distribution of any funds appropriated for foundation aid and transportation after the April 1, 1999 payment. The distribution must be made on the basis of the average daily membership of each school district. The bill has an emergency clause.

As of January 1999, the Department is projecting a remaining balance of \$12,377,464. The average daily membership for the 1997-98 school year is 111,810.70. This results in an additional payment of \$110.70.

- 2. State fiscal effect in dollar amounts:

Table with 6 columns: 1997-99 Biennium (General Fund, Special Fund), 1999-2001 Biennium (General Fund, Special Funds), 2001-03 Biennium (General Fund, Special Funds)

Revenues:

Expenditures: 12,377,464 0 0

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department: a. For rest of 1997-99 biennium: None (the amount is anticipated turnback) b. For the 1999-2001 biennium: 0 c. For the 2001-03 biennium: 0

- 4. County, City, and School District fiscal effect in dollar amounts:

Table with 9 columns: 1997-99 Biennium (Counties, Cities, School Districts), 1999-2001 Biennium (Counties, Cities, School Districts), 2001-03 Biennium (Counties, Cities, School Districts)

If additional space is needed, attach a supplemental sheet

Signed: [Signature]
Typed Name: Jerry Coleman
Department: ND Dept of Public Instruction
Phone Number: 328-4051

Date Prepared: 01/20/99

90790.0101
Title.

Prepared by the Legislative Council staff for
Representative Kroeber
January 26, 1999

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1466

Page 1, line 1, remove "; and to declare an emergency"

Page 1, remove line 9

Renumber accordingly

VR
2/4/99

HOUSE

AMENDMENTS TO HOUSE BILL NO. 1466 EDU 2-05-99

Page 1, line 1, remove "; and to declare an emergency"

Page 1, line 6, after "funds" insert ", which exceed one and one-half percent of the funds appropriated by the legislative assembly to the grants-foundation aid and transportation line items,"

Page 1, remove line 9

Renumber accordingly

*Amendment
1 1/2 % cap to include
Rep Kroeber*

Date: *2-3-99*
Roll Call Vote #: *1*

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. *1466*

House *Education* Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken _____

Motion Made By *Haas* Seconded By *Nottestad*

Representatives	Yes	No	Representatives	Yes	No
Rep. ReaAnn Kelsch-Chairperson	✓		Rep. Dorvan Solberg		✓
Rep. David Drovdal-Vice Chair	✓				
Rep. Michael D. Brandenburg		✓			
Rep. Thomas T. Brusegaard		✓			
Rep. C. B. Haas	✓				
Rep. Dennis E. Johnson	✓				
Rep. Jon O. Nelson	✓				
Rep. Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				
Rep. Howard Grumbo	✓				
Rep. Lyle Hanson		✓			
Rep. Deb Lundgren		✓			
Rep. Phillip Mueller	✓				
Rep. Robert E. Nowatzki	✓				

Total (Yes) *10* No *5*

Absent *0*

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-3-99

Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1464

House Education Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number 90790,8102 title. 0200

Action Taken Do Pass As Amended

Motion Made By Hanson Seconded By Lundgren

Representatives	Yes	No	Representatives	Yes	No
Rep. ReaAnn Kelsch-Chairperson		✓	Rep. Dorvan Solberg	✓	
Rep. David Drovdal-Vice Chair		✓			
Rep. Michael D. Brandenburg		✓			
Rep. Thomas T. Brusegaard		✓			
Rep. C. B. Haas		✓			
Rep. Dennis E. Johnson		✓			
Rep. Jon O. Nelson		✓			
Rep. Darrell D. Nottestad		✓			
Rep. Laurel Thoreson		✓			
Rep. Howard Grumbo	✓				
Rep. Lyle Hanson	✓				
Rep. Deb Lundgren	✓				
Rep. Phillip Mueller	✓				
Rep. Robert E. Nowatzki	✓				

Total (Yes) 6 No 9

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-3-99
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1466

House Education Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number 90790, 0102 title 0200

Action Taken Do Not Pass as amended

Motion Made By Drovdal Seconded By Brusegaard

Representatives	Yes	No	Representatives	Yes	No
Rep. ReaAnn Kelsch-Chairperson	✓		Rep. Dorvan Solberg		✓
Rep. David Drovdal-Vice Chair	✓				
Rep. Michael D. Brandenburg	✓				
Rep. Thomas T. Brusegaard	✓				
Rep. C. B. Haas	✓				
Rep. Dennis E. Johnson	✓				
Rep. Jon O. Nelson	✓				
Rep. Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				
Rep. Howard Grumbo		✓			
Rep. Lyle Hanson		✓			
Rep. Deb Lundgren		✓			
Rep. Phillip Mueller		✓			
Rep. Robert E. Nowatzki		✓			

Total (Yes) 9 No 6

Absent 0

Floor Assignment Brandenburg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1466: Education Committee (Rep. R. Kelsch, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO NOT PASS** (9 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). HB 1466 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "; and to declare an emergency"

Page 1, line 6, after "funds" insert ", which exceed one and one-half percent of the funds appropriated by the legislative assembly to the grants-foundation aid and transportation line items,"

Page 1, remove line 9

Renumber accordingly

1999 TESTIMONY

HB 1466

Chairperson Kelsch and members of the House Education Committee. I'm Joe Kroeber, State Representative from District 48. I am the sponsor of HB1466. I have visited with Chairperson Kelsch about an error which was made by Legislative Council in drafting this bill. I offer the enclosed amendment to remove on line 1 "and to declare an emergency." I would further like line 9 removed. The bill as amended will provide that funds appropriated by the legislative assembly to grants-foundation aid and transportation line items that remain after completion of the April first distribution in each odd numbered year shall be distributed on an average daily membership of each school district during the current school year. This will put into statute the method and language so that your local school districts will receive their full share of foundation aid. This was an important part of the education funding bills in the past. It will only guarantee that schools will receive the amount of foundation aid that was promised during the legislative session. During the 1993-95 biennium, there was a surplus of foundation aid funds which were distributed at the end of the biennium by this method. Higher Education receives its entire budget each year, why not elementary and secondary education? I do not think that it is enough to just blame DPI for any possible changes in the next 2 1/2 years on foundation aid payments, when this is a fully correctable problem. I would be happy to try and answer any questions the committee may have.