

**1999 SENATE EDUCATION**

**SB 2268**

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2268 & SB2269

Senate Education Committee

Conference Committee

Hearing Date January 27, 1999

Tape Number	Side A	Side B	Meter #
1		x	0-4683
2	x		191-656
2	x		737-900
Committee Clerk Signature <i>Jinda Christman</i>			

Minutes:

Hearing opened on SB2268. All senators present.

Testimony in Favor: SENATOR HOLMBERG, testimony attached.

SENATOR HOLMBERG TESTIFIED ON BOTH SB2268 AND SB2269.

SB2268 and SB2269 are straightforward. If the legislature appropriates 175 million per school for foundation aid. That is what they would get.

SENATOR KELSH : Inaccuracy of DPI's accounting. What is the problem with accounting.

SENATOR HOLMBERG: Get away from issue of blame. Issue that is difficult to project, especially when you are projecting from 1-2 ½ years into the future. End cycle of claim and blame.

SENATOR O'CONNELL : Is there any reason why you didn't put 69 in with 68.

SENATOR HOLMBERG: Bills could stand on their own. Pass and stand on their own, but are more helpful together.

SENATOR COOK : Did we not have a mechanism like this before.

SENATOR HOLMBERG: Lost in dead of night; 3 or 4 sessions ago.

SENATOR KELSH : The FREBORG amendment, thought it was permanent law but it was session law.

SENATOR FREBORG : Surplus has continued to grow until it was getting where people didn't want to let go of that money.

SENATOR REDLIN : One significant difference between the two bills is phrase on line 12, 268 where you say with the approval of the budget sections, I noticed you give the authority to the superintendent of public instruction.

SENATOR HOLMBERG: Because the projection the legislation should be involved and know what is going on. Major change in how we've done business and tried to draft a bill that would garner enough votes.

SENATOR REDLIN: It infers that the budget section can turn it down.

SENATOR HOLMBERG: Budget section would be interested to know if they were satisfied with the new numbers the department were giving us.

SENATOR FREBORG : Let record show we are hearing both bills SB2268 and SB2269, they are so similar.

SENATOR KELSH : Amendment we put on SB2162 that would be session laws again, it would have to be done every year.

SENATOR FREBORG : I hope so. We still have SB2162 in our possession.

Testimony in Favor: Ron Torgeson, ND Council of Educational Leaders (No written)

Testimony in Favor: Bev Nielson, ND School Board Association (No written)

Testimony in Favor: Joe Westby, Ex. Dir. ND Education Association. NDEA would like to see a permanent solution. Question on SB2268, where in line 12 it says superintendent may, would that improve, would it be an improvement in that language if we said the super indent "shall make those payment." Possible amendment. NDEA supports SB2269.

SENATOR FREBORG : Want us to guarantee to pay out any surplus funds. Appropriation is 475 million. You believe we should guarantee all of that but at the same time if the number of students is radically wrong and there is a shortfall of \$25 per student we should also guarantee the payment. Is that what you're saying and add to the \$475 million to cover that.

Joe: Think there is a provision in the statute if there is a shortfall. School districts would like some sort of a commitment.

Testimony in Favor: Howard Snortland, American Association of Retired Teachers (No written but support both bills)

Testimony in Favor: Dennis Johnson, ND Farmers Union (No written, support both)

Testimony in Favor: Dr. Lowell Jensen, Superintend of the Bismarck Schools (No written)

Testimony in Favor: Jerry Coleman, DPI (No written) SB2269 Language-any money that remains after April 1, line 5. April 1 distribution to bi-annual distribution.

Close hearing on SB2268 and SB2269.

SENATOR KELSH : Session law. Probably why we lost, we put it on thinking it was permanent law but it was session law and therefore expired at the end of the biennium.

SENATOR FREBORG : Would have been permanent law but the entire amendment disappeared we didn't even pay it out that year. We lost the portion of the amendment that made it permanent. The language that made it permanent disappeared.

SENATOR KELSH : Somebody changed it. Think we're in the same situation with session law.

SENATOR FREBORG : My understanding that we have adopted a new section B to 154.1-05 that becomes permanent law unless we again in a future session should amend that.

SENATOR WANZEK : Amendments adopted are permanent.

SENATOR FREBORG : Not our intent, if the bill is passes it is permanent.

SENATOR O'CONNELL : We though that one other time.

SENATOR FREBORG : To fool me again they'll have to stay up more than one night.

SENATOR REDLIN : Like the shall in it.

SENATOR KELSH : I move a DO NOT PASS on SB2268.

SENATOR COOK : 2nd

Vote: 7 (Yes) 0 (No)

CARRIER: SENATOR KELSH

Discussion opened on SB2269.

SENATOR COOK : What we are doing in SB2162 is what everyone wants to accomplish. This bill SB2269 is not needed.

SENATOR COOK : I move a DO NOT PASS on SB2269.

SENATOR REDLIN : 2nd

SENATOR FREBORG : Motion for a DO NOT PASS ON SB2269.

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Senate Education Committee

Bill/Resolution Number SB2268 & SB2269

Hearing Date January 27, 1999

Vote: 5 (Yes) 2 (No) CARRIER; SENATOR WANZEK

SENATOR COOK : I move that we reconsider our action that we dealt with SB2269.

SENATOR WANZEK : 2nd

SENATOR FREBORG : Motion to reconsider SB2269.

Vote: 6 (Yes) 0 (No)

# FISCAL NOTE

(Return original and 14 copies)

Bill/Resolution No.: SB 2268

Amendment to: \_\_\_\_\_

Requested by Legislative Council

Date of Request: 01/19/99

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:**

In the January following the session, the superintendent of public instruction shall determine if the projected student enrollment used to establish statutory per student payments remains accurate. If an ending balance is projected, the superintendent shall calculate a supplemental payment to school districts based on the revised student enrollment count and anticipated ending balance. Approval of the budget section is required.

Since this bill authorizes payment out of an anticipated ending balance of funds appropriated for foundation aid and transportation, there is no fiscal impact.

2. **State** fiscal effect in dollar amounts:

1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
General Fund	Special Fund	General Fund	Special Funds	General Fund	Special Funds

Revenues:

Expenditures:

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: \_\_\_\_\_
- 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:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
					0			0

If additional space is needed,  
attach supplemental sheet.

Signed Jerry Coleman

Typed Name Jerry Coleman

Date Prepared: 01-19-99

Department ND Dept of Public Instruction

Phone Number 328-4051

Date: 1/27/99  
Roll Call Vote #: \_\_\_\_\_

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2268

Senate EDUCATION Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Move for Do Not Pass on SB 2268

Motion Made By Kelsh Seconded By Cook

Senators	Yes	No	Senators	Yes	No
Senator Freborg, Chairman	✓				
Senator Cook, Vice Chairman	✓				
Senator Flakoll	✓				
Senator Wanzek	✓				
Senator Kelsh	✓				
Senator O'Connell	✓				
Senator Redlin	✓				

Total (Yes) 7 No 0

Absent \_\_\_\_\_

Floor Assignment Carrier Kelsh

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



REPORT OF STANDING COMMITTEE (410)  
January 29, 1999 5:22 p.m.

Module No: SR-19-1518  
Carrier: Kelsh  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2268: Education Committee (Sen. Freborg, Chairman)** recommends **DO NOT PASS**  
(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2268 was placed on the  
Eleventh order on the calendar.

1999 TESTIMONY

SB 2268

We have started each of the last few session on a controversial note, a spat, as it were, between legislators and elementary and secondary education leaders; arguing over the question, why won't you give schools the money they were promised? Ronald Reagen described it best when he said, "Here we go again."

Unflattering media reports paint the erroneous picture of a legislature uncaring about schools and children. This segues into an ongoing adversarial relationship between the legislative assembly and schools which lasts, and lasts, and lasts. This is unproductive, unpopular, and unnecessary.

The issue: Does the legislature appropriate a total amount of money for foundation aid, or do we appropriate per pupil payment levels? The answer to both questions is yes. Thus the confusion in the minds of teachers, legislators, editorial writers, and political candidates.

Today you will have the opportunity to help schools, rehab an image; all at no additional cost to the general fund. SB 2268 and 2269 are straightforward. If the legislature appropriates \$475 million to schools for foundation aid, that's what they should get. PERIOD. If that's what we can afford, that's what schools will get. PERIOD.

You all know the history of enrollment projections from the department over the past few biennium. They go a long way toward explaining the \$13 million "surplus" in the foundation aid program this biennium. That money is slated to be returned to the general fund on July first. That \$13 million from schools represents 65% of all the money turned-back at the end of the biennium.

The two bills you have before you will remove the cycle of claim and blame we have allowed to become a part of the culture of the legislative assembly.

## **SB 2268**

Student enrollment projections from the department of public instruction haven't been particularly accurate in the recent past. SB 2268 would allow the department to get another "turn at bat." The bill would allow the department to determine whether the projected student enrollment count remains accurate. If a decline in student numbers has occurred and will result in a surplus, the superintendent, with the approval of the budget section, would calculate a supplemental per student payment on the basis of the revised student count. This supplemental payment would be distributed with the regular foundation aid payments during the second year of the biennium.

SB 2268 would provide that any "surplus" would be paid out in a fiscally sound manner. It is estimated that if this bill had been in place, the supplemental payment this year would have approached \$90 per pupil. If implemented, SB 2268 might assure that a school district not RIF teachers. It might assure that old textbooks are replaced. It might assure that kids have a better learning experience. It will assure that we have acted responsibly in solving a problem which shouldn't exist.

SB 2268 does not affect, in any way, the ending fund balance this biennium.

## **SB 2269**

Simply provides that if any funds remain in the foundation aid line item in April of the second year of the biennium, they shall be paid out as a separate and additional per pupil payment on a weighted basis. SB 2269 does not affect the ending fund balance this biennium.