

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1141

2001 HOUSE EDUCATION

HB 1141

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1141

House Education Committee

Conference Committee

Hearing Date 02/5/01

Type Number	Side A	Side B	Meter #
#1	X		49 to 1460
Committee Clerk Signature <i>Lisa Gilbert</i>			

Minutes:

Chairman R. Kelseh, Vice-Chair T. Brusegaard, Rep. Bellew, Rep. Grumbo, Rep. Haas, Rep. Hanson, Rep. Hawken, Rep. Hunskor, Rep. Johnson, Rep. Meier, Rep. Mueller, Rep. Nelson, Rep. Nottestad, Rep. Solberg, Rep. Thoreson

Chairman Kelseh: We will now open the hearing on HB1141.

Tom Decker: (DPI) *Please refer to written testimony*

Rep. Mueller: It's old language, but it's old language that I had an issue with when we did it last time. Were there any considerations of changing the 800 square mile provision, to include 400,600 and 800, which are numbers I just pulled out of the air.

Decker: I think HB1384 works inherently into this, and we've reduced that to 600 in some circumstances.

Rep. Nelson: In Subsection 2, if one of the school districts that's going through this reorganized plan has an unlimited general fund levy, per se, so schools with an unlimited levy right now

would have to either have lund by disillusion. If they went through a reorganization, I think they would have to vote separately on unlimited levy.

Rep. Nelson: so, if Subsection 2, would it allow for a district that is at a cap, the new members could adopt that through this five year period up to the cap. Is that what this says?

Decker: Some districts in ND have unlimited mill levies, some districts operate under a 185 mill cap. All districts, under current law, when they're writing a reorganization plan, in that plan have potential unlimited levy authority in the sense that they can set that levy at whatever level they want, including above the cap.

Rep. Nelson: So that's part of the reorganization plan that they vote on.

Decker: That's part of the current law and part of what they vote on.

Bev Nielson: (ND School Board's Association) Our association passed a resolution with this exact wording and I'm here to support HB1141. It's a permissive language that allows for some flexibility and encouragement in local districts to make by getting together and forming that reorganizational plan. It at least allows that discussion to occur. Some potential ways of investing those mill levels as opposed to just boom. We believe that this has been a barrier.

Myron Schweitzer: (Superintendent at Mott) We are one of the newly formed reorganized school districts, Mot and Regent. Most of the board voted to look into the possibility of reorganization. Since that time, we have followed the current law, and we did run into a few problems, and the attached amendments will make it easier for new districts to look at a reorganization. One is the general mill levy. The Mott and Regent mill districts, there was a difference of 10 mills. The way the current law is written, both school districts had a set of general mill levies. It would have been easier to have a plan set up so that after a period of five

years, both districts would be the same, it would have been a lot easier to sell the plan to the general public. Another area we had some trouble on is the building fund. Basically, when we started talking about a reorganization plan, there was some confusion, the mistake may have been on our part for not explaining good enough what the building levy was for. Both districts before this, have the authority to pass this. When the reorganization took place, the building fund assumed that we were going to build a new school, and it took awhile to explain to the public that it's not for a new building, but just to reauthorize a new school board. The number of committee meetings that we had, the number of special board meetings that we had, the production of the required documents that the state needs for the county hearings, the state hearings, the public hearings, it does run quite a bit of an expense, and if some money would have been available up front, whether or not the school districts would have actually reorganized, it would have been easier to prepare a budget for that. The plan itself does work.

Rep. Nelson: Did you hire any outside consultants as far as your reorganization plan that you developed?

Schweitzer: No, we took the Century Code, we did talk to Tom Decker, and some of the other school districts that have already gone through reorganization.

Rep. Nelson: The \$15,000 per district, did you exceed those costs, do you feel in your situation, or is that adequate in your judgment, is there some adjustment that could be made in those dollars?

Schweitzer: This is my first year as superintendent, so I'm not sure if dollars were put aside to help with some of the printing costs. I feel that \$15,000 is probably adequate, and if it were

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House Education Committee
Bill/Resolution Number HB1141
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available ahead of time, I feel that we would have had better visual displays made up, some of the county maps concerning the bus routes were basically produced in house.

Rep. Nelson: What was your vote in the two districts?

Schweitzer: Passed with 85%. The building levels, the ten mills, that one in the Mott districts passed with the 67%.

Chairman Kelsch: Anyone who wishes to appear in opposition to HB1141?

Patty Lewis: (ND Farm Bureau) We don't necessarily oppose this bill, because we support voluntary consolidation in any manner, obviously not mandatory, though. The only heart burn is on page 2, Section 1, with the building fund levy and changing the super majority to a simple majority. I think that it's an important enough issue, the gentleman from Mott didn't seem to have a problem getting a super majority, and I think to get a fair representation from smaller schools, we should retain it at a super majority.

Chairman Kelsch: If we changed that back to the super majority, you wouldn't have any problem with the bill?

Lewis: That's correct.

Chairman Kelsch: We will now close the hearing on HB1141.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1141 A

House Education Committee

Conference Committee

Hearing Date 02/06/01

Type Number	Side A	Side B	Meter #
#1	X		84 to 692
Committee Clerk Signature <i>Lisa Gilbert</i>			

Minutes:

Chairman R. Kelsch, Vice-Chair T. Brusegaard, Rep. Bellew, Rep. Grumbo, Rep. Haas, Rep. Hanson, Rep. Hawken, Rep. Hunsdor, Rep. Johnson, Rep. Meier, Rep. Mueller, Rep. Nelson, Rep. Nottestad, Rep. Solberg, Rep. Thoreson

Chairman Kelsch: We will now take up HB1141.

Rep. Haas: I move we amend HB1141 by deleting lines 25-28 on page 2.

Rep. Brusegaard: Second.

Rep. Nelson: I move a DO PASS AS AMENDED

Rep. Haas: Second.

Rep. Nelson: I will withdraw my DO PASS AS AMENDED until further amended. I'd like to offer this amendment: Line 20, page 4, after the period, strike the language, 'if the school districts do not reorganize, they do not have to repay the money advanced'.

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House Education Committee

Bill/Resolution Number HB1141

Hearing Date 02/06/01

Chairman Kelseh: How about, 'if the school districts do not reorganized, they must repay the money advanced'.

Rep. Brusegaard: Second.

Rep. Meier: I move a DO PASS AS AMENDED.

Rep. Nottestad: Second.

Chairman Kelseh: Committee discussion.

The motion of DO PASS AS AMENDED passes with 14 YAY 1 NAY 0 ABSENT

Floor Assignment: Rep. Nottestad

FISCAL NOTE

Requested by Legislative Council
02/09/2001

Bill/Resolution No.:

Amendment to: HB 1141

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$30,000	\$0	\$0	\$0
Appropriations	\$0	\$0	\$30,000	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$30,000	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Districts planning to reorganize who are eligible to receive a bonus would be eligible to get an advance. The advance would be recovered when the reorganization was approved. It would be repaid if the plan failed.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The money for advances would be in the appropriation for consolidation bonuses from general fund money.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Tom Decker	Agency:	Public Instruction
Phone Number:	328-2267	Date Prepared:	02/13/2001

FISCAL NOTE

Requested by Legislative Council
12/26/2000

Bill/Resolution No.: HB 1141

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$30,000	\$0	\$0	\$0
Appropriations	\$0	\$0	\$30,000	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$30,000	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Districts planning to reorganize who are eligible to receive a bonus would be eligible to get an advance. The advance would be recovered when the reorganization was approved. It would be lost if the plan failed.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The money for advances would be in the appropriation for consolidation bonuses from general fund money.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Tom Decker	Agency:	Public Instruction
Phone Number:	328-2267	Date Prepared:	01/10/2001

Date: 2/12/01
 Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1191

House House Education Committee

- Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number 18157 0101

Action Taken Do Pass as Amended

Motion Made By Rep. Meier Seconded By Rep. Nottestad

Representatives	Yes	No	Representatives	Yes	No
Chairman-RaeAnn G. Kelsch	✓		Rep. Howard Grumho	✓	
V. Chairman-Thomas T. Brusegaard	✓		Rep. Lyle Hanson		✓
Rep. Larry Bellew	✓		Rep. Bob Hunskor	✓	
Rep. C.B. Haas	✓		Rep. Phillip Mueller	✓	
Rep. Kathy Hawken	✓		Rep. Dorvan Solberg	✓	
Rep. Dennis E. Johnson	✓				
Rep. Lisa Meier	✓				
Rep. Jon O. Nelson	✓				
Rep. Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				

Total (Yes) 14 No 1

Absent 0

Floor Assignment Rep. Nottestad

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

REPORT OF STANDING COMMITTEE

HB 1141: Education Committee (Rep. R. Kelsch, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (14 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1141 was placed on the Sixth order on the calendar.

Page 2, remove lines 25 through 28

Page 2, line 29, replace "4" with "3"

Page 3, line 1, replace "5" with "4"

Page 3, line 3, replace "6" with "5"

Page 3, line 5, replace "7" with "6"

Page 3, line 7, replace "8" with "7"

Page 3, line 9, replace "9" with "8"

Page 3, line 11, replace "10" with "9"

Page 3, line 15, replace "11" with "10"

Page 4, line 21, replace "they do not have to" with "the school districts shall"

Renumber accordingly

2001 HOUSE APPROPRIATIONS

HB 1141

