

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SEN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1347

2001 HOUSE EDUCATION

HB 1347


2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1347

House Education Committee

Conference Committee

Hearing Date 02/05/01

Tape Number	Side A	Side B	Meter #
#2		X	7 to 5300
Committee Clerk Signature 			

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 open the hearing on HB1347.

Rep. Haas: *Gave a brief history and introduced that bill*

Rep. Bellew: Is this bill connected with reducing parental choice?

Rep. Haas: Absolutely not. In fact, I think it strengthens parental choice.

Rep. Nelson: How many school districts are asking for this? In my area, many of the schools are subject to declining enrollment, and readily accept the foundation and tuition payment as full payment as a receiving district.

Rep. Haas: It's not a question of whether or not a district of resident will deny an application.

We're saying that the parent simply declare their intent. If we believe in parental choice, then we accept the intent. Beyond that is an issue of equity and consistency.

Rep. Hanson: We have 54 kids that are open enrolled out of our district as far as Hazen from Jamestown, and that's a good junk of change.

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

Rep. Thoreson: This amount of money that the school district would charge the incoming student. Is that based on their cost of educating the student, or is it a state average?

Decker: There's a formula that's based on individual district cost of education. It changes every year, so it varies from district to district. One of the possibilities here is to adjust the basis for this tuition other than that tuition formula. Possibly the districts actual cost or the state average, whichever is less.

Rep. Nelson: Looks to me that there's two things that it will do. It will close many small schools or raise property taxes to keep them open. Another consequence, in situations where we're looking at consolidation, e.g. The Dakota Prairie district: a quarter of million dollars it's going to cost them, because the fringe people have had that right, to open enroll to a neighboring town that's closer to them, and if they have to budget in the consolidation plan, for a cost of tuition that's a quarter of a million dollars per year, how favorably are the residents of that district look to the consolidation?

Decker: Certainly for some districts who have large open enrollment, the cuts are more significant. School districts should be responsible for the cost of education for their students.

The other thing that exists in Dakota Prairie, is the possibility of entering into a cooperative agreement with a district or two that are taking large number of their students.

Rep. Mueller: We're talking about fairness here, but if we are looking at a school district that has a cost of educating their student that's cheaper than the school district down the road to which this open enrolled student wants to go. We're saying to the school district that wants the student, 'you're going to pay what we're paying down here'. My concern is that those two numbers are probably not the same, so that school district that has lost that student are going to end up paying more in tuition than if he would have stayed there, and that doesn't seem to be fair.

Decker: That could be addressed by going to the state average or actual tuition, whichever is less.

Rep. Mueller: We talked about the choice issue here. Most often, those choice issue have to do with a decision that was made. I'm suggesting that we're not allowing that school district to make any choice in this matter.

Rep. Meier: You had mentioned a few districts that this would affect. Which are those?

Decker: Two that come to mind are Dakota Prairie and Jamestown Public Schools.

Chairman Kelsch: Anyone who wishes to appear in opposition to HB1347?

Ed Slocum: (Superintendent from Newtown) In Newtown, we have 22 students open enrolled out and 11 in. With regard to special education, the tuition payments that go out to someone who's educational needs cannot be met in our district, and the school district does have some say as to whether or not this is done or not. Tuition payments that we're paying out currently, if they're court ordered placements, then it isn't parental choice. When it comes down to parental

choice. I can't testify against parental choice, but I do believe that with my own children, I could have chosen to have my son open enroll out to a bigger district, hoping for an enriched curriculum, or we could have moved, or paid the tuition myself. I'm not against parental choice, but I feel that somewhere comes a parental responsibility with that freedom of choice, to foot the bill or to move. There's such a vast disparity of cost.

Richard Ott: (ND Council of Educational Leaders) Eight years ago when this concept was brought before us, there was an agreement that tuition would not be a part of this. If a person wanted to open enroll and the district wanted to accept him that this was a perfectly good way of addressing parent's choice. It's not so much the money that we're losing out on, it's the students. This becomes more significant than the money at times, because there is some advantage to a population that's bigger. You can give it a more broad educational program. Up until this point, most schools have gladly accepted the students. It's important to note that receiving students have been accepting students up to this point without pay. The one half that will be gaining the tuition are ecstatic. The half that are going to be paying are weeping and wailing.

Mark Vollmer: (Willow City Public Schools) *Gave history of school districts*

Jason Kersten: (Newburg Public Schools) With this bill, we'd have to pay for students to leave, even if they've never gone to school in our district. The original plan of open enrollment was for curriculum reasons, and sometimes the reason for leaving a district isn't always for enrollment.

Rep. Nelson: What's your general fund mill levy?

Kersten: 142.

Rep. Nelson: So, your school takes a hit of about \$67,000 if this is fully implemented. It looks to me, could you have room to raise that type of money from the property tax payers in your district, or what would be the implication?

Kersten: It would have to go back into the property tax, and we'd raise it about 15 or 20 mills.

Chairman Kelseh: Of those 21 students, what's the percentage of them that enrolled out, did it to play sports?

Kersten: I would say there are two or three.

Chairman Kelseh: Would it be wise of us to tighten up the open enrollment laws that says that a student could not go to another school district for the purposes of athletics.

Kersten: I don't think you'd be able to because I think when they'd sign up they'd say it was for curriculum.

Chairman Kelseh: We'll close the hearing on HB1347.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1347 A

House Education Committee

Conference Committee

Hearing Date 02/06/01

Tape Number	Side A	Side B	Meter #
#3	X		4365 to 6240
#3		X	1 to 246
Committee Clerk Signature <i>Lisa Albert</i>			

Minutes:

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

Chairman Kelsch: Let's take up HB1347. What are the wishes of the committee?

Rep. Haas: I move my amendments.

Rep. Hawken: Second.

Rep. Nelson: I move a DO NOT PASS AS AMENDED.

Rep. Hanson: Second.

Chairman Kelsch: Committee discussion.

The motion of DO NOT PASS AS AMENDED passes with a vote of 9 YAY 5 NAY 1 ABSENT.

Floor Assignment: Rep. Nelson

FISCAL NOTE
 Requested by Legislative Council
 01/19/2001

Bill/Resolution No.: HB 1347

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	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$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	\$0	\$0	\$0	\$0

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

The bill as proposed would require payment of tuition for open-enrolled students but would not result in an overall increase in appropriation or expenditure.

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.*

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:	01/22/2001

Date: 2/6/01

Roll Call Vote #: ~~000000~~ # 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1347

House House Education Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number 10540.0101

Action Taken Do Not Pass As Amended

Motion Made By Rep. Nelson Seconded By Rep. Hanson

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

Total (Yes) 9 *Click here to type Yes Vote* No 5 *Click here to type No Vote*

Absent 1

Floor Assignment *Click here to type Floor Assignment* Rep. Nelson

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

REPORT OF STANDING COMMITTEE

HB 1347: Education Committee (Rep. R. Kelsch, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (9 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). HB 1347 was placed on the Sixth order on the calendar.

Page 2, line 26, after the first "the" insert "lesser of the state average cost of education per student or the", replace "admitting" with "student's", and after "district" insert "of residence"

Page 2, line 29, after "the" insert "lesser of the state average cost of education per student or the"

Page 2, line 30, replace "admitting" with "student's" and after "district" insert "of residence"

Page 3, line 4, after the first "the" insert "lesser of the state average cost of education per student or the", replace "admitting" with "student's", and after "district" insert "of residence"

Page 3, line 8, after the first "the" insert "lesser of the state average cost of education per student or the" and replace "admitting" with "student's"

Page 3, line 9, after "district" insert "of residence"

Page 3, line 10, after "The" insert "student's school district of residence shall determine the", replace the first "the" with "a", remove "is determined", and after "for" insert "receiving districts"

Page 5, line 21, after the first "the" insert "lesser of the state average cost of education per student or the", replace "admitting" with "student's", and after "district" insert "of residence"

Page 5, line 24, after "the" insert "lesser of the state average cost of education per student or the"

Page 5, line 25, replace "admitting" with "student's" and after "district" insert "of residence"

Page 5, line 29, after the first "the" insert "lesser of the state average cost of education per student or the", replace "admitting" with "student's", and after "district" insert "of residence"

Page 6, line 2, after the first "the" insert "lesser of the state average cost of education per student or the" and replace "admitting" with "student's"

Page 6, line 3, after "district" insert "of residence"

Page 6, line 4, after "The" insert "student's school district of residence shall determine the", replace the first "the" with "a", remove "is determined", and after "for" insert "receiving districts"

Renumber accordingly

2001 TESTIMONY

HB 1347

