

# MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

1433

2001 HOUSE EDUCATION

HB 1433

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1433

House Education Committee

Conference Committee

Hearing Date 01/30/01

Tape Number	Side A	Side B	Meter #
#1	X		305 to 6245
#1		X	1 to 144
Committee Clerk Signature <i>Dea Gilbertson</i>			

Minutes:

Chairman R. Kelsch, 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 Kelsch: We will now open the hearing on HB1433.

Rep. Boucher: (District 9) \*Please refer to written testimony\*

Rep. Mueller: Do you see that much public notice being necessary maybe, with the exception of the superintendent, with these other areas?

Rep. Boucher: I presume you're addressing Section 1 of the bill, where we lay out the process. I think my process that you have in dealing with these types of public occurrences can be cumbersome, but necessary, so I think the first thing is to inform the public as to what's going on. Secondly, I think it's critical that the public has its opportunity. This is affecting those local communities. We're trying to imply that something that we have directed from this particular

perspective but at the same time, it has to be decided there, and we have to develop the process for that to happen.

Rep. Nottestad: I have the concern for Section 4. When you get to that point, four years later, DPI will have to use great discretion on which of these they permit, so a viable school district can happen in part four. Is there any provision in the bill so that four years down the road, all of these districts, all of these districts wouldn't be best together?

Rep. Boucher: I think that's one of the reason's for the four year period of time, because not all of these are going to be good marriages. We've seen this sort of thing happen with our attempts with consortium and so forth, in terms of how we're going to make those ultimate decisions. I put a bill on the table I felt would send the general direction. I'm certainly relying a lot on the expertise that's around this table and within DPI and within the school systems across the state of ND. I don't look at this as being the law or the rules for the process, I'm looking at this as displaying the groundwork and getting it started. I think we have to bring the school districts to the table, we have to have DPI at the table, we have to have people from the legislature at the table to iron those kinds of things out.

Rep. Nelson: I, too, am a proponent of cooperation. I think we've gone a long ways in the consolidation plan that we started two years ago in my district, but one of the areas that probably caused the most hear burn was when that consolidation went before the voters. In four years, the DPI can give the payments out, the school district can receive them. What happens in four years if one or more of the school districts don't approve the consolidation plans at that point?

Rep. Bouche: Those are things you're going to have to deal with, but I think that's why this should be left at the local level. The impetus should be to encourage it to happen and do

everything possible to make it happen. I think a lot of this is communication. There will come a time when people locally will make that decision, and that decision will be made by a vote. I think in time, people come to understand and appreciate what's been done.

Rep. Thoreson: Could you give me a little idea of why you feel that this particular process would be better than just going into reorganization?

Rep. Bouche: I'm not quite sure I understand what your implications of reorganizations and I guess I have to assume, you're saying that we develop a plan here and look over the state of ND, and start carving out and saying, this is the logical way to reorganize these systems based upon location, populations and things like that. Is that what you're telling me?

Rep. Thoreson: That might be a good idea, but what I'm talking about is, you're asking for a program that gives schools an opportunity to try it out as opposed to schools reorganizing ahead of time and making a good organization. Why would we have to have this cooperative program ahead of time?

Rep. Bouche: I guess in the ideal world, what you're saying would happen and I think a lot of that is going on, and I think those districts know what their future holds, but I think that there's something about human nature, we're always reluctant to make those moves, #1 for the opposition and such that we're going to encounter along the way, and often times we're not going to make that move until there's something that makes us do it. That's what we're doing here, we're offering the incentive to get them to move in the direction that they're probably already thinking about right now.

Chairman Kelsch: You talked about your ultimate goal being forty school districts. You don't have that in here. How do you envision this? How long do you envision that to happen?

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House Education Committee  
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Rep. Bouche: I guess I didn't say specifically 40, I'm just using 40. Will that be what happens here in ND? Who knows. It may be 100, it may be 80, it may be 40. What the appropriate number is, I'm not going to stand here and say it, but ten years from now, if we're a responsible legislature, we're going to have an administrative structure and school district structure that's efficient, makes efficient use of the resources we have. I know that 227 is not an efficient number.

Rep. Hawken: In this, you would just have the shared superintendent and some of the specialists, but you would still have the four separate entities of the school board?

Rep. Bouche: In the beginning, year one, year two, year three, year four.

Rep. Hawken: Is there any possibility, because you said in your testimony that one of the hardest thing was the fact that you had to deal with the different boards. Looking at setting up a regional board that would deal with all of this. I'm not sure if we have all those separate entities we're moving forward.

Rep. Boucher: After thoughts and deliberations, if this committee thought that a mechanism such as that would be very useful and appropriate, I'm always agreeable to amend it.

Rep. Monson: (District 10) I do have some districts that have been doing this on their own. Besides being the superintendent at Edinburg, I'm a school board member in Osnabrock, and these two Milton and Osnabrock had an agreement somewhat like this. They shared superintendents, they shared teachers, one had the elementary, one had the secondary. We figured that maybe we could make that marriage last, in the beginning. This particular bill would actually make those districts tie the knot after four years. We've had a number of coops throughout the years and they worked. I see this bill as a possibility for those smaller districts

that aren't sure that they actually want to tie the know, they can have a trial marriage, share some specialists, share their staff members, and maybe in three or four years, those school districts will be able to go together. I don't see that setting up a certain size is always proper, I don't see that setting up a certain number of kids is always proper, I believe that we have to let local people control the situation to an extent.

Sen. Krauter: (District 35) The reality is out there, the hammer doesn't work, and in the past couple sessions, we've gone more to the incentives and we're actually seeing some of these things work. In my district, when I go to the right side, I see Elgin and Leipzig, who went through cooperative arrangements and things started clicking. When I look on my left hand side, I see Regent and Mott, who went through this reorganizational bonus process, and those school boards sad down and said, 'our mission is education and how are we going to do it', and they came up with committee after committee, and when it came to the vote, I think there was over 80% support for it. What we have in front of us is one of those tools.

Larry Klundt: (NDCEL) I'm neutral. Rep. Monson gave some history of some of the things that have gone on in the state. In 1989, a bill was introduced that was basically the brain child of two superintendents form our association. This bill created about 48 administrative units, bringing all of those districts together into super districts with a regional school board. That didn't survive, and we would up with a consortium situation. I'm not speaking on this from a concern for membership at NDCEL. Of course, we're membership driving, but in 1989, the NDCEL had 604 full time members. At the time, 250 of those were superintendents. We're down to about 180 superintendent types today, but our membership as of June was 614, and we've been able to do things with recruit and maintain membership in the face of consolidation, so it's not a

membership issue for us. I think that it's absolutely possible for one person to administer more than one school district, but our association is very certain that when we do that, we ought to have one school board, and we ought not to have four or five policy manuals, negotiation processes, salary schedules, board meetings, etc. What I'm wondering about, however, is what's the potential for this bill. We did some research that was just reported yesterday. We know that there are about 230 school districts, but according to DPI's numbers, there are 188 people that call themselves superintendents in ND. We've also checked Fees and we know that that's 136 Fees in that number. Of the 188, 45 of them are also serving as principal, 133 of them are responsible for some other program course code, 45 of them have another supervisory position like librarian or counselor, and some of those have as many as three of those assignments, 44 of them are teaching a class or more. In fact, one of the superintendents is teaching six classes. If these numbers are correct, what's the potential for additional kinds of sharing to happen? I'm just a little bit cautious as to the number that are going to jump at it. One more concern I have is, in HB1507, when the consortium thing happened, money went out to school districts to do some sharing and then they had to vote to consolidate at the end. Only one voted to consolidate that I remember. It appears to me that this bill does about the same. We put the money out there as an incentive to share, but in the end, if they vote no, they've got the money, and they still haven't come together in that consolidated school district.

Chairman Kelsch: Based on your last comment, would you be opposed to putting in a penalty clause, saying that the school district would have to pay the moneys that they received?

Kludt: I wouldn't be opposed.

Chairman Kelsch: Anyone who wishes to appear in opposition to HB1544?

Jack Atkinson: \*Please refer to written testimony\*

Rep. Nelson: How do you feel about the reorganization plan that's in place today?

Atkinson: I think it's all right as is, because it's optional for schools.

Nelson: What can we do, in your opinion, with 227 school districts and the situation we're in where we have a number of administrators and classroom teachers that are reaching retirement, and from the numbers we get, plan to retire within the next ten years. We have declining enrollment. Do think evolution will just bring this together without some sort of incentive program or without some type of a motivation to do this? What do you see in the future?

Atkinson: In my view, time and need will take care of itself. I see nothing wrong with share superintendents for the districts if they need to do that, and I certainly think that there are many other positions that can be shared, so I think that it will happen, and I think that it's very important, but I do not believe in forced consolidation.

Rep. Mueller: How would you fix this bill? How would you fix this bill and put some accountability into it for the state and the expenditure and the kinds of money we're talking about.

Atkinson: I honestly don't know how to put accountability in it. I think the difference between this bill and the one that was responsible for Dakota Prairie coming about, and many schools taking funds from the states, who talk about consolidation and are trying to go together. The difference is, this doesn't have to be talkin' about that. It can be talking about sharing services, and it may evolve because of those services and there's just so much positive for being able to do that, and so much positive in the state helping along by these incentives. I don't know the accountability is as big a thing as providing enough incentive to do what's right.

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House Education Committee

Bill/Resolution Number HB1433

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Rep. Thoreson: Do you have any idea of how a consolidation, and apparently you feel that it's not good for a community in some cases, but do you have any opinion on what effect it has on students, offering them more curriculum, perhaps more of a variety in the courses they are able to take? Do students feel that this is a good thing?

Atkinson: Yes, I have had experience with that. At Dakota Prairie the first two years, we had three high schools, we shared some services. In the end, that was good for the kids, and that was what it was all about. We did that under the consolidation, of course, but there's no reason why it couldn't have been done before, so I guess I'm more intent on seeing that part of the thing come through. The sharing of services more than anything else.

Rep. Thoreson: Also, I think there's such a thing as tough love. We have, at times, in parenting at least, taken the position of being very strict, and we make some decisions that are difficult decisions, but maybe in the long run, better for the child. Do you think that kind of logic can apply to school districts and that type of thing, as opposed to letting them make their own decision?

Atkinson: I don't know if tough love pertains to this particular situation. I think the people in my community would have much patience for that.

Nancy Sand: (NDEA) We recognize the declining enrollment around the state and we also recognize that reorganization, consolidation, annexation all mean the possibility of losing a job, and we need to be sympathetic to those feelings, however, we also believe that education programs ought to be developed and designed to enhance education for the kids. We're neutral on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1433-b

House Education Committee

Conference Committee

Hearing Date 02-14-01

Tape Number	Side A	Side B	Meter #
TAPE I	x		2118 to 2908
Committee Clerk Signature <i>Joan Davis</i>			

Minutes: Chairman Kelsch called the committee to order on HB 1433. This is the bill on cooperative enhancement education program.

Rep Nelson: For the sake of discussion, I will move a DO NOT PASS.

Rep Thoreson: Second.

DISCUSSION

Chairman Kelsch: Would you like to propose an amendment.

Rep Solberg: I would move the amendment, to remove section four from the bill which is on page two.

Rep Mueller: Second.

DISCUSSION

Chairman Kelsch: We have the motion before us, voice vote was undecided, a roll call vote was taken, the motion fails with a vote of 4 YES, 10 NO and 1 ABSENT. We still have a DO NOT

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House Education Committee

Bill/Resolution Number HB 1433

Hearing Date 02-14-01

PASS motion on HB 1433. The clerk will call the roll on a DO NOT PASS motion. The motion

passes with a vote of 11 YES, 3 NO and 1 ABSENT. Carrier Rep Nelson.

## FISCAL NOTE

Requested by Legislative Council  
01/23/2001

Bill/Resolution No.: HB 1433

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
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$870,000	\$0	\$870,000	\$0
<b>Appropriations</b>	\$0	\$0	\$870,000	\$0	\$870,000	\$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	\$870,000	\$0	\$0	\$870,000

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

This bill provides for state reimbursement for salaries of superintendents, specialists and classroom teachers that are shared under a cooperative education enhancement program.

**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.*

Assumptions: Based on no previous experience.

A 3 district cooperative sharing 1 superintendent, 3 specialists, and 2 classroom teachers

$$82,500 \times 3 \text{ approved coops} = 247,500$$

A 2 district cooperative sharing 1 superintendent, 3 specialists, and 2 classroom teachers

$$62,500 \times 3 \text{ approved coops} = 188,500$$

Per Year 435,000

Per Biennium 870,000

**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.*

<b>Name:</b>	Jerry Coleman	<b>Agency:</b>	Public Instruction
<b>Phone Number:</b>	328-4051	<b>Date Prepared:</b>	01/25/2001

Date: 2/14/01  
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1433

House House Education Committee

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

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

Action Taken Amendment

Motion Made By Rep Solberg Seconded By Rep Mueller

Representatives	Yes	No	Representatives	Yes	No
Chairman-RaeAnn G. Kelsch		✓	Rep. Howard Grumbo	✓	
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 Meler		✓			
Rep. Jon O. Nelson		✓			
Rep. Darrell D. Nottestad		✓			
Rep. Laurel Thoreson		✓			

Total (Yes) ~~4~~ 4 No ~~10~~ 10

Absent 1

Floor Assignment \_\_\_\_\_

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

Date: 2/14/01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1433

House House Education Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

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

Action Taken Do Not Pass

Motion Made By Rep. Nelson Seconded By Rep. Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman-RaeAnn C. Kelsch	✓		Rep. Howard Grumbo		✓
V. Chairman-Thomas T. Brusegaard	✓		Rep. Lyle Hanson	✓	
Rep. Larry Bellew	✓		Rep. Bob Hunsakor		✓
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) 11 No 3

Absent 1

Floor Assignment Rep. Nelson

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

**REPORT OF STANDING COMMITTEE (410)**  
February 15, 2001 1:07 p.m.

**Module No: HR-28-3513**  
**Carrier: Nelson**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1433: Education Committee (Rep. R. Kelsch, Chairman) recommends DO NOT PASS**  
**(11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1433 was placed on the**  
**Eleventh order on the calendar.**

2001 TESTIMONY

HB 1433

Jack Atkinson  
HB 1433

I am here to testify against this bill because of the last part which forces schools to consolidate after four years of working as a shared district. I feel it is unnecessary to have that as a portion of this bill for the schools who want to come together after four years will do so on their own and it may surprise you of the number who may do so after having been involved in a shared superintendency during that time. I believe it would happen. I have experienced the consolidation experience in Dakota Prairie and I can tell you there were many hard feelings and negatives regarding the consolidation before they got to the point that they are today. And I believe that if this bill were to pass without the four year forced consolidation at the end, there would be good feelings among people wanting to work together and that in itself would form the attitude that they may want to go together in a reorganization. But I believe in forcing schools to go together in the end will just cause them to hate the process and the end result for the length of time it takes. Superintendents who are shared among districts will in the best interests of the districts they represent share services where they can. And I believe the boards of those superintendents will see it as an economic and non-threatening measure, which is a must in my estimation. I am currently the part time superintendent of a small school which was consolidated in 1972 Turtle Lake -Mercer, and currently we have 210 great kids and a very competent staff and a school which I believe doesn't take a back seat to any regardless of size. It would not be to our benefit to be forced to consolidate at this time, but there have been some instances in the past where shared services would have been possible, had the board been under one superintendent representing more than one district. I would hope that this bill would be amended to not be forced to consolidate after any length of time and offer the incentive for sharing services, and I believe you will see some longtime relationships in the form of consolidations emerge. But if forced, you will have many hard feelings in the schools you force together and your communities, schools and children within will not have the desire to work together as they must in order to be a good school. . Please do not pass this bill with the ultimatum in it. Thank You.

Testimony for House Bill No. 1433

Prepared for the House Education Committee

Representative Rae Ann Kelsch

Tuesday - January 30, 2001

Good morning Chairman Kelsch and members of the House Education Committee. For the record my name is Merle Boucher, a member of the House of Representatives from District Nine.

As we focus on the various developments of the 57th Legislative Assembly, education appears to be taking over as one of the session's defining issues. One can argue that education has always been a major topic of attention for all legislative sessions. This is certainly true.

At the present time, however, there are education issues that are of a paramount importance in our current legislative environment that can no longer be ignored or put away for a future time and debate.

An issue that has been avoided for many legislative sessions is to develop a rational approach to determine an appropriate school district reorganization plan. At the present time we have 227 organized school districts across the state. The number of students in these districts range from very few to several thousand.

House Bill No. 1433 is an attempt to simplify the reorganization concept. The objective in the bill is to offer simple financial incentives to share primarily administrators and also specialists and classroom instructors.

Some may view that the primary intent of this bill is to achieve fiscal efficiencies, of which it is hoped there will be some. I would like to remind the members of the committee that

the primary goal is to promote administrative and educational efficiencies that should enable the participating schools to enhance and expand their educational program offerings.

The bill provides incentives from the state, but puts the responsibility of making decisions regarding school facilities, locations, local tax policies and other educational decisions left up to the local communities. House Bill No. 1433's consolidation initiative is not about closing buildings and schools. The bill is about improving education quality with state sponsored incentives and encouraging local decision making.

I ask that the members of House Education Committee seriously consider the details of House Bill No. 1433 and the potential that they have to move communities across the state in the right direction.

Please consider giving HB No. 1433 a due pass recommendation.

Respectfully submitted by:

Representative Merle Boucher

# **Cooperative Education Enhancement Program**

## **Supporting Statistics for HB 1433**

*This information has been compiled from data from the North Dakota Department of Public Instruction. It includes:*

- *Classification of districts by enrollment size for 2000-2001*
- *Classification of public High Schools by size for 2000-2001 and 2000-1999*
- *Graph displaying the public districts by total enrollment for 2000-2001*

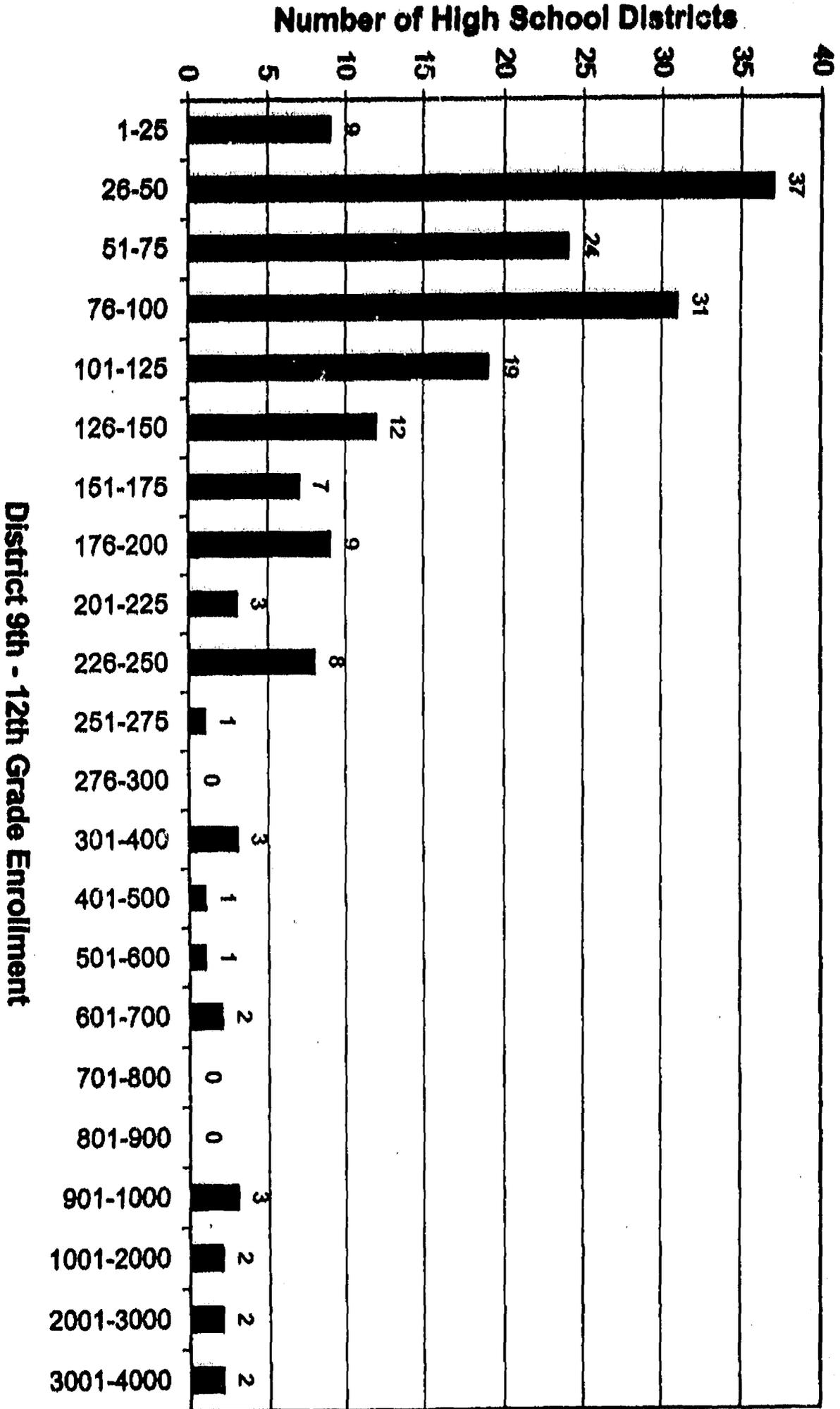
**North Dakota currently has:**

**227 School Districts**

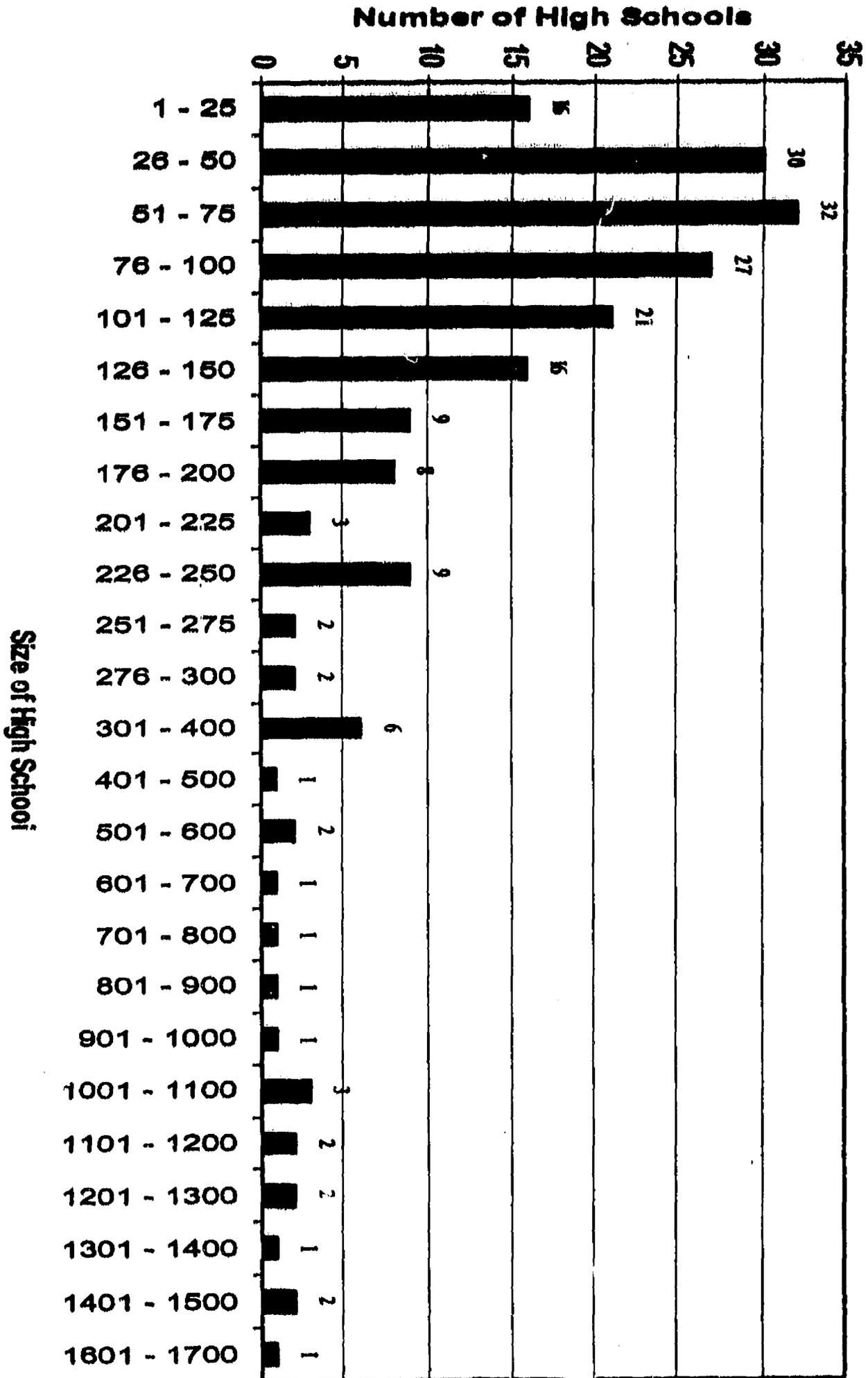
**189 Administrators  
(Superintendents)**

**\$64,386 average salary for  
Administrators**

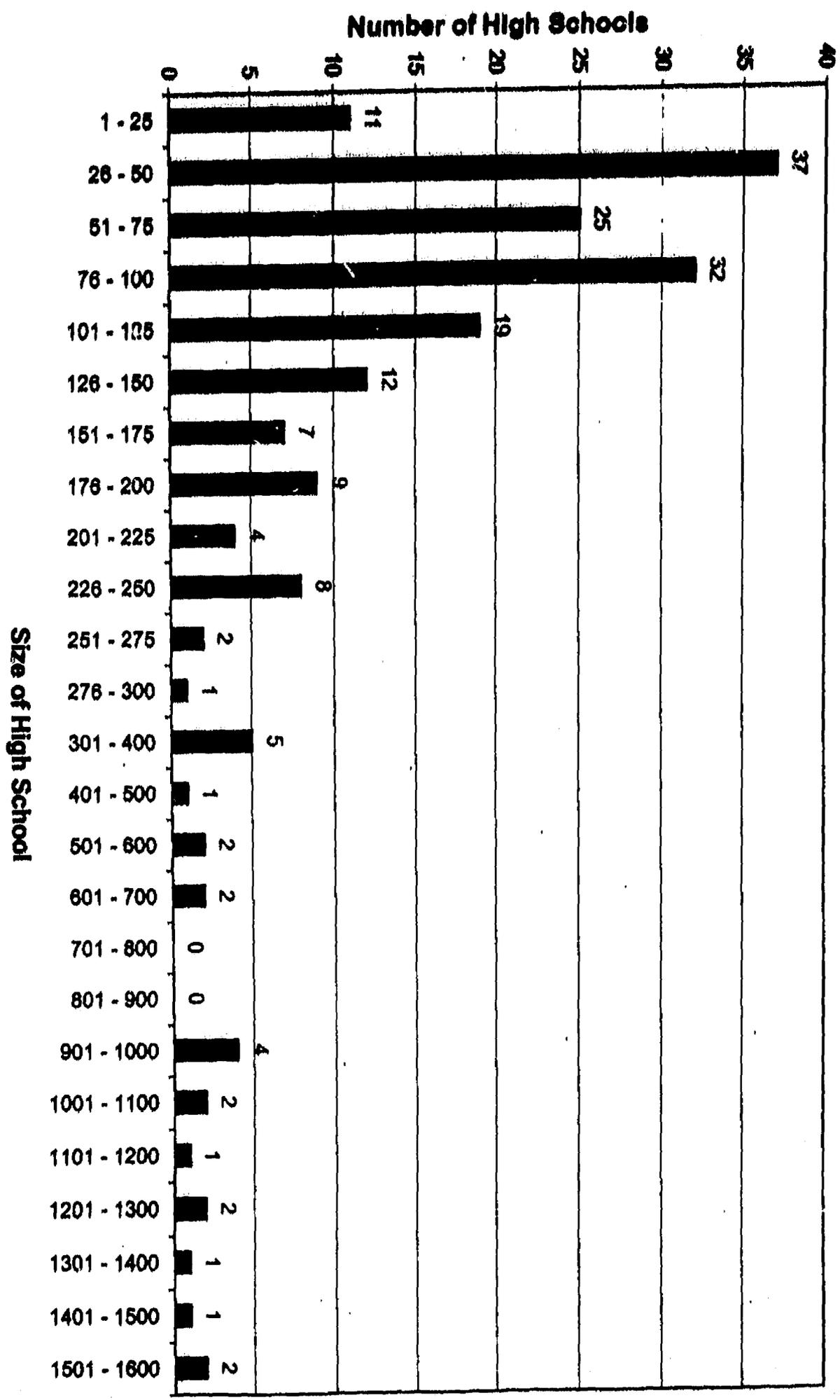
# North Dakota Public High School Districts by Size (2000-2001)



# North Dakota Public High Schools by Size 1999-2000



# North Dakota Public High Schools by Size (2000-2001)



# Public Districts by Total Enrollment

