MICROFILM DIVIDER

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

ROLL NUMBER

DESCRIPTION

2108

2001 SENATE EDUCATION

SB 2108

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2108

Senate Education Committee

☐ Conference Committee

Hearing Date 01-17-01

Tape Number	Side A	Side B	Meter #
1	x		31.6 - 49.0
1		x	8.0 - 8.4
Committee Clerk Signature Sandra Johnson			

Minutes: CHAIRMAN FREBORG opened the hearing on SB 2108 which relates to late filing of reports to the department of public instruction.

Testimony in Support of SB 2108.

JERRY COLEMAN, Asst. Director of School Finance and Organization for DPI, spoke in support of SB 2108. (see attached).

CHAIRMAN FREBORG asked what the deadline was for the required reports. MR. COLEMAN reported the year end reports from the previous year are due August 1st. The Fall reports are due September 10. The reports are necessary in order to make the foundation aid calculations as everything comes on formula on the November 1st payment. Before November 1st, the first four payments to school districts are strictly based on a percentage of what the school received the previous year. In November, all the numbers are in and the department calculates the entitlement for November, and the system settles up to 50% of what the district is

entitled to. In December, the system gives the district 60% of what they are entitled to and then 10% each month until the final payment in April.

SENATOR CHRISTENSON asked if there was an explanation of why the reports were late or nonexistent. MR. COLEMAN replied not to his knowledge. SENATOR CHRISTENSON asked if the bill is passed, would DPI use their discretion in being lenient. MR. COLEMAN replied that he did not feel the law would allow that. SENATOR FLAKOLL asked if it was a possibility that a school with declining numbers would not report because they would then receive that early buffer, based on previous numbers, and then hope they could make it up later (sort of a grasping at straws last attempt to keep the school flowing even with declining enrollment.). MR. COLEMAN stated the formula is pretty much set as to what the district is going to receive and what the payment is to be based on.

There was no opposition testimony.

CHAIRMAN FREBORG closed the hearing on SB 2108.

SENATOR FLAKOLL moved a DO PASS. SENATOR CHRISTENSON seconded.

Roll Call Vote: 6 Yes. 0 No. 0 Absent. Motion Carried. (roll call vote left open for Sen. O'Connell who voted Yes, on Tape 1, Side B, 8.0-8.4.

Carrier: SENATOR COOK

Date: 1-17-01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2108

Senate Education Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen. Flakoll Seconded By Sen. Christenson

Senators	Yes	No	Senators	Yes	No
Senator Freborg - Chairman	✓		Senator Christenson	✓	
Senator Flakoll - Vice Chairman	✓		Senator Kelsh	✓	
Senator Cook	✓		Senator O'Connell	✓	
Senator Wanzek	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Sen. Cook

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

REPORT OF STANDING COMMITTEE (410)
January 17, 2001 3:35 p.m.

Module No: SR-07-1150
Carrier: Cook
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2108: Education Committee (Sen. Freborg, Chairman) recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2108 was placed on the Eleventh order on the calendar.

2001 HOUSE EDUCATION

SB 2108

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2108

House Education Committee

☐ Conference Committee

Hearing Date 2-28-01

Tape Number	Side A	Side B	Meter #
1	xx		100--803
Committee Clerk Signature			

Minutes: Chair Kelsch opened the hearing on SB2108 relating to late filing of reports to the department of public instruction. All committee members were present.

Jerry Coleman, Department of Public Instruction : (170) testified in support of SB2108.

(SEE ATTACHED TESTIMONY) (450 - end of testimony) We feel there should be some penalty for extremely late reporting.

Rep. Nottestad : What type of excuses do you get from the districts who don't report or are very late?

Jerry (477) Usually they say they will get at it, or they say we have had a change in personal, or the they say computer went down. Some just don't make it a priority.

Rep. Nottestad : Is it a situation in which the school doesn't need the money?

Jerry : Well, they went without it for nearly a year, in the one instance. I'm sure they could use the money.

Rep. Hawken : (545) Is it just one particular school district or is it more prevalent?

Jerry : In the five years I have been doing this job, if this bill was in place, we would be using this penalty twice.

Rep. Grumbo (609) What kind of a percent are we talking about for those two months?

Jerry : They would forfeit two months which is about 20%.

Rep. Nottestad : If this bill passed, and they opted not to bother with this at all, would they not file the reports at all and not get the money? Where would the DPI stand, then, in getting the information you need?

Jerry : We would not reinstate any state aid, even in the following year, until we got those reports. This would not affect accreditation.

Rep. Thoreson : Is there any disciplinary action taken to the responsible parties for this?

Jerry : From the state position there is not penalty. That's what we are asking for. We would notify the school boards when we withhold foundation aid. It becomes a school board responsibility.

Chair Kelsch : (794) Is there any more testimony for or against? Hearing none, we're closed.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2108 A

House Education Committee

☐ Conference Committee

Hearing Date 03/05/01

Tape Number	Side A	Side B	Meter #
#1		X	2855 to 4970
Committee Clerk Signature	Lisa Gilbert		

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 take up SB2108.

Rep. Solberg: I move a DO PASS.

Rep. Nottestad: Second.

Chairman Kelsch: Committee discussion.

The motion of DO PASS passes with 12 YAY 3 NAY 0 ABSENT

Date: 3/05/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2108

House House Education Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Rep. Solberg Seconded By Rep. Nottestad

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 Meier	✓				
Rep. Jon O. Nelson		✓			
Rep.Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				

Total (Yes) 12 No 3

Absent 0

Floor Assignment Rep. Grumbo

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

REPORT OF STANDING COMMITTEE (410)
March 5, 2001 12:03 p.m.

Module No: HR-37-4802
Carrier: Grumbo
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2108: Education Committee (Rep. R. Kelsch, Chairman) recommends **DO PASS** (12 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2108 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

SB 2108

TESTIMONY ON SB 2108
SENATE EDUCATION COMMITTEE
January 17, 2001
Department of Public Instruction

Mr. Chairman and members of the committee:

My name is Jerry Coleman and I am the Assistant Director of School Finance and Organization for the Department of Public Instruction. On behalf of the DPI, I am here to speak in favor of SB 2108.

Senate Bill 2108 provides for a penalty for school districts failing to file required reports with the Department of Public Instruction by February 1. Required reports identified in NDCC 15-40 1-06 are required to calculate foundation aid entitlements and are used for numerous other reporting purposes, including statewide statistical calculations and publications. These reports are:

a. Annual average daily membership report.

b. Annual school district financial report.

c. The September tenth fall enrollment report.

d. The personnel report forms for certified and non-certified employees.

Presently, if a school district fails to file any of these reports in time for the November 1 foundation aid payment calculation, all foundation aid payments are withheld until the reports are filed. Once filed, all state aid is reinstated.

Under this amendment, if the district files all required reports by the following February 1, all state aid will be reinstated. If the district files the reports after the February 1 payment, the March and April foundation aid payments will

be forfeited. The Department understands the term "foundation payments" used here to mean per student payments reported on Line 14A of the PI3940 Foundation Aid payment report.

Out of the 230 school districts reporting to us each year, one or two districts have their payments stopped at the November payment for late reports but quickly have their payments reinstated by getting the reports in by the next payment date. However we have had one instance where a district did not provide a financial report to the Department until the following year, at which time state aid was reinstated in its entirety. This was the second year in a row that the report was filed too late to be used in publications and statewide statistical calculations.

Although we hesitate to ask for punitive requirements on school districts, there should be some consequences for extremely late reporting and this bill provides this.

Mr. Chairman, that concludes my testimony. I would be happy to answer any questions the committee may have.